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REPORTING PERIOD

2017

MOST RECENT PREVIOUS REPORT

2016

REPORTING FREQUENCY

Annual

CONTACT POINT FOR ISSUES REGARDING THE REPORT OR ITS CONTENTS

For general issues regarding this report, contact the Communications and Corporate Social Responsibility Department at:

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Scope of the Report

This report contains consolidated information on the economic, environmental and social performance of the companies operating the businesses of the Ebro Foods Group. The following subsidiaries are included:

COMPANY	COUNTRY	BUSINESS AREA
Arrozeiras Mundiarroz, S.A.	Portugal	Rice
Boost Nutrition, C.V.	Belgium	Rice
Catelli Foods Corporation	Canada	Pasta
Celnat, S.A.S	France	Organic food
Ebro Foods, S.A.	Spain	Parent (Holding)
Ebrofrost Holding, GmbH	Germany, Denmark & UK	Rice, pasta & frozen foods
Ebro India, Private Ltd.	India	Rice
Euryza GmbH	Germany	Rice
Herba Bangkok, S.L.	Thailand	Rice
Herba Cambodia Co. Ltd	Cambodia	Rice
Herba Egypt Ricemills, Ltd	Egypt	Rice
Herba Ingredients, B.V.	Netherlands & Belgium	Ingredients
Herba Ricemills, S.L.U.	Spain	Rice
Herba Ricemills Rom, S.R.L.	Romania	Rice
Lassie, B.V.	Netherlands	Rice
Lustucru Fraiss, S.A.S.	France	Rice & pasta
Mundi Riso, S.R.L.	Italy	Rice
Mundi Riz, S.A.	Morocco	Rice
Panzani, S.A.S.	France	Pasta
Pastificio Lucio Garofalo, Spa	Italy	Pasta
Riceland Magyarorzag, KFT	Hungary	Rice
Riviana Foods, Inc.	USA	Rice
Roland Monterrat, S.A.S	France	Ready-to-serve fresh meals
Santa Rita Harinas, S.L.U.	Spain	Special flours & ingredients
Stevens&Brotherton Herba Foods, Ltd.	UK	Rice
Vegetalia, S.L.	Spain	Organic food

Explanatory note:

Within what are considered developing countries, the Ebro Group only has industrial operations using its own workforce in Morocco, Egypt, India and Cambodia. These countries are therefore included in the company's environmental and social performance.

The presence of the Ebro Group in other countries such as Angola, Algeria, Libya, Sudan, Saudi Arabia, United Arab Emirates, Israel, Jordan, Kuwait, Syria and Yemen is limited to the marketing of some of its rice and pasta brands, with no physical or industrial presence in any of them.

Significant changes in 2017 in the size, structure and ownership of the Organisation [G4-13]

Three new businesses were incorporated in the consolidated group during the year: 100% of the Spanish company Vegetalia, S.L., acquired in January, 52% of Geovita Functional Ingredients, S.r.L. and 55% of the German company Transimpex, GmbH, both acquired in September.

For the consolidated reporting,

1. This report includes:

- ▶ The information on Santa Rita Harinas, S.L.U. (incorporated in the consolidated group in July 2016) for all the social and environmental performance indicators.
- ▶ The information on Vegetalia, S.L. for all the social and environmental performance indicators.

2. Information on the social and environmental performance of Geovita and Transimpex is not included this time, but will be consolidated in 2018.



Principles and orientation of this Report

1

**Dialogue with
stakeholders**

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**Materiality and
identification of
important issues**

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1 Dialogue with stakeholders



[G4-18] [G4-24] [G4-27]

This report was prepared following the guidelines of the International Integrated Reporting Council (IIRC) and the Global Reporting Initiative (GRI), G4 guidelines and the food sector supplement. Consequently, the report includes some of the basic contents promoted by both guidelines, those of the GRI being marked with the corresponding indicator.

