EBRO FOODS, S.A. GROUP

2021 MANAGEMENT REPORT (figures in thousands of euros)

Management information and business performance

1. GROUP SITUATION

Organisational structure and business model

The Ebro Foods Group ("Ebro Foods", the "Group" or the "Ebro Group") is Spain's largest food group, the world's largest rice company and a globally well positioned producer of premium and fresh pasta, with leadership positions in its operating markets. Through its network of 34 subsidiaries, it has a commanding presence in the main rice and pasta markets in Europe, North America and Southeast Asia, as well as a growing presence in other countries.

The Ebro Group's core mission is to research, create, produce and market value-adding food products that, in addition to satisfying its customers' nutritional needs, enhance their well-being and health, all of which framed by a transparent, efficient and sustainable business model.

The Group's model is multi-company, multi-country and multi-brand. Its culture is accordingly characterised by decentralisation, giving each subsidiary autonomy in certain managerial areas such as sales and marketing, logistics, procurement, human resources and environmental management; each company's business focus is nuanced by country specifics in terms of idiosyncratic customs, culture, legislative context, etc. At the helm is the Parent, Ebro Foods, S.A., which is endowed with a light and dynamic structure and tasked with defining overall Group structure and management guidelines. Decision-making is spearheaded by the Parent's Board of Directors.

The Ebro Foods Group structures its management around business areas that combine business activities and their geographic location. The core business areas are:

a. Rice business: the production and distribution of rice and its culinary derivatives and accompaniments. It consists of industrial and branding activities; the Group pursues a multi-brand model. Its geographic footprint extends to Europe, the Mediterranean basin, the Southern Cone and Southeast Asia (via the Herba Group companies) and North and Central America, the Caribbean and Middle East (via the Riviana Group).

b. The premium and fresh pasta business: includes the production and sale of fresh pasta and high-end dry pasta. The fresh pasta business is carried on by Ebro Premium Foods Group in France and Benelux, the Bertagni Group in multiple markets and the Riviana Group, through the Olivieri brand, in North America. The premium dry pasta business is led by Garofalo (Italy and the rest of the world).

In both businesses, framed by the Group's commitment to using food to promote good health, nearly all of the brands' portfolios include healthy, bio and organic ranges.

As noted above, decision-making is spearheaded by the Board of Directors of the Group Parent (Ebro Foods, S.A.), which is ultimately responsible for defining the Group's general strategy and management guidelines. The Board of Directors delegates certain tasks in its Executive Committee, including, notably, oversight of delivery of the strategic and corporate development guidelines.

The Management Committee (on which the heads of the various business areas sit) is tasked with monitoring and preparing the managerial decisions taken by the various business areas. The Annual Corporate Governance Report contains detailed information about the Group's governance structure.

Production of the products sold by the Group relies heavily on the use of rice and durum wheat, although new grains such as pulses, quinoa and other 'ancient grains' are gradually being added to the mix.

Rice is the most widely-consumed grain in the world; however, as some of the world's largest producers consume more of this grain than they produce (China, Philippines and Indonesia), the global rice trade is smaller than that of other grains and cereals. The sources of the rice sold by Ebro vary depending on the type of grain and quality/abundance of rice harvests. Supply sources can be grouped into three major regions which produce different varieties of rice: the US, southern Europe and South East Asia; these sources have been boosted by the addition to the Group of La Loma Alimentos, S.A. in Argentina, an acquisition designed to reduce seasonality in the procurement of certain varieties and generate a significant source of organic rice.

Pasta is produced from a type of wheat that is high in protein called durum wheat. Durum wheat is produced in a far smaller geographic expanse and has a much smaller market than other varieties of wheat, essentially those used to make flour. Ebro mainly sources its durum wheat in the US, Canada and southern Europe (France, Spain and Italy).

It purchases this raw material from farmers, cooperatives and milling companies. Then at the Group's facilities it is milled and/or transformed as necessary. The productive processes differ depending on the product's end use and range from cleaning, milling, polishing and basic extrusion to more complex processes such as pre-cooking, cooking and freezing.

The Group’s direct customers are: (i) the leading food retailers; (ii) the major food multinationals (which use our products as the basis for their prepared products); and (iii) a plethora of hospitality businesses. Despite the fact that they are not usually direct customers, consumers nevertheless play a prominent role in how the Group positions its business.

The Ebro Group operates a portfolio of 84 brands which it sells in 71 countries. It has a manufacturing and sales presence in 15 of those markets. In the remaining 55 it has a sales presence only. Its manufacturing operations encompass a total of 75 facilities, including factories, offices and warehouses.

List of countries with a sales and manufacturing presence

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

List of countries with a sales presence only

Angola	Colombia	Haiti	Libya	Saint Martin
Saudi Arabia	Costa Rica	Hungary	Lithuania	Saint Lucia
Algeria	Curacao	Ireland	Mexico	Singapore
Aruba	Egypt	Iceland	Mozambique	South Africa
Austria	United Arab Emirates	US Virgin Islands	Oman	Sweden
Bahamas	Estonia	Israel	Panama	Switzerland
Bahrain	Finland	Jamaica	Peru	Tortola
Barbados	Gabon	Japan	Puerto Rico	Trinidad and Tobago
Bermuda	Ghana	Jordan	Qatar	Tunisia
Brazil	Greece	Kuwait	Czech Republic	Venezuela
Chile	Guinea	Lebanon	Romania	Yemen

Note 6 of the accompanying annual consolidated financial statements (*Segment reporting*) overviews the key activities, brands and market shares of each business area.

Strategy and value creation

The Group's strategic objective is to be a benchmark player in the rice, fresh pasta, premium dry pasta and healthy grains markets and in other cross-cutting segments with convenience in common. Framed by this strategy, the Group's strategic objectives include:

- Building strong positioning in its core markets, keeping the door open to the introduction of related products.

- Cementing its position as a benchmark business group across its various businesses, leading the markets in which the Group identifies potential.

- Spearheading innovation in the geographies in which it is present.

- Positioning the Group as a responsible firm committed to social well-being, environmental equilibrium and economic progress.

In order to execute and fine-tune its strategy, the Group is pursuing a series of general lines of initiative and leveraging growth drivers in order to add value to the business and further the organisation's commitment to sustainable development.

Governing principles

- Fostering ethical management based on good governance practices and fair play.

- Complying with prevailing legislation, at all times taking a preventive approach. We strive to minimize risks, not only economic risks but also social and environmental risks, including tax risks.

- Generating returns on our investments while guaranteeing the operational and financial solidity of our business activities. Nurturing our profitability as one of the bases for the ongoing sustainability of the organisation and the multiple stakeholders that engage directly and indirectly with it.

- Generating a labour relations framework that is propitious to learning and personal and professional development, respects the equal opportunities principle and promotes diversity and a safe and healthy workplace.

- Rejecting any form of abuse or violation of the fundamental and universal rights, in keeping with international law and practices.

- Promoting a mutually beneficial relationship with the communities in which the Group is present, which means being sensitive to their culture, context and needs.

- Satisfying and anticipating the needs of our customers and of our end consumers by offering a broad portfolio of products under the premise of healthy and differentiated food options.

- Articulating the organisation's processes, activities and decisions not only around profit generation but also environmental and community protection, responsible use of our natural resources and the preservation of biodiversity.

- Communicating responsibly, accurately and transparently with our stakeholders by establishing stable communication channels and providing them with thorough, accurate and relevant information about the Group's activities in a timely and transparent manner.

To achieve its strategic growth and sustainable leadership objectives and ensure compliance with the above guiding principles, the Group pursues the following lines of initiative:

1. Search for organic and M&A-led growth in markets with high consumption levels and/or high growth potential.
    - New markets and product categories with a strategic focus on new fresh products and new and more value-added ingredient ranges.
    - Development of products that offer a fuller culinary experience by adding new formats, flavours and meal solutions
    - Leadership in mature markets by focusing strategically on product quality-based differentiation. Expansion and leadership of the premium category by leveraging the huge potential implicit in our flagship brands.
    - Expanded geographic footprint and rounding out of the product/country matrix:
        - Search for business opportunities in mature markets with business profiles similar to that of Spain and in niche markets that enable the Group take a qualitative step forward in its strategy of shifting away from its generalist positioning to positioning as a multi-specialist (individual solutions).
        - Expanded presence in new business segments in existing markets and in high-growth markets.
2. Product differentiation and innovation. The product development strategy is structured around two articulating lines of initiative:
    - Research and development (R&D): proprietary R&D centres. The organisation's investment policy is designed to foster the crystallisation of new ideas and consumer needs into tangible solutions for its customers and end consumers.
    - The Group aims to have the leading brands in their respective segments, underpinned by the required advertising budgets.
3. Low risk exposure. The Ebro Group's attitude towards shifts in its consumer and financial markets is marked by a strong commitment to continuous adaptation and long-term sustainability.

To this end it seeks: (i) balanced sources of recurring income (markets, currencies); (ii) low leverage in order to withstand episodes of financial turbulence; (iii) new sources of supply; and (iv) the establishment of long-term relationships with its stakeholders (customers, suppliers, governments, employees, society).

4. Implementation of sustainability criteria throughout the entire supply chain ('from the fields to the table'), framed by a master sustainability plan named HEADING FOR 2030 which is articulated around:

    - **People.** Development of plans and measures that improve our professionals' wellbeing at work by committing strategically to continuous learning and career development in order to retain talent and seeking out novel ways of achieving work-life balance, diversity and occupational health and safety. Support for initiatives that contribute to socio-economic progress and help reduce inequalities in our business communities.

    - **Health and wellbeing.** Promotion of health through food, specifically by offering a range of healthy, natural and differentiated products that help consumers follow healthy diets and lifestyles, while enjoying what they eat. The R&D Department's work is guided by these aims and the brands' various communication channels focus their messaging on healthy habits and creative ways of eating by means of recipes, blogs and advertising campaigns.

    - **Our planet**. Environmental preservation and minimisation of our environmental impact all along our value chain, paying special attention to mitigating and adapting to the effects of climate change. To that end, the Group fosters, either on its own or together with other stakeholders, a number of sustainable farming programmes in its main source markets and carries out a range of initiatives designed to move the Group towards a circular economy model by ensuring the recyclability of its packaging, the phase-out of plastics and the recovery of waste.

2. BUSINESS PERFORMANCE AND RESULTS

General backdrop

2021 was meant to be the year of economic recovery. The thinking was that the economy would emerge swiftly from the crisis induced by the pandemic on the back of the vaccination drive, which would pave the way for a rebound in spending and the resumption of international travel. And that was so, but only in part, due to the onset of new variants which spelled restrictions all year long, the gradual withdrawal of the expansionary economic policies announced by the various central banks, the bottlenecks caused by the pandemic and the rebound in the consumption of certain goods and services.

Global GDP growth is estimated at 5.5% in 2021, with the developed economies coming in at around that level (US: 5.55%; EU: 5.2%), while the emerging economies posted more vigorous growth. However, the recovery waned in the last few months of the year and the latest growth forecasts put the bulk of the developing economies still at pre-pandemic levels of output.

In parallel, a number of threats in the form of inflationary pressures (affecting commodities and transportation above all) gathered as the year unfolded. In some products prices reached record highs (some metals), with others reaching levels not seen for many years (energy and some foods).

It was originally expected that the inflationary pressures would prove fleeting, dissipating as supply once again caught up with demand in an economy in clear recovery mode. However, the recent events in Ukraine, following military invasion by the Russian Federation on February 24, 2022, have sparked significant global uncertainty. The international community has reacted swiftly, with many countries (including the European Union and United States) imposing sanctions on Russia and its people. The recent onset of the conflict and its obvious geopolitical implications mean that it is not currently possible to reliably estimate what potential impact the conflict and the international response to it may have on economic growth.

Consumer trends

In general, the trends that were glimpsed last year continued, specifically considerable swings in consumption related with the various waves of the virus but also a significant recovery in the hospitality channel, accompanied by a drop in meals eaten at home and a recovery in sales of higher value-added products. Consumption normalised as the year unfolded.

Some of the changes in consumer dynamics accelerated by the pandemic remain with us, including the step change in online shopping, which is generating new consumption experiences at home and away from home and at-home food delivery opportunities for the best-known restaurant brands. In tandem the pandemic has consolidated the importance of neighbourhood supermarkets for physical shopping.

The general trends pivot around:

Personalisation of the consumer experience, sustainability, health and pleasure

Consumer decision-making power has increased. Consumers have more information at their fingertips, more comparison tools and they are willing to pay to feel identified with products that satisfy their desires. This is translating into:

a. Demand for quality products, ease of preparation and immediate satisfaction of their desires.

b. Preference for natural, healthy and organic foods. Closely related to this sentiment is the growth in the consumption of fresh products and the importance being given to small producers and start-ups that make the consumer feel closer to nature.

c. Search for products that form part of the circular economy, are seen as sustainable and involve stakeholders in their design, production and sale. Ethics are also increasingly driving purchase decisions.

d. Consumers want a wider range of choices. The higher-quality private-label brands have been making inroads in virtually every social strata and segment of the population.

Social changes

a. Population ageing, older people with more say. The 'baby boomers' have transformed this segment of the population, which currently has greater purchasing power and aspirations and needs (exercise and health) that are different from those traditionally associated with this age group.

b. Reduction in the number of household members and constant growth in single-person households; new formats and product and service personalisation.

c. The new generations are paying more attention to their surroundings, sustainability and the environment.

d. Increased mobility and migration in many developed countries, which is introducing new tastes and ways of cooking.

New channels and services

a. Online shopping and connectivity (possibility of shopping with traditional players that can offer user-friendly service, short delivery times, etc.).

b. Growth in the use of neighbourhood supermarkets, where consumers shop more frequently, and specifically the use of convenience stores (24-7, alliances with petrol stations and other places of transit).

c. Consolidation of virtual players such as Amazon and the emergence of new players in the retail market driven by the latest trends in consumption and the use of technology.

d. New ways of cooking and eating (ordering in, vending machines, snacking instead of sitting down to eat, etc.).

The return of normality is driving growth in eating out, with the food service channel registering a healthy recovery, having had to navigate a very difficult period during the pandemic and associated lockdowns. The resurgence of the hospitality industry is shaping a drop in business in the traditional retail channel but also a return to higher value-added solutions. As people return to work, home meals are decreasing and convenience solutions are making a comeback. The brands with strong recognition will lead this change.

All these changes imply challenges for the retail sector and food producers: it is vital to elevate the point of sale, whether physical or digital, to the heart of strategy. Correct visibility and assortment are key success factors. Advertising budgets are moving online and now account for more than 50% of the Group’s campaigns.

Online advertising is characterised by its agility and constant consumer listening throughout product development and launch, compressing those timeframes and enabling faster responses. Lastly, the commitment to end-to-end sustainability is fundamental: Convenience + Health + Sustainability are the drivers of innovation.

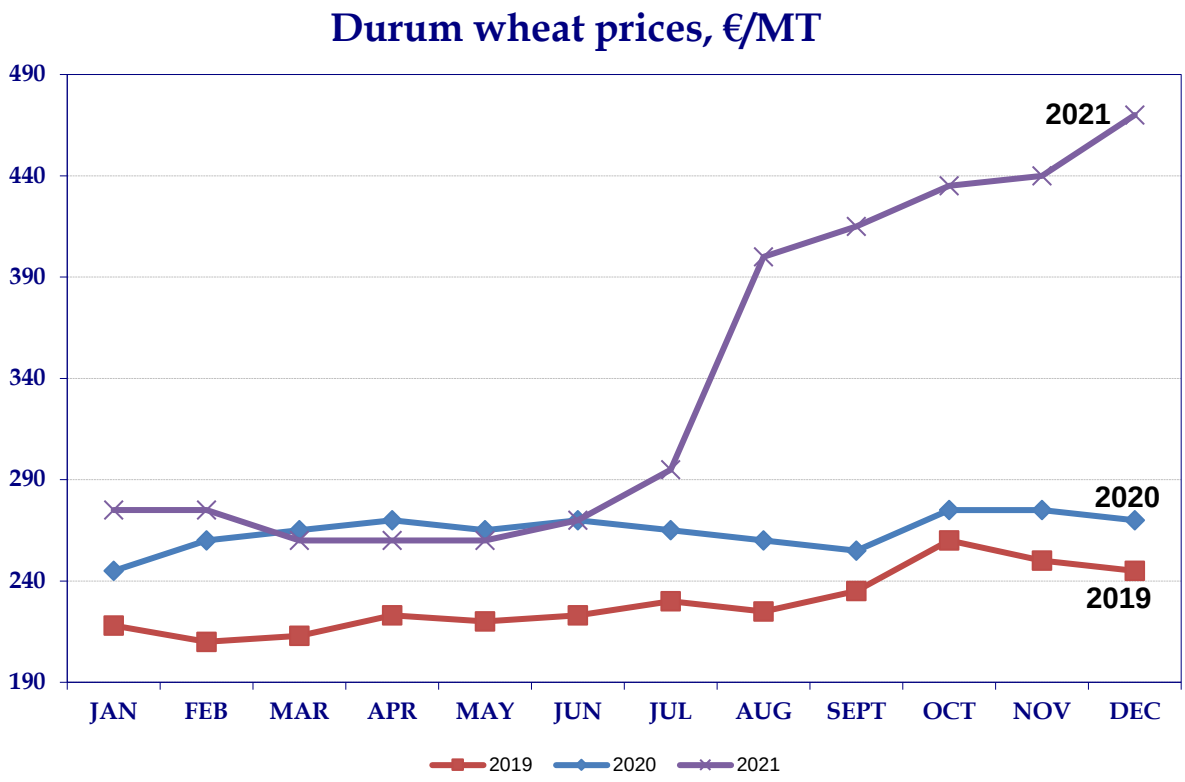
Commodity markets

Sharp growth in demand for goods and services in the wake of the recovery and certain bottlenecks in logistics and goods production were the main drivers of the headline inflation observed in 2021, which affected energy and metal prices in particular.

The run-up in energy prices was gradual, marked by an increase in the price of a barrel of Brent oil of approximately $20 and very pronounced increases in gas and coal prices. Metals had been on the rise since the last quarter of 2020 and remained at high levels. Some, such as brass, aluminium and steel, reached record levels or levels not seen for more a decade.

As for farm products, prices increased by 23% on average (World Bank), fuelled by growing demand and higher energy, transport and fertiliser prices. The increase in transport costs, particularly shipping costs, was particularly noteworthy (more information below).

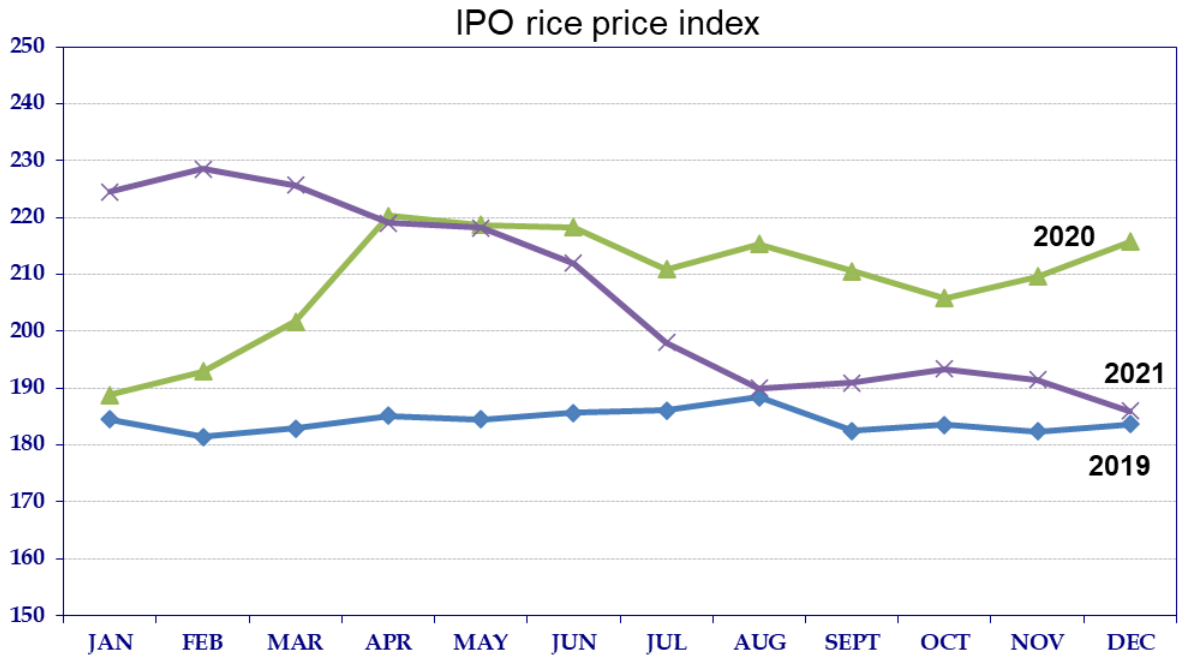
Durum wheat prices surged after the summer with the arrival of the new harvest, marked by drought and grain quality issues in the main producer markets. Since then, prices have been on the rise and are not expected to come back down until the new harvest allows for growth in stock availability.



Source: Terre.net and Ebro data

The 20/21 rice harvest was again strong. According to data published by the Food and Agriculture Organisation (FAO), production was an estimated 515 million tonnes of white rice equivalent, marking slight growth from the previous harvest. The forecast for 21/22 is for a similar harvest in volume terms, coupled with high carryover stocks.

The chart below depicts the trend in the IPO international rice price index for the last three years, showing an average for the most popular varieties of this grain.



Farm gate prices declined during the first half of the year other than in the odd place due to weather phenomena (hurricanes in the US, drought in California and southern Spain). However, manufacturers were nevertheless faced with higher landed raw material costs on account of the run-up in transport prices, which proved a tremendous challenge for the supply chain, with some source markets proving uncompetitive, at least at prevailing shipping prices, as detailed next.

Transport

As indicated in our description of the Group's business model, the grain used by the Group as raw material is often grown in regions far away from where it is transformed and consumed. The finished product has to cover a shorter distance to make it to the end consumer but those logistics are marked by multiple destinations and high frequencies, another factor of relevance when it comes to setting prices and margins.

As a result, transport price volatility can have a significant impact on the business. The inflation in transport prices in 2021 affected ground, air and maritime transportation alike.

Road transportation sustained widespread price increases as a result of the increase in oil prices and a shortage of drivers, in turn caused by: a) tighter regulation of driver hours; b) the scant incentives on offer to these professionals (who earn better money running short intercity or inter-province routes); and c) geopolitical issues such as Brexit. Those higher costs had a direct impact on the landed cost of finished products.

Shipping is key in our industry, as carriers are used to transport dry grain in bulk, while speciality rice and lower volume loads are shipped in containers. The pandemic triggered an abrupt slump in global demand coupled with tremendous uncertainty about the outlook for international trade. The pandemic itself and the related lockdowns drove major growth in online consumption and a change in the types of products in demand (prioritising health products sourced primarily from the Far East). Faced by that situation, the shipping supply chain adapted, modifying routes, taking containers out of circulation and freezing the potential release and/or expansion of tanker capacity.

When the economy came back to life, demand for and supply of shipping capacity had decoupled, initially affecting container carriers and the Asian routes but gradually affecting other types of vessels and, as they mopped up surplus demand, other routes. The recovery also ushered in growth in consumption and in the import of goods, tightening the logistics chain even further.

Meanwhile the supply side continued to stutter:

- Anti-COVID measures caused congestion in ports and stowage, a situation exacerbated by the temporary closure of Chinese ports.

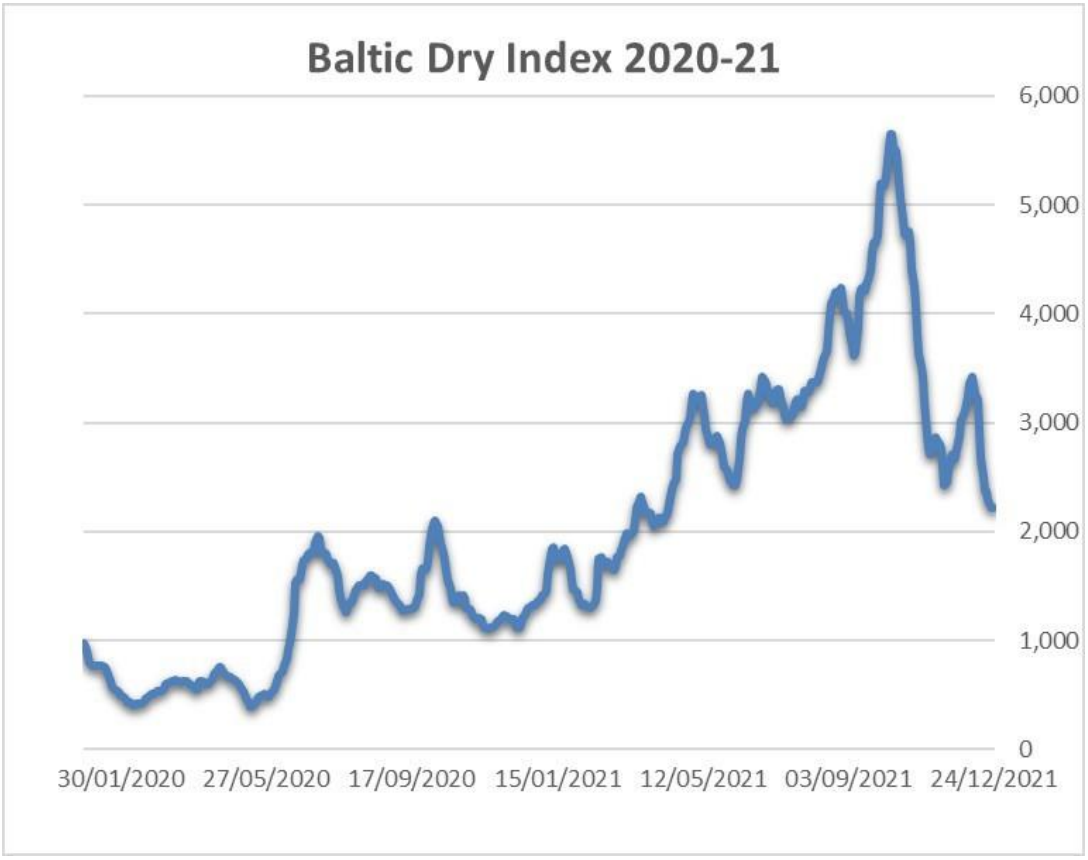
- Operating restrictions meant that significant numbers of containers ships faced unloading delays, in turn prompting fresh gridlock and delays in the ports.

- Uncertainty pushed back fleet renewal decisions. And as the stock of vessels aged, maintenance expenses went up.

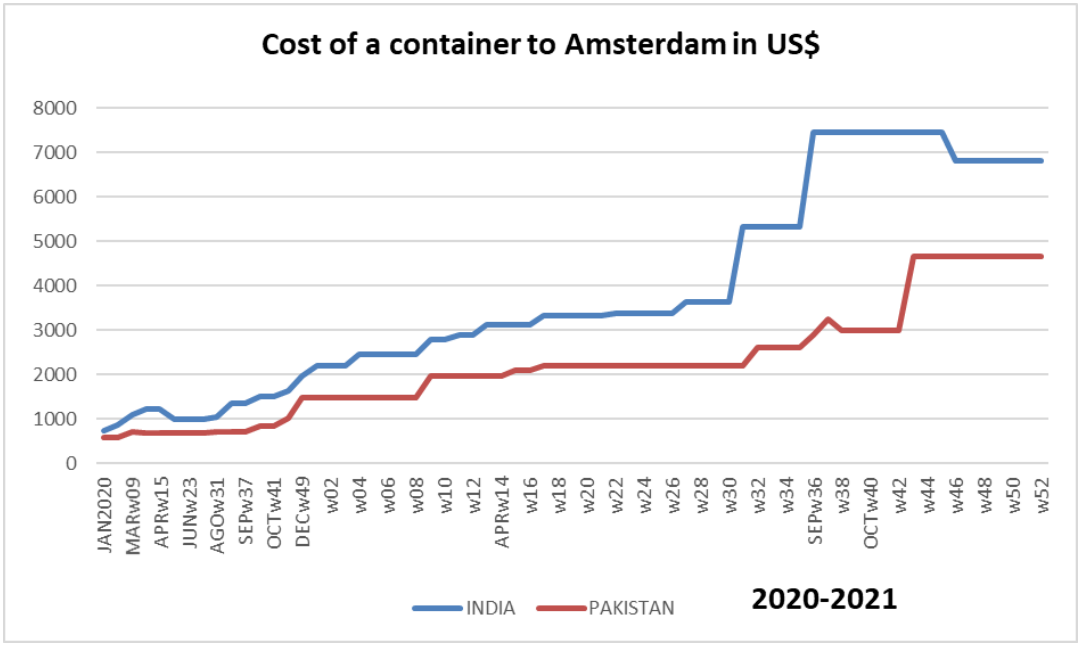
- Environmental legislation is also exerting pressure on vessel supply (the Ocean Shipping Reform Act in the US and new international regulations for cutting carbon footprints).

On top of all that: (i) insurance prices rose globally in 2020; (ii) the raw materials used in ship-building went up in price; and (iii) fuel prices increased.

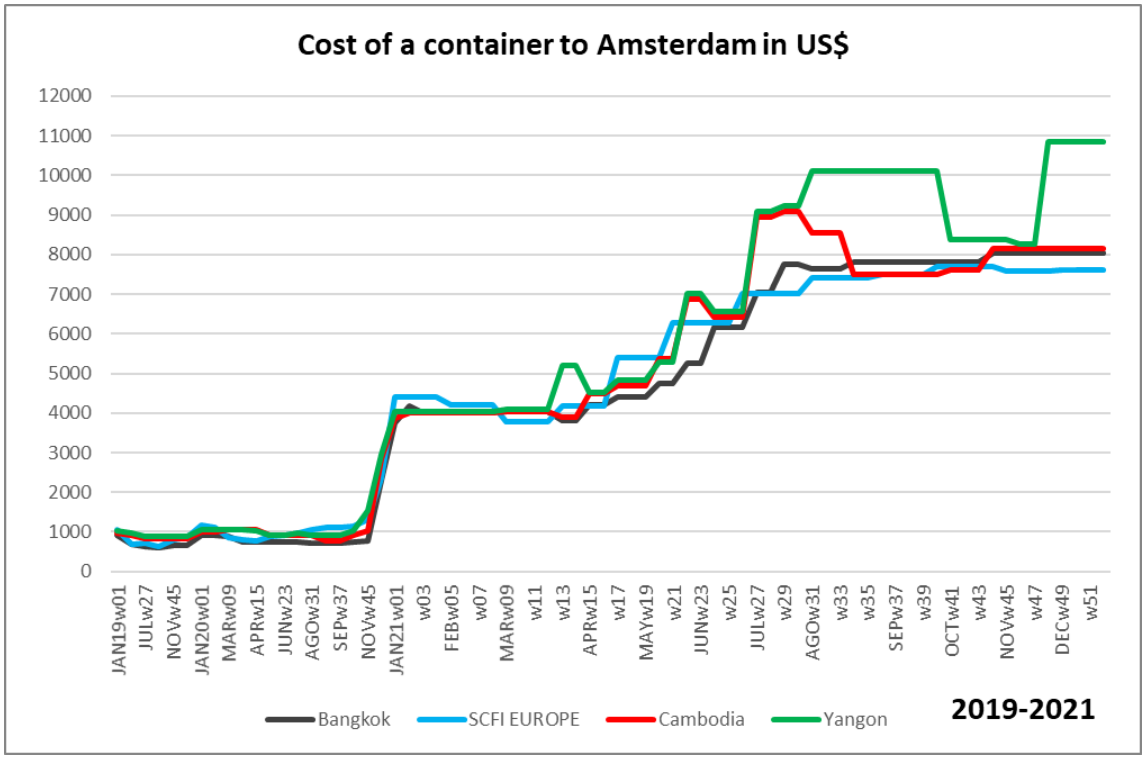
As a result, from the last third of 2020 shipping costs started to surge. The indices tracking contracts for bulk dry goods carriers and freight ships (such as Baltic Dry Index, the Shanghai Containerised Freight Index, the World Container Index and the Harper Petersen Index) indicate that the prices of those contracts have surged by between 500% and 700% since the first quarter of 2020, with an enormous impact on the landed prices of commodities such as rice in routes originating in Asia with destination to Europe or North America.



In the case of the container carriers typically used to transport this type of merchandise, on top of the huge increase in prices, a new risk emerged: that of contract breaches as carriers looked to more lucrative contracts for the shipping of other products or to different destinations, making regular container carriage non-viable in many cases.



Source: the Ebro Foods Group



Source: the Ebro Foods Group

To safeguard its supply chain and reduce costs, the Group rolled out alternative logistics solutions. Specifically, it chartered full dry bulk carriers and filled them with mixed loads for a number of European destinations. The shipping of higher raw material volumes increases the risk of inventory impairment and product losses in transit, in addition to increasing logistics and storage costs by adding complexity to the supply chain. To mitigate those risks, the Group intensified the supervision and management of the logistics chain implied by chartering full tankers and further stepped up at-source testing.

By the end of the year, it looked as if the market would little by little find a new equilibrium and that prices would start to normalise but recent events in Ukraine have once again clouded the outlook for the short term.

COVID-19

As mentioned in the section addressing the economic environment, the global economy has been profoundly affected by the COVID-19 pandemic. Most developed economies approved extraordinary urgent measures to combat the economic and social effects of COVID-19 which little by little have been scaled back.

Although it is probable that the pandemic will continue to affect the economy in the short term, the expectation is that its influence on the recovery will diminish thanks to (i) a very advanced vaccination effort (especially in the developed economies and, little by little, in other countries thanks to vaccine donation schemes and falling vaccine costs due to the emergence of new options); (ii) the gradual lifting of mobility restrictions; and (iii) economic stimulus measures.

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At the start of the second half of 2021, it looked as if things were truly returning to normal when a new 'wave' of transmission fuelled by new variants of the virus once again stymied the recovery process. Nevertheless, full normalisation is anticipated over the course of 2022.

The Group is taking the steps required to tackle the situation and minimize its impact. It believes that the situation is circumstantial. So far there have been no material adverse effects on the Group's financial situation, performance or cash flows although there have been collateral effects related with the pandemic such as the ramifications on shipping costs.

Group earnings performance

The Group's key financial indicators are presented below:

PROFIT AND LOSS	2019	2020	2020/2019	2021	2021/2020	CAGR 2019-2021
Revenue	2,095,245	2,430,310	*16.0%*	2,427,068	*-0.1%*	***7.6%***
Advertising	(58,962)	(67,408)	*-14.3%*	(75,474)	*12.0%*	***13.1%***
As a % of revenue	*-2.8%*	*-2.8%*	*-14.3%*	*-3.1%*		
EBITDA-A	251,365	305,132	*21.4%*	301,860	*-1.1%*	***9.6%***
As a % of revenue	*12.0%*	*12.6%*		*12.4%*		
EBIT-A	170,461	211,711	*24.2%*	207,295	*-2.1%*	***10.3%***
As a % of revenue	*8.1%*	*8.7%*		*8.5%*		
Profit before tax	145,471	159,869	*9.9%*	198,731	*24.3%*	***16.9%***
As a % of revenue	*6.9%*	*6.6%*		*8.2%*		
Income tax	(47,400)	(42,642)	*10.0%*	(53,512)	*25.5%*	***6.3%***
As a % of revenue	*-2.3%*	*-1.8%*		*-2.2%*		
Profit for the year from continuing operations	98,071	117,227	*19.5%*	145,219	*23.9%*	***21.7%***
As a % of revenue	*4.7%*	*4.8%*		*6.0%*		
Profit after tax for from discontinued operations	52,217	89,424	*71.3%*	105,027	*17.4%*	***41.8%***
As a % of revenue	*2.5%*	*3.7%*		*4.3%*		
Profit attributable to equity holders of parent	141,752	192,415	*35.7%*	238,629	*24.0%*	***29.7%***
As a % of revenue	*6.8%*	*7.9%*		*9.8%*		

STATEMENT OF FINANCIAL POSITION	YE 19	YE 20	2020/2019	YE 21	2021/2020
Equity	2,262,203	1,927,351	*-14.8%*	2,101,627	*9.0%*
Net debt	999,849	950,757	*4.9%*	504,723	*46.9%*
Average net debt	871,658	917,574	*-5.3%*	865,418	*5.7%*
Leverage **(3)**	38.5%	47.6%		41.2%	
Total assets	4,381,004	4,035,662	*-7.9%*	3,938,622	*-2.4%*

	YE 19	YE 20		YE 21	2021/2020
Average working capital	643,139	642,535	*0.1%*	662,058	*-3.0%*
Average capital employed	2,080,166	2,183,209	*-5.0%*	2,060,319	*5.6%*
ROCE **(1)**	8.2	9.7		10.1	
Capex **(2)**	148,705	117,602	*-20.9%*	120,035	*2.1%*
Average headcount	7,522	7,664	*1.9%*	6,440	*-16.0%*

(1) ROCE-A = Average profit after D&A but before tax for the last 12 months
(excluding extraordinary/non-recurring items) divided by average capital employed
(2) Capex: cash outflows for investment purposes On average, 15 million euros corresponds to activities that were discontinued
(3) Leverage = Ratio of average net interest-bearing debt to equity (excluding non-controlling interests)

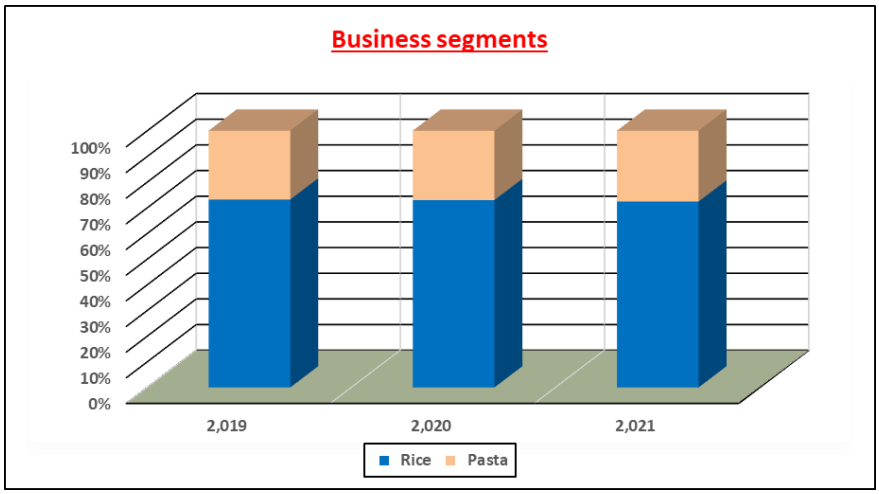
The Group's earnings, specifically those from discontinued activities, reflect the sale of the dry pasta assets in the US, Canada and France, as described in detail in notes 5 and 25 of the accompanying consolidated financial statements.

