

POLICY
AGAINST CORRUPTION AND BRIBERY

1. Introduction

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 on non-financial and diversity reporting (“**Act 11/2018**”) establishes the obligation to include in the statement of non-financial information of the annual accounts each year the necessary information to understand the impact of the Ebro Foods Group’s activities to combat corruption and bribery.

The Ebro Foods Group Code of Conduct, in force since 2012 and last modified in 2015, establishes the measures for fighting against corruption, bribery, illegal commissions, influence peddling and money laundering and lays down the rules to be followed in respect of gifts and courtesies, for the parent company Ebro Foods, S.A. (“**Ebro Foods**” or the “**Company**”) and all the companies directly or indirectly controlled by it.

This Code of Conduct is an essential part of the Ebro Foods Group crime prevention model and all employees, executives and directors of each and every company in the Ebro Group, including permanent representatives of corporate directors (the “**Professionals**”) are obliged to know and comply with it.

2. Object

Through this Policy against Corruption and Fraud (the “**Policy**”), the Board of Directors of Ebro Foods 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 indicates conduct that is prohibited in these areas.

3. Scope

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.

This Policy is extensive to the Ebro Foods Foundation (the “**Foundation**”) through the professionals of the Ebro Group that collaborate with the Foundation and any third parties who intervene, collaborate or participate in the business of the Group’s companies and the activities of the Foundation.

4. Principles applicable

The Policy is based on the principle of “zero tolerance” of corruption and fraud in business. This principle is absolute and prevails over any kind of economic benefit that may be obtained for the Group and/or its professionals.

Over and beyond mere observance and compliance with the laws and standards applicable to each of the companies in the Ebro Group because of the business they perform or the countries in which they operate, this Policy is governed by principles of maximum transparency, honesty, integrity and responsibility.

5. Obligations and prohibited conduct

In accordance with the principles applicable to this Policy, the Professionals are obliged to:

- (i) not make decisions without considering their ethical value;
- (ii) reject any unethical business and activities;
- (iii) harmonise ethical requirements with other achievements;
- (iv) seek at all times the greatest possible credibility and transparency.

In general, any business or activity that does not comply with the ethical principles set down in the Code of Conduct or this Policy is prohibited.

This Policy also prohibits the conduct described below in the following areas, among others:

5.1. Fight against corruption, fraud, bribery, illegal commissions, influence peddling and money laundering

The Group undertakes to eradicate any form of corruption within its companies, including extortion, crime and money laundering.

No Professional shall attempt to unduly influence any government body or civil servants or endeavour to obtain any favourable treatment from any authority or political party.

All forms of corruption, bribery or payment of commissions are prohibited, whether committed through action or omission or through the creation or maintenance of privileged or irregular situations with a view to obtaining a benefit for the Group or for its companies or Professionals.

The Professionals undertake not to request, accept or offer any payment -in cash or in kind- or, in general, any unfair benefit or advantage of whatsoever nature favouring the



Group, its companies, the Professional in question or a third party over others. Professionals shall also abstain from making payments or performing other unlawful activities with a view to securing easier or faster processing, or securing or expediting the course of an application or action at or in respect of any court, public administration or official body anywhere in the world.

Third parties shall be selected for contracts taking into account the legal provisions on money laundering and, should circumstances so warrant, candidates shall be screened for any possible connections with inappropriate or unlawful activities, particularly money laundering and the financing of terrorism.

In the event of any suspicion that a third party with whom the Group has entered into contract may be engaged in unlawful activities in any of these areas, the competent authorities shall be informed.

In commercial relationships with suppliers and customers, payments made and received shall be made by bank transfer and governed by the principle of maximum transparency. Other payment/collection instruments, such as cheques, may also be accepted, provided they are issued in accordance with the applicable laws on money laundering. Payments made and received in cash shall be reduced to a bare minimum and shall in all cases be made in accordance with the legal provisions in place from time to time.

5.2. Gifts and courtesies

As defined in the Code of Conduct, “gift” or “courtesy” shall mean any compliment, gesture, favour or compensation, in cash or in kind, made, given or received by a Professional.

The Professionals shall not give or accept gifts or courtesies during the performance of their professional duties. By exception, the delivery and acceptance of gifts shall be permitted if: (a) they have a token value, (b) they are normal commercial or complimentary gestures, (c) they are intended to promote the image of the Group and its products or, for gifts received by a Professional, the image or products of the person offering the gift, and (d) they are not prohibited by law or generally accepted commercial practice. The assessment of whether gifts conform to accepted commercial practice shall also take into account whether they are occasional or recurring.

Under no circumstances shall cash gifts or courtesies be given or accepted.

The Professionals shall not give or accept any gifts or courtesies that may in any way be considered bribery or commission from or by any other party involved, such as civil servants, employees of other companies, political parties, customers, suppliers, service providers or shareholders. Bribery, which is expressly forbidden, includes the direct or indirect offering or promise of any kind of improper benefit or advantage, or any instrument concealing it, or influence peddling.



The Professionals shall not give or accept any gifts or courtesies that bear or may bear or may be construed to bear an influence on the performance of the duties corresponding to the position or the making of decisions by the person giving and the person receiving them.

Each employee is responsible for knowing and adequately assessing local practices, taking account of the interests and reputation of the Group. In any case, special care shall be taken to avoid any gifts or courtesies that may be construed as exceeding normal commercial practice or complimentary gestures, or which may in any way be considered to respond to the intention of the person making the gift or courtesy to obtain favourable treatment, or which are inappropriate for any other reason.

If any Professionals have any misgivings as to whether a gift or courtesy received or offered to them is appropriate, they shall consult their immediate superior. If the Professional's superior is unsure, the consultation shall be passed up through the hierarchy until it reaches, if necessary, the Compliance Unit, which shall settle any queries on this matter once and for all.

Any gifts or courtesies received by the Professionals that do not comply with the Code shall be returned, or if this is not possible, they shall be given the application determined by the Compliance Unit.

5.3. Authorities, regulatory bodies and government agencies

The Professionals shall not make any contributions to political parties, authorities, regulatory bodies, governments or institutions in general, for or on behalf of the companies in the Ebro Foods Group or in their capacity as Professionals.

5.4. Social action and sponsorship activities

Proposed social actions and sponsorships will be assessed and approved on a case-by-case basis by the corresponding corporate body, after evaluation of the proposal submitted by the promotor.

Proposals shall all be assessed considering the alignment of the social actions or sponsorships with the principles of the Code of Conduct and the provisions of this Policy. Efforts shall be made to ensure that the beneficiaries of the social action and/or sponsorships accept and undertake to comply with the principles of this Policy. For this purpose, whenever this is considered appropriate in view of the special circumstances of each case, the decision-making body may request assessment and report by the Compliance Unit.

All approved social actions or sponsorship activities will be subject to special monitoring to ensure conformity with the principles of this Policy (and, in the case of social action, those of the Ebro Group's Social Action Policy) and that the funds or products contributed by the Group and/or the Foundation are used adequately in each of these activities.



6. Verification

The Audit and Compliance Committee shall check compliance with this Policy through the Compliance Unit.