Dialogue with stakeholders

The Ebro Group engages in constant dialogue with its stakeholders to identify their principal concerns and incorporate their suggestions in the design and implementation of its Corporate Social Responsibility (CSR) action plans.

The company's main groups of stakeholders are:

- ▶ Shareholders
- ▶ Customers, consumers and distributors
- ▶ Employees
- ▶ Suppliers
- ▶ Society (Administration, NGOs and other institutions)
- ▶ Media

The frequency and form of communication with each group varies according to the company of the Ebro Group and the reason for the consultation or meeting, with at least one a year. Much of this dialogue is conducted directly by the parent company.

Channels of dialogue with our stakeholders

STAKEHOLDERS	CHANNELS OF DIALOGUE BETWEEN THE EBRO GROUP AND ITS STAKEHOLDERS
Shareholders	Corporate website
	Electronic shareholders' mailbox
	Shareholders' office
	CNMV regulatory announcements
	Investor Relations Department
	Meetings with analysts and investors
	Roadshows
	General Meeting of Shareholders
	Quarterly reports
	Annual Report
	Social networks
	Press releases
	Reporting channel of the Code of Conduct (COC)

Channels of dialogue with our stakeholders

STAKEHOLDERS	CHANNELS OF DIALOGUE BETWEEN THE EBRO GROUP AND ITS STAKEHOLDERS
Employees	<ul style="list-style-type: none"> Corporate website and websites of our subsidiaries Corporate Intranet Suggestion box Social networks Mailbox Digital newsletter Blogs (corporate and brand) Mailshots Department Days Works Council HR contacts Corporate Communications Department Annual Report Reporting channel of the COC
Customers, consumers and distributors	<ul style="list-style-type: none"> Corporate website and websites of our subsidiaries Customer services department Electronic mailboxes in each of the Group companies Parent company mailbox (comunicacion@ebrofoods.es) Advertising and Marketing Satisfaction surveys Regular one-to-one meetings and visits Social networks Blogs (corporate and brand) Trade fairs, forums and conferences Annual Report Reporting channel of the COC
Suppliers	<ul style="list-style-type: none"> Corporate website and websites of our subsidiaries Meetings with the Purchasing Departments of Group companies Supplier Code of Conduct Regular visits to suppliers Surveys Assessments through Sedex Annual Report Social networks Reporting channel of the COC

Channels of dialogue with our stakeholders

STAKEHOLDERS	CHANNELS OF DIALOGUE BETWEEN THE EBRO GROUP AND ITS STAKEHOLDERS
Society	<p>Corporate website and websites of our subsidiaries</p> <p>Website of the Ebro Foods Foundation</p> <p>Social networks</p> <p>Corporate blog</p> <p>Annual Report</p> <p>Communications and CSR Department</p> <p>Press releases</p> <p>Parent company mailbox (comunicacion@ebrofoods.es)</p> <p>Meetings with NGOs and social action institutions</p> <p>Meetings with local authorities</p> <p>Meetings with resident associations</p> <p>Reporting channel of the COC</p>
Media	<p>Corporate website and websites of our subsidiaries</p> <p>Corporate Communications Department</p> <p>Parent company mailbox (comunicacion@ebrofoods.es)</p> <p>Press releases</p> <p>CNMV regulatory announcements</p> <p>Social networks</p> <p>Corporate blog</p> <p>Regular meetings with different media</p> <p>Interviews</p> <p>Surveys and questionnaires</p> <p>Annual Report</p>



2 Materiality and identification of important issues



The contents of this Report have been defined according to the most important social, environmental and/or economic issues for the Ebro Group and its stakeholders.