2021 MANAGEMENT REPORT (figures in thousands of euros)

In keeping with the International Financial Reporting Standards, the results of the dry pasta businesses in North America and France until their sales closed and the net gain recognized on those disposals have been presented within discontinued activities on the consolidated statement of profit or loss for the current and prior reporting periods. The information provided in this management report reflects that circumstance, unless expressly stated otherwise.

Group **revenue** decreased by 0.1% from 2020, implying average annual growth over the last three years of 8%. Sales volumes declined in 2021 and movements in average exchange rates had a negative impact on revenue, offset nearly entirely by: (i) sales of Kohinoor products, a brand acquired in April 2021 (approximately 21 million euros of revenue): (ii) price increases introduced during the second half of the year to offset the increases in raw material, auxiliary material, energy and transport prices; and (iii) an improvement in the product mix as consumption patterns normalised, driving a rebound in the sale of more value-added products (growth in sales of convenience cups of 10%). The drop in volumes is attributable to the normalisation of consumption patterns once the hoarding phenomenon dissipated.

The breakdown of revenue and the year-on-year trend by business line is as follows:



Following the Group's exit from the dry pasta businesses in North America and France, the weight of the rice business stands at around 75% of the total (like-for-like figures, i.e., with the North American and French dry pasta businesses classified as discontinued businesses in both reporting periods), with the pasta business registering slight growth in 2021 thanks to the fresh pasta segment. Approximately one-third of revenue was generated in North America.

EBITDA-A decreased by 1.1% in 2021 (however, accumulated annual average growth remains at 9.6%) and the margin declined slightly year-on-year. EBITDA-A, at 301.9 million euros, includes 2 million euros of negative exchange rate effects.

Profitability remained in line with that of 2020, which was extraordinary, and clearly above that of 2019, having surmounted the difficulties posed by the significant inflationary spiral which impacted the cost of energy, transport, raw material (especially durum wheat) and basic auxiliary materials (plastic, paper and pallets).

In order to defend its margins, the Group put a huge effort into the management of its supply chain, modifying transport methods in some instances, looking for alternative sources of supply in order to keep its products competitive, implementing a productivity improvement plan and supporting the leading brands and value-added products (which translated into a substantial increase in the advertising investment once the worst of the pandemic was over).

Profit before tax increased by 24.3% due to the 35 million euros of impairment losses recognized against the goodwill allocated to the fresh pasta business in Canada in 2020 (refer to note 15 of the accompanying consolidated financial statements).

Profit after tax from discontinued operations includes the net profit of the activities classified as discontinued and the gains recognized on the sale of the dry pasta businesses in North America and France and of the Bio business, as explained in the accompanying consolidated financial statements.

ROCE-A (not restated) remained in line with that of prior years.

Statement of financial position, net debt and capital employed metrics

The movements in debt and capital employed (for the definitions, refer to the end of the management report) are mainly attributable to:

a. The reduction in capex in recent years. The figures presented include the attributable to the discontinued operations which averaged 15 million euros in each of the last two years.

b. The impact of the trend in the USD-EUR exchange rate on the balances of the subsidiaries denominated in that currency.

c. The significant increase in the working capital requirement in recent years, most notably at the end of 2021.

d. The sale in 2020 and 2021 of the dry pasta businesses in the US and France and the payment of extraordinary dividends (298.5 million euros in 2020 and 87 million euros in 2021).

In order to properly understand the Group's working capital requirement and how it is funded, it is important to analyse the factor with the biggest impact on these headings: the volume and measurement of Group inventories. Inventory volumes are sharply cyclical, moving in tandem with rice and wheat harvests (particularly the rice harvest for which the inventory cycle is longest). More specifically, inventory volumes are at their lowest at the end of the rice season (end of summer) and at their highest at the end of each year and start of the next, after the various purchase contracts have been arranged for the new season.

That cyclicality makes it advisable to use 13-month moving averages to calculate certain alternative performance measures (APMs). Note that neither these APMs nor the ROCE have been corrected retrospectively for the Group’s exit from certain business segments.

Rice business

PROFIT AND LOSS	2019	2020	2020/2019	2021	2021/2020	CAGR 2019-2021
Revenue	1,592,464	1,846,799	*16.0%*	1,810,570	*-2.0%*	***6.6%***
Advertising	(33,785)	(37,534)	*-11.1%*	(39,952)	*6.4%*	***8.7%***
As a % of revenue	*-2.1%*	*-2.0%*		*-2.2%*		
EBITDA-A	195,465	238,123	*21.8%*	231,650	*-2.7%*	***8.9%***
As a % of revenue	*12.3%*	*12.9%*		*12.8%*		
EBIT-A	146,131	180,719	*23.7%*	173,057	*-4.2%*	***8.8%***
As a % of revenue	*9.2%*	*9.8%*		*9.6%*		
Capex	75,160	69,345	*-7.7%*	74,246	*7.1%*	***-0.6%***

As noted, raw material prices increased, mainly due to the increase in the cost of shipping from Southeast Asia (India, Vietnam, Thailand, Myanmar) from where landed cost prices increased by between six and seven times, giving other source markets stronger bargaining power. Those issues overshadowed a strong global harvest, with the odd exception on account of meteorological phenomena such as Hurricane Nicholas in the southern US and endemic drought in the south of Spain, which has reduced planted acreage in the Guadalquivir basin by 50%.

Prices for the US harvest increased on the back of a smaller sown area in long-grain planting areas and the effects of the terrible drought affecting California, where medium-grain rice predominates.

US harvest prices **(source: USDA)**

August-July

$/cwt	21/22 (*)	20/21	19/20	18/19	17/18
Average price	15.7	14.4	13.6	12.6	12.9
Long grain	13.5	12.6	12	10.8	11.5
Medium grain	22.1	20.1	17.8	18.5	16.2

(*) Estimate

Revenue decreased slightly (-2.0%) albeit showing average growth since 2020 (when the Tilda Group was consolidated for the full year for the first time) of 6.6%. The beginning of normalisation in consumption patterns has reorganised the market, with growth in sectors related with the hospitality and food service sectors in tandem with a contraction in traditional retail. The value-added segments registered growth, having been penalised in 2020.

Revenue during the last third of the year was buoyed by the price increases announced to address the inflation situation; those announcements also drove a degree of stock-piling ahead of the increases. The Group initially increased prices selectively in its aromatic variants and others affected in particular by the increase in shipping costs and then, in the last quarter, it announced general price increases as inflation began to spiral.

As noted, the microwaveable rice formats registered renewed growth, having been adversely affected in 2020 by the lockdowns and growth in meals at home. In Spain, for example, sales volumes in this product family increased by 16%, with the Brillante brand sustaining growth of over 20% and the other brands lagging behind at around 8%.

In the US, where this product class had suffered less on account of the average consumer profile, microwaveable rice products defended their share of a contracting market (-7.3% in volumes). To cater to that growth, during the last quarter of 2021, the Group commissioned its new factory in San José de la Rinconada, with capacity to produce up to 100 million microwaveable cups a year once it is at full capacity.

EBITDA-A decreased by 2.7% from 2020, in line with the topline contraction, including negative exchange rate effects of 2.3 million euros. Margins were largely flat year-on-year, as the effect of lower volumes was largely offset by a more profitable sales mix. The Group managed to absorb the growth in costs thanks to a combination of productivity measures, a shift in the product mix and price increases.

It is worth highlighting the positive contribution made by the frozen rice business in the US, which, having reached breakeven volumes, increased its contribution more than tenfold.

The Tilda Group, added to the Group mid- 2019, continues to lead growth in the value-added aromatic rice range despite the fact that basmati rice was one of the variants affected by the most by the increase in shipping costs and the final throes of Brexit.

The business's higher contribution to EBITDA-A was concentrated, in order, in the US, UK, Spain and the rest of the EU, although the weight of developing markets is growing.

Capex remained at high levels, framed by the strategic commitment to higher growth business lines (microwaveable rice in the US and Spain) and productivity gains (packaging, storage and logistics).

Pasta business

PROFIT AND LOSS	2019	2020	*2020/2019*	2021	*2021/2020*	CAGR 2019-2021
Revenue	567,646	666,072	*17.3%*	671,879	*0.9%*	***8.8%***
Advertising	(27,786)	(31,234)	*-12.4%*	(37,018)	*18.5%*	***15.4%***
As a % of revenue	*-4.9%*	*-4.7%*		*-5.5%*		
EBITDA-A	67,854	81,302	*19.8%*	84,856	*4.4%*	***11.8%***
As a % of revenue	*12.0%*	*12.2%*		*12.6%*		
EBIT-A	37,783	46,803	*23.9%*	50,477	*7.8%*	***15.6%***
As a % of revenue	*6.7%*	*7.0%*		*7.5%*		
Capex	71,772	47,474	*-33.9%*	45,266	*-4.7%*	***-20.6%***

The biggest development this year was the exit from the dry pasta business in North America and France, as described in notes 5 and 25 of the accompanying consolidated financial statements. That decision is aligned with the Group's leadership strategy and decision to concentrate its efforts on products that offer high growth potential such as premium dry pasta and fresh pasta products with leading brands in the respective markets. As already noted, all of the figures provided in this management report, unless expressly stated to the contrary, treat that business as a discontinued business.

Durum wheat prices sustained widespread growth from the summer when the Canadian and US harvests shrank on the back of drought problems, while the European durum wheat harvest was of poorer quality. Canada, the world's largest producer, saw its production fall by 60%, and global output declined by around 10%.

In 2021 **revenue** increased by 0.9%, driven by growth in the fresh pasta business which, like other value-added products, had been penalised by the pandemic (consumers initially sought out staple goods and simplified their supermarket shops).

By market:

a. In France, the fresh pasta market registered growth of 3.4% in volume terms and the Group's brands increased their market share to 47.9% (Nielsen 52-week tracker). The pan-fry gnocchi range, in which the Group commands a clear leadership position, remains one of the fastest-growing segments.

b. Bertagni, after an extraordinary 2020, extended its growth (+7%), posting revenue of 133 million euros, consolidating its product and customer portfolio, which includes the most important retail chains in Europe and North America.

c. In Canada the market registered growth of 6.5% in volume terms and 6.8% in value terms, which, while considerable, is the lowest level in five years, during which time the market really exploded. Olivieri increased its leadership with a market share of over 58% in value terms (Nielsen 52-week tracker) thanks to the successful launch of its pan-fry gnocchi range (volumes have tripled in four years), following in the footsteps of the Group's French subsidiary.

d. Garofalo was affected by the contraction of the dry pasta market once the worst of the pandemic was over. The overall Italian dry pasta market contracted by 7.9%. Nevertheless, Garofalo's performance was excellent: it increased its share (by volume) of the Italian premium pasta segment to 6.1% from 5.9% (Nielsen 52-week tracker). In Spain it is the leading Italian pasta brand and a benchmark in the premium segment.

EBITDA-A decreased by 4.4% due, basically, to a weaker performance at Garofalo, where volumes fell back and margins suffered from the surge in durum wheat prices and the additional cost of shipping raw materials and finished products (Costco USA is one of its main customers).

The profitability of the French fresh pasta business increased by 11%, driven by volume growth despite the above-mentioned issues caused by the higher cost of durum wheat and other auxiliary materials. Roland Monterrat's contribution clearly improved but remained negative.

Bertagni repeated last year's record level of profits, deemed a major success in light of the market circumstances. Its exports were seriously affected by the increase in container shipping costs from the first quarter of the year and the widespread increase in the cost of auxiliary materials from mid-year. It rolled out a project in collaboration with Garofalo for the production of fresh pasta under the Bertagni brand which the Group thinks has tremendous potential.

The contribution of the fresh pasta business in Canada continues its upward ascent, spearheaded by the performance of the pan-fry gnocchi segment, where sales continued to grow and whose contribution outweighs the rest of the product categories.

Capex (not restated; of which an annual average of 15 million euros corresponds to activities discontinued in the last two years) was relatively stable and concentrated on capacity additions at the Garofalo and fresh pasta factories.

3. LIQUIDITY AND FINANCING

The Group's finance department strives to configure a capital structure that permits credit ratio stability while providing business flexibility in the short and long term.

The finance structure is articulated around long-term borrowings that fund the major investments. The rest of the Group's financing is arranged on a short-term basis and takes the form of credit facilities that cover shifting working capital requirements. All that financing is arranged in accordance with the Group's short- and long-term growth plans, which are crystallised in its annual budgets, budget revisions and multi-year business plans.

The breakdown of the Group's financial liabilities and the capital requirements embedded in certain long-term loan agreements are detailed in note 12 of the accompanying consolidated financial statements.

Investments / disposals

Acquisition-led growth (asset and business acquisitions)

The Group has not closed any significant acquisitions since it purchased the worldwide Tilda business for 292 million euros in 2019.

The most significant disposals concluded in 2021 were the sales of the dry pasta businesses in North America and France. The US assets were sold for 337.5 million US dollars, the Canadian assets for 165 million Canadian dollars and the French dry pasta business for 550 million euros, the latter subject to debt and working capital adjustments.

Organic growth

The Group underpins its pursuit of growth and innovation with a capex policy that in recent years has entailed the overhaul of its instant rice and fresh pasta productive capacity and a significant effort to expand the market for its frozen cereal and rice products. Capex (cash outflows) during the past three years:

Year	Amount (thousands of euros)
2019	148,705
2020	117,600
2021	120,035

Of that amount, an annual average of 15 million euros corresponds to the businesses discontinued in recent years.

Financial position

Borrowings have come down sharply thanks to the disposals concluded in the last two years, despite the payment of extraordinary dividends in the amounts of 298.5 and 87.7 million euros in 2020 and 2021, respectively.

NET DEBT (thousands of euros)	2019	2020	*2020/2019*	2021	*2021/2020*
Equity	2,262,203	1,927,351	*-14.8%*	2,101,627	*9.0%*
Net debt	999,849	950,757	*-4.9%*	504,723	*-46.9%*
Average net debt	871,658	917,574	*5.3%*	865,418	*-5.7%*
Leverage	44.2%	49.3%	*11.6%*	24.0%	*-51.3%*
Leverage (average net debt) ***(1)***	38.5%	47.6%	*23.6%*	41.2%	*-13.5%*
EBITDA-A	251,365	305,132	*21.4%*	301,860	*-1.1%*
Coverage	3.98	3.12		1.67	

(1) Leverage = Ratio of average net interest-bearing debt to equity (excluding non-controlling interests)

Note that 197 million euros of borrowings at December 31, 2021 relate to the recognition for accounting purposes of the put options over the outstanding interests in the Bertagni Group, Garofalo, Geovita, Santa Rita Harinas and Transimpex. For accounting purposes, those unexercised options are recognized as an increase in Group borrowings. The changes in borrowings (without factoring in the net debt assumed pursuant to acquisitions, that recognized in the process of accounting for the above put options, changes in the fair value of certain financial assets/liabilities and the impact of exchange rate movements) were shaped by the following sources and uses of cash:

FREE CASH FLOW (thousands of euros)	2019	2020	*2020/2019*	2021	*2021/2020*
Cash from operating activities	250,458	369,863	*47.7%*	17,483	*-95.3%*
Cash from/(used in) investing activities	(356,692)	104,998	*-129.4%*	609,712	*480.7%*
Cash used in share-based transactions	(99,187)	(398,019)	*301.3%*	(186,337)	*-53.2%*
Free cash flow	**(205,421)**	**76,842**		**440,858**	

Cash from operating activities declined in 2021 as a result of: (i) an increased working capital requirement on the back of the sharp increase in raw material prices; (ii) the increasing in shipping costs; and (iii) the payment of taxes in connection with the discontinued businesses sold.

The other major movements correspond to:

- Investing activities. The movement in capex (as already outlined above). In 2019, those outflows included payment for the acquisition of Tilda. Proceeds from investing activities in 2020 and 2021 included the collection of the proceeds from the sales of the North American and French dry pasta businesses.

- Share-based transactions. Distribution of dividends, including that paid to minority shareholders. In 2020 and 2021, dividend payments included the extraordinary dividends outlined above.

4. RISK MANAGEMENT TARGETS AND POLICIES AND USE OF FINANCIAL INSTRUMENTS

The Risk Control and Management Policy is a core component of the corporate policies approved by the Board of Directors. It establishes the basic principles and general framework governing control and management of the business risks, including tax-related risks and the framework for internal control over financial reporting, faced by the Company and its Group companies.

That general framework materialises in a standardised enterprise risk control and management system which is inspired by the conceptual framework embodied in the Internal Control Integrated Framework of the Committee of Sponsoring Organisations of the Treadway Commission ("COSO"); it is, accordingly, based on a business risk mapping process designed to identify, assess and score the Group's ability to manage its various risks, prioritising them in terms of impact and probability of occurrence. The universe of risks is categorized into four main groups: compliance, operational, strategic and financial/reporting.

The risk categorization process assesses, dynamically, both inherent risks and residual risk after application of the internal controls and protocols put in place to mitigate them.

Within those controls, it is worth highlighting the existence of preventative measures, the adequate segregation of duties, well-defined clearance limits and specific policies and procedures.

The enterprise risk model is qualitative and quantitative: the impact of the identified risks on the Group's results can be measured, based on defined risk tolerance thresholds at the corporate level. A description of the risk management model and the risks that materialised during the reporting period can be found in the Annual Corporate Governance Report which is an integral part of this management report.

In 2021, the Group continued to pay particular attention to the risks related with the pandemic induced by COVID-19 as well as all aspects related with the supply chain, particularly shipping and the preservation of food safety.

The main risks addressed in the model are:

Operational risks:

- Food safety. Given the nature of its business, food safety matters are a critical issue to which the Group pays the utmost attention; those issues are governed by a host of regulations and laws in the numerous countries in which its products are made and sold.

  The Group's policy is underpinned by compliance with prevailing legislation and a pledge to upholding stringent food quality and safety standards.

  The food safety programmes are based on oversight of protocols designed to ensure identification of certain critical points (called Hazard Analysis and Critical Control Points or HACCP) in order to minimize residual risk.

The main control points are grouped as follows:

- Physical points: controls to detect alien materials or the presence of metals.
- Chemical points: detection of chemical substances or the presence of allergens.
- Biological points: detection of the presence of salmonella and other pathogens.

Most of our food handling processes have obtained certification under either the IFS (International Food Safety), SQF (Safe Quality Food) or the BRC (British Retail Consortium) food safety standards recognized by the Global Food Safety Initiative, as well as other local or product-specific standards (e.g., Kosher, Halal or gluten-free food).

The Group companies have also defined, developed and implemented a quality, environmental and food safety model which has been certified in accordance with the UNE-EN-ISO 9001 (food safety management systems), UNE-EN-ISO 14001 (environmental management) and ISO 22000 (food safety management) standards.

- Raw material supply risk. The availability of raw materials in sufficient quantities and of the quality needed to satisfy the Group's commitments to its customers and continue to underpin brand positioning is a key business success factor.

  To mitigate that risk, the Group has opted to strategically diversify and lock in supply sources by: (i) reaching agreements from season to season with some of the leading raw material suppliers (of rice and wheat durum); and (ii) opening subsidiaries or sales offices in some of the main rice exporting nations (e.g. India, Pakistan, Thailand and Cambodia) and countercyclical markets (Argentina).

- Risk associated with commodity price volatility. Unexpected changes in raw material supply prices can have a material adverse impact on the profitability of the Group's business via its manufacturing operations and it brand retailing efforts. This risk is concentrated in the prices of the various varieties of rice and durum wheat, although the Group is also exposed to variability in the prices of packaging materials, transport and energy.

  This risk is managed via:

  a) Early identification of potential supply problems or gluts in certain grains or varieties which could expose stocks to price variability. The buyer departments track the markets continually and issue alerts to the managers of the various businesses to enable them to manage the related risks.

  b) The Group locks in volumes at fixed medium-term prices when the market is propitious to these kinds of agreements and sales transactions can be negotiated that will generate stable margins throughout the corresponding periods.

c) Supply chain management from purchase to receipt of the merchandise. Enabling the changes needed in market sources and means of transport to ensure quality and on-time deliveries.

d) The Group also attempts to reduce the number of intermediaries in the markets for local or exotic varieties, compressing the value chain.

e) Lastly, the Group strategically differentiates its finished products and this helps it pass volatility in raw material costs efficiently on to the end consumer.

- Customer concentration risk. This risk factor affects the industrial and retail segments alike (although in the latter instance the end consumer of the products made by the Group are the individuals who eat its foods, the retailers are concentrating - boosting their buying bargaining power - year after year).

  This concentration phenomenon can result in less favourable sales terms and conditions, heightened credit risk and even the loss of certain sales.

  The Group's geographic diversification helps to mitigate this risk factor as its customers vary by country and for now the retailers' attempts at international expansion have met with limited success.

  In parallel, each subgroup has a sales risk committee which allocates risk tolerance thresholds and a strategy for enforcing these thresholds. These levels in turn reflect overall business strategy.

- The risk of falling behind on technology development. One of the Group's most important tools when it comes to tackling the competition is to differentiate and update its products, a strategy underpinned by constant technological innovation and an unwavering effort to adapt its range to consumer demands and wishes. As described further on in this report, the Group's R&D strategy is a cornerstone of its business strategy. Its R&D departments work in close collaboration with the sales & marketing departments to mitigate this risk.

- Cybersecurity. The exponential growth in internet access exposes enterprises and users to attacks of different kinds: identify theft, malware, website attacks, zero-day attacks etc. The Group has an action plan which includes: (i) the provision of continuous staff training on these threats; (ii) the definition of appropriate network infrastructure (firewalls, WiFi access controls, network electronics, browsing permissions and the design of connected industrial networks); (iii) the correct definition of user points (anti-virus, mobile device management systems, permissions, updates); and (iv) data management and safekeeping programmes (back-ups, use of the cloud, shared information, etc.).

  The Ebro Group’s cybersecurity policy is based on several pillars that are fundamental to ensuring system security: (i) end device security (user devices and servers); (ii) identity security; (iii) network access perimeter security; and (iv) data security. For each pillar the Ebro Group has market-leading tools and procedures underpinned by best risk minimisation practices.

In September 2021, the Group suffered a ransomware attack at one of its subsidiaries which triggered the rollout of a package of extraordinary measures designed to ring-fence the attack, limit the possible damage, investigate the scope of the attack and repair potential damage to servers and other user hardware. The Group believes that the damage has been limited and its in-house experts and the outside specialists hired to assist it believe that the ransomware incident will not have consequences for its operations or reputation.

In the wake of that attack, the Group has reinforced its perimeter security measures, especially at the most significant facilities, and defined and implemented advanced security systems.

Risks related to the environment and strategy:

- Environmental and natural risks. The effects of droughts and floods in the rice- and wheat-growing countries from which the Group sources its raw materials can cause availability issues and price volatility. These natural risks can also affect consumers in affected areas and could even affect the Group's assets in these markets.

  Once again the key to mitigating these risks is to diversify raw material sourcing, as well as the markets the Group's products are targeted at. In addition, the Group has articulated a flexible manufacturing structure with facilities on four continents, minimising the impact of potential local problems.

- Climate change. The effects of climate change pose a grave threat to the food industry. The rise in greenhouse gas emissions is damaging the environment and with it, its natural resources and biodiversity.

  Although this risk factor has been classified within the Group's operational risks, its impacts are multiple, affecting the four dimensions defined in the risk map (operational, financial/reporting, compliance and strategic). Its potential strategic impacts include: (i) potential changes in consumer habits; and (ii) the need to make specific investments to mitigate the impact of climate change.

  The industry has a key role to play in tackling climate change on account of its direct dependence and impact on natural resources like land and water and its contribution to economic activity and society at large.

  The Group is therefore committing to sustainable production and consumption, efficient use of resources, energy sustainability, the reduction of food waste, eco-design and sustainable and efficient logistics operations. In short, it is a matter of helping deliver the international commitments assumed in the COP 21 Summit in Paris in 2016.

  Against that backdrop, in December 2018, the Group approved a sustainability plan (dubbed *Heading for 2030*) in which it sets down a series of actions and challenges related with the environment and supply chain, including initiatives designed to rationalise the use of water and energy, enhance waste management, streamline and reuse packaging materials, measure (carbon footprint) and reduce emissions, assess suppliers using sustainability criteria and provide support for sustainable farming.

- Competition risk. The Group does most of its business in developed and mature markets in which it competes with other multinational enterprises and a good number of local players. In addition, in these markets the retailers have developed their own private label brands which exert extra pressure on the Group's products.

  Management of this risk factor takes the form of measures designed to lead the various product categories or market segments:

  a) Comprehensive analysis of competitor moves and the fine-tuning of pricing and promotional policy in response to the prevailing market situation.

  b) Product differentiation by innovating on formats, range and quality, all with a clear-cut customer focus.

  c) Repositioning in high growth potential categories by means of organic business development or acquisitions that fit with the Group's strategy.

- Reputation risk. The risk associated with a potential shift in opinion crystallising in a negative perception of the Group, its brands or its products by customers, shareholders, suppliers, market analysts, the social media or other stakeholders with a potential adverse effect on the Group's ability to maintain its customary relations (commercial, financial, labour, etc.) with these stakeholders.

  To tackle this risk, the Group has established an internal Code of Conduct designed to guarantee ethical and responsible conduct throughout the organisation by all its staff and the professionals or institutions it engages with in the course of its business activities.

  Its brands, along with its people, constitute the Group's most valuable intangible asset, and are accordingly subjected to constant assessment in which different management, marketing, food health and safety, compliance and IP protection considerations converge.

- Shifting lifestyles. New diets such as low-carb diets and other food habits could change how consumers perceive our products.

  The mitigating initiatives pursued entail assessment of consumer patterns, fine-tuning of the Group's product range in response to market trends, as well as active participation in forums propitious to disseminating the health virtues of its products.

- Country or market risk. The international nature of the Group's activities exposes its business operations to the political and economic circumstances prevailing in the various territories in which it does business, as well as other market variables, such as exchange rates, interest rates, production costs, etc. The fallout from the UK's withdrawal from the European Union (Brexit) falls under this category (refer to note 12 of the consolidated financial statements), as do risks from potential geopolitical crises such as that currently playing out in Ukraine and the international response thereto.

- Strategic planning and the assessment of strategic investment/divestment opportunities. This is the risk of making a mistake when selecting among alternatives and/or allocating resources to projects aimed at delivering the Group's strategic objectives. In the short term, this risk includes the need to align budgets with the medium- and long-term objectives set by the Group. This risk is mitigated by requiring transactions above certain thresholds to be approved at the Board level in addition to the customary due diligence performed when the Group makes significant acquisitions, all of which involving the coordinated intervention of senior executives and risk officers.

Compliance risk

- Sector regulations. The food manufacturing industry is subject to multiple regulations, which affect export and import quotas and tariffs, intervention prices, etc., all framed by the European Common Agricultural Policy (CAP). In addition, the Group's activities could be affected by regulatory changes in the countries from which it sources its raw materials or to which it sells its products.

  To address this risk, the Group is represented in, voices its views in and follows a number of legal and regulatory forums via a team of prestigious professionals who work to ensure enforcement and compliance.

  Within this category an area of growing relevance, and one that is related with other operational risks such as supply and food safety, relates to the increasingly stringent rules on the use of fungicides and pesticides on the crops which lie at the heart of the food industry. These rules are of particular importance to rice growing activities.

  To mitigate this risk, the Group has stepped up its quality and fungicide/pesticide detection controls by: (i) working on selecting trustworthy suppliers that will be asked to embrace sustainability criteria; (ii) championing educational drives to encourage farmers to search for natural alternatives to these chemical products; and (iii) reinforcing at-source product controls.

- General regulations. This category encompasses compliance risk with respect to civil law, company law, criminal law and good governance regulations and recommendations. In terms of the risk of white collar crime, the Group has a crime prevention model which is monitored and controlled by the Compliance Department.

  An important aspect within this category is the need to observe, uphold and enforce human rights and suitable standards of ethics, as is enshrined in the Group's Sustainability Plan and its Code of Conduct.

- Tax risk. Potential changes in tax legislation or its interpretation or application by the competent authorities across the Group's business markets could have an adverse effect on its performance.

  To mitigate this risk, the Group, through its tax managers, monitors regulatory developments and potential interpretations thereof, asking tax experts for reports in support of the positions it takes, at all times framed by the principle of prudence.

Financial risk

In the course of its ordinary business operations, the Group is exposed to certain financial risks associated with its financial assets and liabilities, particularly its bank loans, overdrafts, equity instruments, cash and cash equivalents. In addition, the Group has other financial assets and liabilities such as trade accounts receivable and payable.

These financial instruments expose it to market risk as a result of movements in interest rates (instruments carrying floating rates), exchange rates (those denominated in currencies other than the euro), changes in their fair value, liquidity risk (the inability to monetise assets within reasonable timeframes or at reasonable amounts) and credit risk (counterparty risk).

A description of these risks and the mitigating measures taken is provided in note 12 of the accompanying consolidated financial statements.

5. EVENTS AFTER THE REPORTING PERIOD

The recent events in Ukraine, following military invasion by the Russian Federation on February 24, 2022, are causing significant global uncertainty.

The international community has reacted swiftly, with many countries (including the European Union and United States) imposing sanctions on Russia and its people.

The recent onset of the conflict and its obvious geopolitical implications mean that it is not currently possible to reliably estimate what potential impact the conflict and the international response to it may have on the businesses of the Group.

The situation is already affecting the availability and prices of certain commodities (those in which Russia is a leading global producer and exporter, such as wheat and sunflower oil), energy prices and exchange rates. However, it is hard to estimate how these variables will evolve in the coming months.

Despite the uncertainty and impossibility of making reliable estimates, the Parent's directors believe that the current situation and its consequences are not and should not have a material impact on the Group, underpinned primarily by the following considerations:

- The Group has no subsidiaries, branches or operations in the region affected by the armed conflict. The Group does not have (and has not had in the recent past) factories, customers or suppliers in Ukraine or Russia.

- Neither Russia nor Ukraine are or have been sources of wheat supply for the Group which, moreover, has downsized its dry pasta business significantly in 2021 and 2020 (note 5 of the accompanying consolidated financial statements).

As a result, its exposure to the potential impact of inflation in that commodity and its different variants is considered low (as it should not go beyond the indirect effect that the reduction of wheat exports from Russia could have on the prices of wheat sourced from other markets).

- With respect to the global economic impact, the types of products made by the Ebro Group makes its businesses more resilient during times of economic crisis. As a result, the Group does not anticipate a significant decrease in customer demand, loss of suppliers or other adverse effects on its supply and distribution channels.

- As for energy costs, the measures announced by the European Union and other countries with the aim of (i) reducing dependence on oil and gas sourced from Russia; and (ii) mitigating the effect of the conflict on energy costs, should mean that those potential increases will not have a significant impact on the Group's businesses.

In light of the foregoing, the Parent's directors believe that these events do not imply the need to make any adjustments whatsoever to the accompanying consolidated financial statements for the year ended December 31, 2021.

There have been no other significant events or developments between the end of the reporting period and the date of authorising this management report for issue.

6. GROUP OUTLOOK

Last year this section started out with the words, "recovery" and "uncertainty". One year later the narrative hasn't changed. Just as the crisis induced by the pandemic looked to be finally passing, leaving behind an inflationary trail that was undermining the recovery, a new crisis erupted onto the scene on February 24, 2022, when the Russian Federation invaded Ukraine.

As outlined in the section on *Events after the reporting period* above, the Group believes that although the impact of the crisis on its business should be limited it does generate uncertainty.

Rice prices are holding relatively stable, with the FAO price index ticking up 1% in February 2022 but still clearly lower year-on-year. On the downside it is worth underscoring: (i) the threat of dollar appreciation (the currency in which international contracts are closed); (ii) the persistence of shipping prices at record levels (showing no signs of a correction in the near future); and (iii) the problems derived from the droughts being sustained in the south of Spain and California, which are beginning to look structural.

As for durum wheat, the prospect of a stronger harvest in Canada should alleviate prices from the summer. Moreover, contagion from the situation in Ukraine and Russia (two major exporters of common wheat) is limited by the fact that the two crops are only substitutes to a degree.

On the sales side of the business, the key issue is the extent to which the prevailing uncertainty and widespread inflation will weigh on consumption. If the cycle changes, the number of meals eaten out and product mix could suffer.

The Group makes and sells products that cover basic needs so that, even if the economy were to suffer a downturn, the impact on the Group's business would likely be limited. Nevertheless, the Group will monitor developments closely to assess whether it is necessary to fine-tune its promotional activities or investments.

Profitability could be influenced by swings in the dollar exchange rate, a currency that acts as a safe haven in times of uncertainty. The Group has continued to arrange hedges to cover its currency needs in the coming months to mitigate that situation. Elsewhere, around 35% of the Group's inflows of cash are generated in dollars such that dollar appreciation increases the value of that business.

- **Rice business**

  The goal is to expand in the growth categories: aromatic rice, ingredients and ready-to-eat products. In Europe, we expect to finish work on the new microwaveable rice factory in San José de la Rinconada which is already in the testing phase. At full throttle, capacity will increase to 100 million cups a year.

  The Group plans to lead the categories that are growing while maintaining: (i) its position in the core business; (ii) service quality; (iii) the customer experience; and (iv) supply chain continuity in times of high uncertainty and volatility.

  Lastly, given the widespread increase in costs, the Group has increased prices in most SKUs, a move which, together with other productivity measures, should help buffer the impact of inflation on margins.

- **Pasta business**

  The main objectives in this business are:

  - Concentrating growth on the fresh product and premium dry pasta segments. We need to focus on our business.

  - Defending our products' profitability. As in the rice segment, we have implemented widespread price increases. We will pay close attention to trends in value-added products to watch for potential changes in consumption patterns.

  - Stepping up investment in this category in the near future, an effort that will unlock growth via new volumes and innovation.

7. HEADCOUNT AND ENVIRONMENTAL DISCLOSURES

This information is provided in the Non-Financial Statement, which is part of this management report, and in note 24 of the accompanying consolidated financial statements.

8. R&D ACTIVITY

The Ebro Foods Group has always been a front-runner in terms of new consumer trends and an international benchmark in the research and development of products applied to the food sector. Aware that R&D is essential to the Group's quality and differentiation strategy, it remained unwaveringly committed to innovation in 2021.

In total, R&D expenditure in continuing operations totaled 3.1 million euros in 2021 (1.8 million euros of which funded internally and 1.3 million euros, externally).

Investment in R&D totaled 24.3 million in 2021 and mostly corresponded to payments made during the year to improve processes at the instant rice factory in the US, to finish the new microwaveable cup factory in San José de Rinconada and to develop new filled fresh pasta and gnocchi processes in France and Italy.

The Group has articulated its R&D engine around research centres located in France, the US, the Netherlands, Italy and Spain. These centres and their main projects in 2021 were:

1. The R&D centre located in Lyon. Research focused on the development of fresh pasta, gnocchi, rice, pulse and other grain categories. In 2021 it worked on (i) new production processes and product quality improvements; (ii) productivity gains; and (iii) range extensions.

2. Bertagni R&D Centre in Arcugnano. Work continued in 2021 on the development of the double-filling technology patented by Bertagni; expansion of the ravioli range and formats; and the development of new technology designed to further reduce food safety risks during production.

3. United States. The US Research Department focuses on developing new (and adapting existing) products, processes and technologies in the US. In 2021 its work focused on (i) developing a broad range of microwavable cup products adapted for US uses and customs; (ii) developing a new range of instant rice mixes with vegetables; (iii) developing and adapting heating processes; and (iv) testing products and assessing raw materials.

4. Centres associated with the Herba Group in Moncada (Valencia), the San Juan de Aznalfarache plant, the ingredients facility in Wormer (Netherlands) and the Bruno plant (Italy), devoted to (i) the development of new and/or improved product and technologies; (ii) the provision of technical assistance with rice and derivative product technology; and (iii) the development of ingredients with cereal or pulse bases. The most important projects under development include: (i) the development of value added protein substitutes for meat; (ii) the development of transformed rice flours and starches that permit alternative treatments and uses; (iii) research into new uses for grains and cereals; and (iv) process optimisation and productivity gains.