First of all, these issues were identified through an analysis that contemplated:

- I.** The strategic vision of the company
- II.** The expectations of our principal stakeholders
- III.** Sector trends
- IV.** Information required for external assessments

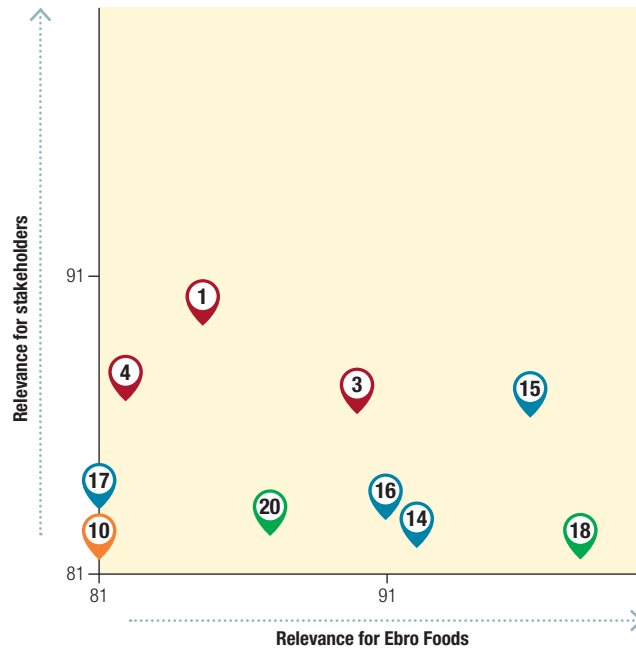
The following issues were thus defined as important for our Report:

- I.** Quality in employment: job stability, professional development and retaining of talent
- II.** Health and safety at work
- III.** Socioeconomic impact
- IV.** Innovation
- V.** Health benefits of food products
- VI.** Food Safety and Quality
- VII.** Sustainable agriculture
- VIII.** Sustainability of the value chain
- IX.** Respect for the environment
- X.** Transparency

To see whether there are any other issues that may be important for our stakeholders or any additional areas requiring attention, in 2017 we updated our materiality analysis, assisted by the independent firm Forética. That analysis contemplates the expectations of our stakeholders (authorities, customers, employees, investors, media, NGOs and suppliers) in Spain, North America, France, Italy, the Netherlands, India and Morocco, and our Corporate Administration, represented by the Audit and Compliance Committee.

After identifying the Group's principal challenges and opportunities in sustainability, analysing its CSR strategy 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



Three aspects stand out for their relevance for the organization and its stakeholders:



Maximizing sustainability, quality and food safety all along the value chain.



Preventing accidents and damage by enhancing workplace safety (direct and indirect production and distribution employees)



Implementing environmental policies (particularly those related with climate change and responsible water management)

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

CSR in Ebro

1

**Sustainability
Model**

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Ebro and the SDG

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Alliances

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1 Sustainability model



The Ebro Group establishes its Corporate Social Responsibility as the creation of a sustainable business model which, apart from producing value, yield and competitiveness, contributes towards the progress of society and generates trust and confidence among its stakeholders.

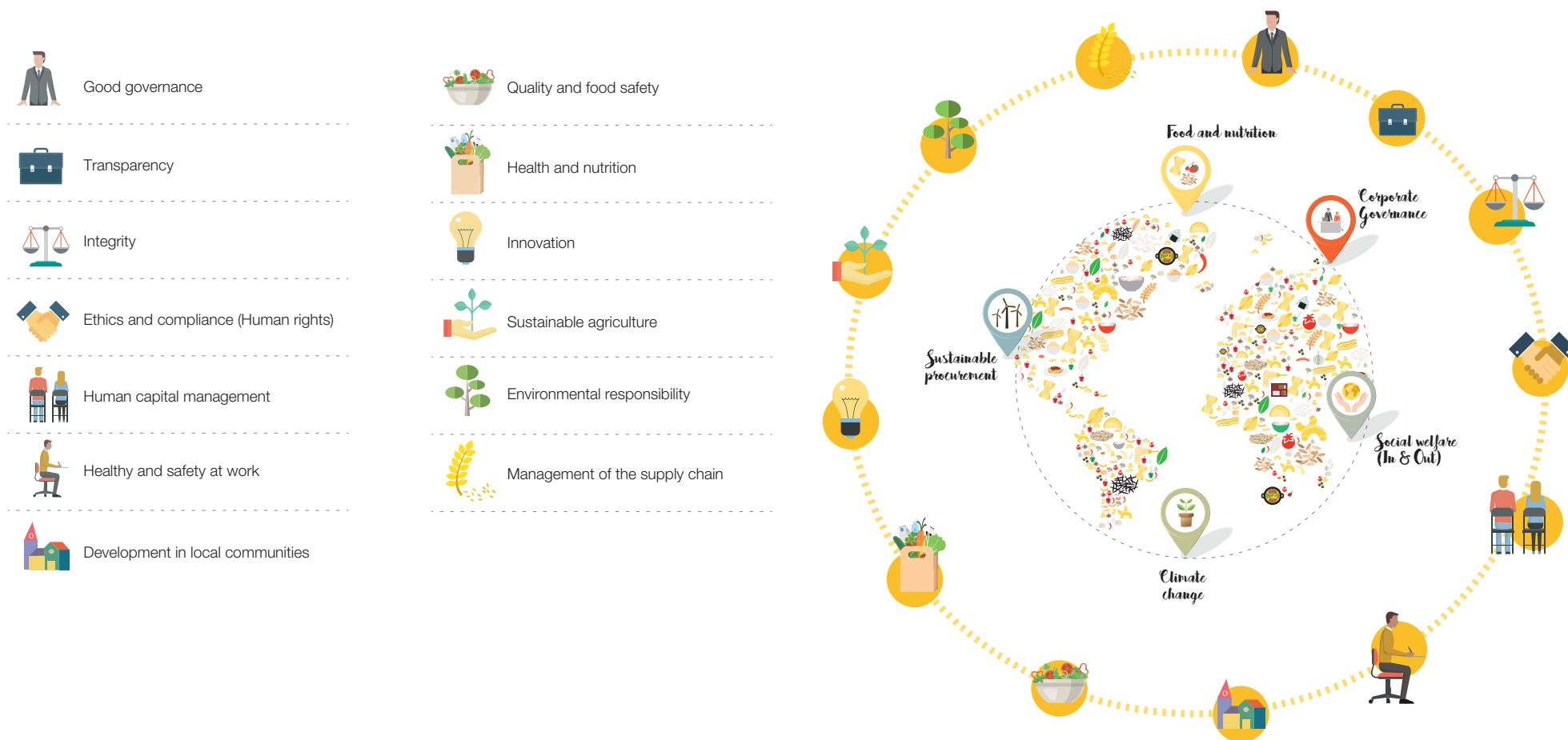
The procedure followed by the Group to define and design this sustainability model is structured in three stages:

1. Detailed analysis of our value chain to identify the potential risks and impacts, both positive and negative, of our operations. During this process, we identified two key areas in which we can make the most valuable contributions to society, as they are the main ingredients of our core business: (i) nutrition and health, and (ii) agricultural development, by promoting and implementing sustainable agricultural practices.
2. Constant dialogue with our stakeholders, both internal and external, which has enabled us to identify their main concerns and incorporate their suggestions in the design and implementation of the Group's action plans (see Chapter 2 of this Report).
3. Updating of our materiality analysis (see Chapter 2 of this Report).

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



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



In this context, the Ebro Group has established sustainable growth as the pillar of its business management strategy to secure its consolidation as a benchmark business group in its areas of activity and its positioning as a global, sound, innovative, responsible company 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, and designed a Corporate Social Responsibility Policy (<http://www.ebrofoods.es/en/corporate-social-responsibility/corporate-social-responsibility-policy/>) to create shared value for all those who interact with us in our business activities.

2 Ebro and the SDG



In September 2015, the United Nations (UN) General Assembly approved the Agenda 2030 for Sustainable Development with 17 Sustainable Development Goals and 169 targets. In this new Agenda, the UN has acknowledged the important, integral role played by the private sector in achieving sustainable development. In this regard, through the SDG Fund (<http://www.sdgfund.org/about-us>), the United Nations is addressing the challenge of getting business to engage more actively in joint development initiatives in cooperation with governments, civil society and the UN agencies.