9. OWN SHARE TRANSACTIONS

In 2021, the Parent had the power to buy back and sell own shares under the scope of the authorization granted at the Annual General Meeting held on July 29, 2020 for a period of five years (and duly notified to the CNMV in keeping with prevailing legislation). In 2021, under the scope of the employee share plan, it bought back 37,000 shares, sold 828 and delivered 36,172 own shares to employees. The Company did not hold any own shares at December 31, 2021.

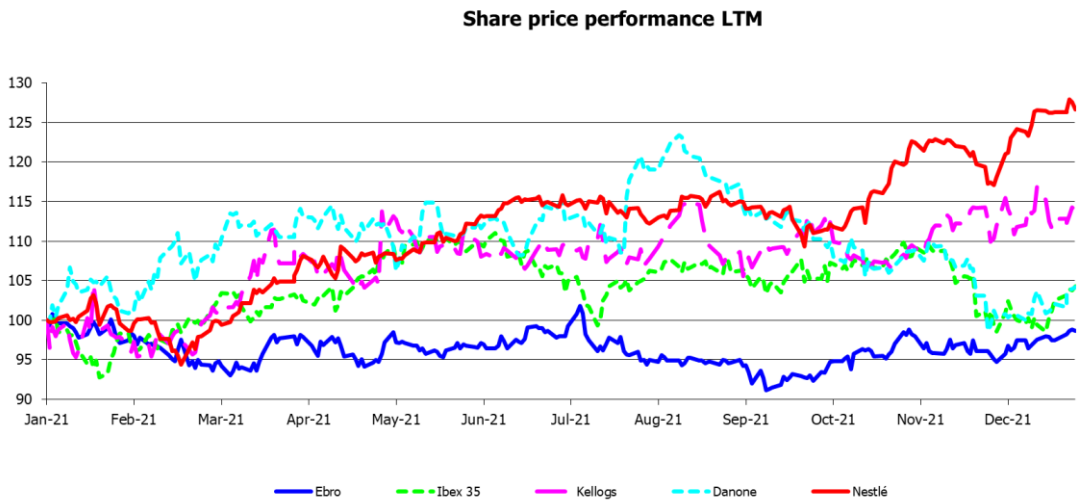
10. OTHER RELEVANT DISCLOSURES

Average payment period

As required under the Spanish Corporate Enterprises Act, it is hereby noted that the average payment period of the companies domiciled in Spain was 27.3 days in 2021 and 23 in 2020. Calculations made in accordance with the ICAC (Spanish Accounting and Audit Institute) Resolution.

	2021	**2020**
	Days	**Days**
Average supplier payment term	27.3	23.0
Paid transactions ratio	29.0	22.5
Outstanding transactions ratio	13.8	35.5
	Amount (thousands of euros)	Amount (thousands of euros)
Total payments made	400,673	369,824
Total payments outstanding	55,093	15,090

Share price performance



The share price ended the year flat, underperforming the market and its sector peers that had been hit hard by the crisis and whose share prices rebounded sharply after the economy reopened and began to recover.

Dividend distributions

The Parent's shareholders ratified the motion to pay an ordinary cash dividend with a charge against 2020 profit and unrestricted reserves of 0.57 euros per share, payable in the course of 2021 for a total outlay of 87,703 thousand euros, at the Annual General Meeting held on 20 June 2021. The dividend was paid out in three equal instalments of 0.19 euros per share on April 6, June 30, and October 1, 2021.

At an Extraordinary General Meeting held on December 15, 2021, the Company's shareholders ratified a motion for the payment of an extraordinary dividend of 0.57 euros per share (before withholdings), for a total outlay of 87,703 thousand euros. That dividend was paid out in one go on December 22, 2021.

Alternative performance measures

In keeping with the guidelines provided by the European Securities and Markets Authority (ESMA), there follows a description of the main alternative performance measures used in this management report.

These measures are used frequently and consistently by the Group to explain its business performance and their definitions have not changed.

EBITDA-A. Adjusted EBITDA. Earnings before interest, tax, depreciation and amortization and before earnings not related with the operations that generate the regular cash flows associated with the core business (essentially gains or losses deriving from transactions involving the Group's fixed assets, industrial restructuring charges, provisions for or settlements from lawsuits, etc.).

The reconciliation of EBITDA-A and operating profit is provided below:

	2019	2020	2020/2019	2021	2021/2020
EBITDA-A	**251,365**	**305,132**	**53,767**	**301,860**	**(3,272)**
Depreciation and amortization	(100,025)	(93,421)	6,604	(94,565)	(1,144)
EBIT-A	**151,340**	**211,711**	**60,371**	**207,295**	**(4,416)**
Non-recurring income	9,077	4,746	(4,331)	9,454	4,708
Non-recurring expenses	(24,527)	(10,924)	13,603	(13,691)	(2,767)
OPERATING PROFIT	**135,890**	**205,533**	**69,643**	**203,058**	**(2,475)**

EBIT-A. Adjusted EBIT, calculated by subtracting depreciation and amortization from EBITDA-A.

Net debt. Interest-bearing financial liabilities, financial derivatives at fair value, the amount of shareholdings subject to put/call options qualifying as financial liabilities and dividends accrued and pending payment, if any, less cash and cash equivalents.

	31.12.19	31.12.20	31.12.21
(+) Non-current financial liabilities	826,725	570,267	598,509
(-) Other current financial liabilities	424,967	591,759	445,916
(+) Available-for-sale financial liabilities	0	113	0
(+) Loans to associates	0	(1,122)	(1,122)
(-) Deposits payable	(97)	(782)	(84)
(-) Cash and cash equivalents	(252,072)	(210,486)	(539,239)
(-) Derivatives – assets	(714)	(1,611)	(527)
(+) Derivatives – liabilities	1,040	2,732	1,270
TOTAL NET DEBT	**999,849**	**950,870**	**504,723**

Average net debt. Net debt, as above, calculated on a 13-month moving average basis.

Capex. Payments for investments in productive fixed assets. Refer to the consolidated statement of cash flows

ROCE-A. A measure of the return on assets calculated as average earnings before interest, tax and non-recurring earnings for a given period divided by average capital employed during that period, that average in turn defined as the moving average for the prior 13 months. This metric was calculated in the same manner as in prior years.

Capital employed (average). The sum of intangible assets, property plant and equipment and working capital on a moving 13-month moving average basis. It is therefore not a simple arithmetic average, or a calculation based solely on the financial information presented in the consolidated financial statements. It is not therefore possible to provide a direct reconciliation with headings, sub-totals or totals presented in the financial statements.

Working capital (average). The sum of inventories and trade and other receivables less trade and other payables on a 13-month moving average basis. As with capital employed, this metric not a simple arithmetic average or a calculation based solely on the financial information presented in the consolidated financial statements. It is not therefore possible to provide a direct reconciliation with headings, sub-totals or totals presented in the financial statements.

Leverage. A measure of creditworthiness calculated as the ratio of average net debt to equity.

Debt coverage ratio. A measure of the Group's ability to service its net debt from earnings measured as the ratio of net debt to EBITDA-A.

NON-FINANCIAL STATEMENT

2021

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1. ABOUT THIS REPORT

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

Reporting Period

2021

Reporting Framework

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

Scope and Coverage of the Report

The report presents on a consolidated level the non-financial indicators of all the companies operating the core businesses of the Ebro Group and their respective industrial sites (see Annex 1), except the company Indo European Foods Limited, a rice business specialising in basmati rice, which was purchased in April 2021 and will be included in the Consolidated Group's Non-Financial Statement as from 2022.

The energy consumption of five of the eleven offices leased by the Ebro Group are also excluded, as we do not have consistent quantitative data. The tenants of those offices are: Ebro Foods (Granada), Herba Ricemills Romania (Bucharest), Riceland (Hungary), La Loma Alimentos (Buenos Aires, Argentina) and two of Tilda (India and Dubai). The global consumption by all eleven offices represents less than 1% of the group's total energy consumption.

Changes in the reporting perimeter

During 2020 and 2021, the Group pulled out of the dry pasta businesses in the United States, Canada and France, through the following divestments:

1. On 28/10/2020, the company reported the agreement reached with the Barilla Group to sell its "Catelli" dry pasta business in Canada, with the brands Catelli®, Lancia® and Splendor® and the Montreal plant (Quebec) for CAD 165 million. This divestment was concluded on 29/01/2021.

2. On 5/11/2020, the Group announced the agreement reached with American Italian Pasta Company (owned by TreeHouse Foods, Inc.) for the sale of certain assets of our dry pasta and noodles business in the United States. The perimeter of the business sold comprises the brands Skinner®, Creamette®, Prince®, Light'n Fluffy®, Mrs Weiss®, New Mill®, P&R®, American Beauty®, San Giorgio®, No Yolks® and Wacky Mac® and the St. Louis plant. The transaction was concluded on 11/12/2020 for USD 242.5 million.

3. On 26/03/2021, Ebro announced an agreement reached with 8th Avenue Foods & Provisions Inc for the sale of the dry pasta brand Ronzoni® and the Winchester plant (Virginia). The transaction was valued at USD 95 million and was concluded on 1/06/2021.

4. On 26/07/2021, the Group informed of the agreement reached with CVC Capital Partners (www.cvc.com) for exclusive negotiation of the sale of Panzani®, the brand for dry pasta, couscous, sauces and semolina. The transaction encompassed: 1) the brands Panzani®, Ferrero®, Regia®, Zakia® and Le Renard®, and 2) all the operating assets (including plants and mills) related with those brands. The transaction was valued at EUR 550 million and concluded on 31/12/2021.

The conclusion of these transactions closes a cycle and marks a new era in the consolidation of the Group. Consequently, with a view to facilitating comparison of the information in the Non-Financial Statement between this year and subsequent years, all the non-financial indicators referring to the businesses in which we divested in 2020 and 2021 have been excluded. Accordingly, all the indicators presented in the Non-Financial Statement 2020 have been recalculated herein.

Contact point for issues regarding the report or its contents

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2. BUSINESS MODEL

The Ebro Foods Group is the leading food group in Spain, global leader in the rice sector and has a prominent global position in the categories of premium and fresh pasta, leader in the countries in which it operates. Through a network of 34 subsidiaries, it operates in the principal rice and pasta markets in Europe, North America and South-East Asia, with a growing presence in other countries.

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

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

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

a. Rice: This covers the production and distribution of different rice varieties and their by-products and culinary supplements. The industrial and brand business follows a multi-brand model. It is present throughout Europe, the Mediterranean Arc, Southern Cone and South-East Asia through companies in the Herba Group, and in North and Central America, the Caribbean and the Middle East through the Riviana Group.

b. Pasta: This includes the production and marketing of premium dry pasta and fresh pasta. The fresh pasta business is conducted through the Ebro Premium Food Group in France and Benelux, the Bertagni Group in a large number of countries and the Riviana Group with the Olivieri brand in North America. The business in the premium dry pasta segment is conducted through Garofalo (Italy and rest of world).

In both businesses, in keeping with the Group's undertaking to promote healthy eating, practically all our brands include a range of products in the health, bio and organic categories.

Global Presence

The Ebro Group operates through a portfolio of 84 brands in 71 countries, with industrial and commercial facilities in 16 of them. In the remaining 55 countries, we only engage in commercial activity. Our industrial park comprises some 75 sites, including production plants, offices and warehouses.

List of countries with commercial and industrial presence

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

List of countries with only commercial presence

Angola	Colombia	Haiti	Libya	Saint Martin
Saudi Arabia	Costa Rica	Hungary	Lithuania	Saint Lucia
Algeria	Curaçao	Ireland	Mexico	Singapore
Aruba	Egypt	Iceland	Mozambique	South Africa
Austria	United Arab Emirates	US Virgin Islands	Oman	Sweden
Bahamas	Estonia	Israel	Panama	Switzerland
Bahrein	Finland	Jamaica	Peru	Tortola
Barbados	Gabon	Japan	Puerto Rico	Trinidad & Tobago
Bermuda	Ghana	Jordan	Qatar	Tunisia
Brazil	Greece	Kuwait	Czech Republic	Venezuela
Chile	Guinea	Lebanon	Romania	Yemen

Financial metrics

In 2021, the Group's net turnover was more or less on a par with the previous year, at EUR 2,427.1 million. Our Adjusted EBITDA was EUR 301.8 million, 1.07% less than in 2020. Net profit grew 24% year on year to EUR 238.6 million, while net debt was reduced by EUR 446 million to EUR 504.7 million.

The company had a market capitalisation at 31 December 2021 of EUR 2,597.2 million.

Environment and trends

2021 was to have been the year of economic recovery. We were expected to pull rapidly out of the crisis caused by the pandemic thanks to the vaccinations, but in the end that swift recovery has only been partial, as the new strains of the disease brought further partial restrictions throughout the year.

At the same time, new threats appeared during 2021 in the form of strong inflationary pressure, especially in commodities, energy and transport. In the food sector prices reached record levels. A priori this pressure was expected to be temporary, but the recent events in Ukraine following the military invasion by the Russian Federation on 24 February 2022 are creating global uncertainty. The international community reacted immediately and many countries (including the European Union and the United States) have decided to impose sanctions on Russia. Since this conflict is still very recent and has clear geopolitical implications, it is not yet possible to make reliable estimates of the potential impact that the conflict itself and the international response to it might have on economic growth.

On the whole, the consumer trends observed in 2020 continued throughout 2021: significant oscillations in consumption in correlation with the different waves of the virus; a progressive recovery of the HORECA channel as meals at home were slowly reduced; upswing in the consumption of value added products. Consumption gradually returned more towards normal over the year.

The changes in certain consumption patterns that were accelerated by the pandemic have continued, with an extraordinary growth in online shopping, generating new consumer experiences at home and outside, with food delivery service opportunities for the best known catering brands and consolidation of the consumer preference for local supermarkets for their in-person shopping.

The general trends are towards:

<u>Increased personal consumer experience, sustainability, health and pleasure</u>

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

a. Demand for quality products that are easy to prepare and immediately satisfy their wishes.

b. Preference for natural, healthy, organic products. The increased consumption of fresh products and the importance given to small companies and start-ups that make consumers feel in touch with nature are very much in tune with this sentiment.

c. Search for sustainable products corresponding to the circular economy that include different players in their preparation and sale. An ethical base is created in respect of what is consumed.

d. Desire for a wider choice. Quality private label brands have broadened their customer base, spanning practically all social classes and segments of population.

Social changes

a. Ageing population, increased power of older generations. The baby boomers have transformed this segment of the population; their purchasing power has increased and their aspirations and needs (activity and health) differ from those traditionally associated with this social group.

b. Smaller families, with a constant growth in the number of single-member households; new formats and customised goods and services.

c. The younger generations are more concerned about social and environmental issues and sustainability.

d. Increased mobility and immigration in many developed countries, accompanied by new tastes and ways of preparing food.

New channels and services

e. On-line shopping and connectivity (possibility of shopping through traditional operators, who offer easy use, fast deliveries, etc.).

f. Growth of local supermarkets, with more frequent shopping and increased availability (24-hour opening, alliances with filling stations or other high-traffic points).

g. Consolidation of virtual stores, such as Amazon, and appearance of other new players in the distribution market along with the new consumer trends and the use of technology.

h. New ways of cooking or consuming food (by order, through vending machines, snacks as meal substitutes, etc.).

The return to a certain degree of normality has led to a resurgence in eating out, as channels such as Food Service have started to grow again after struggling with difficulties during the pandemic and lockdowns. This return to hospitality venues goes hand-in-hand with a reduction of the traditional retail channel, but at the same time a return to value added solutions. As people return to work outside the home, the number of meals at home is falling and convenience food has picked up. The well-known brands are leading this trend.

All these changes have brought new challenges for distributors and producers, making it essential to convert both physical and digital points of sale into strategic centres. Adequate visibility and variety is key to success. Investments in advertising are shifting towards digital media, characterised by their agility, that currently account for over 50% of the Group's publicity actions. This includes permanent listening to consumers up to the launching of products, which shortens times and enables us to react swiftly. Finally, our commitment to sustainability throughout the value chain is fundamental: Convenience + Health + Sustainability are the drivers of innovation.

Strategy and value creation

The Group's strategy focuses on becoming a major player in the rice, fresh pasta, premium dry pasta and healthy grains markets, and in other cross categories within the 'convenience' segment. Within that strategy, the Group has the following goals:

- Reach a global position in our relevant markets, open to the incorporation of related products.

- Consolidate our status as a benchmark business group in our different business areas, leading in markets where the Group finds potential.

- Lead innovation in the geographical areas in which we are present.

- And establish ourselves as a responsible enterprise, committed to social well-being, environmental balance and economic progress.

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

Principles of conduct

- Foster ethical management based on good governance practices and fair competition.

- Comply with the laws in place, acting at all times with a view to preventing, minimising and mitigating not only economic risks, including tax risks, but also social and environmental risks.

- Seek a return on investment while guaranteeing the operational and financial soundness of its business activities. Uphold business profit as one of the bases for the future sustainability of the company and the large groups of agents directly and indirectly related with it.

- Generate a framework of labour relations that favours training and personal and professional development, respects the principles of equal opportunities and diversity and promotes a safe, healthy working environment.

- Reject any form of abuse or violation of the fundamental and universal rights, in accordance with international law and practice.

- Promote a relationship of mutual benefit with the communities in which the Group is present, proving ourselves sensitive to their cultures, contexts and needs.

- Satisfy and anticipate the needs of our customers and end consumers, offering a broad array of products and healthy, differentiated food.

- Steer the processes, activities and decisions of our company not only to generate profits, but also to protect the environment, prevent and minimise environmental impact, optimise the use of natural resources and preserve biodiversity.

- Develop a framework of responsible, true, transparent dialogue and communication with stakeholders, establishing stable communication channels and providing stakeholders regularly and transparently with rigorous, accurate, important information on the Group’s activities.

To achieve the strategic goals set for growth and sustainable leadership and ensure that we comply with our principles of conduct, the Group applies the following guidelines:

- Search for organic and inorganic growth in countries with high levels of consumption and/or high growth potential.
    - Move into new territories or categories, paying special attention to new fresh products and new ranges of ingredients with greater value added.
    - Develop products that offer a complete culinary experience, extending our catalogue with new formats, flavours and ready-to-serve meals.
    - Achieve leadership in mature markets, opting for differentiation based on product quality. Expand and lead the premium category by developing the enormous potential of our flagship brands.
    - Broaden our geographical presence and complete our product/country matrix:
        - Seeking business opportunities in mature markets with a business profile similar to ours and in specialist market niches that allow us to shift our strategy from a generalist position to that of a multi-specialist (individual solutions).
        - Expanding into new business segments within markets in which we are already present or markets with considerable potential for growth.
- Differentiation and innovation, investing in two aspects to enhance our product range:
    - Research, development (R&D) and innovation through our own research, development and innovation centres and an investment policy that enables us to convert new ideas and needs into reality for our customers and end consumers.
    - Focus on leading brands in their respective segments, together with a commitment to invest in advertising to promote their development.

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

- Implementation of sustainability throughout the entire value chain (“from the farm to the table”) through the Sustainability Plan RUMBO A 2030 [“Heading for 2030”], which focuses on:
    - **People**. The development of plans and measures to enhance the well-being of our professionals at work, supporting continuous training and professional development to retain talent, seeking formulas to enhance their work-life balance, equality and diversity, health and safety at work. The driving of initiatives that

foster social and economic progress and help to reduce inequality in the communities in which we operate.

- **Health and well-being**. The promotion of health through food, offering natural, healthy, differentiated food products that help consumers maintain a healthy diet and lifestyle and provide pleasure. The R&D and innovation department works with these premises and the different communication channels of our brands focus their message on encouraging healthy eating habits and creative ways of eating through recipes, blogs and advertising campaigns.

- **Our planet**. The preservation and minimising of our environmental impact throughout the entire value chain, paying special attention to mitigating and adapting to the effects of climate change. With this in mind, either individually or jointly with other stakeholders, the Group promotes sustainable agriculture programmes in our main sourcing areas and develops different initiatives aimed at securing the Group's transition towards a circular economy, such as recycling packaging materials, replacing plastics and reusing and recycling waste.

3. CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY MODEL

Definition of the model

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

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

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

1. Diagnosis of the sustainability measures taken by the different companies in the Group.

2. Detailed analysis of our value chain with a view to identifying the potential risks and impacts, both positive and negative, of our operations. Within this process we have identified three key areas, in which we can make the most valuable contributions to society, as they are inherent in our core business and present throughout the entire chain: (i) nutrition and health, (ii) agricultural development, by promoting and implementing sustainable agricultural practices, and (iii) environmental management.

3. Constant dialogue with our internal and external stakeholders, which has enabled us to identify their main concerns and incorporate their suggestions in the design and implementation of the Group's action plans.

4. Materiality analysis: In 2017 we updated our materiality analysis, assisted by Forética. That analysis collected the expectations of our stakeholders (authorities, customers, employees, investors, media, NGOs and suppliers) in Spain, North America, France, Italy, Netherlands, India and Morocco, and from our own corporate management, represented by the Audit and Compliance Committee.

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

GLOBAL MATERIALITY MATRIX

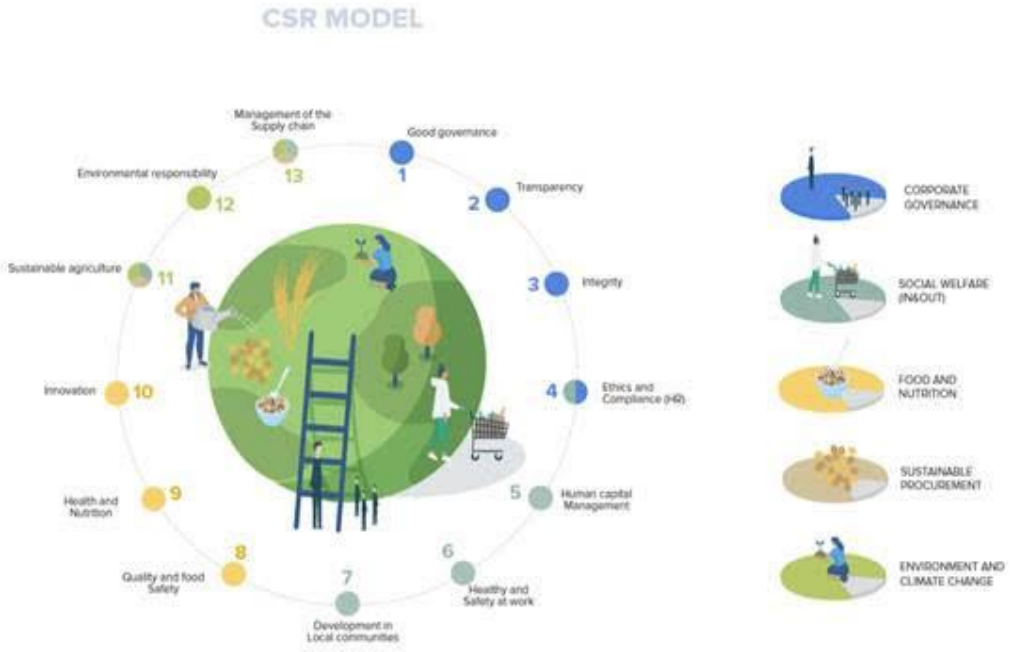
HEALTH AND SAFETY OF WORKERS (DIRECT AND INDIRECT)	
1	Prevent and avoid accidents and damage by improving the safety of direct and indirect jobs
3	Promote compliance with human rights throughout the supply chain
JOB QUALITY	
4	Manage human resources responsibly (equality, work-life balance, diversity)
DRIVING FORCE FOR INNOVATION	
10	Invest in developing better food solutions for society
PROMOTE HEALTHY, SUSTAINABLE FOOD	
14	Use raw materials based on environmental and social sustainable principles as ingredients for ready-to-serve dishes
15	Promote sustainable growing and production of the principal raw materials used
16	Foster sustainable good practices throughout the supply chain
MAXIMISE FOOD QUALITY AND SAFETY	
17	Promote the implementation of management systems and tools to maximise quality and information for consumers
IMPLEMENT ENVIRONMENTAL POLICIES	
18	Make the fight against climate change one of the organisation's focal points
20	Develop policies and make investments to reduce and optimise water consumption

Since the end of 2021 we have been updating our materiality to the new proposed standard GRI101. We aim not only to measure the expectations of Ebro Foods' priority stakeholders, but also to find out what matters are currently having a greater impact on the Group. Based on the results obtained, we will study the social and economic impact of the Ebro Group, which will enable us to quantify the principal externalities of the Group's corporate activity. We expect to complete this project within the first half of 2022.

Working areas in CSR and Sustainability

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

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



To make these 13 priorities effective, our Global Sustainability Plan (GSP) HEADING FOR 2030 [“HEADING FOR 2030”] lays down the guidelines and action plans that the Ebro Group will implement up to 2030 to grow sustainably, complying with the stipulations established in the regulatory framework of the EU and the different countries in which we operate, meeting the demands and expectations of our stakeholders, contributing towards achievement of the 2030 Agenda and minimising the negative impacts that our operations may have on the environment while maximising the positive effects of those activities.

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

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

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

As for the third pillar, with the aim of securing the health and well-being of our consumers and the society at large, the Plan focuses on supplying a broad array of safe, healthy products, overseeing the quality and food safety of those products and actively promoting healthy eating habits and lifestyles.

A specific microsite has been set up as an information and monitoring tool for the Plan, on the domain caringforyouandtheplanet.com, the Group's motto in CSR and Sustainability.

Taxonomy of the European Union

With a view to reorienting capital flows towards more sustainable activities, meeting the EU 2030 framework for climate and energy and achieving the goals of the European Green Deal, on 22 June 2020 the EU published Regulation (EU) 2020/852, known as the Taxonomy Regulation.

The Taxonomy Regulation establishes six environmental objectives:

1. Climate change mitigation
2. Climate change adaptation
3. The sustainable use and protection of water and marine resources
4. The transition to a circular economy
5. Pollution prevention and control
6. The protection and restoration of biodiversity and ecosystems

The Regulation also establishes the four conditions that must be met by an economic activity to qualify as environmentally sustainable:

1. It must contribute substantially to one or more of the six environmental objectives.
2. It must not significantly harm any of the other environmental objectives.
3. It must be carried out in compliance with the minimum (social) safeguards laid down in Article 18 of the Taxonomy Regulation.
4. It must comply with technical screening criteria that have been established by the Commission through specific delegated acts.

Accordingly, a first delegated act was passed on 21 April 2021 on sustainable activities for climate change adaptation and climate change mitigation. The delegated regulation was formally adopted on 4 June 2021 (Commission Delegated Regulation (EU) 2021/2139). A second delegated act will be published in 2022 for the remaining objectives.

On 6 July 2021, the European Commission adopted the delegated act (2021/2178) specifying the contents, methodology and presentation of the information to be disclosed by financial and non-financial undertakings.

Application of the Taxonomy in Ebro Foods

The Taxonomy Regulation stipulates that undertakings subject to the Non-Financial Reporting Directive (NFRD) are obliged to disclose how their business activities align with the Taxonomy according to the following calendar:

2022	2023
January	January
Obligation to disclose **taxonomy-eligible activities**	Obligation to disclose **taxonomy-aligned activities**

In line with this directive, during 2021 the Social Responsibility, Sustainability and Finance departments of Ebro Foods, as parent of the Group, analysed the current alignment between the environmental actions promoted by the companies in the Ebro Group and the taxonomy-eligible activities contemplated in the current Taxonomy framework, and the financial details associated with those environmental actions.

The outcome of that analysis is set out below:

1. For the time being, the EU Taxonomy has only developed the economic activities corresponding to two environmental objectives: i) climate change mitigation and ii) climate change adaptation, which do not so far cover the entire range of activities undertaken by the companies. In this regard, the economic activities performed by the companies of the Ebro Group, classified within the EU Statistical Classification of Economic Activities (NACE) C1061 (manufacture of grain mill products), C1073 (manufacture of pastas) and C1085 (manufacture of prepared meals and dishes), are not included within the framework of taxonomy-eligible activities.

2. The environmental actions taken by the Ebro Group in the area of climate change mitigation and adaptation: (i) are included among the environmental sustainability objectives of the company, and (ii) are not environmentally sustainable economic activities as they do not have associated revenue, they have negligible OpEx and CapEx, close to zero, and they do not substantially contribute towards the two environmental objectives of the Taxonomy defined so far.

3. Although they do not meet the conditions for qualifying as taxonomy-eligible activities, some of the Group companies launched autonomous energy consumption actions during 2021 that could be classified within group "*4.2.4 production of heat/cold from bioenergy".* The consumption of biomass as a renewable energy source represents 1.94% of the Group's Scope 1 energy consumption and 1.51% of its total energy consumption.

The EU is expected to publish the delegated acts corresponding to the other four environmental objectives of the Taxonomy during 2022. The Group will then study whether they contemplate any eligible activities associated with its business activities and, if so, it will put in place the necessary reporting procedures.

Alignment of the model with the Sustainable Development Goals (SDGs)

All the actions taken by the Ebro Group within its Social Responsibility and Sustainability framework are related directly or indirectly with the 17 SDGs, but we have identified the ones to which we make the greatest contribution according to our business activities.

So based on our Sustainability Plan HEADING FOR 2030, we have defined the following priority SDGs: 1 (No poverty), 2 (Zero hunger), 8 (Decent work and economic growth), 10 (Reduced inequalities), 12 (Responsible consumption and production), 13 (Climate action) and 17 (Partnerships for the goals).

Alliances with environmental and social entities and initiatives

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

Signatory of the United Nations Global Compact

www.pactomundial.org

Member of the Redistribution Committee of the Spanish Commercial Coding Association (AECOC) project against food waste "Don't waste food, use it"

http://www.alimentacionsindesperdicio.com/

Member of the SERES Foundation

http://www.fundacionseres.org/Paginas/Inicio.aspx

Member of Forética

http://www.foretica.org/

Sustainable Agriculture Initiative (SAI) Platform

http://www.saiplatform.org/

Sustainable Rice Platform (SRP)

http://www.sustainablerice.org/

Sedex

https://www.sedexglobal.com/es/

Waste Warrior Brands

https://toogoodtogo.es/es

Regulatory framework

In order to define the general guidelines of the Group and its associates, the Group is governed by the following policies and principles of conduct approved by its Board of Directors:

1. Code of Conduct of the Ebro Group
2. Supplier Code of Conduct
3. Sustainability, Environment and Corporate Social Responsibility Policy
4. Social Policy
5. Risk Control and Management Policy
6. Corporate Governance Policy
7. Corruption and Bribery Policy
8. Internal Code of Market Conduct
9. Policy for the Selection and Diversity of Directors
10. Senior Executive Remuneration Policy
11. Dividend Policy
12. Investment and Financing Policy
13. Treasury Stock Policy
14. Policy on Communication and Relations with Shareholders, Institutional Investors and Proxy Advisors
15. Policy on Communication of Financial, Non-Financial and Corporate Information

External assessments

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

During 2021, we have obtained the following external accolades:

1. Inclusion in the *Standard Ethics Spanix Index*
2. Inclusion in the *IBEX Gender Equality Index* for promotion of gender equality
3. Inclusion in the *Refinitiv Diversity and Inclusion Index 2021* as one of the 100 most diverse and inclusive companies in the world.

4. RISK MANAGEMENT

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

Within this general framework, the integral, homogenous Risk Control and Management System is based on the preparation of a business risk map, where risks are identified and assessed and risk management capacity is graded to obtain a ranking of risks from greater to lesser impact for the Group and their probability of occurrence. The risk map also identifies the measures to mitigate or neutralise the risks identified.

The risk universe is grouped into four main groups: compliance, operational, strategic and financial. The first three groups also include the principal non-financial risks related with the company's business. We describe these non-financial risks below:

Compliance risks

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

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

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

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

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

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

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

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

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

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

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

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

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

Operational risks

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

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

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

   The main control points are grouped into:

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

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

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

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

3. Cybersecurity. The exponential growth of internet access exposes companies and users to different types of attack: identity theft, malware, attacks on websites, zero-day attacks, etc. The Group has an action plan contemplating: (i) the ongoing training of personnel on these threats, (ii) the definition of an adequate network infrastructure (firewalls, Wi-Fi access, network electronics, browsing possibilities and design of connected industrial networks), (iii) the correct definition of user points (antivirus, mobile device management systems, permissions, updates) and (iv) a programme for data preservation and management (back-ups, use of the cloud, shared information).

Environmental and strategical risks

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

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

2. Climate change. Global warming is a serious threat to the Group owing to our direct dependence and impact on natural resources such as land or water and their importance for the proper development of our business activities. Accordingly, in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TFCD), we have identified the potential risks, impacts and opportunities that climate change may have in our organisation, establishing the appropriate mitigation and/or adaptation measures for each one. Some of them are already contemplated in our Sustainability Plan HEADING FOR 2030 (caringforyouandtheplanet.com), including: 1) making a more efficient consumption of water and energy; 2) reducing, recovering and re-using waste; 3) recycling packaging; 4) optimising logistics; and 5) using new sustainable agriculture models and technologies. This will shortly be taken further, with the financial quantification of those risks and impacts.

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

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

   In this context, we have included as a significant risk unfounded negative comments or opinions that can so easily be posted in the social networks, owing to the very limited possibilities of controlling them other than close monitoring and specific communication actions to reverse their impact.

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

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

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

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

5. HUMAN RIGHTS

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

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

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

Due Diligence

With the aim of underpinning our commitment to human rights, in 2020 the Ebro Foods Group began exploring the implementation of a Due Diligence System to detect, prevent and mitigate existing and potential adverse effects of our operations and throughout our value chain.

A draft Due Diligence Questionnaire was prepared, which would be taken as the basis for defining, identifying, assessing and measuring risks, thus generating opportunities for subsequent verification and control, adopting the necessary, proportionate measures to mitigate, reduce or remedy those risks, as the case may be. The aim was to debate the contents of the questionnaire within the Group Global Sustainability Working Party with a view to having a final document to be implemented in the second quarter of 2021. This process has finally been delayed, pending publication of the Proposal for a *Corporate Sustainability Due Diligence Directive* of the European Union, scheduled for 2021 but finally published on 23 February 2022. We will, therefore, readdress the process this year, in the light of the contents of that Proposal and the future *Environmental and Human Rights Due Diligence Act* in Spain, with the maximum guarantees of compliance.

In this context, regardless of the specific human rights training provided in some of our subsidiaries, the parent company has scheduled an ad hoc training plan for the different subsidiaries, due to commence in 2022 and end in 2024.

Training on human rights policies and procedures given during the year

Specific human rights training was given during the year in the following companies:

	2021				2020			
Company	No. employees who received training	No. hours	Total employees	% of total employees	No. employees who received training	No. hours	Total employees	% of total employees
Ebro India	85	170	175	48.57%	21	84	162	12.96%
Herba Bangkok	198	594	198	100.00%	75	3	220	34.09%
Herba Cambodia	10	30	12	83.33%	1	3	6	16.67%
La Loma Alimentos	8	8	145	5.52%	---	---	---	---
Transimpex	75	150	75	100.00%	66	1	69	95.65%

Grievance and follow-up mechanisms

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

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

In this context, no human rights grievances were reported in any of the Group companies in 2021.

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

Audits made at Ebro Group workplaces

16 audits were made at Group workplaces during 2021.

Company	Country	Workplace	Date	Type of audit	Auditors
Bertagni 1882	Italy	Arcugnano	01/10/2021	SMETA	Intertek Italy
			05/02/2021	ERSA	
		Avio	01/10/2021	SMETA	
			11/02/2021	ERSA	
Ebro India	India	Taraori	12/03/2021	SMETA	SGS ASIA
			13/09/2021		
La Loma Alimentos	Argentina	Los Charrúas	29/07/2021	SMETA	Intertek Argentina Uruguay and Paraguay
		Chajari	31/07/2021		
Neofarms Bio	Argentina	Concordia Office	30/07/2021	SMETA	Intertek Argentina Uruguay and Paraguay
Pastificio Lucio Garofalo	Italy	Gragnano	13/01/2021	SA8000	DNV
Riviana Foods USA	USA	Freeport TX	16/11/2021	SMETA	Intertek-United-States
S&B Herba Foods	UK	Fulbourn Mill (Cambridge)	11/03/2021	SMETA	Bureau Veritas Certification
			02/06/2021		
Herba Bangkok	Thailand	Nong Khae	15/03/2021	BSCI	SGS
Roland Monterrat	France	Feillens	01/10/2021	MSC	SGS
			01/10/2021	ASC	

Audits made on suppliers

27 SMETA audits were made on suppliers during 2021.

Country	Date of audit	Auditors
Austria	10/02/2021	Bureau Veritas Certification
Brazil	24/02/2021	SGS Brazil
Germany	21/09/2021	Bureau Veritas Certification
Greece	03/03/2021 04/03/2021	Intertek Bulgaria
Italy	28/06/2021	Bureau Veritas Certification
	08/06/2021	SGS Italy
	26/11/2021	ABS Quality Evaluations Inc
	31/05/2021	Bureau Veritas - EMEA
Mexico	26/03/2021	Intertek Mexico
Norway	20/06/2021	DNV
Pakistan	06/10/2021	ALGI Pakistan
	16/09/2021	Elevate
	11/06/2021	Bureau Veritas Certification
Peru	12/09/2021	SIPAS CR-PERU
	13/07/2021	Intertek Peru
Spain	29/09/2021	SGS Spain
	25/02/2021	
	19/01/2021	
	11/01/2021	Intertek Spain
	20/05/2021	
	18/05/2021	
Switzerland	12/08/2021	Bureau Veritas Certification
Thailand	24/09/2021	SGS Thailand
UK	01/09/2021 01/11/2021	SGS_UK
USA	01/03/2021	Intertek Peru

6. ANTI-CORRUPTION AND BRIBERY MEASURES

CORRUPTION AND BRIBERY

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

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

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

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

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

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

- In the principal Spanish companies, the Ebro Group also has a crime prevention model that identifies the potential criminal risks deriving from its activities and the mitigation measures established to try to eliminate (or minimise as far as possible) the risk of committing criminal offences, which include corruption and bribery. The crime prevention model identifies the measures implemented to mitigate the risk of committing offences of corruption, bribery, influence peddling and money laundering. Its effectiveness and application are monitored and checked regularly by the Compliance Unit, within the reporting system of the current crime prevention model. During 2020 the Group revised and updated its criminal risk map and crime prevention model, with counselling from external specialists. Along with the revision and updating and with counselling from the same external specialists, the Group has started to design an employee training plan in this area.

- In pursuance of local legislation (Legislative Decree of 8 June 2001) on companies' liability for certain types of offence (including corruption), the Italian companies in the

Group have established organisation and management models that include measures to preclude the risk of committing those offences.

- The Group's North American subsidiaries have specific policies and measures to control and mitigate the risk of committing this type of offence. All the employees of Riviana Foods Inc. and Riviana Foods Canada Corporation (jointly "Riviana") receive and are obliged to sign a copy of the Ebro Foods Group Code of Conduct as confirmation of having been informed of the requirements established in that Code and their strict adherence to the principles of the Code that are applicable to the company and its employees under North American laws and regulations. In particular, and in pursuance of the special requirements under local laws, the North American companies have an Anti-bribery Compliance Officer, who is responsible for ensuring compliance with the policy and making sure that all workers and executives are aware of and comply with it. Training and refresher courses are provided regularly for this purpose.

- The Group's Indian subsidiary has a Vigil Mechanism/Whistleblower Policy, adapted to the applicable local laws (section 177(9) of the Companies Act and Rule 7 of the Companies Rules), through which a communication channel is made available to all employees to report to the company any conduct that infringes the Code of Conduct (in addition to the Group's reporting channel). Through that channel, any possible indication of unlawful conduct (including, therefore, any that may be considered acts of corruption) must be reported to the Vigilance and Ethics Officer of the company for investigation and adoption of whatever measures may be necessary. All new hires in the Group's Indian subsidiary receive specific information within their inception training on combating corruption, including the general rules established in the Code of Conduct, the specific rules of the Vigil Mechanism and the hierarchical structure for reporting suspicious conduct. In addition, within that policy, due diligence is conducted on potential overseas customers and they are required to certify that they do not participate and have not participated in any acts of corruption or bribery.

- In France, in pursuance of the local laws (SAPIN 2 Act of 10 December 2016), the group of companies formerly headed by Panzani implemented a Code of Conduct throughout 2021 to combat and prevent corruption. The aim of that Code of Conduct is to make employees aware of the prohibited conduct and the best practices for dealing with potentially hazardous situations within their professional activity. The Code was defined and implemented in 2020 based on the corruption risk map drawn up by Panzani with specialist external counselling. The regulation contained in that Code is supplemented with the Guide for Use of the "Ethical Alert device" (*dispositif d'alerte Professionnelle "Alerte Ethique"*), an internal channel within Panzani through which any employee in that group could confidentially report any indication of infringement of the Code of Conduct, with guaranteed protection from reprisals.

  Since the sale on 31 December 2021 of the parent of the French group (Panzani SAS), the new parent of the business in France (Ebro Premium Food SAS) has been implementing its own "Ethical Alert device" and defining its own Code of Conduct, which will be applicable within Ebro Premium Food and its subsidiaries. This work, together with the drawing-up of a corruption risk map for the new French group, will be done this year, in 2022.

In the same context, just as in preceding years, the companies Riviana Foods (USA), Riviana Foods Canada Corporation, Ebro India, Lassie (Netherlands) and Herba Bangkok (Thailand) provided anti-corruption training for their employees in 2021. That ongoing training is included in regular training plans, thus ensuring that employee knowledge on the matter is constantly updated. Other subsidiaries that have also provided training during the year are Geovita and Santa Rita Harinas.

	2021			2020		
Company	No. employees	No. employees receiving training	% employees receiving training	No. employees	No. employees receiving training	% employees receiving training
Ebro India	175	25	14.29%	162	20	12.35%
Ebro Foods Netherland BV (Lassie)	80	27	33.75%	82	14	17.07%
Geovita	101	11	10.89%	---	---	---
Santa Rita Harinas	18	18	100.00%	---	---	---
Herba Bangkok	198	198	100.00%	220	217	98.64%
La Loma Alimentos	116	4	3.45%			
Riviana Foods Canada	223	223	100.00%	206	206	100.00%
Riviana Foods USA	919	919	100.00%	931	931	100.00%

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

MONEY LAUNDERING

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

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

The reimbursement of expenses incurred by employees in the course of their work is also strictly controlled, requiring proof of the expense and the reason and justification for it prior to any reimbursement. Drawings made using a company bank card (by employees who have a card, by virtue of their category) are subject to the same requirements of proof and justification of use,

such that if any use of the card is not justified and proved, the corresponding sums are withheld from payments to be made by the relevant company to the employee.

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

7. VALUE CREATION MODEL

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

SOCIAL CASH FLOW

(EUR thousand)

Economic value generated	**2021**	**2020**
Net proceeds from operations	536,391	980,256
Sale of assets and businesses	753,926	231,872
Dividends received from third parties	4,350	3,634
	1.294.667	**1,215,762**
Economic value distributed		
Payments to or on behalf of employees	(375,518)	(525,308)
Corporate income tax	(136,510)	(71,463)
Contribution to not-for-profit entities	(2,846)	(5,746)
Interest income/expense	(8,384)	(11,510)
Business acquisitions	(24,063)	(10,106)
CAPEX	(120,035)	(117,600)
Dividends paid (*)	(185,719)	(397,375)
	(853,075)	**(1,139,108)**
Economic value retained	**441,592**	**76,654**

(*) Dividends paid in the corresponding year

TAX INFORMATION

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

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

In 2021, the Ebro Group directly paid EUR 131.2 million to the tax authorities in the different countries in which it operates. This was more than the tax paid in the previous year, mainly due to the increase in taxable income as a result of the sale of the dry pasta assets.

Breakdown of tax payments

EUR thousand

Income tax paid

2021	2020
126,164*	47,774

Taxes paid by country

	2021		2020	
	Net IT	**Other Taxes**	**Net IT**	**Other Taxes**
Spain	-1,801	408	2,716	438
Rest Europe	44,401	1,731	18,134	4,035
America	82,536	2,977	25,866	1,836
Asia	70	0	419	0
Africa	958	0	639	0
Total	**126,164***	**5,117**	**47,774**	**6,310**

Most significant countries

	Net IT	**Other Taxes**	**Net IT**	**Other Taxes**
Spain	-1,801	408	2,716	438
France	17,792	1,582	2,658	3,885
Italy	15,085	149	6,172	150
USA	72,422	2,892	22,506	1,354
UK	7,114	0	5,650	0

* This does not include tax payments corresponding to discontinued operations

Pre-tax profit, by countries

EUR thousand

	2021 Pre-tax profit **	2020 Pre-tax profit **
Spain	29,888	13,221

Rest Europe	88,115	109,878
America	71,204	29,245
Asia	7,278	6,281
Africa	2,246	1,244
Total	**198,731**	**159,869**

Most significant countries

	2021 Pre-tax profit **	2020 Pre-tax profit **
Spain	29,888	13,221
France	16,215	15,245
Italy	33,120	43,826
USA	72,318	64,989
UK	20,974	24,594

** Pre-tax profit in continuing operations

Public grants received

EUR thousand	2021	2020
Capital grants received	1,591	5,059
Operating grants received	490	420

COMMITMENT TO THE DEVELOPMENT OF LOCAL COMMUNITIES

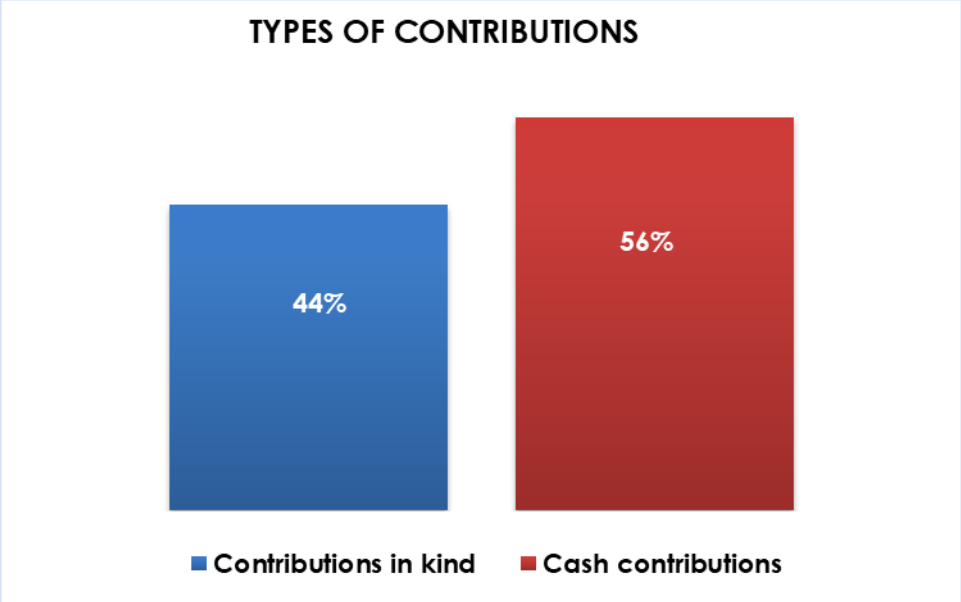
One of the main pillars of social responsibility action within the Ebro Group is ensuring the well-being and socio-economic development of the local communities directly related with our business activities.

During 2022, the Group has continued making an extra effort to promote different initiatives to help combat the effects of COVID-19. In this context, the company provided further extraordinary funding in a sum of one million euros for the development of programmes in the health, education, employment and mental health areas, and food donations to welfare organisations, resident associations, etc.

Apart from the extraordinary COVID-related social action, the Ebro Foundation and the Group have, as in previous years, participated in projects created by different not-for-profit organisations and promoted and developed motu proprio several initiatives of social and environmental interest.

Within this context, the global amount spent on social action during 2020 was EUR 2.8 million.

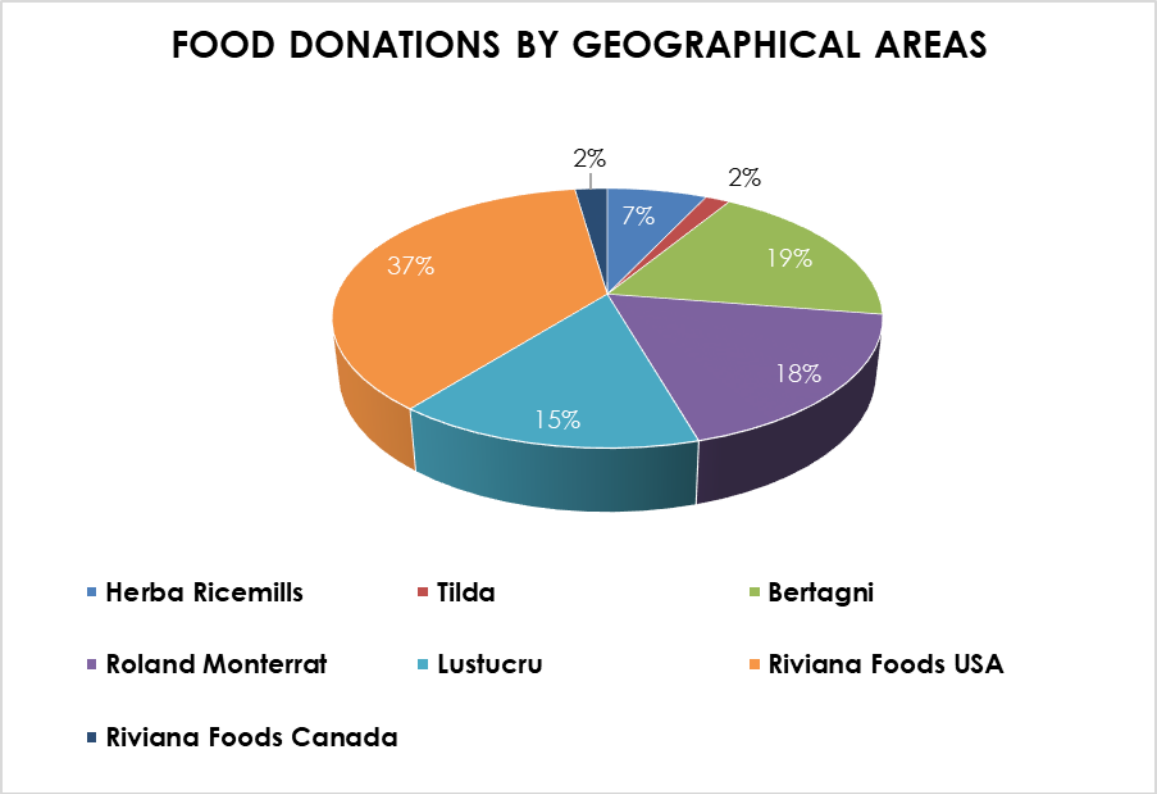
Social Action	Amount (EUR)
Food donations subsidiaries	1,246,821
Foundation activities	599,960
COVID-related activities	998,988
TOTAL	**2,845,769**



Food Donations

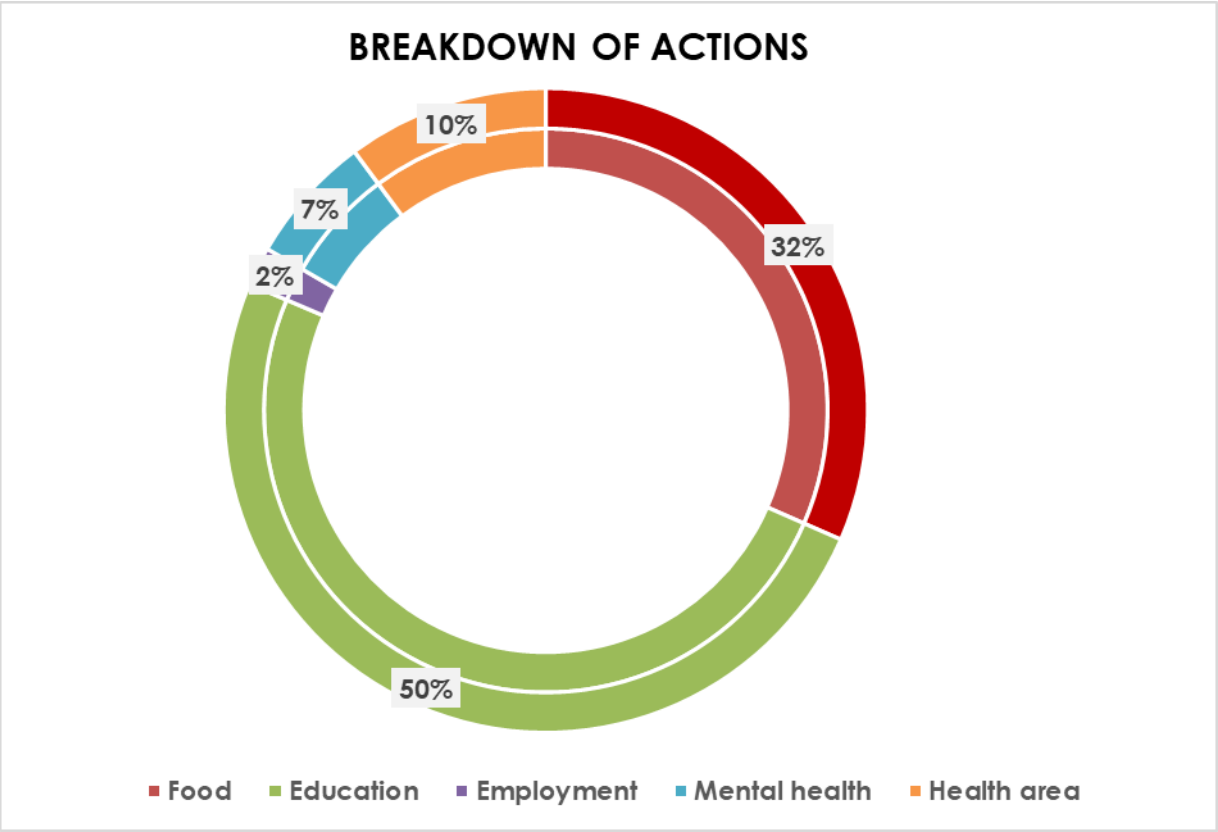
During 2021, Group companies in Spain, UK, Italy, France, USA and Canada made food donations for an aggregate value of EUR 1.2 million.

Companies	Amount (EUR)
Bertagni	234,037
Herba Ricemills	87,287
Lustucru	189,043
Monterrat	224,748
Riviana Foods Canada	28,279
Riviana Foods USA	461,870
Tilda	21,556
TOTAL	**1,246,821**



Details of COVID-related actions

The total amount spent on developing actions to combat the effects of the coronavirus in Spain was EUR 998,988.16, distributed as follows:

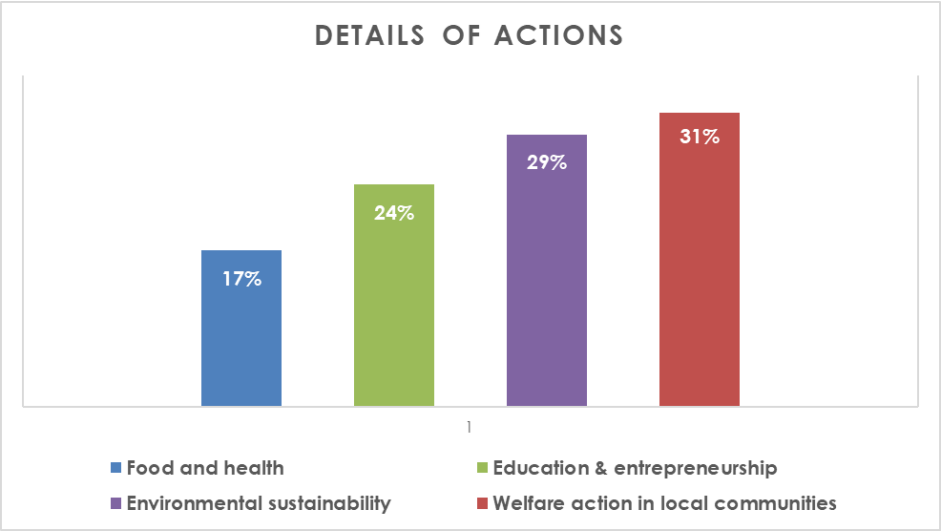


Other Welfare Programmes

Apart from the actions developed in connection with the pandemic and in their determination to contribute to sustainable development of the communities in which we operate, the Ebro Group and the Foundation have continued working to set up social initiatives in the following areas:

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

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



1. Welfare programmes in food and health

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

The global investment made in this area in 2021 was EUR 99,241.29.

2. Education, entrepreneurship and employment

In this working area, which traditionally comprises support for education through scholarships, research projects, educational programmes, entrepreneurship and job promotion initiatives, this year the Group and the Foundation have focused especially on a significant problem that has come to light during the pandemic, namely the digital gap. Accordingly, actions were developed during 2020 and 2021 in Madrid and Andalucía consisting of the donation of 1,000 laptops to public education centres in each of these regions.

The total investment in this area of action in 2021 was EUR 140,998.52.

3. Environmental sustainability

Environmental conservation is another essential aspect within the work of the Ebro Foundation. The Foundation supports the sustainable agriculture strategy put into practice by the Ebro Group and works on developing and publicising environmental sustainability.

Accordingly, in 2021 it continued promoting EKTA, a programme developed with a view to implementing crop standards that are sustainable from a social and environmental standpoint in India and **set up the FUNDACION EBRO SUSTAINABILITY & ENVIRONMENTAL AWARDS with the aim of bringing out the talent of the Group's professionals in the search for innovative solutions for minimising our environmental impact.**

The investment by the Foundation in this area during 2021 was EUR 173,028.77.

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

4. Welfare action in local communities

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

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

During 2021, the Foundation allocated EUR 186,691.72 to supporting different entities in Seville, Madrid, Valencia, Argentina, India and Morocco.

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

8. OUR PROFESSIONALS

Scope of the report

Following the divestments in the dry pasta businesses in France and North America during 2020 and 2021, we have recalculated all the 2020 indicators according to the new Group reporting perimeter, in order to enable a correct comparison of these two years.

Management focus

The most valuable asset of the Ebro Group is its **6,374 professionals, of whom 5,306 are employed directly by the company and 1,068 are contracted** through different external agencies. A very close-knit team of professionals with enormous talent potential aligned with the organisation's strategy. Through the human resources departments of the different subsidiaries, the Ebro Group endeavours to motivate these professionals by offering a high quality job while at the same time strengthening their skills, powers and personal and professional leadership.

The Ebro Group's personnel management policy is designed to secure a high level of knowledge and contact with the workforce through a decentralised structure formed by the human resources managers in all the major companies of the Group and the implementation of bespoke policies in each one (in addition to the provisions of labour laws), taking account of the specific features of the countries in which they operate. These policies also include general guidelines regulating company/employee relationships, specific guidelines on Occupational Health & Safety, Training & Education, Diversity and Equal Opportunities and Equal Pay for Men and Women. Companies with a small personnel structure (essentially commercial companies with fewer than 10 employees) are governed exclusively by the labour laws in place in the countries in which they operate.

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

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

In view of the contents of the different programmes launched by the most important business units in the Ebro Group, the management of Human Resources of the Ebro Group can be

grouped into five pillars, indicating the different working areas within each one, for each company of the Ebro Group.

During 2021 we continued to focus on protecting our employees' health from the successive waves of COVID, reinforcing all our health and safety protocols, installing protective elements in our workplaces, reorganising shifts in factories to respect the social distancing measures, carrying out virus detection testing and health monitoring, and prioritising home working during the worst phases of the pandemic. Our employees are gradually returning to the office, with all the necessary safety guarantees and different measures to help them balance their work and home life, such as flexible or shorter working hours.

A. EMPLOYMENT

Total number and distribution of employees by gender

	2021		2020	
	No. employees	% total employees	No. employees	% total employees
Men	3,695	69.64%	3,624	69.55%
Women	1,611	30.36%	1,587	30.45%
Total employees	**5,306**		**5,211**	

NB: The gap between men and women is largely due to the nature of the Group, which is predominantly factory-based, as factory work has traditionally been done by men. Almost 70% of the personnel employed within the Ebro Group overall are men, 76% of whom are factory employees..

Breakdown of employees by age group

	2021		2020	
Age Group	No. employees	% total employees	No. employees	% total employees
<=30	788	14.85%	830	15.93%
30 - 50	2,781	52.41%	2,694	51.70%
>= 50	1,737	32.74%	1,687	32.37%
Total employees	**5,306**		**5,211**	

Breakdown of employees by country

	2021		2020	
Country	No. employees	% total employees	No. employees	% total employees
Argentina	157	2.96%	125	2.40%
Belgium	217	4.09%	103	1.98%
Cambodia	12	0.23%	6	0.12%
Canada	223	4.20%	206	3.95%
Denmark	53	1.00%	48	0.92%
France	829	15.62%	813	15.60%
Germany	161	3.03%	159	3.05%
Hungary	4	0.08%	5	0.10%
India	175	3.30%	162	3.11%
Italy	744	14.02%	676	12.97%
Morocco	209	3.94%	219	4.20%
Netherlands	81	1.53%	178	3.42%
Portugal	69	1.30%	70	1.34%
Spain	864	16.28%	898	17.23%
Thailand	198	3.73%	220	4.22%
UK	391	7.37%	392	7.52%
USA	919	17.32%	931	17.87%
Total employees	**5,306**		**5,211**	

Breakdown of employees by professional category

	2021		2020	
Professional category	No. employees	% total employees	No. employees	% total employees
Executives	268	5.05%	292	5.60%
Technical staff & middle management	910	17.15%	852	16.35%
Administrative & auxiliary staff	813	15.32%	793	15.22%
Factory employees	3,248	61.21%	3,091	59.32%
Others	67	1.26%	183	3.51%
Total employees	**5,306**		**5,211**	

Total number of employment contracts and breakdown by type

This table shows the total number of contracts at 31 December 2021:

Type of contract	2021	2020
Permanent	3,801	3,706
Temporary	376	428
At Will	1,157	1,159
Total number of contracts	**5,334**	**5,293**

Annual average contracts by gender

	2021			2020		
	Men	Women	Total	Men	Women	Total
Average permanent contracts	3,463	1,494	**4,956**	3,335	1,434	**4,769**
Average temporary contracts	281	127	**408**	310	147	**457**
Average part-time contracts	92	107	**199**	91	119	**210**

NB:

(i) The At Will contracts are included in permanent contracts.
(ii) The average number of part-time contracts is also included in the average number of permanent and temporary contracts

Annual average contracts by age group

	2021			2020		
	<= 30	30 - 50	>= 50	<= 30	30 - 50	>= 50
Average permanent contracts	693	2,615	1,648	682	2,477	1,609
Average temporary contracts	128	193	87	147	235	76
Average part-time contracts	38	51	110	27	64	118

NB:

(i) The At Will contracts are included in permanent contracts.

(ii) The average number of part-time contracts is also included in the average number of permanent and temporary contracts.

Annual average contracts by professional category

Professional category	2021	2020
Executives	266	296
Technical staff & middle management	900	831
Administrative & auxiliary staff	774	741
Factory employees	2,956	2,808
Others	61	94
Average permanent contracts	**4,956**	**4,769**

NB:

(i) The permanent contracts include the At Will contracts.

(ii) This average includes both full-time and part-time permanent contracts.

Professional category	2021	2020
Executives	2	1
Technical staff & middle management	23	23
Administrative & auxiliary staff	63	66
Factory employees	313	264
Others	8	103
Average temporary contracts	**408**	**457**

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

Professional category	2021	2020
Executives	6	9
Technical staff & middle management	19	28
Administrative & auxiliary staff	61	62
Factory employees	91	92
Others	22	19
Average part-time contracts	**199**	**210**

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

Number of dismissals by gender, age and professional category

	2021							2020						
	Men			Women			TOTAL	Men			Women			TOTAL
Professional category	<= 30	30 - 50	>= 50	<= 30	30 - 50	>= 50		<= 30	30 - 50	>= 50	<= 30	30 - 50	>= 50	
Executives	0	2	4	0	0	0	**6**	0	2	1	1	1	3	**8**
Technical staff & middle management	4	5	8	2	3	2	**24**	2	4	7	1	5	2	**21**
Administrative & auxiliary staff	4	3	2	1	4	2	**16**	1	6	2	6	3	0	**18**
Factory employees	43	67	33	20	35	10	**208**	39	49	20	15	17	3	**143**
Others	0	0	0	0	0	0	**0**	0	0	0	0	0	0	**0**
Total employees dismissed	**51**	**77**	**47**	**23**	**42**	**14**	**254**	**42**	**61**	**30**	**23**	**26**	**8**	**190**

B. ORGANISATION OF WORK

Organisation of working time

The organisation of working time varies in the different countries in which the Group companies operate. Working hours may thus vary between 35 and 48 hours a week, distributed over 5 or 6 days a week. The total weeks worked a year ranges between 44 and 52, depending on the production facilities.

Absenteeism

The employees of Group companies were absent for a total 419,683 hours in 2021, 4.34% less than in the previous year, when absenteeism totalled 438,729 hours.

These hours of absenteeism include grounds such as injury, occupational disease, sick leave and doctor's appointments, etc. However, they exclude authorised absence such as for parental, holiday or study leave.

Welfare benefits for employees

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

Company	Welfare benefits	Type of employee
Agromeruan	Parental leave	All employees
	Disability/invalidity cover	
	Medical insurance	Full-time employees
Arrozeiras Mundiarroz	Parental leave	All employees
	Disability/invalidity cover	
	Medical insurance	Full-time employees
Bertagni	Shares	All employees
	Parental leave	
	Disability/invalidity cover	
	Pension fund	
	Payment in kind	
	Life insurance	
	Medical insurance	
Boost Nutrition	Parental leave	All employees
	Disability/invalidity cover	
	Life insurance	
	Medical insurance	
Ebro Foods	Parental leave	All employees
	Disability/invalidity cover	
	Reimbursement children's education expenses	
	Reimbursement medical expenses	
Ebro India	Parental leave	All employees
	Pension fund	
	Life insurance	

Company	Welfare benefits	Type of employee
	Medical insurance	
Garofalo	Parental leave	All employees
	Disability/invalidity cover	
	Pension fund	
	Life insurance	
	Medical insurance	
Geovita	Food Healthcare Fund	All employees
Herba Bangkok	Parental leave	All employees
	Pension fund	
	Disability/invalidity cover	Full-time employees
	Life insurance	
	Medical insurance	
	Social welfare	
Herba Ingredients	Parental leave Pension fund Life insurance Medical insurance	All employees
Herba Ricemills	Shares	All employees
	Parental leave	
	Disability/invalidity cover	
	Life insurance	
	Medical insurance	
La Loma Alimentos	Parental leave Disability/invalidity cover	All employees

Company	Welfare benefits	Type of employee
	Pension fund Life insurance Medical insurance	
Ebro Foods Netherland BV (Lassie)	Parental leave	All employees
	Disability/invalidity cover	
	Pension fund	
Lustucru	Shares Parental leave Disability/invalidity cover Pension fund Life insurance Medical insurance	All employees
Mundi Riso	Parental leave	All employees
	Disability/invalidity cover	
	Pension fund	
	Life insurance	
	Medical insurance	
	Welfare Bit ??	
Mundi Riz	Parental leave Disability/invalidity cover	All employees
	Medical insurance	Full-time employees
Riviana Foods Canada	Parental leave	Full-time employees
	Disability/invalidity cover	
	Pension fund	
	Life insurance	

Company	Welfare benefits	Type of employee
	Medical insurance	
Riviana Foods USA	Parental leave Disability/invalidity cover Life insurance Medical insurance	Full-time employees
	Pension fund	All employees
Roland Monterrat	Shares	All employees
	Parental leave	
	Disability/invalidity cover	
	Pension fund	
	Life insurance	
	Medical insurance	
S&B Herba Foods	Parental leave Disability/invalidity cover Pension fund Life insurance Medical insurance	All employees
Tilda	Parental leave	All employees
	Meal vouchers	
	Medical grants	
	Life insurance	
	Medical insurance	Full-time employees
Transimpex	Parental leave	All employees

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

Work-life balance

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

One of the measures contemplated in the Sustainability Plan HEADING FOR 2030 in this regard is the progressive introduction of homeworking in the jobs in which this is possible. Although flexibility is already available for specific days in practically all our companies to enable employees to cope with certain needs, the Group aims to progressively implement homeworking as a regulated procedure.

Owing to the extraordinary circumstances deriving from the pandemic, homeworking has been the norm during the year to guarantee the safety of our office staff and their families.

Regardless of the exceptional nature of this year, some of the Group companies have continued advancing in the implementation of a regulated homeworking procedure.

Employees homeworking with a regulated procedure

	2021			2020		
Professional category	**Men**	**Women**	**Total**	**Men**	**Women**	**Total**
Executives	51	28	**79**	29	29	**58**
Technical staff & middle management	107	86	**193**	43	59	**102**
Administrative & auxiliary staff	88	113	**201**	24	57	**81**
Factory employees	2	1	**3**	1	0	**1**
Others	0	0	**0**	0	0	**0**
Total employees homeworking	**248**	**228**	**476**	**97**	**145**	**242**

Parental leave

	2021			2020		
	Men	**Women**	**Total**	**Men**	**Women**	**Total**
Employees who took leave / employees entitled to leave (%)	98.70%	100.00%	99.35%	97.44%	100.00%	98.69%

During 2021, Ebro Foods published a digital disconnection protocol for its employees. Similarly, the French companies in the Group have implemented work disconnection policies for all their employees.

C. HEALTH AND SAFETY

All the Group companies and their respective plants have occupational hazard prevention and management systems in place. This system is implemented using both internal resources and external firms. In addition, 88.2% of the workforce is represented on the Health and Safety Committees in the different companies (previous year 87.5%).

Health and safety aspects covered in formal agreements with unions

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

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

In addition to the investments made regularly in our companies for the purchase of personal protection equipment, machinery protection, regular inspections of safety equipment, first aid training and materials and medical examinations, additional efforts have been made this year to develop protective measures against COVID-19.

Workplace safety

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

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

	2021		2020	
	Men	Women	Men	Women
No. lost-day injuries	107	35	128	31
Frequency rate	17.76	16.01	21.38	12.52
Severity rate	0.67	0.85	0.63	0.49
No. employees with occupational disease	2	3	4	11

NB:

(i) The rates were calculated using the following formulas:
- *Frequency rate = (total no. lost time injuries/total no. hours worked) x1000000*
- *Severity rate = (no. lost days due to injury/total no. hours worked) x1000*

(ii) Occupational disease is work-related ill health.

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

There were no work-related fatalities within the Group in 2021.

D. LABOUR RELATIONS

Employees covered by collective bargaining agreements

64.3% of the employees of the Ebro Group are covered by the collective bargaining agreements of their respective business areas or another kind of collective agreement, compared with 66% in the previous year.

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

Country	% of employees covered by collective agreement or other arrangements
Argentina	64.33%
Belgium	52.07%
Cambodia	0%
Canada	65.92%
Denmark	100.00%
France	100.00%
Germany	0.00%
Hungary	0.00%
India	0.00%
Italy	100.00%
Morocco	0.00%
Netherlands	100.00%
Portugal	100.00%
Spain	100.00%
Thailand	0%
UK	9.97%
USA	40.48%

E. TRAINING

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

During 2021, 120,322 hours of training were given, 8% hours of training were given, with the participation of 69% of our employees.

Total hours training of our employees by professional category

	2021		2020	
Professional category	Men	Women	Men	Women
Executives	1,716	1,030	1,428	790
Technical staff & middle management	11,476	4,490	7,510	3,547
Administrative & auxiliary staff	3,189	3,152	3,058	2,919
Factory employees	71,069	23,837	70,234	21,566
Others	214	150	104	211
Total hours training	**87,664**	**32,658**	**82,335**	**29,033**

F. EQUALITY

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

In addition and even though some of the companies in the Group have their own equality plans or guidelines, work began in 2021 on drafting the Equality Plan of the parent company, Ebro Foods, S.A.

Diversity in governing bodies and workforce

	2021		2020	
Diversity Board of Directors	Number	% of total	Number	% of total
Men	8	57.14%	9	64.29%
Women	6	42.86%	5	35.71%

	2021		2020	
Diversity Employees	No. employees	% total employees	No. employees	% total employees
Men	3,695	69.64%	3,624	69.55%
Women	1,611	30.36%	1,587	30.45%
Total employees	**5,306**		**5,211**	

Employees with different abilities

2021		2020	
Men	Women	Men	Women
69	33	68	36

During 2021, several actions were taken in Spain to promote the socio-occupational integration of persons with different abilities, through the contracting of certain services with special employment centres (CEE).

Centre	Services	Amount
C.E.E. CADEMADRID	Printing	2,110 €
C.E.E. INSERCIÓN PERSONAL DISCAPACITADOS " IPD"	Cleaning head office in Madrid	99,260 €
	TOTAL	**101,371 €**

With regard to the universal accessibility and integration of persons with different abilities in physical environments, some Group companies have already made the necessary adaptations to eliminate architectural barriers.

Remunerations

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

- Average remuneration by professional category

	2021		2020	
Professional category	Men	Women	Men	Women
Executives	106,009	80,985	100,406	83,098
Technical staff & middle management	49,628	50,320	52,128	47,061
Administrative & auxiliary staff	43,933	37,501	40,178	37,024
Factory employees	28,086	25,003	29,033	26,612
Others	22,828	22,631	21,972	16,008

NB:

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

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

- Average remuneration by age group

2021			2020		
<= 30	30 - 50	>= 50	<= 30	30 - 50	>= 50
30,196	50,014	59,868	29,916	48,456	57,685

NB:

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

Average remuneration by gender and pay gap

2021			2020		
Men	Women	Pay gap	Men	Women	Pay gap
50.097	43.288	0,14	48.743	41.961	0,14

NB:

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

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

Average remuneration of directors, by gender

	2021		2020	
	Men	Women	Men	Women
Average remuneration directors *(EUR thousand)*	267	172	251	183

** NB: The 2021 remuneration of directors for their duties as such was taken, excluding the remuneration received by the Executive Chairman for his executive duties. The Chairman is the only executive director who performs executive duties and receives remuneration for them. The directors' remuneration for their duties as such is stated individually for each one in the Annual Report on Directors' Remuneration 2021, published on the website of the CNMV (www.cnmv.es) and the corporate website (www.ebrofoods.es). The remuneration of directors for their duties as such is established with no consideration for the gender of the person holding office.*

9. CUSTOMERS AND CONSUMERS

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

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

Our main tools

1. R&D and innovation

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

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

2. Quality Control and Food Safety Systems

i. **Good Manufacturing Practices (GMP):** contemplating good practices for the handling, packaging, storage and carriage of fresh products.

ii. **Hazard Analysis and Critical Control Point (HACCP):** a system for identification and control of any problems that may come to light during the design and production processes.

iii. **Quality Assurance Standards,** such as:

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

In this context, all the Ebro Group plants have been certified for quality and food safety, having a total of 173 certifications between them (Annex 2).