To achieve this, the United Nations Development Programme (UNDP) set up an Advisory Group to work with the UN as an equal partner in development. The UNDP selected thirteen private businesses for that Group, global leaders in different sectors, and Ebro Foods was one of those chosen. The Advisory Group was set up in April 2015.

As a member of this group, Ebro Foods has undertaken to analyse the good practices and lessons learnt in the private sector on this topic, together with the tools and resources required to strengthen this collaboration. In the different working meetings scheduled, we are working on compiling approaches that outline the responsibilities of the private sector and defining collaboration models to promote the new SDGs, specifying tools and resources, areas of interest and common attributes. In short, the goal of the Advisory Group is to find the best way to integrate the SDGs in the private sector strategies and encourage new companies to contribute towards achieving this new challenge.

Ebro Foods is proud to be part of the SDG Fund Advisory Group, while at the same time considering it a responsibility and an opportunity to focus its CSR activities on the SDGs in which it has a greater impact. Although our work touches on all 17 Goals in one way or another, we have focused on those where we believe we might have a greater impact because they are directly related with our core business.





01

Food and Nutrition

- Donations to food banks and aid organisations
- Healthy, differentiated product portfolio: healthy food + organic food
- Product reformulation
- Heavy investment in R+D+I
- High quality and food safety standards
- Commitment on food waste
- Advocacy and promotion of healthy eating habits and healthy lifestyles
- Blog www.sentirsebiensenota.es



02

Social Welfare (In & Out)

Commitment to our team

- Health & safety in the workplace
- Professional development and training
- Diversity and equal opportunities
- Work-life balance
- Compliance with collective rights

Education and entrepreneurship

- Grant programmes
- Education projects for groups at risk of exclusion
- Promotion in employment

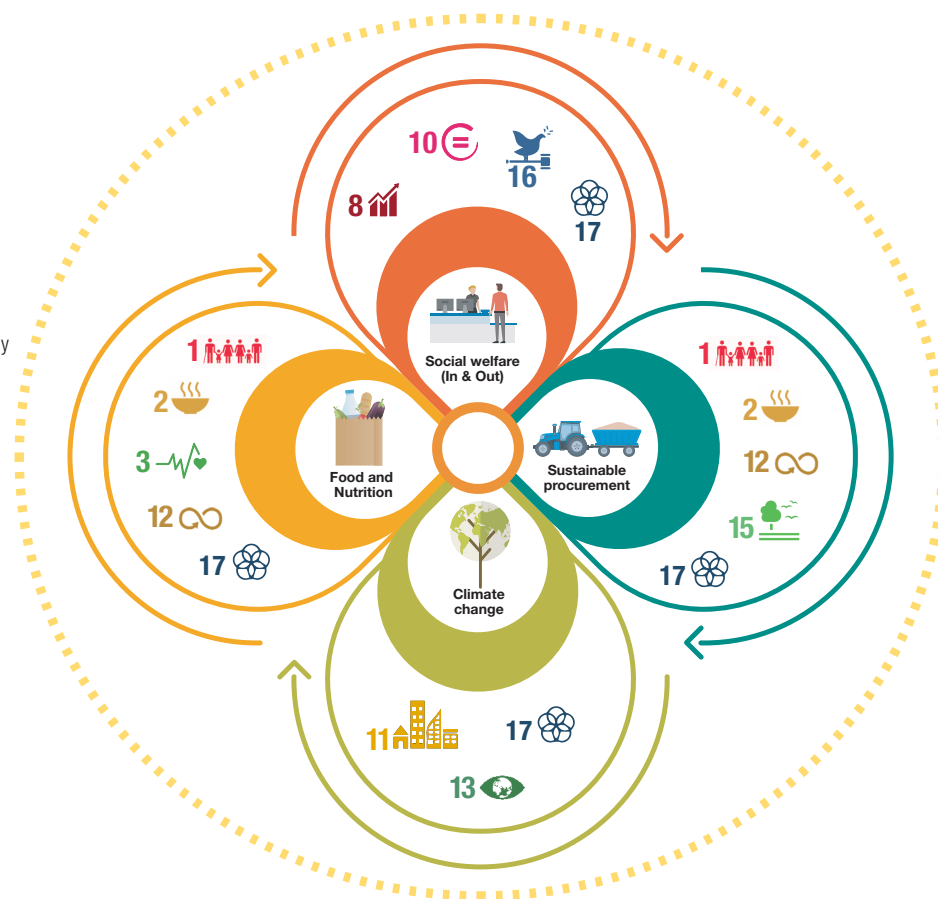
Investment in local communities through the companies in the Ebro Group and the Ebro Foundation

Fostering of social and economic development

- Generation of employment
- Payment of taxes

Peace and Justice

- Anti-corruption commitment
- Human rights compliance



03

Climate Change

Participation in the Climate Change Cluster promoted by Forética

Reduction of CO2 emissions

- Consumer awareness campaigns
- Energy saving initiatives in factories and offices
- Carbon footprint
- Smart Climate Agriculture projects
- Employees awareness
- Sustainable transport



04

Sustainable Procurement

Sustainable agriculture

- Implementation of sustainable crop levels from a social and environmental point of view in our main commodity sourcing areas

Control of industrial suppliers

- Assessment and control of compliance with ESG criteria by our suppliers













1 End poverty in all its forms everywhere 2 End hunger, achieve food security and improved nutrition and promote sustainable agriculture 3 Ensure healthy lives and promote well-being for all at all ages 8 Promote inclusive and sustainable economic growth, employment and decent work for all 10 Reduce inequality within and among countries 11 Sustainable cities and communities 12 Ensure sustainable consumption and production patterns 13 Take urgent action to combat climate change and its impacts 15 Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss 16 Peace and justice 17 Partnerships for the goals

3 Alliances



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 Advisory Group of the United Nations Sustainable Development Goals Fund (SDGF) to promote the Sustainable Development Goals (SDG) http://www.sdgfund.org/es
	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/
	Member of Fundación Lealtad http://www.fundacionlealtad.org/
	Protector member of Fundación Secot http://www.secot.org/
	Sustainable Agriculture Initiative (SAI) Platform http://www.saiplatform.org/
	Sustainable Rice Platform (SRP) http://www.sustainablerice.org/
	Cool Farm Alliance (CFA) https://coolfarmtool.org/cool-farm-alliance/

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. Inclusion in this index confirms our condition as a socially responsible investment vehicle.

Social Dimension

1

**Commitment to
Human Rights**

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**Commitment to
Society**

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**Commitment to
our team**

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**Commitment to
our public:
customers and
consumers**

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**Management
of the supply
chain**

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1 Commitment to Human Rights



GOAL:*Ensure and promote respect for Human Rights in all the Group's operations.*

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 Suppliers 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.

Grievance mechanisms and follow-up. The main grievance mechanism is the reporting channel of the Code of Conduct (canaldedenuncias@ebrofoods.es), through which any of the persons bound by the Code may report any breach of the principles set out therein, under a guarantee of absolute confidentiality. Only the Chairman 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 Chairman is responsible for prioritising, processing, investigating and solving grievances according to their importance and nature, assisted by the Compliance Unit.

In addition, external audits are made regularly at the workplaces situated in developing countries of companies forming part of the consolidated group.

With regard to suppliers, apart from internal audits, we have been using the Sedex platform as a management tool since 2016.