During 2021, Arrozeiras Mundiarroz (Portugal), Boost Nutrition (Belgium), Ebro Frost UK, Harinas Santa Rita (Spain), Herba Bangkok (Thailand), Herba Cambodia (Cambodia), Lassie (Netherlands), Lustucru Frais (France), Riviana Foods (USA) and Roland Monterrat (France) made regular assessments of their products with a view to promoting safety and improving them.

Product and Service Labelling

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

Customer and consumer services

Information on the nutritional properties of all Ebro Group products is provided on the packaging, along with the physical address of the company and, where appropriate, its website, e-mail and telephone number.

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

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

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

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

Company	Country	Communication channels with customers
Arrozeiras Mundiarroz	Portugal	E-mail, post, website and social media
Bertagni 1882	Italy	E-mail, website and social media
Boost Nutrition	Belgium	E-mail, website and social media
Ebro Foods Netherland BV (Lassie)	Netherlands	Telephone, e-mail, website and social media
Euryza	Germany	Telephone, e-mail, website and social media
Herba Ricemills	Spain	Telephone and e-mail
Lustucru Frais	France	Telephone and post
Lustucru Riz	France	Telephone, post, e-mail and social media
Pastificio Lucio Garofalo	Italy	Telephone, e-mail, website and social media
Riceland Magyarorszag	Hungary	Telephone, e-mail and website
Risella	Finland	Telephone
Riviana Foods Canada	Canada	Telephone, e-mail, website and social media

Company	Country	Communication channels with customers
Riviana Foods USA	USA	Telephone, e-mail, Website and social media

Incidents during the year

Incidents registered with large customers

Overall, 7 incidents were registered in 2021, 1 of which corresponded to Arrozeiras Mundiarroz (Portugal), 1 to Bertagni (Italy), 2 to Garofalo (Italy) and 3 to Herba Ingredients (Netherlands). Of those, 4 were related with product health and safety, 2 to information and labelling and 1 to marketing communications, advertising and promotion.

Claims from end consumers

The following table shows the number of claims (packaging defects, requests for information, sensory properties, etc.) handled during 2021, by company.

Company	No. incidents 2021	No. incidents 2020
Arrozeiras Mundiarroz	149	268
Bertagni 1882	318	322
Boost Nutrition	228	178
Ebro India	78	70
Euryza	930	628
Herba Ricemills	340	388
Ebro Foods Netherland BV (Lassie)	241	266
Lustucru Frais	1,413	2,074
Lustucru Riz	1,151	---
Pastificio Lucio Garofalo	677	916
Riceland Magyarorszag	45	33
Risella	187	472
Riviana Foods Canada	1,663	2,422
Riviana Foods USA	7,903 (rice)	14,034 (rice) 18,617 (pasta)
Roland Monterrat	503	
Tilda	1,144	1,602

No claims were received in 2021 in any Group company related with privacy and customers' personal data leaks.

Promotion of healthy food and healthy lifestyles

Within our undertaking to encourage and promote healthy eating, all the brands of the Ebro Group include product categories targeting health, such as ancient grains, gluten free, quinoa, whole grain, etc., focusing increasingly on everything to do with healthy, organic and natural foods.

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

10. SUPPLIER MANAGEMENT

Description of the supply chain

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

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

Supplier management model

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

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

In this context, at 31 December 2021, 10.4% of our suppliers and service providers have signed the Supplier COC and completed the ethics questionnaire. Around half of them supply raw materials.

In addition, have another two corporate tools we can use to guarantee the sustainability of our supply chain: 1) visits and meetings of the Procurement Departments of the different subsidiaries with their suppliers, and 2) our corporate account in the Sedex Platform, with which all the Group companies are now registered and their respective suppliers are signing up, in turn being audited by an independent external firm.

In this area, we made 27 SMETA audits in 2021, 1 of them a follow-up audit, on suppliers in the following countries:

Country	Date of audit	Auditors
Austria	10/02/2021	Bureau Veritas Certification
Brazil	24/02/2021	SGS Brazil
Germany	21/09/2021	Bureau Veritas Certification
Greece	03/03/2021	Intertek Bulgaria
	04/03/2021	Intertek Bulgaria
Italy	28/06/2021	Bureau Veritas Certification
	08/06/2021	SGS Italy

	26/11/2021	ABS Quality Evaluations Inc
	31/05/2021	Bureau Veritas - EMEA
Mexico	26/03/2021	Intertek Mexico
Norway	20/06/2021	DNV
Pakistan	06/10/2021	ALGI Pakistan
	16/09/2021	ELEVATE
	11/06/2021	Bureau Veritas Certification
Peru	12/09/2021	SIPAS CR-PERU
	13/07/2021	Intertek Perú
Spain	29/09/2021	SGS Spain
	25/02/2021	SGS Spain
	19/01/2021	Intertek Spain
	11/01/2021	Intertek Spain
	20/05/2021	Intertek Spain
	18/05/2021	Intertek Spain
Switzerland	12/08/2021	Bureau Veritas Certification
Thailand	24/09/2021	SGS Thailand
UK	01/09/2021	SGS_UK
	01/11/2021	SGS_UK
USA	01/03/2021	Intertek Perú

In the area of agricultural raw materials, more specifically in rice production, Herba Bangkok, Herba Ricemills, Mundiriso and Riviana are developing programmes to assess and verify the sustainability of the crop using the FSA standard of the SAI Platform (Sustainable Agriculture Initiative) and the SRP standard of the Sustainable Rice Platform. Around 10% of the growers who supply the Ebro Group participate in these programmes.

At this point, we highlight the sustainable agriculture projects we are developing in some of our principal sourcing areas. These projects aim primarily at improving growers' revenues, optimising their agricultural returns and mitigating climate change by reducing the use of water, cutting emissions and encouraging the use of biological means to combat plagues. In this regard, we should point out that we have not identified any adverse environmental or social impacts in our supply chain.

11. OUR COMMITMENT TO THE ENVIRONMENT

Scope of Reporting

The information set out below corresponds to 69 of the 74 production plants and offices that the Ebro Group has through its different companies.

Following the divestments in the dry pasta businesses in France and North America during 2020 and 2021, we have recalculated all the 2020 indicators according to the new Group reporting perimeter, in order to enable a correct comparison of these two years.

All the emission factors, low calorific values (LCV) and global warming effect used are set out in Annex 3.

Management focus

The main goals of the Ebro Group's environmental commitment are defined in our Policy on Sustainability, Environment and Corporate Social Responsibility: "Steer the company's processes, activities and decisions to protect our environment, prevent and minimise environmental impact, optimise the use of natural resources and preserve biodiversity."

According to this declaration, the Group's actions are based on the following:

1. Ensure that our companies comply with the environmental laws applicable to their respective activities by implementing internal management systems and monitoring the applicable laws and regulations.

2. Minimise the environmental impact of our activity by seeking eco-friendly solutions and embarking on initiatives to reduce our emissions, optimising our consumption of water, energy and packaging material.

3. Transition towards a circular economy, recovering waste and favouring its recycling and reuse, using recycled raw materials and/or those respectful of the environment, whenever possible.

4. Organise environmental awareness and training programmes for Group employees.

5. Promote the use of sustainable crop techniques among our agricultural suppliers.

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

1. Air emissions: Mainly emissions of particles during the handling of cereals and greenhouse gas (GHG) emissions related to the consumption of fossil fuels and electricity. The most widely used fuel is natural gas.

2. Noise emissions: These emissions are produced during the operation of engines, compressors, sleeve filters and other manufacturing equipment. All our plants comply with the environmental standards and the noise levels are monitored regularly, taking mitigation measures wherever necessary.

3. Production processes: Essentially mechanical and hydrothermal, requiring the use of very few chemical products and in very small quantities. Most of these products are used to clean the equipment and cleanse the raw materials and are relatively harmless for the environment.

4. Water consumption: The amount of water used in our processes is negligible (the vast majority of our products are dry) so the volume of effluent generated is also small. Moreover, the little effluent produced has a low level of contamination since the water consumed is basically used to produce steam, for cooling or as an ingredient in the finished products.

5. Waste generation and management: The company generates minimal amounts of waste, both non-hazardous (mainly packaging of ingredients and ancillary materials) and hazardous (maintenance operations) and it is managed through authorised waste disposal contractors.

Precautionary principle

The guidelines on which the precautionary principle is based are set out in the Group's Code of Conduct and Policy on Sustainability, Environment and Corporate Social Responsibility. In both texts, Ebro Foods declares its firm commitment to respect the environment and preserve biodiversity. It also sees that its companies comply with the environmental laws applicable to their operations and any additional commitments assumed voluntarily, and applies environmental sustainability programmes in specific matters.

GRI 301: Materials

This indicator is reported under standard GRI 301 (2016).

- Raw Materials [301-1]

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

The raw materials used in finished goods are divided into five categories:

1. Rice
2. Durum wheat and semolina/durum wheat flour

3. Other raw materials of plant origin: quinoa, pulses, other cereals, other flours/semolinas, fruit and vegetables and soya/soybean oil
4. Raw materials of animal origin: meat, fish and eggs
5. Other ingredients: e.g. spices and flavourings used mainly in precooked food.

	2021		2020	
Raw Materials (t)	**t**	**%**	**t**	**%**
Rice	2,028,296	86.94%	2,005,107	84.58%
Durum wheat and Semolina/durum wheat flour	194,361	8.33%	216,442	9.13%
Other RM plant origin	69,126	2.96%	111,636	4.71%
RM animal origin	23,548	1.01%	22,303	0.94%
Other ingredients	17,675	0.76%	15,111	0.64%
Total	**2,333,006**		**2,370,599**	

Although the use of raw materials from animal origin barely represents 1% of the total in our products, corresponding to egg, the Ebro Group has undertaken to use exclusively ingredients from cage-free eggs in the production of any foods requiring that raw material as from 2025. This undertaking is extended to all the Group's companies in Spain and has also been adopted by Lustucru Frais in France. In 2021, the use of ingredients from cage-free eggs was already up to 91% in Spain and 25% in France.

Packaging materials [301-1]

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

Type of Material	2021	2020
Plastic	38,994	53,734
Paper	45,847	49,329
Glass	0	52
Metal	6	12
Others	1,600	1,692
Total (t)	**86,447**	**104,819**

Recycled input materials [301-2]

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

By law, primary packaging, which is in direct contact with the food, must have a 100% virgin fibre composition.

The different secondary and tertiary packaging formats used by the Group both contain 69% of recycled fibre, on average.

GRI 302: Energy

This indicator is reported under standard GRI 303 (2016).

The energy consumption and inventory of greenhouse gas (GHG) emissions of all the Group companies is calculated under standard ISO 14064-1:2019.

Energy consumption within the organisation [302-1]

We separate energy consumption within the organisation into Scope 1 (direct consumption) and Scope 2 (indirect consumption).

The Scope 1 energy consumption is calculated taking into account the following:

1. The consumption of non-renewable fuels in stationary and mobile sources:
2. The consumption of renewable fuel:
    a. Rice husk, a by-product of our industrial processes, used by Ebro India, Herba Ricemills and Mundiriso
    b. Wood chips used by Ebro Frost
    c. Charcoal used by Ebro India
3. The self-generated energy in photovoltaic and cogeneration facilities
4. The self-generated energy sold from photovoltaic and cogeneration facilities

Direct consumption - Scope 1 (GJ)

Non-renewable fuel consumed	2021		2020	
Natural gas	2,749,039	75.80%	2,915,873	95.15%
Other non-renewables	805,189	22.20%	77,531	2.53%
Total consumption non-renewables	**3,554,228**	**98.01%**	**2,993,404**	**97.68%**
Renewable fuel consumed	**2021**		**2020**	
Biomass/Charcoal	70,194	1.94%	64,843	2.12%
Total consumption renewables	**70,194**	**1.94%**	**64,843**	**2.12%**
Self-generated energy	**2021**		**2020**	
Photovoltaic panels	2,956	0.08%	6,810	0.22%
Cogeneration	94,458	2.60%	91,271	2.98%
Total self-generation	**97,414**	**2.69%**	**98,081**	**3.20%**
Self-generated energy sold	**2021**		**2020**	
Photovoltaic panels	13	0.00%	0	0.00%

Stationary combustion/Cogeneration	838	0.02%	637	0.02%
Total self-generation sold	**851**	**0.02%**	**637**	**0.02%**
Self-consumption photovoltaic	**2021**		**2020**	
Self-consumption PV	**2,943**	**0.08%**	**6,810**	**0.22%**
Total Scope1	**3,626,527**	**100.00%**	**3,064,420**	**100.00%**

2.7% of the Scope 1 energy is self-generated at the photovoltaic facilities of Bertagni, Garofalo, Geovita and Mundiriso and the cogeneration plants of Ebro Frost and Garofalo.

Indirect consumption - Scope 2 (GJ)

Consumption Scope 2	2021		2020	
Electricity without GoO	934,675	91.28%	937,966	90.40%
Electricity with GoO	73,992	7.23%	85,928	8.28%
Steam	14,736	1.44%	13,633	1.31%
Heat	546	0.05%	0	0.00%
Cooling	0	0.00%	0	0.00%
Total (GJ)	**1,023,949**	**100.00%**	**1,037,528**	**100.00%**

Total energy consumption	2021		2020	
Scope 1	3,626,527	77.98%	3,064,420	74.71%
Scope 2	1,023,949	22.02%	1,037,528	25.29%
Total Scopes 1&2 (GJ)	**4,650,476**	**100.00%**	**4,101,947**	**100.00%**

- Energy consumption outside of the organisation [302-2]

We do not have the methodologies or activity data to calculate energy consumption outside of the organisation.

- Energy intensity [302-3]

Energy intensity	2021	2020
Total energy consumed (GJ)	4,650,476	4,101,947
Net Sales Ebro (M€)	2,427.1	2,430.3
Energy intensity (GJ/M€ net sales)	**1,916**	**1,688**

- Reduction of energy consumption [302-4]

Eight companies in the Ebro Group have reported different initiatives to reduce their energy consumption, by a total of EUR 298,614.

Company	Plant	Indicator	Initiative	Cost
Ebro India	Taraori	Energy & Emissions	Reduction of hours operation by improving process	957 €
S&B	Fullborn	Energy & Emissions	Change from conventional lighting to LED	0 €
Riviana Foods Canada	Hamilton	Energy & Emissions	Change from conventional lighting to LED	10,258 €
Mundiarroz	Coruche	Energy & Emissions	Change from conventional lighting to LED	2,650 €
Garofalo	Gragnano	Energy & Emissions	Solar thermal system to produce domestic hot water	38,500 €
Lustucru	Communay	Energy & Emissions	More efficient thermal system to produce hot water	62,000 €
Herba Ricemills	San Juan	Energy & Emissions	Modification of steam mill: reduction of direct emissions, improvement of electrical efficiency and lower noise emissions	156,249 €
Mundiriso	Vercelli	Energy	Improvement of heat insulation in packaging area	28,000 €

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

GRI 303: Water and Effluents

This indicator is reported under standard GRI 303 (2018)

- Interactions with water [303-1]

Water consumption in Ebro includes water consumed in offices and in the manufacturing process. The production processes of pasta and precooked food are more water-intensive than the dry rice production process. The consumption of well water used by Agromeruan in rice growing is also included.

- Management of water discharge-related impacts [303-2]

All effluent is discharged to the sewage networks, except from Ebro India and Ebro Frost, which use well water and return it to the land.

- Water withdrawal [303-3]

The surface water withdrawn and used by Agromeruan for its rice crop in Morocco represents 78% of the total consumption by the group. The remaining water withdrawal, which is used in

our industrial activity, is from the municipal water supply (third-party water) (82%) and groundwater (18%).

Water withdrawal	2021		2020	
Third-party water	2,786,513	18%	2,839,731	8%
Groundwater	617,738	4%	642,301	2%
Total industrial processes (m3)	**3,404,251**	**22%**	**3,482,032**	**9%**
Inland surface freshwater	11,880,000	78%	33,840,000	91%
Inland surface salt water	0	0%	0	0%
Total water withdrawn (m3)	**15,284,251**		**37,322,032**	
Total withdrawal freshwater (SS<1000 mg/l)	15,284,251		37,322,032	
Total withdrawal other water(SS>1000 mg/l)	0		0	

Water withdrawal by areas of water stress

Using the World Resources Institute (WRI) classification of water stress areas, the group's water withdrawal by areas of water stress is as follows:

	2021		2020	
Water withdrawal by areas of Water Stress	**m3**	**%**	**m3**	**%**
Low	90,454	1%	58,541	0%
Low-medium	1,554,807	10%	1,572,195	4%
Medium-high	882,633	6%	887,758	2%
High	12,724,396	83%	34,788,273	93%
Extremely high	31,962	0%	15,265	0%
Total water withdrawn (m3)	**15,284,251**		**37,322,032**	

NB: 93% of the water withdrawn in areas of high water stress corresponds to the agricultural activities of Agromeruan.

Water discharge [303-4]

Destination of discharge	2021	2020
Third party water (Sewage network, treatment plants)	2,137,154	2,452,992
Inland water	265,802	25,093
Seawater	0	0
Total (m3)	**2,402,956**	**2,478,085**

Discharge treatment	2021	2020
No treatment	1,697,143	1,780,516
Primary/secondary treatment	695,958	692,973
Tertiary treatment	9,854	4,597
Total (m3)	**2,402,956**	**2,478,085**

Type of discharge	2021	2020
Freshwater (SS<1000 mg/l)	1,760,335	2,478,085
Other water (SS>1000 mg/l)	642,621	0
Total (m3)	**2,402,956**	**2,478,085**

Discharge by areas of Water Stress	2021		2020	
	Freshwater discharged (SS<1000 mg/l)	Other Water discharged (SS>1000 mg/l)	Freshwater discharged (SS<1000 mg/l)	Other Water discharged (SS>1000 mg/l)
Low	51,222	0	35,952	0
Low-medium	280,767	642,621	942,380	0
Medium-high	717,083	0	691,574	0
High	701,409	0	803,582	0
Extremely high	9,854	0	4,597	0
Total discharge (m3)	**1,760,335**	**642,621**	**2,478,086**	**0**

No accidental discharge occurred in 2021.

- Water consumption [303-5]

Water Consumption	2021	2020
Water withdrawal	15,284,251	37,322,032
Water discharge	2,402,956	2,478,084
Water sold	0	3,168
Total water consumption (m3)	**12,881,296**	**34,840,780**

NB: The volume of water used in the rice crop has not been considered discharge

Discharge by areas of Water Stress	2021	2020
Low	39,232	22,589
Low-medium	631,418	629,815
Medium-high	165,550	193,015
High	12,022,987	33,984,691
Extremely high	22,108	10,668
Total water consumption (m3)	**12,881,296**	**34,840,778**

GRI 304: Biodiversity

This indicator is reported under standard GRI 304 (2016).

- Operational sites in or adjacent to protected areas and areas of high biodiversity value outside protected areas [304-1]

The Riviana plant in Freeport, Texas (USA) is adjacent to a protected area of wetland, PEM1A, Brazos River.

Tilda has a jetty on the River Thames (UK).

- Significant impacts of activities, products, and services on biodiversity [304-2]

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

- Habitats protected or restored [304-3]

No restoration measures have been implemented in protected habitats.

Climate Change

Climate change poses a serious threat for the Group's business activities as it directly affects essential aspects such as the production of raw materials, the availability of critical resources (e.g. water), the viability of product transport, logistics and distribution operations and increased energy needs of our production processes, among others.

Accordingly, in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TFCD), we have identified the potential risks, impacts and opportunities that climate change may have on our organisation, establishing the appropriate mitigation and/or adaptation measures for each one. This will shortly be taken further, with the financial quantification of those risks and impacts.

Some of the mitigation measures are already contemplated in our Sustainability Plan HEADING FOR 2030, including: 1) making a more efficient consumption of water and energy; 2) reducing, recovering and re-using waste; 3) recycling packaging; 4) optimising logistics; and 5) using new sustainable agriculture models and technologies. The details and monitoring of each of these measures is available on the website caringforyouandtheplanet.com.

In 2020 we developed a Greenhouse Gas Emissions Inventory procedure for all the Group companies under standard ISO 14064-1:2019. Through the reporting under this standard we have been able to calculate the Scope 1 and 2 of the Group's Carbon Footprint. The next stage will be to measure Scope 3, with a view to designing a plan to reduce emissions. We have already started to develop initiatives that contribute towards that goal.

So with regard to Scopes 1 and 2, some of our companies, particularly those in Italy, have started installing photovoltaic (PV) energy generation units at their production plants. Similarly, cogeneration is used as one of their energy sources by the subsidiaries Garofalo and Ebro Frost Germany, and biomass, by Ebro Frost Denmark, Herba Ricemills, Mundiriso and Ebro India.

With regard to Scope 3, through our accession to the Lean & Green Programme for the calculation-reduction-offset of emissions produced in national overland logistics (Spain), we are close to concluding the reduction plan (20% in 5 years) that we will present in the second quarter of 2022.

Also in Scope 3, the Ebro Group takes an active approach to the promotion and investigation of environmentally sustainable growing techniques for application to the rice crop in different production areas, to contribute towards greater preservation of the environment, promote biodiversity and mitigate the effects of climate change. This work is done through own initiatives and specific collaborations with stakeholders and sectoral associations, particularly the Sustainable Agriculture Initiative Platform (SAI Platform) and the Sustainable Rice Platform (SRP).

In 2021, the most important examples of this work were:

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

  This is a programme developed jointly with Mars, GIZ and the Thai Rice Department to enhance the economic viability of 1,200 rice growers in the province of Roi Et and the sustainable production of high quality Hom Mali aromatic rice.

  The programme organises numerous activities, such as teaching farmers about the Sustainable Rice Platform (SRP) standard and agronomic technologies, providing access to high quality seeds, improving growers' skills and enhancing gender equity. The SRP audit is also made of the crop. The project completed its fourth year of rice production in 2021.

- Spain: Oryzonte Programme

  This programme has been developed in the Guadalquivir Marshes (Seville) jointly with Mars Food and Danone.

  The project, which began in 2018, seeks to improve the sustainability of the rice crop in the province of Seville (Andalusia, Spain), focusing on three key areas: water, GHG emissions and biodiversity.

  - With regard to water, the programme has assessed the potential of different practices to reduce the use of water in the rice fields on a commercial scale. In 2021, we worked with several Irrigation Associations to improve their understanding of the evolution of salinity within the water circuit during the rice campaign and its relationship with the production yield. In addition, in cooperation with the Institute of Sustainable Agriculture of the National Council for Scientific Research (CSIC), Oryzonte has developed a water and salinity model to assess the situation on the entire right-hand side of the rice-growing region of Seville.

  - With regard to GHG emissions, the project checked that the implementation of specific practices aligned with the guidelines of the Intergovernmental Panel on Climate Change (IPCC), such as Alternate Wetting and Drying (AWD) techniques, actually reduce GHG emissions from land on both banks of the River Guadalquivir, without producing an adverse effect on the agricultural yield.

- Biodiversity. The programme has installed vertical structures and nests for bats and birds of prey of special interest, such as the barn owl or the lesser kestrel. Encouraging the presence of these birds of prey and bats is a promising strategy to reduce the use of pesticides and increase the sustainability of the agricultural production systems.

- Programmes developed by Ebro India

Our company Ebro India continues working on different sustainability projects, some of which have been in place for several years, such as EKTA, Control Farming and Organic Farming.

During 2021, it added a new programme to reduce the water consumption and emissions and encourage the use of biological plague control methods.

This new project teaches 50 growers how to use biological plague control methods (spider bundles and pheromone traps). The pheromone traps are a very visual method to see whether or not there is a plague of insects, thereby reducing the indiscriminate use of pesticides. Spider bundles provide a natural habitat for spiders, which are natural predators of insects. By reducing the population of insects, the quantity of pesticides needed is also reduced. Finally, they have been trained to use AWD tubes, with which they can check when it is necessary to irrigate, thereby eliminating any excessive use of water and, therefore, emissions.

EKTA, which has been in progress since 2015, continues to provide support for over 5000 growers. It is a training for growers, instructing them in the best agricultural practices and the optimum use of pesticides and fertilizers, and helping them to increase the yield from their crops and lower costs.

One of the greatest challenges in India is compliance with the MRL (maximum residue limits) permitted in the European Union. Through the Control Farming programme, Ebro India works closely with the growers, monitoring all the agricultural practices they use from sowing to harvesting and educating them in the correct use of pesticides and fungicides in terms of quantity, quality and timing.

The Organic Farming programme consists of working jointly with around 830 growers for the production of organic basmati and non-basmati rice.

We should also point out that in order to address the challenges of climate change and follow any changes in law in this area, the Ebro Group is a member of the Climate Change Cluster promoted by Forética (www.foretica.org). In that Cluster, a group of large companies work together to lead the strategic positioning addressing climate change in the business agenda, discuss and exchange views and good practices, participate in the global debate and become key players in the decisions made at the administrative level.

GRI 305: Emissions

This indicator is reported under standard GRI 305 (2016).

The methodology employed under ISO 14064-1:2019 is of calculation, using the activity data of each company/plant and emission factors taken from official sources (Annex 3), applied to all the group's plants. All the gases are included in the calculation: CO2, CH4, N2O, HFC, PFC, SF6, NF3.

The Ebro Group's GHG emissions are consolidated under the operational control approach, including: (a) direct GHG emissions and (b) indirect GHG emissions for imported energy.

- Direct (Scope 1) GHG emissions [305-1]

The sources of direct (Scope 1) GHG emissions are:

- ✓ Emissions of CO2, CH4 and N2O from fossil fuel consumption by stationary sources and mobile sources (fleet of vehicles and machinery).
- ✓ Leaks of cooling gases (HFC) from HCAV equipment
- ✓ Emissions of CH4 from the rice crop
- ✓ Emissions of N2O from elimination of nutrients in water treatment
- ✓ Direct emissions of CH4 and N2O from Biomass (rice husk, wood and charcoal)

- Indirect (Scope 2) GHG emissions [305-2]

The sources of indirect (Scope 2) GHG emissions are:

- ✓ Emissions of CO2 from energy consumption (electricity, heat, steam and cold) in installations and processes.

GHG emissions	2021		2020	
Scope 1 emissions	217,051	69%	190,406	66%
Scope 2 emissions	99,153	31%	99,960	34%
Total emissions (t CO2e)	**316,204**		**290,366**	

We calculate the Scope 2 emissions according to the location, using specific emission factors of each country.

The emissions from the rice crop of Mundi Riz in Morocco represents 1.82% of the Scope 1 emissions and 1.25% of the total emissions of the Group.

- Biogenic CO2 emissions

Biogenic CO2 emissions are produced in the combustion of renewable fuels, in our case rice husk, wood chips and charcoal.

Biogenic CO2 Emissions	2021	2020
Biogenic CO2 (t CO2e)	7,466	10,051

Other indirect (Scope 3) GHG emissions [305-3]

We do not have the methodologies or activity data to calculate all the indirect GHG emissions produced outside the organisation (Scope 3). We plan to calculate Scope 3 over the course of 2022-2023, and subsequently define specific targets for emissions reduction. For the time being, we have the following partial measurements:

- The emissions associated with the maritime logistics of our raw materials and products of the Group's rice division. This calculation is made using the Eccoprint tool developed by EccoFreight and includes the transport (by rail and/or road) from the source plant to the port of departure and from the port of arrival to our plant.

  In 2021, Eccofreight handled approximately 32% of the shipments of the entire rice division, with 272,153 tonnes shipped and GHG emissions of 87,424 t CO2e.

  By choosing more efficient routes instead of other alternative routes available with larger carbon footprints, we avoided the emission of 50,705 t CO2e, which is a 37% reduction of our Scope 3 emissions.

- Emissions associated with national overland logistics (Spain). After joining the Lean & Green programme, we have calculated the carbon footprint of our national logistics and will present our plan for reducing it (by 20% over 5 years) in the second quarter of 2022.

GHG emissions intensity [305-4]

Emissions Intensity	2021	2020
Total GHG emissions (t CO2e)	316,204	290,365
Ebro Net Sales (M€)	2,427.1	2,430.3
GHG emissions intensity (t CO2e M€ net sales)	**130**	**119**

Reduction of GHG emissions [305-5]

We are studying the possibility of defining emissions reduction objectives aligned with the recommendations of the scientific community. We plan to calculate our Scope 3 emissions over the course of 2022-2023 and subsequently define specific emission reduction targets.

In addition to the energy reduction initiatives described in section 302 energy, which entail reducing emissions, three companies have implemented initiatives to reduce emissions, for a total value of EUR 1,094,894.

Company		Indicator	Initiative	Cost
Herba Ingredients	Plant B-E	Emissions	New gas burner with low emissions	17,147 €
Boost	Plant A	Emissions	Replacement of coolant R22 (GWP=1810) with R32 with a lower GWP (=675), reducing emissions by 60%	8,433 €
Riviana Foods USA	Freeport	Emissions	Improvements to dust collection system and compressor room	1,069,244 €

- Emissions of ozone-depleting substances (ODS) [305-6]

Thanks to the development of specific laws (on an international, European and national level) and the efforts of the sectors affected, ODS production and consumption have been practically phased out. The Ebro Group's activities are not included in any of the main sectors that use or used ODS, so in our opinion this indicator is not material and is not calculated.

- NOx, SOx and other significant air emissions [305-7]

We calculate the emissions of air pollutants associated with the stationary and mobile combustion processes, as they are the most significant. The NOx, SOx, etc. emissions are obtained by multiplying the GJ by a specific emissions factor for each type of pollutant.

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

	2021							
NOx, SOx & other emissions (t)	**NOX**	**CO**	**COV**	**SOx**	**PM10**	**PM2.5**	**PM**	**TOTAL**
Stationary combustion	218	122	86	3	12	12		453
Mobile combustion	239	1,305	210				0	1,755
Total Pollutants (t)	**457**	**1,427**	**296**	**3**	**12**	**12**	**0**	**2,207**

GRI 306: Waste

This indicator is reported under standard GRI 306 (2020).

- Waste generation [306-1]

Most of the waste generated by our business is classified as non-hazardous waste. There is also a small proportion of hazardous waste generation, mainly waste from the packaging of chemical products used in maintenance work at our facilities.

Management of significant waste-related impacts [306-2]

All waste of whatever type is separated by kind and taken to authorised waste disposal contractors for treatment according to the laws in place in each geographical area, giving priority to recycling and reuse wherever possible.

Circularity measures

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

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

During 2021, in line with the changes made in previous years by our dry rice brands La Fallera and La Cigala (Spain) and Risella (Finland), and according to the circular economy targets set for our packaging (100% recyclable by 2030), we continue striving to achieve more recyclable packaging. This is the case of our brand SOS specialties, currently sold in a non-recyclable flexible packaging (polyethylene & polypropylene PE/PP), for which we are studying the possibility of changing to recyclable paper, which would avoid the use of 19,480 tonnes of PE/PP that would end up in a landfill.

We also continue running tests to validate a doypack manufactured with multi-polymer sterilisable, high-barrier complexes, namely polypropylene, to replace complex structures in which the coexistence of different polymeric chains make mechanical recycling impossible.

We also mention the 100% recyclability achieved in one of the formats most sold by the Group: the Brillante rice cups.

Actions to combat food waste

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

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

The three principal objectives of the project are to:

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

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

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

During 2021, in a move to step up its commitment in this area, the Ebro Foods Group joined Waste Warrior Brands, an initiative promoted and coordinated by Too Good To Go (TGTG), an international platform bringing together major brands from the food and hospitality sectors to fight food waste. In this context, Ebro undertakes to work jointly with TGTG on developing different external and internal actions and initiatives to avoid food waste, and on jointly creating campaigns and actions to raise awareness in this regard among the general public and our own employees.

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

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

Some of the Group’s rice companies use the husk from their manufacturing processes as a source of renewable energy. During 2021, Ebro India, Mundi Riso and Herba Ricemills reported the use of rice husk as a renewable fuel to obtain thermal energy.

- Waste generated [306-3]

Waste	2021	2020
Hazardous	118	52
Non-hazardous	37,800	28,182
Total Waste (t)	**37,918**	**28,234**

- Waste diverted from disposal [306-4] (Recovery)

Non-hazardous waste for recovery	2021	2020
Recycled	5,588	3,338
Composted	4,273	2,011
Reused	10,870	1,746
Other recovery operations	2,310	2,757
Total recovery NH waste (t)	**23,040**	**9,852**

Hazardous waste for recovery	2021	2020
Recycled	43	5
Composted	4	1
Reused	0	0
Other recovery operations	15	15
Total recovery H waste (t)	**62**	**21**

- Waste directed to disposal [306-5]

Non-hazardous waste directed to disposal	2021	2020
Landfilling	12,137	13,923
Incineration	873	3,511
Other disposal operations	1,751	897
Total disposal NH waste (t)	**14,760**	**18,330**

Non-hazardous waste directed to disposal	2021	2020
Landfilling	0	11
Incineration	13	4
Other disposal operations	44	16
Total disposal H waste (t)	**57**	**31**

In Spain, the company Herba Ricemills is making a profound change in its waste management. The different waste managers used up to now are being replaced with a new manager that only recovers waste. This change is being implemented gradually in all the company's production plants in Spain and will reduce the volume of waste taken to landfills.

GRI 307 Environmental Compliance

- Non-compliance with environmental laws and regulations [307-1]

In 2021, 4 plants reported minor non-compliance with environmental laws and regulations, leading to small fines.

Company	Plant	Environmental non-compliance	Fine (€)	Remedial Action
Bertagni	Avio	Delay in the declaration of authorisation of the heating system	7,300	Presentation of the declaration
Garofalo	Gragnano	Accumulation of debris in an undesignated area by a contractor	11,000	Oversight of contractor's work
Lustucru	Lorette	Surpassing the concentration of DCO/DBO5 in effluent	20,000	Measures have been put into place to reduce DCO/DBO and comply with the criteria
Lustucru	St. Genis Laval	Non-compliance with stipulated pH and temperature of effluent	0	Measures have been put into place to lower the pH and temperature and comply with the criteria

Provisions and guarantees for environmental risks

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

Environmental assessment and certification procedures

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

The following workplaces have an environmental management system certified under UNE-EN-ISO 14001:

- Herba Ricemills (San Juan, Coria, Los Palacios and Isla Mayor plants)
- Garofalo Gragnano

Resources dedicated to environmental risk prevention

Thirteen of the 33 companies covered by this report have reported investments in measures to reduce / optimise energy consumption, water consumption and GHG emissions:

- Pastificio Lucio Garofalo
- Herba Ricemills
- Riviana Foods USA
- Riviana Foods Canada
- Mundiriso
- Arrozeiras Mundiarroz
- Bertagni
- Boost Nutrition
- Ebro India
- Herba Bangkok
- Herba Cambodia
- Herba Ingredients
- Lassie

Environmental expense and investment	2021	2020
Cost of management and control	1,143,950 €	1,152,954 €
Investment to minimise impact	4,747,655 €	3,291,293 €
Total	**5,891,605 €**	**4,444,248 €**

The investments reported here include measures to reduce energy consumption, water consumption and emissions, as well as the cost of waste management, inspection of pressurised equipment, noise measurements and analyses. They also include initiatives to adapt to climate change, such as the Oryzonte project, which aims to reduce water consumption and GHG emissions, and SRP assessments in Spain.

The principal investments were made by Riviana Foods USA:

- Changes to the rice cooking system to allow reuse of the water with starch, thus reducing water withdrawal and effluent
- Improvements in the dust collection system and compressor room.

ANNEX 1

List of subsidiaries of the Ebro Group

Company	Country	Business Area
Agromeruan, SARL AU	Morocco	Rice
Arrozeiras Mundiarroz, S.A.	Portugal	Rice
Arotz Foods, S.A.	Spain	Others
Bertagni 1882, S.P.A.	Italy	Pasta
Boost Nutrition, C.V.	Belgium	Rice
Riviana Foods Canada Corporation	Canada	Fresh pasta
Ebro Foods, S.A.	Spain	Parent (Holding)
Ebro Foods Netherland BV (Lassie)	Netherlands	Rice
Ebrofrost Denmark, A/S	Denmark	Rice and pasta
Ebrofrost Germany, Gmbh	Germany	Rice and pasta
Ebrofrost UK, Ltd	UK	Rice and pasta
Ebrofrost North America	USA	Rice and pasta
Ebro India, Private Ltd.	India	Rice
Euryza, Gmbh	Germany	Rice
Geovita Functional Ingredients, S.R.L.	Italy	Ingredients
Herba Bangkok, S.L.	Thailand	Rice
Herba Cambodia, Co. Ltd	Cambodia	Rice
Herba Ingredients, B.V.	Netherlands and Belgium	Ingredients
Herba Ricemills, S.L.U.	Spain	Rice
Indo European Foods Ltd.	UK	Rice
La Loma Alimentos, S.A.	Argentina	Rice
Lustucru Frais, S.A.S.	France	Fresh pasta
Lustucru Riz, S.A.S.	France	Rice
Mundi Riso, S.R.L.	Italy	Rice
Mundi Riz, S.A.	Morocco	Rice
Neofarms Bio, S.A.	Argentina	Rice
Pastificio Lucio Garofalo, Spa	Italy	Pasta
Riceland Magyarorzag, Kft	Hungary	Rice
Riviana Foods, Inc.	USA	Rice
Roland Monterrat, S.A.S.	France	Fresh food
Santa Rita Harinas, S.L.U.	Spain	Others
S&B Herba Foods, Ltd.	UK	Rice
Tilda, Ltd.	UK	Rice
Transimpex, Gmbh	Germany	Rice

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

Company	Country	Workplace	Type of facility
Arotz Food	Spain	Navaleno	Industrial
Arrozeiras Mundiarroz	Portugal	Coruche	Industrial
		Lisbon	Office (lease)
Bertagni 1882	Italy	Arcugnano (Vicenza)	Industrial
		Avio	Industrial
		Avio Arcugnano	Warehouse
Boost Nutrition	Belgium	Merksem	Industrial
Ebro Foods Holding	Spain	Madrid	Office (lease)
		Barcelona	
		Granada	
Ebro Foods Netherland BV (Lassie)	Netherlands	Wormer	Industrial
Ebro India	India	Taraori	Industrial
Ebrofrost Denmark	Denmark	Orbaek	Industrial
Ebrofrost Germany	Germany	Offingen	Industrial
Ebro Frost North America	USA	Ebro Frost NA	Industrial
Ebrofrost UK	UK	Beckley	Industrial
Office (lease)	Office (lease)	Office (lease)	Office (lease)
Geovita Functional Ingredients	Italy	Bruno	Industrial
		Nizza Monferrato	Industrial
		Verona	Industrial
		Villanova Monferrato	Industrial
Herba Bangkok	Thailand	Nong Khae	Industrial
Herba Cambodia	Cambodia	Phnom Phen	Industrial
Herba Ingredients	Belgium	Schoten	Industrial (4 plants)
		Office (lease)	Office (lease)
	Netherlands	Wormer	Industrial
Herba Ricemills	Spain	San Juan de Aznalfarache	Industrial
		Jerez de la Frontera	Industrial
		Coria del Río	Industrial
		Isla Mayor	Industrial
		Silla	Industrial
		Algemesí	Industrial
		L'Aldea	Industrial
		La Rinconada	Industrial
		Los Palacios	Industrial
		Cotemsa, Raza y Ecorub	Warehouse
Indo European Foods Ltd.	UK	Felixtowe	Industrial
La Loma Alimentos	Argentina	Los Charrúas	Industrial
		Chajarí	Industrial
		Los Conquistadores	Industrial
		Buenos Aires	Office (lease)
Lustucru Frais	France	St Genis Laval	Industrial

Company	Country	Workplace	Type of facility
		Lorette	Industrial
		Communay	Industrial
Mundi Riz	Morocco	Larache	Industrial
Mundi Riso	Italy	Vercelli	Industrial
Neofarm Bio	Argentina	Concordia	Office (lease)
Pastificio Lucio Garofalo	Italy	Gragnano	Industrial
Riceland Magyarorzag	Hungary	Budapest	Office (lease)
Riviana Foods Canada	Canada	Delta	Industrial
		Hamilton	Industrial
Riviana Foods USA	USA	Memphis	Industrial
		Carlisle	Industrial
		Brinkley	Industrial
		Hazen	Industrial
		Clearbrook	Industrial
		Freeport	Industrial
		Alvin	Industrial
Roland Monterrat	France	Feillens	Industrial
S&B Herba Foods	UK	Cambridge	Industrial
		Liverpool	Industrial
		Orpington	Office (lease)
Santa Rita Harinas	Spain	Loranca de Tajuña	Industrial
Tilda	UK	Classic	Industrial
		Jazz	Industrial
	India	India	Office (lease)
	UAE	Dubai	Office (lease)
Transimpex	Germany	Lambsheim	Industrial
			Office (owned)

ANNEX 2

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

Company	Country	Workplace	Certification
Arotz Food	Spain	Navaleno	IFS
Arrozeiras Mundiarroz	Portugal	Coruche	ISO 9001 IFS
Bertagni 1882	Italy	Avio	BRC
			MSC
			ASC
			ORGANIC CERTIFICATION
			IFS
		Argunagno	ORGANIC CERTIFICATION
			BRC
			IFS
Boost Nutrition	Belgium	Merksem	IFS KOSHER **FEED CHAIN ALLIANCE (FCA)** ORGANIC CERTIFICATION
Ebro Foods Netherland BV (Lassie)	Netherlands	Wormer	ECOLOGICAL CERTIFICATION
			IFS
			GMP +
Ebrofrost Denmark	Denmark	Orbaek	BRC
Ebrofrost Germany	Germany	Offingen	BRC
			HALAL
			KAT
			ORGANIC CERTIFICATION
Ebrofrost UK	UK	Beckley	BRC
Ebrofrost North America	USA	Memphis	SQF
			ORGANIC CERTIFICATION
			HALAL
			KOSHER
Ebro India	India	Taraori	ISO 22000 **ORGANIC CERTIFICATION (organic paddy rice crop)** **ORGANIC CERTIFICATION (organic rice processing)** BRC IPQC PPQS USA **HALAL**

Company	Country	Workplace	Certification
Geovita Functional Ingredients	Italy	Bruno	BCR
			ORGANIC CERTIFICATION
			KOSHER
			IFS
			HALAL
		Nizza Monferrato	FSSC 22000
			ORGANIC CERTIFICATION
		Villanova Monferrato	BRC
			IFS
			HALAL
			ORGANIC CERTIFICATION
Harinas Santa Rita	Spain	Loranca De Tajuña	**IFS**
Herba Bangkok	Thailand	Saraburi	ISO 9001
			BRC
			ORGANIC CERTIFICATION
			HALAL
			KOSHER
			GMP & HACCP
			GLUTEN FREE CERTIFICATION
Herba Cambodia	Cambodia	Phnom Phen	ORGANIC CERTIFICATION (EU) ORGANIC CERTIFICATION (USA) KOSHER GMP & HACCP
Herba Ingredients, B.V.	Belgium	Schoten (warehouse)	ORGANIC CERTIFICATION (EU)
		Schoten (plant B)	IFS FOOD
			GMP +
		Schoten (plant C)	IFS FOOD
			GMP +
			ECOLOGICAL CERTIFICATION (EU)
		Schoten (plant F)	IFS FOOD
			GMP +
			ECOLOGICAL CERTIFICATION (CHINA)
	Netherlands	Wormer	IFS BROKER
			IFS FOOD
			GMP +
			KOSHER
			HALAL
			ORGANIC CERTIFICATION (EU)

Company	Country	Workplace	Certification
			ORGANIC CERTIFICATION NATURLAND
Herba Ricemills	Spain	Coria del Río	IFS ISO 9001 ECOLOGICAL CERTIFICATION **ECOLOGICAL CERTIFICATE (USA)** KOSHER
		San Juan de Aznafarache	ISO 9001 BRC IFS ECOLOGICAL CERTIFICATION **ECOLOGICAL CERTIFICATE (USA)** KOSHER
		Jerez de la Frontera	ISO 9001 IFS **ECOLOGICAL CERTIFICATION** **ECOLOGICAL CERTIFICATE (USA)** BRC
		Silla	IFS KOSHER ISO 9001 BRC
		Algemesí (ready foods plant)	ISO 9001 IFS BRC
		Algemesí (rice plant)	ISO 9001 KOSHER
		Algemesí (flour mill)	IFS **ISO 9001** KOSHER
		Los Palacios	IFS ISO 9001 ECOLOGICAL CERTIFICATION **ECOLOGICAL CERTIFICATION (USA)** KOSHER
La Loma Alimentos	Argentina	Los Charrúas	HACCP GLUTEN FREE CERTIFICATION **GMP** KOSHER

Company	Country	Workplace	Certification
		Chajarí	KOSHER **HACCP** **GMP** GLUTEN FREE CERTIFICATION
Lustucru Frais	France	Saint Genis Laval	IFS
		Lorette	IFS
		Communay	IFS
			ECOLOGICAL CERTIFICATION
Mundi Riso	Italy	Vercelli	IFS BRC ECOLOGICAL CERTIFICATION (EU) KOSHER
Mundi Riz	Morocco	Larache	ISO 22000
Neofarms Bio	Argentina	Entre Ríos	**ECOLOGICAL CERTIFICATION (CHINA)** **KOSHER** **ECOLOGICAL CERTIFICATION (UE)** **ECOLOGICAL CERTIFICATION (USA)** **GLUTEN FREE CERTIFICATION**
Pastificio Lucio Garofalo	Italy	Gragnano	BRC
			IFS
			VQIP
			GLUTEN FREE CERTIFICATION
			VEGAN
			KOSHER
			HALAL
			ECOLOGICAL CERTIFICATION
			NO-GMO
Riviana Foods Canada	Canada	Delta	BRC
		Hamilton	BRC
Riviana Foods USA	USA	Memphis	KOSHER
			SQF
			HALAL
			ECOLOGICAL CERTIFICATION
			GLUTEN FREE CERTIFICATION
		Brinkley	SQF
			KOSHER
			ECOLOGICAL CERTIFICATION
		Clearbrook	KOSHER
			ECOLOGICAL CERTIFICATION

Company	Country	Workplace	Certification
			SQF
		Alvin	KOSHER
			SQF
			ECOLOGICAL CERTIFICATION
		Carlisle	KOSHER
			ECOLOGICAL CERTIFICATION
			HALAL
			SQF
		Freeport	KOSHER
			SQF
Roland Monterrat	France	Feillens	IFS
S&B Herba Foods	UK	Cambridge	BRC
			FEMAS
			KOSHER
		Liverpool	BRC
			KOSHER
Tilda	UK	Rainham (classic site)	BRC
			FEMAS
		Rainham (Jazz site)	KOSHER
			BRC
Transimpex	Germany	Lambsheim	IFS
			ECOLOGICAL CERTIFICATION
			ORGANIC CERTIFICATION NATURLAND

ANNEX 3

Calorific power of fuels, emission factors and water stress classification

Table 1. Net calorific value (NCV) of Fuels

Fuel in Stationary Sources	NCV	Unit NCV	Source NCV
Natural Gas	0.03789	GJ/m3N	National GHG Inventory of Spain (Annex 7), based on 2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1)
Liquefied Petroleum Gas (LPG)	0.0473	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1)
Propane	0.0462	GJ/kg	Version 15, June 2020 of the EF document of the Ministry for Ecological Transition and Demographic Challenge (MITERD), based on 2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1)
Liquefied Natural Gas (LNG)	0.0442	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1)
Butane	0.04478	GJ/kg	Version 15, June 2020 of the EF document of the MITERD, based on 2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1)
Gasoline	0.0443	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1)
Diesel	0.043	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1)
Charcoal	0.0295	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1)
Biomass (wood chip)	0.0156	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1 & 2)
Biomass (rice husk)	0.0116	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1 & 2)
Fuel in Mobile Sources	**NCV**	**Unit NCV**	**Source NCV**
Liquefied Natural Gas (LNG)	0.0442	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1 & 3)
Liquefied Petroleum Gas (LPG)	0.0473	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1 & 3)
Gasoline	0.0443	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1 & 3)
Diesel	0.043	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1 & 3)

Table 2. Emission Factors of fuels and activities

Fuel in Stationary Sources	EF CO2 ($kgCO2/GJ_{NCV}$)	EF CH4 ($kgCH4/GJ_{NCV}$)	EF N2O ($kgN2O/GJ_{NCV}$)	Unit EF	Source NCV
Natural Gas	56.1	0.001	0.0001	kg $CO2/GJ_{NCV}$	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.2)
Liquefied Petroleum Gas (LPG)	63.1	0.001	0.0001	kg $CO2/GJ_{NCV}$	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.2)
Propane	63.6	0	0	kg $CO2/GJ_{NCV}$	Version 15, June 2020 of the EF document of the MITERD, based on 2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.2)
Liquefied Natural Gas (LNG)	64.2	0.003	0.0006	kg $CO2/GJ_{NCV}$	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.2)
Butane	66.2	0	0	kg $CO2/GJ_{NCV}$	Version 15, June 2020 of the EF document of the MITERD, based on 2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.2)
Gasoline	69.3	0.003	0.0006	kg $CO2/GJ_{NCV}$	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.2)
Diesel	74.1	0.003	0.0006	kg $CO2/GJ_{NCV}$	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.2)
Charcoal	0	0.2	0.004	kg $CO2/GJ_{NCV}$	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch. 1 & 2)
Biomass (wood chips)	0	0.03	0.004	kg $CO2/GJ_{NCV}$	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch. 1 & 2)
Biomass (rice husk)	0	0.03	0.004	kg $CO2/GJ_{NCV}$	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch. 1 & 2)
Fuel in Mobile Sources	**EF CO2 ($kgCO2/GJ_{NCV}$)**	**EF CH4 ($kgCH4/GJ_{NCV}$)**	**EF N2O ($kgN2O/GJ_{NCV}$)**	**Unit EF**	**Source NCV**
Liquefied Natural Gas (LNG)	56.1	0.092	0.003	kg $CO2/GJ_{PCI}$	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1 & 3)
Liquefied Petroleum Gas (LPG)	63.1	0.062	0.0002	kg $CO2/GJ_{PCI}$	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1 & 3)

Gasoline	69.3	0.025	0.008	kg CO2/GJ$_{PCI}$	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1 & 3)
Diesel	74.1	0.0039	0.0039	kg CO2/GJ$_{PCI}$	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1 & 3)
Other data on Activity	**FE CO2 (kgCO2/GJ$_{NCV}$)**	**EF CO2 (kgCO2/GJ$_{NCV}$)**	**EF CH4 (kgCH4/GJ$_{NCV}$)**	**EF N2O (kgN2O/GJ$_{NCV}$)**	**Unit EF**
Rice crop	0	1.3000	0	kg CO2/GJ$_{PCI}$	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.4, ch.5) IPCC for fields not flooded for less than 180 days prior to growth, permanently flooded during growth and without organic fertiliser
Elimination of N			0.005	kg CO2/GJ$_{PCI}$	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.5, ch.6)

Table 3. Emission Factor of biogenic CO2

Combustible	FE	Unidad FE
Charcoal	112	kg CO2e/GJ
Biomass (wood chips)	112	kg CO2e/GJ
Biomass (rice husk)	100	kg CO2e/GJ

Source: 2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch. 1 & 2)

Table 4. Global Warming Potential of GHG

GHG	GWP	Source GWP
CO2	1	IPPC fourth assessment report
CH4	28	IPPC fourth assessment report
N2O	265	IPPC fourth assessment report

Table 5. Emission Factor Electricity (based on location)

Country	EF	Unit EF	Source EF
Spain	0.2500	kgCO2e/kWh	Emission factors, Registration of Carbon Footprint, CO2 Offset and Absorption Projects. MITERD.April 2021 V. 17
UK	0.2331	kgCO2e/kWh	UK Government GHG Conversion Factors for Company Reporting. DEFRA 2020
France	0.0850	kgCO2e/kWh	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME
Germany	0.4610	kgCO2e/kWh	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Argentina	0.3670	kgCO2e/kWh	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Belgium	0.2200	kgCO2e/kWh	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Cambodia	0.8040	kgCO2e/kWh	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Canada	0.1860	kgCO2e/kWh	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Denmark	0.3600	kgCO2e/kWh	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
UAE	0.5980	kgCO2e/kWh	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
USA	0.5620	kgCO2e/kWh	US EPA. Household Carbon Footprint Calculator
Morocco	0.7180	kgCO2e/kWh	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Netherlands	0.4150	kgCO2e/kWh	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Portugal	0.2550	kgCO2e/kWh	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Romania	0.4990	kgCO2e/kWh	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Hungary	0.3170	kgCO2e/kWh	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
India	0.9120	kgCO2e/kWh	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency

Italy	0.4060	kgCO2e/kWh	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Thailand	0.5130	kgCO2e/kWh	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency

Steam or heat purchased and consumed	0.1726	kgCO2e/kWh	UK Government GHG Conversion Factors for Company Reporting. DEFRA 2020
Cooling purchased and consumed	0.0165	kgCO2e/kWh	Centre de ressources sur les bilans de gaz à effet de serre 2020. Base Carbone. ADEME.

Table 6. Emission Factors of Coolants

Coolants	EF
Carbon dioxide	1
Methane	28
Nitrous oxide	265
HFC-23	14,800
HFC-32	675
HFC-41	92
HFC-125	3,500
HFC-134	1,100
HFC-134a = R134A	1,430
HFC-143	353
HFC-143a	4,470
HFC-152a	124
HFC-227ea	3,220
HFC-236fa	9,810
HFC-245fa	1,030
HFC-43-l0mee	1,640
Perfluoromethane (PFC-14)	7,390
Perfluoroethane (PFC-116)	12,200
Perfluoropropane (PFC-218)	8,830
Perfluorocyclobutane (PFC-318)	10,300
Perfluorobutane (PFC-3-1-10)	8,860
Perfluoropentane (PFC-4-1-12)	9,160
Perfluorohexane (PFC-5-1-14)	9,300
Sulphur hexafluoride (SF6)	22,800
HFC-152	53
HFC-161	12
HFC-236cb	1,340

Coolants	EF
HFC-236ea	1,370
HFC-245ca	693
HFC-365mfc	794
R717 (ammonia)	0
R448A	1,387
R410A	1,890
HFC-1234ze (R1234ze)	7
R717 (ammonia)	0
R404A	3,922
R407A	2,107
R407C	1,774
R407F	1,825
R408A	3,152
R410A	2,088
R507A	3,985
R508B	13,396
R403A	3,124
R407B	2,804
R410B	2,229
R413A	2,053
R-417A	2,346
R-417B	3,026
R-422A	3,143
R-422D	2,729
R-424A	2,440
R-426A	1,508
R-427A	2,138
R-428A	3,607
R-434A	3,245
R-437A	1,805
R-438A	2,264
R-442A	1,888
R-449A	1,396
R-452A	2,140
R-453A	1,765

Unit EF: kg CO2e/kg coolant
Source: IPCC Fourth Assessment Report

Table 7. Emission Factors of Pollutants NOx, CO, SOx, COV, PM

	STATIONARY COMBUSTION		
GJ Pollutant	Natural Gas+LNG+LPG+Butane+Propane FC (g/GJ)	Gasoline+Diesel FC (g/GJ)	Rice husk +Wood chips +Charcoal FC (g/GJ)
NOX	74	513	91
CO	29	66	570
COV	23	25	300
SOx	0.67	47	11
PM10	0.78	20	143
PM2.5	0.78	20	140

	MOBILE COMBUSTION			
GJ Pollutant	Gasoline FC (g/GJ)	Diesel FC (g/GJ)	LPG FC (g/GJ)	LNG FC (g/GJ)
CO	1,911.64	77,442	1,790.698	128.959
COV	226.862	16.279	288.372	5.882
NOX	197.065	301.395	321.353	294.118
PM	0.677	25.581		49.774

Source: European Environment Agency (EMEP)
https://www.eea.europa.eu/publications/emep-eea-guidebook-2019/part-b-sectoral-guidance-chapters [eea.europa.eu]

Table 8. Rice Crop Emission Factor

EF CH4 (kg/Ha/day)	Source NCV
1.19	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.4, ch.5) IPCC for fields not flooded for less than 180 days prior to growth, permanently flooded during growth and without organic fertiliser

Table 9. Water stress classification (World Resources Institute)

Country	Water Stress Classification (World Resources Institute)
GERMANY	Medium-High
ARGENTINA	Low-Medium
BELGIUM	High
CAMBODIA	Low
CANADA	Low
DENMARK	Medium-High
UAE	Extremely High
SPAIN	High
FRANCE	Medium-High
HUNGARY	Low
INDIA	Extremely High
ITALY	High
MOROCCO	High
NETHERLANDS	Low-Medium
PORTUGAL	High
ROMANIA	Low-Medium
THAILAND	Medium-High
UK	Low-Medium
USA	Low-Medium

ANNEX 4

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

General areas

Area		Reporting framework	Reference	Comments / Reason for omission
Business model	Description of the business model: – Business environment – Organisation and structure – Markets in which it operates – Objectives and strategies – Principal factors and trends that may affect its future evolution	102-2, 102-7, 102-3, 102-4, 102-6, 102-15	P4-10	
General	Mention in the report of the national, European or international **reporting framework** used to select the key non-financial performance indicators included in each section. If the company complies with the non-financial reporting act by issuing a **separate report**, it must expressly state that said information forms part of the management report.	102-54	P.2	
Management focus	**Description of the policies** applied by the group in respect of these matters, including the due diligence procedures applied for the identification, assessment, prevention and mitigation of material risks and impacts and those of verification and control, including the measures implemented.	103-1 103-2	P.11-18	
	The **results of those policies,** including the relevant key non-financial performance indicators enabling the monitoring and assessment of progress and favouring comparison between companies and sectors, according to the national, European or international frameworks used.	103-2 103-3	P.13-14	
	The main risks related with those issues linked to the group's activities, including, where necessary and proportional, its commercial relations, products or services that may have an adverse effect on those areas and how the company manages those risks, explaining the procedures followed to detect and assess them in accordance with the national, European or international frameworks for each area. This should include information on the impacts detected, giving a breakdown,	102-15	P.19-23	

	particularly regarding the main risks in the short, medium and long term.			

Environmental aspects

Area		Reporting framework	Reference	Comments / Reason for omission
Management focus				
Environmental management	**Existing and foreseeable effects** of the company's activities	Internal framework: internal procedures, Code of Conduct, GRI 307-1	P.63-64, 72-74, 81-83	
	Environmental **certification or assessment procedures**	ISO 14001	P.82	
	Resources employed for preventing environmental risks	Internal framework: Accounting	P.82-83	
	Application of the **precautionary principle**	GRI 102-11	P.64	
	Quantity of **provisions and guarantees** for environmental risks	Internal framework: Insurance policy for third-party liability and accidental pollution damage	P.82-83	
Pollution	**Measures** to prevent, reduce or remedy carbon emissions (including noise and light pollution)	Internal framework: CSR internal reporting tool, 305-5	P.68, 76-77	
Circular economy and waste management and prevention	**Measures** for waste prevention, recycling, reuse and other forms of recovery and elimination	GRI 301-2, 306-1, 306-2	P.66, 78-81	
	Actions to combat food waste	Internal framework: 1) CSR internal reporting tool 2) Donations to food banks	P.79-80, 35	
Sustainable use of resources	**Water consumption** and water supply within local limits	GRI 303	P.69-71	
	Consumption of raw materials	GRI 301-1	P.65-66	
	Measures taken to make the use of water more efficient	GRI 301-2, 302-4	P.66, 68	
	Direct and indirect energy **consumption**	GRI 302-1, 302-2, 302-3, GRI 302-4	P.66-68	
	Measures implemented to enhance energy efficiency	GRI 302-4	P.68	
	Use of renewable energies	GRI 302-1	P. 66-67	
Climate change	Important **elements** of the GHG emissions generated	GRI 305	P. 74-77	
	Measures taken to adapt to the consequences of climate change	Internal framework: 1) Sustainable agriculture projects 2) Climate change risk matrix	P. 72-74, 22	
	Reduction **goals** established voluntarily	GRI 305-5 Internal framework: logistics emissions	P.76	
Protection of biodiversity	**Measures** taken to preserve or restore biodiversity	Internal framework: CSR internal reporting tool	P.71-74	
	Impacts caused by activities or operations in protected areas	GRI 304 Internal framework: CSR internal reporting tool	P.71-72	

Social and labour aspects

Area		Reporting framework	Reference	Comments / Reason for omission
Management focus				
Employment	Total **number** and distribution of employees by gender, age, country and professional category	GRI 405-1	P.43	
	Total **number** and distribution of types of employment contract	GRI 401-1	P.43	
	Annual **average** of permanent, temporary and part-time contracts by gender, age and professional category	GRI 401-1, 405-1	P.43-45	
	Number of dismissals by gender, age and professional category	GRI 401-1	P.45	
	Pay gap	GRI 405-2	P.56	
	Average **remuneration** by gender, age and professional category	GRI 405-2	P-55-56	
	Average **remuneration** of directors by gender	GRI 102-35	P.56	
	Average **remuneration** of executives by gender	GRI 102-35	P.55	
	Implementation of **policies** on disconnection from work	Internal framework: CSR internal reporting tool	P.51	
	Employees with disability	GRI 405-1	P.54	
Organisation of work	**Organisation** of working time	Internal framework: CSR internal reporting tool	P.45	
	Number of hours absenteeism	Internal framework: Quantitative description of number of hours absenteeism	P.45	
	Measures to facilitate work-life balance and responsible joint exercise of those measures by both parents	Internal framework: Quantitative and qualitative description of the measures to help balance work and home life	P.50	
Health and safety	**Conditions** of health and safety at work	Internal framework: CSR internal reporting tool	P.51	
	Number of occupational injuries and disease by gender, frequency rate and severity by gender	Internal framework: CSR internal reporting tool	P.52	
Labour relations	**Organisation** of social dialogue	GRI 403-1, 403-4	P.52	
	Percentage of employees covered by collective agreements by country	GRI 102-41	P.52-53	
	Balance of collective agreements, particularly in the area of health and safety at work	GRI 102-41, 403-4	P.51-53	
Training	**Policies** implemented in the training area	Internal framework: 1) Corporate Code of Conduct 2) CSR internal reporting tool	P.53	
	Total **hours** training by professional category	GRI 404-1	P.53-54	
Universal accessibility by persons with disability		Internal framework: Qualitative	P.55	

		description of the universal accessibility measures for persons with disability		
Equality	**Measures** implemented to promote equal treatment and opportunities between women and men	Internal framework: 1) Corporate Code of Conduct 2) CSR internal reporting tool	P.54	
	Equality plans Measures taken to promote employment, protocols against sexual and gender-related harassment	Internal framework: 1) Corporate Code of Conduct 2) CSR internal reporting tool	P.54	
	Integration and universal accessibility of persons with different abilities	Internal framework: Qualitative description of integration & accessibility by persons with disability	P.55	
	Policy against all forms of discrimination and, where appropriate, diversity management	Internal framework: 1) Corporate Code of Conduct 2) CSR internal reporting tool	P.54-55	

Information on respect for human rights

Area	Reporting framework	Reference	Comments / Reason for omission
Management focus			
Application of due diligence procedures in respect of human rights	GRI 103-2, 412-2	P.24-25	
Prevention of the risks of violating human rights and, where necessary, **measures** to mitigate, manage and redress possible abuse committed	GRI 412-2	P.24-25	
Complaints of violation of human rights	GRI 406-1	P.25	
Promotion and compliance with the ILO fundamental conventions related with respect for the freedom of association and right to collective bargaining, elimination of discrimination in employment and occupation, elimination of forced or mandatory labour and effective abolition of child labour	Internal framework: Corporate Code of Conduct	P.24	

Information on anti-corruption and bribery

Area	Reporting framework	Reference	Comments / Reason for omission
Management focus			
Anti-corruption and bribery **measures**	GRI 205-1, 205-2	P.28-30	
Anti-money laundering **measures**	GRI 205-2	P.31	
Contributions to foundations and not-for-profit entities	GRI 201-1	P. 34-39	

Information on the company

Area		Reporting framework	Reference	Comments / Reason for omission
Management focus				
Company's commitments to sustainable development	**Impact** of the company's activities on local development and employment	Internal framework: Qualitative description of the company's impact on employment and local development	P.34-39	
	Impact of the company's activities on local populations and region	Internal framework: CSR internal reporting tool	P.34-39	
	Relations with local communities and forms of dialogue with them	Internal framework: Qualitative description of the relations with local communities	P.34-39	
	Association or sponsorship **actions**	102-12, 102-13	P.34-39	
Outsourcing and suppliers	**Inclusion** in the procurement policy of social, gender equality and environmental issues	Internal framework: Supplier Code of Conduct CSR internal reporting tool	P.61-62	
	Consideration in relations with suppliers and subcontractors of their social and environmental responsibility	Internal framework: Supplier Code of Conduct CSR internal reporting tool	P.61-62	
	Supervision and audit **systems** and results	Internal framework: CSR internal reporting tool	P.62	
Consumers	**Measures** to guarantee consumer health and safety	Internal framework: Qualitative description of the measures for consumer health and safety	P.57-58 ANEXO 2	
	Grievance **systems**	418-1	P.58-60	
	Complaints received and solution provided	GRI 103-2, 416-2	P.59-60	
Tax information	**Profit** obtained, country by country	Internal framework: Tax and Finance Departments	P.34	
	Corporate income **tax** paid	Internal framework: Tax and Finance Departments	P.33	
	Government **grants** received	Internal framework: Tax and Finance Departments	P.34	

Independent Limited Assurance Report of the Consolidated Non-Financial Statement for the year ended December 31, 2021

EBRO FOODS, S.A. and SUBSIDIARIES

INDEPENDENT LIMITED ASSURANCE REPORT OF THE CONSOLIDATED NON-FINANCIAL STATEMENT

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

To the Shareholders of Ebro Foods, S.A.:

Pursuant to article 49 of the Code of Commerce we have performed a verification, with a limited assurance scope, of the Consolidated Non-Financial Information Statement (hereinafter NFS) for the year ended December 31, 2021, of Ebro Foods, S.A. and subsidiaries (hereinafter, the Group), which is part of the Group's accompanying Consolidated Management Report.

The content of the Management Report includes additional information to that required by prevailing mercantile regulations in relation to non-financial information that has not been subject to our verification. In this regard, our assignment has been exclusively limited to the verification of the information shown in the Annex 4 "Index of contents required by Act 11/2018 of December 28" of the accompanying Statement.

Responsibility of the Administrators

The preparation of the NFS included in the Consolidated Management Report of Ebro Foods, S.A. and its content is the responsibility of the Administrators of Ebro Foods, S.A. The NFS was prepared in accordance with the content required by prevailing company law and in conformity with the criteria outlined in the *Global Reporting Initiative Sustainability Reporting Standards* (GRI standards) selected, as well as other criteria described in accordance with that indicated for each subject in the Annex 4 "Index of contents required by Act 11/2018 of December 28" from the accompanying Management Report.

The Administrators are also responsible for the design, implementation and maintenance of such internal control as they determine is necessary to enable the preparation of an NFS that is free from material misstatement, whether due to fraud or error.

They are further responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the NFS is obtained.

Our independence and quality control procedures

We have complied with the independence and other Code of Ethics requirements for accounting professionals issued by the International Ethics Standards Board for Accountants (IESBA), which is based on the fundamental principles of professional integrity, objectivity, competence, diligence as well as confidentiality and professional behaviour.

Our Firm complies with the International Standard on Quality Control No. 1 and thus maintains a global quality control system that includes documented policies and procedures related to compliance with ethical requirements, professional standards, as well as applicable legal provisions and regulations.

The engagement team consisted of experts in the review of Non-Financial Information and, specifically, in information about economic, social and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited verification report based on the work performed. Our review has been performed in accordance with the requirements established in prevailing International Standard on Assurance Engagements 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and the guidelines for verifying Non-Financial Statement, issued by the Spanish Official Register of Auditors of Accounts (ICJCE).

The procedures carried out in a limited assurance engagement vary in nature and execution timing and are smaller in scope than reasonable assurance engagements, and therefore, the level of assurance provided is likewise lower.

Our work consisted in requesting information from Management and the various Group units participating in the preparation of the 2021 NFS, reviewing the process for gathering and validating the information included in the NFS, and applying certain analytical procedures and sampling review tests as described below:

- Meeting with Group personnel to know the business model, policies and management approaches applied, the main risks related to these matters and obtain the necessary information for our external review.
- Analyzing the scope, relevance and integrity of the content included in the NFS for the year 2021 based on the materiality analysis made by Ebro Foods, S.A. and described in section "Corporate social responsibility and sustainability model", considering the content required by prevailing mercantile regulations.
- Analyzing the processes for gathering and validating the data included in the 2021 Non-Financial Statement.
- Reviewing the information on the risks, policies and management approaches applied in relation to the material aspects included in the 2021 NFS.
- Checking, through tests, based on a selection of a sample, the information related to the content of the 2021 NFS and its correct compilation from the data provided by the information sources.
- Obtaining a representation letter from the Board of Directors and Management.

Paragraph of emphasis

Regulation (EU) 2020/852 of the European Parliament and the Council, June 18 2020, on the establishment of a framework to facilitate sustainable investments settles the obligation to disclose information on how and to what extent the company's activities are associated with economic activities that are considered environmentally sustainable in relation to climate change mitigation and adaptation objectives for the first time for the financial year 2021, provided that the Statement of Non-Financial Information is published as of January 1 2022. Consequently, comparative information on this matter has not been included in the accompanying Consolidated Management Report. Additionally, information has been included, for which the shareholders of Ebro Foods, S.A. have chosen to apply the criteria that, in their opinion, best enable compliance with the new obligation and which are defined within the “Corporate social responsability and sustainability model” chapter of the accompanying Consolidated Management Report. Our conclusion has not been modified in relation to this matter.

Conclusion

Based on the limited assurance procedures conducted and the evidence obtained, no matter has come to our attention that would cause us to believe that Ebro Foods, S.A. NFS for the year ended December 31, 2021 has not been prepared, in all material respects, in accordance with the contents required by prevailing company law and the criteria of the selected GRI standards, as well as other criteria, described as explained for each subject matter in the Annex 4 “Index of contents required by Act 11/2018 of December 28” of the Consolidated Management Report.

Use and distribution

This report has been prepared as required by prevailing mercantile regulations in Spain and may not be suitable for any other purpose or jurisdiction.

ERNST & YOUNG, S.L.

(Signature on the original in Spanish)

_____

Alberto Castilla Vida

March 30th, 2022

ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

DETAILS OF ISSUER

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

Total % of voting rights held by board members	56.06

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

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 Hercalianz 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 Hercalianz 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 Hercalianz Investing Group, S.L., Grupo Tradifín, 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:

	Details of attendance				
Date of general meeting	% 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

	Details of attendance				
Date of general meeting	% in person	% by proxy	% distance voting		Total
			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

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 Hercalianz 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 Hercalianz 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).

Hercalianz 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
Total	6	5	5	5	42.86	35.71	38.46	38.46

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 Hercalianz 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 Nafría 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 Hercalianz 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 Mundiarroz, 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
- Vitasan, 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	Hercalianz 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	Entrerríos 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

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 and on the company's corporate website 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

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

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). The Regulations of the Board are also published and available for consultation on the website of the National Securities Market Commission (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 coinciding with the call to the Annual General Meeting.

D. RELATED PARTY AND INTER-COMPANY TRANSACTIONS

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, Hercalianz 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 Tradifín, S.L. and Hercalianz 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 Hercalianz Investing Group, S.L., although they should also be considered related to the director Grupo Tradifín, 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 Tradifín, S.L. and Hercalianz 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 Hercalianz 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
[√] No

E. RISK MANAGEMENT AND CONTROL SYSTEMS

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)

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

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.

1. 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 [ ]

2. 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 [X] 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 [X]

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 [X]

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 [X] 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 [X]

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 [X]

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 [X] 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 [X] 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 [X] 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 [X] 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 [X] 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 [X] 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 [X] 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 [X]

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 [X] 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 [X] 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 [X] 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 [X]

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 [X] Not applicable [ ]

Of the two Executive Directors, only the Chairman of the Board of Directors, Antonio Hernández Callejas, receives remuneration for his executive duties. Hercalianz 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 Tradifín, 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 extorsion 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

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 is 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

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

DETAILS OF ISSUER

Year ended:	31/12/2021
Tax Registration No.:	A47412333

Name:

EBRO FOODS, S.A.

Registered office:

PASEO DE LA CASTELLANA, 20. 3RD & 4TH FLOORS, 28046 MADRID

A. COMPANY'S REMUNERATION POLICY FOR THIS YEAR

A.1.1. Explain the directors' remuneration policy in place for this year. To the extent that it is relevant, certain information may be included by reference to the remuneration policy approved by the general meeting of shareholders, provided the incorporation is clear, specific, and precise.

Describe the specific criteria for this year in respect of both the remuneration of directors for their duties as such and their performance of any executive duties, applied by the board in accordance with the provisions of the contracts signed with the executive directors and the remuneration policy approved by the general meeting.

In any case, inform at least on the following aspects:

a) Description of the procedures and corporate bodies involved in determining, approving and applying the remuneration policy and conditions thereof.

b) Indicate and, where necessary, explain whether comparable companies have been taken into account to establish the company's remuneration policy.

c) Information on whether assistance was received from an external adviser and, if so, their identity.

d) Procedures contemplated in the prevailing directors' remuneration policy to apply temporary exceptions to the policy, conditions on which the company may have recourse to those exceptions and components that may be subject to exception, according to the policy.

The Directors' Remuneration Policy of the Company for this year (2022) was approved at the Annual General Meeting of Shareholders held on 30 June 2021 for the years 2022-2024.

The Directors' Remuneration Policy 2022-2024 gives continuity to the previous Policy (for the period 2019-2021), which was in force until 31 December 2021, in respect of the principles, structure and contents of the Directors' remuneration package (both for their duties as such and for the performance of executive duties), which had been widely accepted by shareholders (it was approved in 2018 with the favourable votes of 71.979% of the capital present and represented at the Annual General Meeting). In view of the broad acceptance by shareholders of the previous Policy, comparable companies were not taken into account nor were any external advisers involved in drawing up the Directors' Remuneration Policy 2022-2024.

This notwithstanding, the Directors' Remuneration Policy 2022-2024 incorporates the new aspects introduced in the Corporate Enterprises Act ("LSC") by Act 5/2021 of 12 April amending the recast Corporate Enterprises Act, approved by Legislative Royal Decree 1/2010 of 2 July, and other financial provisions to encourage the long-term involvement of shareholders in listed companies ("Act 5/2021"). In this regard although, pursuant to Transitional Provision One of Act 5/2021, the new regulations introduced by Act 5/2021 for approving the Directors' Remuneration Policy (amendments to section 529.novodecies LSC) did not enter into force until six months after the date of publication of that Act in the Official State Gazette (i.e. until 3 November 2021), the contents of the Directors' Remuneration Policy 2022-2024, which was approved at the General Meeting held on 30 June 2021, were nevertheless adapted to the new requirements introduced by Act 5/2021 in order to avoid having to submit an amendment at the Annual General Meeting 2022 to adapt it to the new regulations.

The Directors' Remuneration Policy 2022-2024 was drawn up by the Nomination and Remuneration Committee at its meeting on 24 May 2021. Once the Nomination and Remuneration Committee had issued the corresponding specific report (pursuant to section 5.2.9.novodecies.4 LSC), the proposed Policy was presented to the Board of Directors, which resolved to lay it before the Annual General Meeting for approval on 30 June 2021 (pursuant to section 511.bis LSC).

Just as its precursor, the current Directors' Remuneration Policy 2022-2024 is based on the following principles:

(i) Directors shall be remunerated according to their duties, responsibilities, and dedication. This remuneration shall be sufficient to retain talent and acknowledge the Directors' track record.

(ii) The remuneration shall be set according to the importance of the Company, its economic situation from time to time and comparable market standards.

(iii) Directors' remuneration should be reasonable without compromising their independence of judgement, especially that of non-executive Directors.

(iv) The remuneration system for Directors, particularly executive Directors for their management duties, shall be designed to boost the company's long-term sustainability and profitability and maximise its value for the benefit of all its shareholders, avoiding excessive exposure to risks and reward for unfavourable results. In this regard, an attractive remuneration structure has been designed for executive Directors for their executive duties (and other senior executives of the Group), with a view to attracting and retaining talent and professional worth on the one hand and securing an adequate balance between Company and Group earnings and risk exposure on the other.

Based on those principles, in the Directors' Remuneration Policy 2022-2024 Directors' remuneration is structured as follows:

a) All the Directors, as such, receive the fixed remuneration established each year by the General Meeting. The relevant proposal submitted by the Board of Directors to the Annual General Meeting will take account of the importance of the company and its economic situation. Pursuant to Article 22 of the Articles of Association regarding Directors' remuneration, it is up to the General Meeting to set the annual fixed sum to be received by all the Directors, for their duties as such. Then, following a report by the Nomination and Remuneration Committee, the Board of Directors establishes the individual remuneration of each Director for their duties as such, taking into account the positions held by the Directors on the Board of Directors, their membership of Board

Committees and any other objective circumstances that the Board of Directors may consider appropriate, within the framework of the Articles of Association and the Remuneration Policy. The Board of Directors shall also decide on the timing of successive payments. For this purpose, a points system has been established in the terms described hereinbelow.

The remaining contents of this section A.1, point 1, continue in section D of this report.

A.1.2. Relative importance of the variable remuneration items in respect of the fixed remuneration (remuneration mix) and what criteria and goals have been taken into account to determine them and to guarantee an appropriate balance between the fixed and variable components of the remuneration. In particular, describe the actions taken by the company regarding the remuneration scheme to reduce excessive risk exposure and align the scheme with the long-term goals, values and interests of the company, including where appropriate a reference to measures contemplated to ensure that the remuneration policy takes into account the company's long-term results, measures adopted with respect to certain categories of employees whose professional activities have a significant impact on the company's risk profile and measures to avoid conflicts of interest.

Indicate also whether the company has established an accrual or vesting period for certain variable remuneration items payable in cash, shares or other financial instruments, a deferred payment period or the delivery of financial instruments already accrued and vested, or whether a clause has been agreed to reduce the deferred remuneration not yet vested, or for clawback of bonuses based on data which subsequently prove to be manifestly inaccurate or misstated.

In pursuance of the Directors' Remuneration Policy 2022-2024 (which follows on from the previous Policy on this point), the Chairman of the Board of Directors, as executive Director performing executive duties, is the only Director who will receive variable remuneration on similar terms to the other senior executives of the company, according to the criteria and targets established in the Directors' Remuneration Policy 2022-2024.

The variable remuneration of the Chairman of the Board of Directors for his executive duties includes:

- Ordinary annual variable remuneration, established in the executive Director's contract, which is proportionate to the level of achievement of the targets established in the Director's Remuneration Policy 2022-2024.

This remuneration, as a percentage of the fixed annual remuneration, is proportionate to fulfilment of the targets set, establishing a floor (below which variable remuneration is zero) and a ceiling (above which variable remuneration is capped at 150% of the amount payable for meeting the targets). This variable remuneration accrues and is paid on an annual basis, after assessing the financial results of the year. The ordinary annual variable remuneration corresponding to the Executive Chairman for the current year (2022) will thus be determined in 2023, once the financial results of 2022 are known.

- Deferred annual variable remuneration, linked to fulfilment of the Strategic Plan 2022-2024, applicable to the senior management of the Ebro Foods Group. The payment of bonuses is conditional upon meeting the targets set each year by the Remuneration Scheme (corresponding to the targets set in the Strategic Plan 2022-2024) and the beneficiary's continued employment in the Group at the date of payment established for those bonuses, except in cases of: (i) death or disability of the beneficiary or (ii) takeover in the Group or a similar corporate operation, or any other extraordinary circumstance which may, in the Board of Director's opinion, materially affect the Scheme.

Bonuses are paid 11 months after being determined (after checking the degree of fulfilment of the annual targets and comparing them with those set in the Strategic Plan 2022-2024), so by the time they are paid, more than one year has passed since the end of the year to which the bonus corresponds. Accordingly, the bonus that may be payable to the Executive Chairman, the only Director with executive duties, for 2022 (the first year of the Directors' Remuneration Policy 2022-2024) would be paid in 2024.

The general conditions of the Scheme include an adjustment clause whereby the Board of Directors of Ebro Foods, S.A. will adopt such resolutions as may be necessary to ensure that in any event or corporate operation or other extraordinary circumstances that might affect calculation of the deferred remuneration payable, the gross remuneration will be equivalent to the remuneration that would have been payable had that circumstance not existed.

The Scheme also includes a ("clawback") clause whereby the Board of Directors of Ebro Foods, S.A. may require executives to repay all or part of any deferred bonus paid under the Scheme when it considers such amounts to have been unduly paid, either because the amounts paid under the Scheme do not correspond to the degree of fulfilment of the required targets, or because they were calculated on the basis of data subsequently proved to be misstated.

With this Deferred Annual Variable Remuneration Scheme, the remuneration of the Executive Chairman, the only Director with executive duties, is aligned with the medium and long-term results of the Company and its Group. It should also be borne in mind for this purpose that the Executive Chairman, the only Director with executive duties, is one of the principal shareholders of the Company.

This year (2022) is the first year of the Directors' Remuneration Policy 2022-2024. When the Policy was drawn up and approved by the Annual General Meeting, the Strategic Plan 2022-2024 had not yet been defined by the Board of Directors. This notwithstanding, the Directors' Remuneration Policy 2022-2024 incorporates the targets of the Strategic Plan 2022-2024 and ties to them the Deferred Annual Variable Remuneration of the Executive Chairman.

A.1.3. Amount and nature of the fixed components expected to be accrued during the year by directors for their duties as such.

The fixed remuneration of the Directors for their duties as such for the current year (2022) will be set at the Annual General Meeting to be held in 2023.

As determined in the current Directors' Remuneration Policy, in the light of the circumstances and the Group's business performance during this year (2022), the Nomination and Remuneration Committee will submit a proposal that it considers appropriate to the Board of Directors, which will in turn decide on a proposal it considers appropriate to lay before the Annual General Meeting to be held in 2023. It should be borne in mind that, according to Article 22 of the Articles of Association (and the current Remuneration Policy 2022-2024): "Both the fixed annual allocation for the Board of Directors as a whole and the amount of attendance fees shall be determined by the General Meeting and shall remain in force until a resolution is passed to change them." Therefore, unless otherwise decided at the Annual General Meeting 2023, the fixed remuneration of the Directors for their duties as such accrued

during this year will be the same as the amount established for the reporting period (2021). In this regard, on 16 February 2022 the Nomination and Remuneration Committee resolved to propose to the Board of Directors, submitting a favourable report, that the fixed remuneration for the Board of Directors as a whole for 2021 should be the same as that established for 2020 (i.e. 2,850,000 euros).

The criteria established in the current Remuneration Policy 2022-2024 (which are the same as those set in the previous Policy) will be applicable for distribution among the different Board members of the fixed remuneration of the Directors for their duties as such during the present year. Therefore, distribution will be based on a points system, where points are assigned to each Director according to the following scale (which was established by the Board of Directors in 2006, following the proposal submitted by the Nomination and Remuneration Committee):

- Member of the Board of Directors: 1 point
- Chairman of the Board of Directors: 1 point
- Vice-Chairman of the Board of Directors: 0.5 points
- Member of the Executive Committee: 1 point
- Committees other than the Executive Committee:
-- Member of the Committee: 0.2 points
-- Committee Chairman: 0.05 points per meeting
-- Committee Members: 0.03 points per meeting

The Board of Directors will set the individual remuneration of each Director this year subject to a report by the Nomination and Remuneration Committee and based on the application of the above scale.

A.1.4. Amount and nature of the fixed components accrued by executive directors during the year for senior management duties.

According to the criteria for annual review of the fixed remuneration of the Executive Chairman (the only Director who performs executive duties), he will receive a fixed cash remuneration of 1,560,000 euros gross this year (2022), which is 4% more than the annual fixed remuneration received in the reporting period (2021). That 4% increase was approved by the Board of Directors in February 2022 (with effect from 1 January 2022), at the proposal and subject to a favourable report by the Nomination and Remuneration Committee, and the review was approved generally for all the executives of the Ebro Group in Spain.

Together with that monetary remuneration, the Executive Director will also receive, as fixed remuneration in kind, private use of a company car (see the following section in this respect).

The Chairman of the Board of Directors is the only executive Director performing executive duties. Although Hercalianz Investing Group, S.L. is recognised as an executive Director, it has never performed executive duties in Ebro Foods, S.A. or any subsidiary of the Group and, therefore, has received no remuneration for such duties. See the explanatory note in section D of this report regarding the classification of Hercalianz Investing Group, S.L. as an executive Director.

A.1.5. Amount and nature of any remuneration in kind that will be accrued during the year, including, but not limited to, insurance premiums paid for directors.

The Chairman of the Board of Directors, as the only executive Director performing executive duties, receives remuneration in kind to the extent of private use made of the company car allocated to him. The value of this remuneration in kind estimated to accrue for the current year (2022) is 8,000 euros gross.

In addition, the Company has a Flexible Remuneration Scheme, through which it is possible to design the composition of remuneration of the executives included in the Scheme (including the Executive Chairman), so that they may receive part of that remuneration in the form of products and services previously selected by the Company. The value of those products and services is deducted from the gross salary of the executive, who is allocated in lieu the corresponding income in kind. These products and services include group medical insurance, housing rental, nursery, vehicle hire/lease and employee training. Under no circumstances do those items entail any additional remuneration to that received in cash, since the amounts paid by the Company to the corresponding service providers are deducted from the fixed cash remuneration.

In addition, in line with common practice in other comparable companies, the Company has taken out and maintains in force (and will continue to maintain in the current year) a liability insurance Policy for its Directors and executives.

A.1.6. Amount and nature of the variable components, distinguishing between those established at short and long term. Financial and non-financial parameters -including among the latter social, environmental and climate change factors- selected to determine the variable remuneration in the current year. Explain to what extent those parameters are aligned with the performance of both the director and the company and their risk profile, and the methodology, necessary time and techniques contemplated to determine, at year-end, the effective level of achievement of the parameters used to design the variable remuneration. Explain the criteria and factors applied in respect of the time required and methods to check that the performance parameters -or any other parameters to which the accrual and vesting of each component of the variable remuneration was tied- have actually been met.

Indicate the range, in monetary terms, of the different variable components according to the level of achievement of the goals and parameters established and whether there is a maximum monetary amount in absolute terms.

As mentioned earlier, of the Directors, only the Chairman of the Board of Directors, as executive Director performing executive duties, will receive variable remuneration (according to the Directors' Remuneration Policy 2022-2024) and he will do so on similar terms to the other senior executives of the Company and its Group.

The variable remuneration of the Chairman of the Board of Directors for his executive duties includes:

(i) Ordinary annual variable remuneration:

According to the Directors' Remuneration Policy 2022-2024, the annual variable remuneration of the Executive Chairman is proportionate to the level of achievement of the target for consolidated adjusted EBITDA-A of the Group established in the corresponding annual budget (in 2022, the consolidated Adjusted EBITDA-A budgeted for 2022).

The ordinary annual variable remuneration of the Executive Chairman for the performance of his executive duties accrues according to the following rules:

- If the targets are fully met (100% achievement of the consolidated adjusted EBITDA-A budgeted for the year), the annual variable remuneration is equivalent to 100% of the fixed remuneration.

- In the event of over-achievement of the targets, the annual variable remuneration may be increased to no more than 150% of the fixed remuneration. So if targets are met in a proportion of over 100%, the ordinary annual variable remuneration will be increased in the same proportion up to a ceiling of 150% of the fixed annual remuneration, which would accrue in the event of over-achievement of 115%. Therefore, if the target is over-achieved by more than 115%, the annual variable remuneration would be capped at 150% of the annual fixed remuneration.

If the degree of achievement of the target is set at between 100% and 115%, the variable remuneration will be determined proportionately.

- In the event of under-achievement of the targets, the ordinary annual variable remuneration will be reduced in proportion to the percentage fulfilment (under 100%) achieved, with a floor of 85%, below which no annual variable remuneration accrues. If achievement of the consolidated EBITDA-A target is set at between 100% and 85%, the annual variable remuneration will be determined proportionately.

- As an exception, considering the special dedication by the Executive Chairman to the performance of his executive duties and a temporary situation in the Company or Group, the Board of Directors may, at the proposal of the Nomination and Remuneration Committee, decide to raise the variable remuneration of the Executive Chairman to the maximum limit established for his fixed remuneration.

Based on this, once the financial results of 2022 are known (in 2023, generally in February), the Nomination and Remuneration Committee will review the degree of achievement and submit a proposal to the Board of Directors, for approval, regarding the annual variable remuneration to be received by the Executive Chairman for the current year (2022).

In monetary terms and taking account of the above-mentioned rules of accrual, the annual variable remuneration of the Executive Chairman for 2022 may vary between 0 euros (if targets are met by less than 85%) and 2,340,000 euros gross (if targets are met by 115% or more).

(ii) Deferred annual variable remuneration:

In 2022, once the Board of Directors has approved the Strategic Plan 2022-2024, the Nomination and Remuneration Committee will prepare and submit to the Board of Directors for approval a new Deferred Annual Variable Remuneration Scheme (deferred annual bonus scheme) linked to fulfilment of the Strategic Plan 2022-2024 for the executive managers o Ebro Foods Group. The Chairman of the Board of Directors, as executive Director and for his executive duties, will participate in that Scheme according to the terms of the Directors' Remuneration Policy 2022-2024 and his contract.

At present, the new Scheme is expected to be substantially identical to the one that ended in 2021 (tied to the Strategic Plan 2019-2021), as indicated in the current Directors' Remuneration Policy 2022-2024.

The beneficiaries of the Scheme (including the Chairman of the Board of Directors as executive Director) are only entitled to receive the deferred remuneration if they are still working in the Ebro Group at the date of payment. As an exception, the Scheme is expected to contemplate (as its precursor did) early payment in the event of: (i) termination of the employment relationship with the Company during the period of the Scheme owing to the death or a final declaration of total, absolute or major disability; or (ii) takeover of the Group or any similar corporate operation.

According to the Directors' Remuneration Policy 2022-2024, the Chairman of the Board of Directors is entitled to participate in the Scheme by virtue of his executive duties. On the terms of that Policy, the deferred annual bonus that would be received by the Executive Chairman under the Scheme would be proportional to the degree of achievement of the targets set in the Policy (tied to the targets identified in the Strategic Plan 2022-2024), in the terms described in the Remunerations Policy.

The outlines of the future Scheme are established in the Directors' Remuneration Policy 2022-2024, as follows:

- The targets of the Scheme for the first two years (2022, payable in 2024, and 2023, payable in 2025) are the annual adjusted EBITDA-A and ROCE for those years established in the Strategic Plan 2022-2024, to which the 25% of the deferred variable remuneration is subject to the achievement of those targets.

- The degree of achievement of the Adjusted EBITDA-A will represent 80% of the deferred bonus for each year and the degree of achievement of the ROCE will account for the remaining 20%.

- The targets of the Scheme for the final year (2024, payable in 2026) are: (i) the annual adjusted EBITDA-A and ROCE for that year (representing 80% and 20%, respectively), to which the 25% of the deferred variable remuneration is tied; (ii) the aggregate sum of adjusted EBITDA-A of the years included in the Scheme (2022-2024) in comparison with the sum of those contemplated in the Strategic Plan 2022-2024, 12.5% of the deferred variable remuneration of the three-year period being subject to the outcome of that assessment; and (iii) the general assessment of the development of the Strategic Plan 2022-2024 in financial aspects other than adjusted EBITDA-A and non-financial aspects set by the Scheme (from among those identified in the Strategic Plan 2022-2024). The Strategy and Investment Committee will make the general assessment of the development of the Strategic Plan 2022-2024 and the Audit and Compliance Committee will assess achievement of the non-financial targets. Both committees will submit their respective proposals to the Nomination and Remuneration Committee, the remaining 12.5% of the deferred variable remuneration of the three-year period being subject to the outcome of that assessment.

- In the first two years of the Scheme (2022 and 2023):

a) If the consolidated adjusted EBIDTA-A and ROCE targets are achieved at 100%, the deferred annual bonus to which the executive Director will be entitled for the performance of those duties each year will be 100% of 25% (i.e. 25%) of the fixed remuneration established for the three-year period.

b) In the event of over-achievement of the aforesaid consolidated adjusted EBIDTA-A and ROCE targets in any of the first two years of the three-year period, the deferred annual bonus to which the executive Director will be entitled for the performance of those duties in each of those two years will be increased in proportion to the percentage of achievement (above 100%), capped at 125%, such that if the targets are achieved in a proportion equal to or greater than 125%, the corresponding deferred bonus for that year will be 125% of 25% (i.e. 31.25%) of the fixed remuneration established for the three-year period.

c) In the event of under-achievement of the aforesaid consolidated adjusted EBIDTA-A and ROCE targets in any of the first two years of the three-year period, the deferred annual bonus to which the executive Director will be entitled for the performance of those duties in each of those two years will be reduced in proportion to the percentage of achievement (below 100%), floored at 85%, such that if the targets are achieved in a proportion of less than 85%, the deferred bonus for that year will be zero.

In the third and final year of the Scheme (2024):

a) In relation to the achievement of the aforementioned consolidated adjusted EBIDTA-A and ROCE targets established for that year, 25% of the fixed remuneration corresponding to the three-year period will be determined. The provisions set out above for over-achievement and under-achievement will be applicable.

b) The final 25% of the fixed remuneration corresponding to the three-year period will be determined as follows, if appropriate:

> Fifty per cent (50%) according to the degree of achievement of the accumulated consolidated EBITDA-A target for the entire three-year period according to the Strategic Plan 2022-2024, applying the same rules as above for over-achievement and under-achievement.

> Twenty-five per cent (25%), in the percentage determined by the Board of Directors at the proposal and subject to a report by the Nomination and Remuneration Committee, according to the assessment of the achievement of non-financial targets included in the Strategic Plan 2022-2024 and identified in the Scheme.

> And the remaining twenty-five per cent (25%), in the percentage determined by the Board of Directors at the proposal and subject to a report by the Nomination and Remuneration Committee, according to the overall assessment of global achievement of the Strategic Plan 2022-2024.

- The Nomination and Remuneration Committee will review each year (once the results of the preceding year are known) the level of achievement of the economic variables to which this deferred bonus is linked (EBITDA-A and ROCE). The Nomination and Remuneration Committee will also review and validate, during the final year of the Scheme, the proposed general assessment of the development of the Strategic Plan 2022-2024 submitted by the Strategy and Investment Committee and the proposed assessment of the degree of achievement of the non-financial targets made by the Audit and Compliance Committee. After these verifications, the Nomination and Remuneration Committee will submit a proposal to the Board of Directors, which is responsible for the final setting of the amounts for the Executive Chairman (and the other executives included in the Scheme).

Based on the foregoing and once the Scheme has been put in place and the reference to the variable remuneration that might correspond to the Executive Chairman within the Scheme in 2022 has been established:

- In 2023, once the Group's consolidated results for the year 2022 have been determined (generally in February), the Nomination and Remuneration Committee will review the degree of achievement of the objectives set out in the Strategic Plan for that year and submit to the Board of Directors, for approval, the annual remuneration to be received by the Executive Chairman (in 2024) for the year 2022.

- In monetary terms and taking account of the above-mentioned rules, the deferred annual variable remuneration of the Executive Chairman for 2022 may vary between 0 euros (if targets are met by less than 85%) and approximately 1,462,500 euros gross (if targets are met by 125% or more). This figure has been calculated based on the annual monetary fixed remuneration of the Executive Chairman in 2022 and assuming that it will remain stable over the three-year period of the Scheme (2022-2024).

During this year (2022), the Executive Chairman has received the sum of 1,058,191.51 euros gross as his deferred annual remuneration for 2020.

The Scheme described above is not indexed to the value of the Company's share and the beneficiaries do not receive shares or any other rights thereover.

In any case, it should be stressed that the Deferred Annual Remuneration Scheme tied to fulfilment of the Strategic Plan 2022-2024 has not, at the time of writing this report, been fully defined by the Nomination and Remuneration Committee, as it depends on the prior approval of the Strategic Plan. This notwithstanding, the Scheme proposed by the Nomination and Remuneration Committee will have to be adjusted to the foregoing, according to the provisions of the Directors' Remuneration Policy 2022-2024, currently in force.

A.1.7. Main features of the long-term saving schemes. This information should include, inter alia, the contingencies covered by the scheme, whether it is defined-contribution or defined-benefit, the annual contribution to be made to defined-contribution schemes, the benefit to which beneficiaries are entitled under defined-benefit schemes, the conditions for the vesting of economic rights in favour of the directors and compatibility with any kind of termination benefit payable for or in connection with interruption or expiry of the contractual relationship between the company and the director.

State whether accrual or vesting of rights under any of the long-term savings schemes is subject to the achievement of certain targets or parameters related with the short and long-term performance of the director.

No contributions have been made in previous years, nor are any expected to be made this year (2022), to any pension funds or schemes for former or existing members of the Board of Directors (neither the Directors for their duties as such nor the executive Directors for the performance of executive duties) and no obligations have been contracted in this respect.

Nor have any contributions been made or obligations contracted for Directorships in other group companies (for the Directors for their duties as such or the executive Directors for the performance of executive duties).

A.1.8. Any kind of payment or compensation for termination, early or otherwise, of the contractual relationship between the company and the director, at the initiative of the company or the director, and any arrangements agreed, such as exclusive dedication, minimum employment commitment, loyalty and no competition during and after employment.

No compensations have been arranged or paid for termination of Directors' duties (neither the Directors for their duties as such nor the executive Directors for the performance of executive duties).

A.1.9. State the terms and conditions to be respected in the contracts of executive directors performing senior management duties. Include information, inter alia, on the term, limits on severance pay and other compensations, continued service clauses, required notice, payment in lieu of notice and any other clauses relating to golden hellos, golden handshakes, golden parachutes, or any other compensation payable on termination, early or otherwise, of the contractual relationship between the company and the executive director. Include, inter alia, details of any clauses or agreements on restraint of trade, exclusive dedication, minimum employment commitment, loyalty and no competition during and after employment, save as explained in the previous section.

Pursuant to sections 249, 529 octodecies and 529 quindecies of the Corporate Enterprise Act and Article 22 of the Articles of Association, the Board of Directors is competent to establish the terms of contracts to be signed by the company with its executive Directors having executive duties, at the proposal of the Nomination and Remuneration Committee and within the confines of Directors' Remuneration Policy approved by the General Meeting.

According to the Directors' Remuneration Policy 2022-2024, the principal terms of contract of the Executive Chairman (the only Director with executive duties) for his executive duties (apart from his remuneration, which is explained in other sections of this report) are as follows:

- Term: indefinite
- Notice: three months
- Termination benefits: none
- Continued service or post-contract no competition clauses: none

See the explanatory note in section D of this report for the reasons why Hercalianz Investing Group, S.L. is classified as an executive Director.

As regards the possible incorporation in the future of other executive Directors, the Directors' Remuneration Policy 2022-2024 provides that the current remuneration scheme for executive Directors for the performance of executive duties and other aspects relating to their contractual relationship with the Company consider that the only executive Director who performs those duties is a reference shareholder of the Company.

For this reason, if new executive Directors with executive duties join the Board of Directors during the effective term of the Directors' Remuneration Policy 2022-2024, it might be necessary to revise some of those aspects, such as: (i) establishment of the continued service and/or no competition clauses (and the corresponding remuneration) or (ii) inclusion in the remuneration of aspects indexed to the value of the company's share or that entail the receipt of shares or rights thereover. In this case, the Policy would be amended, and the corresponding amendment would be tabled before the General Meeting for approval on the terms stipulated in law.

A.1.10. The nature and estimated amount of any other supplementary remuneration that will accrue by directors this year for services rendered in addition to those inherent in their directorship The nature.

No supplemental remuneration is expected to be earned by Directors (Directors for their duties as such or executive Directors for the performance of executive duties) for services rendered in addition to those inherent in their Directorship and/or the performance of executive duties.

A.1.11. Any other remuneration, such as advances, loans and guarantees granted to directors by the company, and other remuneration.

The company has not granted and does not foresee granting this year (2022) any loans, advances or guarantees to members of the Board of Directors (the Directors for their duties as such or the executive Directors for the performance of executive duties), or contracted any obligations on their behalf through guarantees or bonds.

A.1.12. The nature and estimated amount of any other supplementary remuneration not included in the preceding paragraphs, paid by the company or another company in the group, that will accrue in directors' favour this year.

There is no remuneration other than as explained in this Report, apart from the attendance fees that received by the Executive Chairman each year as Director of Pastificio Lucio Garofalo, S.p.A (a subsidiary of the Ebro Foods Group). This year (2022), the Executive Chairman is expected to receive a similar amount in attendance fees to that received in 2021 (5,000 euros gross).

The Executive Chairman also receives attendance fees each year, as Director of Riso Scotti, S.p.A., an associate and not part of the Group, in which Ebro Foods, S.A. has a 40% interest (it is an associate consolidated by the equity method). This year (2022), the Executive Chairman is expected to receive a similar amount in attendance fees to that received in 2021 (5,200 euros gross).

A.2. Explain any significant change in the remuneration policy applicable this year, deriving from:

a) A new policy or modification of the policy already approved by the general meeting.

b) Significant changes in the specific criteria established by the board for this year within the current remuneration policy in respect of those applied in the previous year.

c) Proposals that the board has agreed to submit to the general meeting at which this annual report will be presented, for application to this year.

This year (2022) is the first year of application of the Directors' Remuneration Policy 2022-2024.

As explained earlier, this new Policy continues along the lines of the previous Policy (corresponding to the period 2019-2021). The only important aspect that distinguishes this Policy from the previous one is the fact that part of the deferred annual bonus of the Executive Chairman is tied to the achievement of the non-financial targets from the Strategic Plan 2022-2024 determined in the Deferred Bonus Scheme tied to fulfilment of the Strategic Plan 2022-2024.

At the date of writing this Report, no amendments to the current Directors' Remuneration Policy 2022-2024 are expected to be laid before the Annual General Meeting in 2022.

A.3. Indicate the direct link to the document containing the current remuneration policy of the company, which must be available on the company's website.

https://www.ebrofoods.es/wp-content/uploads/2021/06/Directors-Remuneration-Policy-2022-2024.pdf

A.4. In view of the details provided in section B.4, explain how the shareholders' advisory vote at the general meeting on the annual report on remuneration of the previous year has been taken into account.

Given the large majority of the capital that voted in favour of the advisory vote on the Director's Remuneration Report for the year 2020, with more than two-thirds of the capital present and represented at the General Meeting voting for the approval (73.5633%, with 12.9848% abstaining), it has not been considered necessary to take any measures in this regard.

B. OVERALL SUMMARY OF APPLICATION OF THE REMUNERATION POLICY DURING THE REPORTING PERIOD

B.1.1. Explain the process followed to apply the remuneration policy and determine the individual remunerations reflected in section C of this report. This information should include the role played by the remuneration commission, the decisions taken by the board and, if appropriate, the identity and role of the external advisers whose services were used in the process of applying the remuneration policy during the reporting period.

a) Remuneration of Directors for their duties as such.

The fixed remuneration for all the Directors for their duties as such for 2020 was paid during the reporting period (2021).

In this regard, the Nomination and Remuneration Committee resolved on 17 February 2021 to submit a proposal to the Board of Directors, to be tabled by the latter at the Annual General Meeting to be held that year (2021), to set the fixed remuneration for all the Directors for their duties as such for the reporting period (2020) at 2,850,000 euros gross. It further proposed maintaining the amount of attendance fees for Board of Directors meetings (1,600 euros gross per meeting) and meetings of the Board of Directors Committees (800 euros gross per meeting). On 28 February 2021, the Board of Directors resolved to table a motion with those proposals submitted by the Nomination and Remuneration Committee at the Annual General Meeting held on 30 June 2021, when they were approved.

Based on the foregoing and the resolutions passed at the Board of Directors and Committee meetings held in 2020, the aggregate annual fixed remuneration of the Directors for their duties as such for 2020 was distributed as follows:

- membership of the Board of Directors: a total sum of 1,870,805.67 euros gross
- membership of the Board of Directors Committees: a total sum of 979,194.30 euros gross.

The fees for attendance of Board of Directors and Committee meetings of Ebro Foods, S.A. in 2020 amounted to 316,800 euros gross.

At a meeting on 16 February 2022, the Nomination and Remuneration Committee resolved to submit a proposal to the Board of Directors (to be tabled at the Annual General Meeting in 2022) to set the aggregate fixed remuneration for all the Directors for their duties as such for the reporting period (2021)

at 2,850,000 euros gross (the same amount as in 2020). It further proposed maintaining the amount of attendance fees for Board of Directors meetings (1,600 euros gross per meeting) and meetings of the Board of Directors Committees (800 euros gross per meeting).

On 28 February 2022, the Board of Directors resolved to table a motion with those proposals at the Annual General Meeting to be held in 2022.

If that amount is approved at the Annual General Meeting to be held in 2022, it will be distributed among the Board of Directors members in accordance with the prevailing distribution criteria (see section A.1). Based on those criteria, the annual fixed assignment to Directors for their duties as such for 2021, considering the meetings of the Board of Directors and its Committees during that year, would be as follows:

- membership of the Board of Directors: a total sum of 1,871,425.52 euros gross
- membership of the Board of Directors Committees: a total sum of 978,574.44 euros gross.

If the proposals are approved, the attendance fees for Board of Directors and Committee meetings of Ebro Foods, S.A. in 2021 would amount to 317,600 euros gross.

The total amount of the fixed assignment to Directors for their duties as such is distributed among the individual Directors based on the points system established in the Remuneration Policy in place from time to time (see section A.1. of this report). For this purpose, in view of a report by the Nomination and Remuneration Committee, the Board of Directors approves the individual remuneration of each Director in view of the Board of Directors Committees they are on and the number of meetings held by those committees.

b) Remuneration of the Chairman of the Board of Directors as executive Director for the performance of executive duties.

In 2021, the fixed cash remuneration of the Executive Chairman (the only Director with executive duties) for the performance of his executive duties was 1,500,000 euros gross, in accordance with the resolution adopted by the Board of Directors on 13 February 2020, proposed by the Nomination and Remuneration Committee. That is the fixed remuneration established in the Directors' Remuneration Policy 2019-2021 (amended to update the information it contained on the annual fixed remuneration of the Executive Chairman, approved at the Annual General Meeting held on 29 July 2020).

With regard to the annual variable remuneration for the reporting period (2021), on 16 February 2022 the Nomination and Remuneration Committee examined the degree of achievement of the consolidated adjusted EBITDA-A target indicated in the budget, this being the variable taken to determine the annual bonus of the Executive Chairman and submitted the corresponding report to the Board of Directors in respect of that annual variable remuneration.

At the same meeting on 16 February 2022, the Nomination and Remuneration Committee reviewed the level of achievement of the quantitative and qualitative targets to which the long-term variable remuneration for 2021 is tied, according to the Deferred Annual Bonus Scheme 2019-2021. 2021 being the last year of the Scheme, up to 50% of the deferred variable remuneration for the three-year period, depending on the achievement of: (i) the adjusted EBIDTA-A and ROCE targets included in the Strategic Plan 2019-2021 for 2021; (ii) the cumulative consolidated adjusted EBIDTA-A target over the three years of the Scheme; and (iii) the qualitative assessment of the Strategic Plan 2019-2021, for which the Nomination and Remuneration Committee received a prior report from the Strategy and Investment Committee.

Accordingly, the sums corresponding to the Executive Chairman (the only Director with executive duties) for the performance of executive duties in the reporting period (2021), according to his contract and the Directors' Remuneration Policy 2019-2021 and after the corresponding verifications by the Nomination and Remuneration Committee, were as follows:

- Fixed remuneration: 1,504,655 euros gross (1,500,000 euros gross of fixed cash remuneration and 4,655 euros gross in kind)

- Short-term ordinary annual variable remuneration: 1,593,733.37 euros gross.

- Deferred annual variable remuneration: 1,897,671 euros gross. A provision for this amount has been recognised in the annual accounts at 31 December 2021, as a provisional estimate of the deferred annual bonus corresponding to the Chairman of the Board of Directors (as executive Director and for the performance of executive duties) and it will be paid in 2023 to the extent that the Executive Chairman remains with the Group at the date of the payment, as explained earlier. It should be borne in mind that in 2021, the last year of the Deferred Variable Remuneration Scheme (2019-2021), 50% of the variable remuneration for the three-year period was determined.

In addition, during the reporting period (2021), the Executive Chairman received the sum of 897,081.36 euros gross as deferred annual variable remuneration for 2019, payable in 2021. A provision for that amount had been recognised in the 2019 accounts.

B.1.2. Explain any deviation during the year from the procedure established for application of the remuneration policy.

There were no deviations in 2021 from the procedure established for application of the Directors' Remuneration Policy 2019-2021.

B.1.3. State whether any temporary exception to the remuneration policy has been applied and, if so, explain the exceptional circumstances giving rise to those exceptions, the specific components of the remuneration policy that were affected and the reasons why the company considered those exceptions necessary for the long-term interests and sustainability of the company overall or to guarantee its viability. Quantify the impact that the application of those exceptions has had on the remuneration of each director during the year.

No temporary exceptions to the Directors' Remuneration Policy 2019-2021 were applied during 2021.

B.2. Explain the different actions taken by the company regarding the remuneration system and how they have contributed to reducing excessive risk exposure, and align it with the long-term goals, values, and interests of the company, indicating what measures have been adopted to ensure that remuneration has accrued in consideration of the long-term results of

the company, striking an appropriate balance between the non-variable and variable components of remuneration, what measures have been taken with respect to those categories of personnel whose professional activities have a significant impact on the company's risk profile, and what measures have been taken to avoid conflicts of interest, where necessary.

The Deferred Annual Variable Remuneration Scheme in place during the reporting period (2021), i.e. the one linked to the Strategic Plan 2019-2021, makes the payment of bonuses conditional upon meeting targets set each year and the beneficiary's continued employment in the Group at the date of payment established for those bonuses, except in cases of: (i) death or disability of the beneficiary or (ii) takeover in the Group or a similar corporate operation or any other extraordinary circumstance which may, in the Board of Directors's opinion, materially affect the Scheme.

The general conditions of the Scheme include an adjustment clause whereby the Board of Directors of Ebro Foods, S.A. will adopt such resolutions as may be necessary to ensure that in any event or corporate operation or other extraordinary circumstances that might affect the calculation of deferred remuneration payable, the gross remuneration will be equivalent to the remuneration that would have been payable had that circumstance not existed.

The Scheme also includes a clawback clause whereby the Board of Directors of Ebro Foods, S.A. may require Directors to repay all or part of any deferred bonus paid under the Scheme when it considers such amounts to have been unduly paid, either because the amounts paid under the Scheme do not correspond to the degree of fulfilment of the required targets, or because they were calculated on the basis of data subsequently proved to be misstated.

Finally, as indicated earlier, the Scheme is structured in such a way that the deferred annual bonus corresponding to any of the years within the Scheme will be paid 11 months after being determined (after checking the degree of fulfilment of the targets), so by the time they are paid, a reasonable time will have passed (approx. 14 months), enabling greater certainty as to the accuracy of the financial information used to calculate the bonus. The corresponding remuneration of the members of the Scheme in 2021 will thus be paid in 2023, provided they are still employed in the Ebro Group.

B.3. Explain how the remuneration accrued and vested during the year complies with the provisions of the current remuneration policy and, in particular, how it contributes to the company's long-term sustainable profitability.

Describe the relationship between the remuneration received by the directors and the earnings or other short and long-term performance indicators of the company explaining, where appropriate, how any variations in the company's performance may have had a bearing on the variation in directors' remuneration, including any deferred remuneration, and how they contribute to the short and long-term results of the company.

As explained elsewhere in this Report, the remuneration of the Directors for their duties as such is set by the General Meeting of Shareholders, so the General Meeting must assess the remuneration proposed in view of the performance of the Company and its Group.

The variable remuneration (both ordinary and deferred) of the Chairman of the Board of Directors as executive Director, for his executive duties, is linked to the development of the Group's business, being determined in accordance with the level of achievement of the targets set (linked to the future targets of the Group), as indicated in this report and in the Directors' Remuneration Policy.

In the reporting year (2021), the Directors' Remuneration Policy 2019-2021 expressly contemplated both principles. It should be noted in particular that the variable remuneration of the Executive Chairman (the only Director with executive duties) for his executive duties is tied to the achievement of quantitative targets (meeting the adjusted EBIDTA-A and ROCE targets both for the year and, in the case of the corresponding remuneration through his participation in the Deferred Annual Bonus Scheme, for the three-year period 2019-2021) and qualitative targets (part of the remuneration through his participation in the Deferred Annual Bonus Scheme in the last year of the three-year period is tied to the qualitative assessment of fulfilment of the Strategic Plan 2019-2021). This is designed to link his remuneration to the short and long-term development of the Company. So, through achievement of the financial goals set for each year (either in the budget, for the annual variable remuneration, or in the Strategic Plan 2019-2021, for the remuneration received by virtue of his participation in the Deferred Annual Bonus Scheme), the remuneration of the Executive Chairman is tied to the evolution of the Group's results.

These criteria are maintained this year (2022), when the new Directors' Remuneration Policy 2022-2024 establishes the same structure for the pay package of the Executive Chairman (the only Director with executive duties), apart from the novelty that in the last year of the applicable period, the remuneration corresponding to the Executive Chairman for his participation in the Deferred Annual Bonus Scheme will be tied, in addition to the quantitative and qualitative criteria mentioned above, to the degree of achievement during the three-year period of non-financial targets established in the Strategic Plan 2022-2024.

B.4. Report on the results of the advisory vote by the General Meeting on the annual report on remuneration of the previous year, indicating the number of abstentions, blank votes and votes for and against.

	Number	% total
Votes cast	122,877,877	79.86

	Number	% votes cast
Votes against	16,528,512	13.45
Votes for	90,393,065	73.56
Blank votes	894	0.00
Abstentions	15,955,406	12.98

Comments

B.5. Explain how the fixed components accrued and vested during the year by the directors for their duties as such were determined, their relative proportion for each director and how they have varied in respect of the previous year.

As explained earlier, the fixed remuneration of the Directors for their duties as such is set by the General Meeting, following assessment and a proposal by the Nomination and Remuneration Committee and the Board of Directors.

The proposal by the Nomination and Remuneration Committee and the Board of Directors generally takes into account the economic situation of the Group and the development of its business, as well as the number of Board of Directors members (being a collective remuneration for all the Directors for their duties as such).

Accordingly, the Annual General Meeting held on 30 June 2021 resolved to set the collective remuneration of all the Directors for their duties as such for 2020 at 2,850,000 euros gross.

With regard to the remuneration for 2021, the Board of Directors resolved in February 2022 to table a motion at the Annual General Meeting to be held in June 2022 to maintain the collective fixed remuneration for the Directors for their duties as such at 2,850,000 euros gross.

That sum was distributed among the individual Directors (for 2020) and will be distributed (for 2021) on the basis of the points system (explained in section A.1.3 of this Report and in the Directors' Remuneration Policy 2019-2021).

B.6. Explain how the salaries accrued and vested by each of the executive directors for their management duties was determined in the reporting period and how they have varied in respect of the previous year.

In 2021 (the reporting period), the fixed cash remuneration of the Executive Chairman (the only Director with executive duties) for the performance of executive duties is specified in his contract. In this respect, following the review by the Board of Directors of the fixed cash remuneration of the Executive Chairman on 27 February 2020, in line with the proposal submitted by the Nomination and Remuneration Committee (as per the Directors' Remuneration Policy 2019-2021), the fixed cash remuneration for 2021 was 1,500,000 euros gross. That was 250,000 euros (20%) more than the fixed cash remuneration received in 2020 (1,250,000 euros gross). It should be remembered that as stipulated in the Directors' Remuneration Policy 2019-2021 and at the proposal of the Nomination and Remuneration Committee, the Board of Directors resolved on 27 February 2020 to raise the annual fixed cash remuneration of the Executive Chairman in two tranches: 1,250,000 euros gross in 2020 and 1,500,000 euros gross in 2021.

The annual variable remuneration amounts (both ordinary and deferred) are determined by the Nomination and Remuneration Committee, which checks the level of achievement of the quantitative and qualitative variables to which such variable remunerations are subject, considering the reports issued by other Committees where appropriate, and submits a proposal to the Board of Directors.

The following variable amounts were thus earned by the Executive Chairman for 2021:

- annual variable remuneration of 1,593,733 euros gross (compared to 1,875,000 euros gross in 2020);

- deferred annual remuneration for 2021 of 1,897,671 euros gross (compared to 1,058,192 euros gross in 2020). A provision for this amount has been recognised in the annual accounts 2021 as a provisional estimate of the deferred annual bonus corresponding to the Chairman of the Board of Directors (as executive Director and for the performance of executive duties) and it will be paid in 2023. It should be borne in mind that in 2021, the last year of the Deferred Variable Remuneration Scheme (2019-2021), 50% of the variable remuneration for the three-year period was determined.

In accordance with the Deferred Annual Bonus Scheme and the collection criteria applicable to the corresponding sums thereunder, the Executive Chairman received in 2021 the sums accrued in 2019, amounting to 897,081.36 euros gross.

B.7. Explain the nature and main features of the variable components of the remuneration schemes accrued and vested during the reporting period.

In particular:

a) Identify each of the remuneration schemes that determined the variable remunerations accrued by each of the directors during the reporting period, including information on the scope, date of approval, date of implementation, vesting conditions if any, accrual and effective periods, criteria used to assess performance and the effect they had on the setting of the variable amount accrued, as well as the measurement criteria used and the time necessary to be in a position to measure adequately all the conditions and criteria stipulated. Include a detailed explanation of the criteria and factors applied with regard to the required time and the methods for checking that the performance and any other requirements on which the accrual and vesting of each component of the variable remuneration was conditional were actually met.

b) In the case of stock options and other financial instruments, the general features of each scheme shall include information on the conditions for acquiring unconditional rights (vesting) and exercising those options or financial instruments, including the price and time for exercise.

c) Each of the directors and their category (executive directors, non-executive proprietary directors, non-executive independent directors and other non-executive directors) who are beneficiaries of remuneration systems or schemes that include variable remuneration.

d) If applicable, provide information on any payment deferral periods established that have been applied and/or the periods for retaining/not disposing of shares or other financial instruments, if any.

Explain the short-term variable components of the remuneration schemes:

Variable remuneration (short and long-term) for the performance of executive duties corresponds exclusively to the Chairman of the Board of Directors, the only Director performing executive duties, on the terms set out elsewhere in this report.

The ordinary annual variable remuneration established in the executive Director's contract is proportionate to the level of achievement of the targets set for each year by the Board of Directors, based on a proposal by the Nomination and Remuneration Committee. As established in the Directors' Remuneration Report 2019-2020 (and the Policy currently in place for the period 2022-2024), accrual of the Executive Chairman's annual variable remuneration is linked to the degree of achievement of the Group's consolidated adjusted EBITDA-A target set in its annual budget. See in this regard section A.1.6 of this report.

Once the results of the preceding year are available (normally in February of the following year) the Nomination and Remuneration Committee checks the degree of achievement of the target, which is taken as the basis for determining the annual variable remuneration, if any, payable to the Executive Chairman.

The annual variable remuneration of the Executive Chairman is monetary.

Neither the Executive Chairman nor any Director participates in stock option schemes or similar schemes in respect of other financial instruments.

Explain the long-term variable components of the remuneration schemes:

Only the Executive Chairman, the only Director with executive duties, receives a long-term annual variable remuneration.

That long-term variable remuneration derives from the participation of the Executive Chairman, together with the senior executives of the Group, in the Deferred Annual Bonus Scheme (which is in turn tied to the three-year Strategic Plan in place from time to time).

The payment of bonuses is conditional upon meeting the targets set each year by the Remuneration Scheme and the beneficiary's continued employment in the Group at the date of payment established for those bonuses, except in cases of: (i) death or disability of the beneficiary or (ii) takeover in the Group or a similar corporate operation, or any other extraordinary circumstance which may, in the Board of Director's opinion, materially affect the Scheme.

The targets to which the long-term bonus is tied are those identified in the Scheme for each year of the three-year period. A more detailed explanation is given in section A.1.6 of this report.

Bonuses are paid 11 months after being determined (after checking the degree of achievement of the targets), so by the time they are paid, more than one year has passed since the end of the year to which the bonus corresponds.

Once the results of the preceding year are available, the Nomination and Remuneration Committee checks the degree of achievement of the quantitative targets taken as the basis for determining the corresponding remuneration in each year of the Scheme. The assessment by the Nomination and Remuneration Committee of the qualitative aspects considered to determine the long-term bonus is made following a report by the Strategy and Investment Committee.

B.8. Indicate whether certain variable components accrued have been adjusted downward after deferral of the payment of non-vested amounts, or repayment has been claimed after vesting and payment of those components, in view of information subsequently found to be inaccurate. State the amounts reduced or repaid by application of the malus and clawback clauses, why these clauses were enforced and the years to which they correspond.

No such circumstances have existed.

B.9. Explain the main features of the long-term savings schemes, the amount or equivalent annual cost of which is indicated in the tables in Section C, including retirement and any other survival benefit, wholly or partially financed by the company with internal or external funds, stating the type of scheme, whether it is defined-contribution or defined-benefit, the contingencies it covers, the conditions for the vesting of economic rights in favour of the directors and the compatibility

thereof with any kind of termination benefit payable upon interruption of the contractual relationship between the company and the director.

There are no such schemes.

B.10. State any compensations or other kind of payment accrued and/or received by directors during the reporting period upon termination of their contracts, at the initiative of the company or the director, early or at the end of the specified term.

No compensation has been arranged or paid for termination of Directors' duties (to Directors for their duties as such or executive Directors for their executive duties).

B.11. State whether there have been any significant modifications in the contracts of senior executives or executive directors and explain those changes, if any. Explain the main terms and conditions of the new contracts signed with executive directors during the reporting period, unless they have been explained in section A.1.

In the reporting year (2021), as resolved by the Board of Directors on 27 February 2020 in line with a proposal by the Nomination and Remuneration Committee, the annual fixed cash remuneration of the Executive Chairman was set at 1,500,000 euros gross. That resolution led to: (i) amendment of the Directors' Remuneration Policy 2019-2021 to adjust the amounts indicated therein regarding the fixed cash remuneration of the Executive Chairman (amendment approved by the General Meeting on 29 July 2020); and (ii) the corresponding modification of the Executive Chairman's contract with the Company regarding the performance of his executive duties.

B.12. Explain any deviation during the year from the procedure established for application of the remuneration policy.

As explained earlier, no supplementary remuneration is earned by the Directors (for their duties as such or for executive duties) in consideration for services rendered other than those corresponding to their office or, exclusively with regard to the Executive Chairman, to the performance of executive duties. However, as also mentioned earlier (see section A.1.12), the Executive Chairman receives annual attendance fees as a Director of: (i) a Group company, and (ii) an associate company which does not form part of the Group.

B.13. Explain any supplementary remuneration accrued by directors in consideration for services rendered other than those corresponding to their office as such.

Neither the Company nor any other companies in the Group have granted any loans, advances or guarantees to members of the Board of Directors (to the Directors for their duties as such or the executive Directors for the performance of executive duties), or contracted any obligations on their behalf through guarantees or bonds.

B.14. Describe the remuneration in kind accrued by directors during the year, including a brief explanation of the nature of the different remuneration components.

As explained earlier (see sections A.1.4 and A.1.5 of this Report), only the Chairman of the Board of Directors, as the only executive Director with executive duties, receives remuneration in kind, consisting of the private use made of the company car allocated to him. The value of his remuneration in kind for the reporting year (2021), 4,655 euros, is included within the fixed remuneration of the executive Director accrued in 2021.

In addition, the Company has a Flexible Remuneration Scheme, through which it is possible to design the composition of remuneration of the executives included in the Scheme (including the Chairman of the Board of Directors), so that they may receive part of that remuneration in the form of products and services previously selected by the Company. The value of those products and services is deducted from the gross salary of the executive, who is allocated in lieu the corresponding income in kind. These products and services include group medical insurance, housing rental, nursery, vehicle hire/lease and employee training. Therefore, these items do not entail additional remuneration to that received in cash, since the amounts paid by the Company to the corresponding service providers are deducted from the beneficiary's cash remuneration.

B.15. Explain the remuneration accrued by the director by virtue of the payments made by the listed company to a third entity to which the director renders services, when those payments are intended to remunerate said director's services in that company.

No payments of this nature have been made.

B.16. Explain and provide details of the amounts accrued during the year in connection with any item of remuneration other than those listed above, of whatever nature and provenance within the group, including all benefits in whatsoever form, such as

when it is considered a related party transaction or when it may distort the true and fair view of the total remuneration accrued by the director. The amount awarded or pending payment, the nature of the payment received and the reasons, where appropriate, why it has been considered not to form part of the director's remuneration, for their duties as such or for executive duties, and whether or not it has been considered appropriate to include it within the amounts accrued as "other items" in section C.

As explained earlier, there are no remunerations other than those listed above, without prejudice to the fees received by the Chairman of the Board of Directors as Director of Pastificio Lucio Garofalo, S.p.A (a subsidiary of the Ebro Foods Group), of 5,000 euros gross in 2021.

In 2021, the Chairman of the Board of Directors also received Directorship fees from Riso Scotti, S.p.A. in a sum of 5,200 euros gross. As indicated in Article A.1, point 12, above, Riso Scotti, S.p.A. is an associate and does not form part of the Ebro Foods Group.

C. DETAILS OF INDIVIDUAL REMUNERATION ACCRUED BY EACH DIRECTOR

Name	Type	Accrual period 2021
ANTONIO HERNÁNDEZ CALLEJAS	Executive Chairman	From 01/01/2021 to 31/12/2021
DEMETRIO CARCELLER ARCE	Proprietary Vice-Chairman	From 01/01/2021 to 31/12/2021
ALIMENTOS Y ACEITES, S.A.	Proprietary Director	From 01/01/2021 to 31/12/2021
BELÉN BARREIRO PÉREZ-PARDO	Independent Director	From 01/01/2021 to 31/12/2021
MARÍA CARCELLER ARCE	Proprietary Director	From 01/01/2021 to 31/12/2021
FERNANDO CASTELLÓ CLEMENTE	Independent Director	From 01/01/2021 to 31/12/2021
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	Proprietary Director	From 01/01/2021 to 31/12/2021
CORPORACIÓN FINANCIERA ALBA, S.A.	Proprietary Director	From 01/01/2021 to 31/12/2021
MERCEDES COSTA GARCÍA	Lead Independent Director	From 01/01/2021 to 31/12/2021
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Proprietary Director	From 01/01/2021 to 31/12/2021
JAVIER FERNÁNDEZ ALONSO	Proprietary Director	From 01/01/2021 to 31/12/2021
GRUPO TRADIFÍN, S.L.	Proprietary Director	From 01/01/2021 to 31/12/2021
HERCALIANZ INVESTING GROUP, S.L.	Executive Director	From 01/01/2021 to 31/12/2021
PEDRO ANTONIO ZORRERO CAMAS	Independent Director	From 01/01/2021 to 31/12/2021

C.1. Complete the following tables regarding the individual remuneration of each of the directors (including the remuneration for executive duties) accrued during the financial year.

a) Remuneration accrued in the reporting company:

i) Remuneration in cash (thousand euros)

Complete the following Name	Fixed remuneration	Attendance fees	Remuneration as members of Board of Directors committees	Salary	Short-term annual variable remuneration	Long-term annual variable remuneration	Termination benefits	Other items	Total 2021	Total 2020
ANTONIO HERNÁNDEZ CALLEJAS	241	23	147	1,505	1,594	897			4,407	4,152
DEMETRIO CARCELLER ARCE	181	27	181						389	400
ALIMENTOS Y ACEITES, S.A.	121	18							139	144
BELÉN BARREIRO PÉREZ-PARDO	121	22	33						176	180
MARÍA CARCELLER ARCE	121	18							139	144
FERNANDO CASTELLÓ CLEMENTE	121	27	76						224	224
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	121	18	26						165	172
CORPORACIÓN FINANCIERA ALBA, S.A.	121	18							139	257
MERCEDES COSTA GARCÍA	121	27	78						226	226
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	121	18							139	144
JAVIER FERNÁNDEZ ALONSO	121	29	184						334	140
GRUPO TRADIFÍN, S.L	121	27	70						218	219
HERCALIANZ INVESTING GROUP, S.L	121	18	26						165	172
PEDRO ANTONIO ZORRERO CAMAS	121	28	158						307	312

Comments

The total remuneration of the Directors in 2021 amounted to 7,163,731 euros gross, rounded up to 7,164 thousand euros. This differs from the amount indicated in the table as a result of the rounding off to thousands of the individual remuneration of each Director.

See the Explanatory Note One in section D of this Report, concerning changes in the Board of Directors with regard to Pedro Antonio Zorrero Camas and Alimentos y Aceites, S.A.

ii) Table of changes in share-based remuneration schemes and gross earnings on the vested shares or financial instruments.

Name	Name of Scheme	Financial instruments at beginning of 2021		Financial instruments awarded during 2021		Financial instruments vested during the year				Instruments mature and not exercised	Financial instruments at end of 2021	
		No. instruments	Equivalent shares	No. instruments	Equivalent shares	No. instruments	Equivalent/ vested shares	Price of vested shares	Gross earnings on vested shares or financial instruments (€ thousand)	No. instruments	No. instruments	Equivalent shares
ANTONIO HERNÁNDEZ CALLEJAS	Scheme							0.00				
DEMETRIO CARCELLER ARCE	Scheme							0.00				
ALIMENTOS Y ACEITES, S.A.	Scheme							0.00				
BELÉN BARREIRO PÉREZ-PARDO	Scheme							0.00				
MARÍA CARCELLER ARCE	Scheme							0.00				
FERNANDO CASTELLÓ CLEMENTE	Scheme							0.00				
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	Scheme							0.00				
CORPORACIÓN FINANCIERA ALBA, S.A.	Scheme							0.00				
MERCEDES COSTA GARCÍA	Scheme							0.00				
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Scheme							0.00				
JAVIER FERNÁNDEZ ALONSO	Scheme							0.00				

Name	Name of Scheme	Financial instruments at beginning of 2021		Financial instruments awarded during 2021		Financial instruments vested during the year				Instruments mature and not exercised	Financial instruments at end of 2021	
		No. instruments	Equivalent shares	No. instruments	Equivalent shares	No. instruments	Equivalent/ vested shares	Price of vested shares	Gross earnings on vested shares or financial instruments (€ thousand)	No. instruments	No. instruments	Equivalent shares
GRUPO TRADIFÍN, S.L.	Scheme							0.00				
HERCALIANZ INVESTING GROUP, S.L.	Scheme							0.00				
PEDRO ANTONIO ZORRERO CAMAS	Scheme							0.00				

Comments

See the Explanatory Note One in section D of this Report, concerning changes in the Board of Directors with regard to Pedro Antonio Zorrero Camas and Alimentos y Aceites, S.A.

iii) Long-term savings schemes

Name	Remuneration from vesting of rights in savings schemes
ANTONIO HERNÁNDEZ CALLEJAS	
DEMETRIO CARCELLER ARCE	
ALIMENTOS Y ACEITES, S.A.	
BELÉN BARREIRO PÉREZ-PARDO	
MARÍA CARCELLER ARCE	
FERNANDO CASTELLÓ CLEMENTE	
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	
CORPORACIÓN FINANCIERA ALBA, S.A.	
MERCEDES COSTA GARCÍA	
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	
JAVIER FERNÁNDEZ ALONSO	
GRUPO TRADIFÍN, S.L.	
HERCALIANZ INVESTING GROUP, S.L.	
PEDRO ANTONIO ZORRERO CAMAS	

Name	Contribution by company during the year (€ thousand				Amount of funds accumulated (€ thousand)			
	Savings schemes with economic rights vested		Savings schemes with economic rights not vested		Savings schemes with economic rights vested		Savings schemes with economic rights not vested	
	2021	2020	2021	2020	2021	2020	2021	2020
ANTONIO HERNÁNDEZ CALLEJAS								
DEMETRIO CARCELLER ARCE								
ALIMENTOS Y ACEITES, S.A.								
BELÉN BARREIRO PÉREZ-PARDO								
MARÍA CARCELLER ARCE								
FERNANDO CASTELLÓ CLEMENTE								
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL								
CORPORACIÓN FINANCIERA ALBA, S.A.								
MERCEDES COSTA GARCÍA								
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.								

Name	Contribution by company during the year (€ thousand				Amount of funds accumulated (€ thousand)			
	Savings schemes with economic rights vested		Savings schemes with economic rights not vested		Savings schemes with economic rights vested		Savings schemes with economic rights not vested	
	2021	2020	2021	2020	2021	2020	2021	2020
JAVIER FERNÁNDEZ ALONSO								
GRUPO TRADIFÍN, S.L.								
HERCALIANZ INVESTING GROUP, S.L.								
PEDRO ANTONIO ZORRERO CAMAS								

Comments
See the Explanatory Note One in section D of this Report, concerning changes in the Board of Directors with regard to Pedro Antonio Zorrero Camas and Alimentos y Aceites, S.A.

iv) Details of other items

Name	Item	Amount
ANTONIO HERNÁNDEZ CALLEJAS	Item	
DEMETRIO CARCELLER ARCE	Item	
ALIMENTOS Y ACEITES, S.A.	Item	
BELÉN BARREIRO PÉREZ-PARDO	Item	
MARÍA CARCELLER ARCE	Item	
FERNANDO CASTELLÓ CLEMENTE	Item	
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	Item	

Name	Item	Amount
CORPORACIÓN FINANCIERA ALBA, S.A.	Item	
MERCEDES COSTA GARCÍA	Item	
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Item	
JAVIER FERNÁNDEZ ALONSO	Item	
GRUPO TRADIFÍN, S.L.	Item	
HERCALIANZ INVESTING GROUP, S.L.	Item	
PEDRO ANTONIO ZORRERO CAMAS	Item	

Comments
See the Explanatory Note One in section D of this Report, concerning changes in the Board of Directors with regard to Pedro Antonio Zorrero Camas and Alimentos y Aceites, S.A.

b) Remuneration

i))

Name	Fixed remuneration	Attendance fees	Remuneration as members of Board of Directors committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Termination benefits	Other items	Total 2021	Total 2020
ANTONIO HERNÁNDEZ CALLEJAS		5							5	5
DEMETRIO CARCELLER ARCE										
ALIMENTOS Y ACEITES, S.A.										
BELÉN BARREIRO PÉREZ-PARDO										
MARÍA CARCELLER ARCE										
FERNANDO CASTELLÓ CLEMENTE										

Name	Fixed remuneration	Attendance fees	Remuneration as members of Board of Directors committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Termination benefits	Other items	Total 2021	Total 2020
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL										
CORPORACIÓN FINANCIERA ALBA, S.A.										
MERCEDES COSTA GARCÍA										
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.										
JAVIER FERNÁNDEZ ALONSO										
GRUPO TRADIFÍN, S.L.										
HERCALIANZ INVESTING GROUP, S.L.										
PEDRO ANTONIO ZORRERO CAMAS										

Comments

See the Explanatory Note One in section D of this Report, concerning changes in the Board of Directors with regard to Pedro Antonio Zorrero Camas and Alimentos y Aceites, S.A.

ii) Table of changes in share-based remuneration schemes and gross earnings on the shares or financial instruments vested.

Name	Name of Scheme	Financial instruments at beginning of 2021		Financial instruments awarded during 2021		Financial instruments vested during the year				Instruments mature and not exercised	Financial instruments at end of 2021	
		No. instruments	Equivalent shares	No. instruments	Equivalent shares	No. instruments	Equivalent/ vested shares	Price of vested shares	Gross earnings on shares or financial instruments vested (€ thousand)	No. instruments	No. instruments	Equivalent shares
ANTONIO HERNÁNDEZ CALLEJAS	Scheme							0.00				
DEMETRIO CARCELLER ARCE	Scheme							0.00				
ALIMENTOS Y ACEITES, S.A.	Scheme							0.00				

Name	Name of Scheme	Financial instruments at beginning of 2021		Financial instruments awarded during 2021		Financial instruments vested during the year				Instruments mature and not exercised	Financial instruments at end of 2021	
		No. instruments	Equivalent shares	No. instruments	Equivalent shares	No. instruments	Equivalent/ vested shares	Price of vested shares	Gross earnings on shares or financial instruments vested (€ thousand)	No. instruments	No. instruments	Equivalent shares
BELÉN BARREIRO PÉREZ-PARDO	Scheme							0.00				
MARÍA CARCELLER ARCE	Scheme							0.00				
FERNANDO CASTELLÓ CLEMENTE	Scheme							0.00				
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	Scheme							0.00				
CORPORACIÓN FINANCIERA ALBA, S.A.	Scheme							0.00				
MERCEDES COSTA GARCÍA	Scheme							0.00				
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Scheme							0.00				
JAVIER FERNÁNDEZ ALONSO	Scheme							0.00				
GRUPO TRADIFÍN, S.L.	Scheme							0.00				
HERCALIANZ INVESTING GROUP, S.L.	Scheme							0.00				
PEDRO ANTONIO ZORRERO CAMAS	Scheme							0.00				

Comments

See the Explanatory Note One in section D of this Report, concerning changes in the Board of Directors with regard to Pedro Antonio Zorrero Camas and Alimentos y Aceites, S.A.

iii) Long-term savings schemes

Name	Remuneration from vesting of rights in savings schemes
ANTONIO HERNÁNDEZ CALLEJAS	
DEMETRIO CARCELLER ARCE	
ALIMENTOS Y ACEITES, S.A.	
BELÉN BARREIRO PÉREZ-PARDO	
MARÍA CARCELLER ARCE	
FERNANDO CASTELLÓ CLEMENTE	
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	
CORPORACIÓN FINANCIERA ALBA, S.A.	
MERCEDES COSTA GARCÍA	
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	
JAVIER FERNÁNDEZ ALONSO	
GRUPO TRADIFÍN, S.L.	
HERCALIANZ INVESTING GROUP, S.L.	
PEDRO ANTONIO ZORRERO CAMAS	

Name	Contribution by company during the year (€ thousand				Amount of funds accumulated (€ thousand)			
	Savings schemes with economic rights vested		Savings schemes with economic rights not vested		Savings schemes with economic rights vested		Savings schemes with economic rights not vested	
	2021	2020	2021	2020	2021	2020	2021	2020
ANTONIO HERNÁNDEZ CALLEJAS								
DEMETRIO CARCELLER ARCE								
ALIMENTOS Y ACEITES, S.A.								
BELÉN BARREIRO PÉREZ-PARDO								
MARÍA CARCELLER ARCE								
FERNANDO CASTELLÓ CLEMENTE								
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL								
CORPORACIÓN FINANCIERA ALBA, S.A.								
MERCEDES COSTA GARCÍA								
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.								
JAVIER FERNÁNDEZ ALONSO								
GRUPO TRADIFÍN, S.L.								
HERCALIANZ INVESTING GROUP, S.L.								
PEDRO ANTONIO ZORRERO CAMAS								

Comments
See the Explanatory Note One in section D of this Report, concerning changes in the Board of Directors with regard to Pedro Antonio Zorrero Camas and Alimentos y Aceites, S.A.

iv) Details of other items

Name	Item	Amount
ANTONIO HERNÁNDEZ CALLEJAS	Item	
DEMETRIO CARCELLER ARCE	Item	
ALIMENTOS Y ACEITES, S.A.	Item	
BELÉN BARREIRO PÉREZ-PARDO	Item	
MARÍA CARCELLER ARCE	Item	
FERNANDO CASTELLÓ CLEMENTE	Item	
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	Item	
CORPORACIÓN FINANCIERA ALBA, S.A.	Item	
MERCEDES COSTA GARCÍA	Item	
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Item	
JAVIER FERNÁNDEZ ALONSO	Item	
GRUPO TRADIFÍN, S.L.	Item	
HERCALIANZ INVESTING GROUP, S.L.	Item	
PEDRO ANTONIO ZORRERO CAMAS	Item	

Comments
See the Explanatory Note One in section D of this Report, concerning changes in the Board of Directors with regard to Pedro Antonio Zorrero Camas and Alimentos y Aceites, S.A.

c) Summary of remunerations (thousand euros):

	Remuneration accrued in the Company					Remuneration accrued in Group companies					
Name	Total cash remuneration	Gross earnings on shares or financial instruments vested	Remuneration from savings schemes	Remuneration for other items	Total 2021 company	Total cash remuneration	Gross earnings on shares or financial instruments vested	Remuneration from savings schemes	Remuneration for other items	Total 2021 group	Total 2021 company + group
ANTONIO HERNÁNDEZ CALLEJAS	4,407				4,407	5				5	4,412
DEMETRIO CARCELLER ARCE	389				389						389
ALIMENTOS Y ACEITES, S.A.	139				139						139
BELÉN BARREIRO PÉREZ-PARDO	176				176						176
MARÍA CARCELLER ARCE	139				139						139
FERNANDO CASTELLÓ CLEMENTE	224				224						224
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	165				165						165
CORPORACIÓN FINANCIERA ALBA, S.A.	139				139						139
MERCEDES COSTA GARCÍA	226				226						226
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	139				139						139
JAVIER FERNÁNDEZ ALONSO	334				334						334
GRUPO TRADIFÍN, S.L	218				218						218
HERCALIANZ INVESTING GROUP, S.L	165				165						165
PEDRO ANTONIO ZORRERO CAMAS	307				307						307
TOTAL	7,167				7,167	5				5	7,172

Comments

The total remuneration of Directors in 2021 was 7,168,731 euros, rounded up to 7,169 thousand euros. This differs from the amount indicated in the table as a result of the rounding off to thousands of the individual remuneration of each Director.

See the Explanatory Note One in section D of this Report, concerning changes in the Board of Directors with regard to Pedro Antonio Zorrero Camas and Alimentos y Aceites, S.A.

C.2. Indicate the evolution over the past 5 years.

	Total amounts accrued and % annual variation								
	2021	% Variation 2021/2020	2020	% Variation 2020/2019	2019	% Variation 2019/2018	2018	% Variation 2018/2017	2017
Executive Directors									
ANTONIO HERNÁNDEZ CALLEJAS	4,412	6.13	4,157	36.21	3,052	22.92	2,483	-17.32	3,003
HERCALIANZ INVESTING GROUP, S.L.	165	-4.07	172	1.18	170	-8.60	186	0.00	186
Non-executive Directors									
DEMETRIO CARCELLER ARCE	389	-2.75	400	-0.25	401	-9.68	444	0.68	441
ALIMENTOS Y ACEITES, S.A.	139	-3.47	144	5.11	137	-9.87	152	-3.80	158
BELÉN BARREIRO PÉREZ- PARDO	176	-2.22	180	1.12	178	-8.72	195	-0.51	196
MARÍA CARCELLER ARCE	139	-3.47	144	5.11	137	8.73	126	-	0
FERNANDO CASTELLÓ CLEMENTE	224	0.00	224	-0.88	226	-10.67	253	19.91	211
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	165	-4.07	172	1.18	170	-15.00	200	0.00	200
CORPORACIÓN FINANCIERA ALBA, S.A.	139	-45.91	257	-23.28	335	3.08	325	-	0
MERCEDES COSTA GARCÍA	226	0.00	226	0.44	225	-7.79	244	20.20	203
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	139	-3.47	144	5.11	137	-9.87	152	-1.30	154
JAVIER FERNÁNDEZ ALONSO	334	138.57	140	-	0	-	1	-99.70	329
GRUPO TRADIFIN, S.L.	218	68.99	129	-40.83	218	-10.66	244	3.39	236
PEDRO ANTONIO ZORRERO CAMAS	307	-1.60	312	3.65	301	n.s	24	-	0
Consolidated earnings of the company									
	238,629	24.02	192,415	35.74	141,752	0.12	141,589	-35.82	220,600
Average remuneration of employees									
	41,356	-3.71	42,948	1.63	42,261	-	0	-	0

Comments

See the Explanatory Note One in section D of this Report, concerning changes in the Board of Directors with regard to Pedro Antonio Zorrero Camas and Alimentos y Aceites, S.A.

See Explanatory Note Two in section D of this report regarding the classification of Hercalianz Investing Group, S.L. as an executive Director.

With regard to the average remuneration of employees:

- The information contained in the computer files for 2018 is not adjusted to the criteria established in this Report and, therefore, is not comparable.

- We do not have information for 2017 in our computer files.

D. OTHER INFORMATION OF INTEREST

If there are any material.

CONTINUATION OF SECTION A.1.1, POINT 1, OF THIS REPORT

The Directors also receive, for their duties as such, fees for attending the meetings of the Board of Directors and any Board of Directors Committees they are on.

The amount of those fees is also set by the General Meeting and remain in force until amended.

b) Non-executive Directors do not receive any variable remuneration based on the profits of the Company or Group.

c) The executive Directors, just as the other senior executives of the Group, receive an annual remuneration for their executive duties according to the terms of their respective contracts. The remuneration structure of executive Directors (and other senior executives in the Group) includes the following components:

- annual fixed remuneration;
- short-term variable remuneration;
- deferred annual variable remuneration, linked to the Strategic Plan 2022-2024, as explained hereinbelow.

The fixed remuneration is the remuneration established in the corresponding contract signed between the company and the Executive Committee. With regard to the variable remunerations, both short-term annual and deferred annual, the Nomination and Remuneration Committee rates each year the degree of achievement of the targets to which they are linked (established in the Remuneration Policy 2022-2024), taking account of any reports submitted by other Committees, and submits the corresponding proposal and report to the Board of Directors of Director in respect of the individual remuneration of each Executive Director in that year.

The current Directors' Remuneration Policy 2022-2024 does not contemplate the application of any temporary exceptions.

EXPLANATORY NOTE ONE, REGARDING THE CHANGES PRODUCED IN THE BOARD OF DIRECTORS

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

- Alejandra Olarra Icaza joined the Board of Directors on 24 November 2021 as representative of the Director Corporación Financiera Alba, S.A., replacing Tomás Hevia Armengol in that appointment; and

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

Moreover, on 31 January 2022, the Board of Directors resolved to appoint Marc Thomas Murtra Millar Director by the procedure of cooptation, to fill the vacancy produced upon Mr. Zorrero Camas' resignation (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 Audit and Compliance Committee.

Finally, it is hereby stated that Alimentos y Aceites, S.A. (proprietary Director and reference shareholder) tendered his resignation as Director on 24 March 2022, with effect from 29 March 2022 (see the communication sent to the National Securities Market Commission by the Company as "Other Relevant Information" on 24 March 2022 with registry number 15141).

On the same date of issue of this Report[CLM1], 30 March 2022, Mr. Jordi Xuclà Costa was appointed proprietary Director of Alimentos y Aceites, S.A. to fill the vacancy caused by the resignation tendered by the company.

EXPLANATORY NOTE TWO, REGARDING THE CLASSIFICATION OF HERCALIANZ INVESTING GROUP, S.L. AS EXECUTIVE DIRECTOR

As mentioned throughout this Report, although Hercalianz Investing Group, S.L. is classified as an Executive Director, it has never performed executive duties in Ebro Foods, S.A. or any subsidiary of the Group, so has never received and does not receive any remuneration as such.

Hercalianz Investing Group, S.L. has been classified as an Executive Director (pursuant to section 212 bis of the Corporate Enterprises Act) because its representative on the Board of Directors of Ebro Foods, S.A. is an executive of a subsidiary of the Ebro Foods Group.

This annual remuneration report was approved by the Board of Directors of the company at its meeting on:

30/03/2022

State whether any Directors voted against or abstained in connection with the approval of this Report.

[√] Yes
[ ] No

Name of board member (s) who did not vote for approval of this report	Reasons (against, abstention, non-attendance)	Explain the reasons
ALIMENTOS Y ACEITES, S.A.	Abstention	Mr Jordi Xuclà Costa is the proprietary Director of Alimentos y Aceites, S.A. (the reference shareholder who was a Director until 29 March 2022), who abstained from voting on this Report, stating that the Board of Directors of SEPI (as controlling shareholder of Alimentos y Aceites, S.A.) decides on the vote of SEPI as shareholder of Ebro Foods, S.A. See the Explanatory Note One in section D. of this Report.

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.