The following table shows the audits conducted over the past three years:

COMPANY	NAME OF WORKPLACE	AUDIT
Herba Ingredients	Herba Ingredients Belgium B	SMETA 23/01/2017- 4P Full Initial Audit
	Herba Ingredients Belgium C	SMETA 23/01/2017-4P Full Initial Audit
Steven&Brotherton Herba Foods	Regent Mill	SMETA 21/12/2016-4P Periodic audit
	Fulbourn Mill	SMETA 19/12/2016-4P Partial Follow-up Audit
Mundiriz	Larache	SMETA 08/09/2015 -4P Full initial audit
Herba Ricemills	La Rinconada	SMETA 07/06/2016-4P Full Initial Audit
	San Juan	WCA 06/04/2017
Riviana Pasta	Winchester	Ethical Audit (SA8000), Date: 11/07/2016
	Winchester	Ethics Audit by Accordia (for Wal Mart), Date:22/09/2015
Riviana Arroz	Carlisle	Bi-Annual SEDEX/SMETA Audit 2016, Date: 11/04/2016
	Brinkley	Bi-Annual SEDEX/SMETA Audit 2016, Date: 11/04/2016
Catelli Foods	Clearbrook	Bi-Annual SEDEX/SMETA Audit 2016, Date: 22/02/2016
	Delta	SGA ETHICAL AUDIT, Date: -
Ebro Foods Netherland	Lassie	SMETA 10/11/2017 -4P Partial Other
Mundi Riso	Vercelli	SMETA 18/12/2017-4P Full Initial Audit
Ebro India	Ebro India Pvt Ltd (Taraori)	SMETA 23/07/2015-4P Full Initial Audit
Herba Bangkok	Nong Khae	SMETA 14/02/2018-4P Full Initial Audit

Over the next three years, the Group intends to work on: (i) the due diligence process to identify the most important impacts by our organisation on Human Rights and establish mechanisms to ensure their protection; and (ii) establishing awareness and training programmes.

Training on Human Rights policies and procedures [HR2]

	NO. EMPLOYEES WHO HAVE RECEIVED TRAINING	NO. HOURS	% OF SUBSIDIARY'S EMPLOYEES
Ebro India	104	208	100%
Pastificio Luccio Garofalo	170	170	100%
Herba Bangkok	128	128	100%
Panzani	27	189	4%

No. of incidents of discrimination / grievances about labour practices [HR3] [LA16]

A single grievance was registered in 2017 by an employee of the subsidiary Riviana Foods (USA), alleging racial discrimination. The allegation was investigated and solved by Riviana Foods.

2 Commitment to the Society



GOAL: *Contribute towards building a more egalitarian society by generating a positive impact in our areas of influence.*

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.

The Ebro Group distributed among its stakeholders 88% of the income generated during 2017.

Social Cash Flow

THOUSAND OF €	2017	2016
Economic value generated		
Net turnover	2,506,969	2,459,246
Other income	44,808	51,898
Interest incomes	35,505	28,746
Share of profits of associates	4,290	3,042
	2,591,572	2,542,932
Economic value distributed		
Consumption and other external expenses	(1,331,011)	(1,314,475)
Employees benefits	(338,975)	(331,443)
Other operating expenses	(531,026)	(523,785)
Interest expenses	(46,562)	(36,803)
Corporate income tax	(34,157)	(83,591)
Net income from discontinued operations	0	0
Dividends (*)	(93,771)	(85,676)
	(2,281,731)	(2,375,773)
Economic value retained	309,841	167,159

(*) Dividends paid in the corresponding year

Ratio of the entry level wage paid by the Group to its employees compared to the local minimum wage stipulated by law

[EC-5]

(broken down by significant business units and business units in developing countries)

SIGNIFICANT BUSINESS UNITS	RATIO
Herba Ricemills (Spain)	1.75
Panzani (France)	1.09
Riviana (USA)	1.98

BUSINESS UNITS IN DEVELOPING COUNTRIES	RATIO
Herba Egypt (Egypt)	1.23
Ebro India (India)	1.15
Mundi Riz (Morocco)	1.00

Percentage of senior management hired from the local community

[EC-6]

(broken down by significant business units and business units in developing countries)

SIGNIFICANT BUSINESS UNITS	NATIONAL EXECUTIVES
Herba Ricemills (Spain)	89%
Panzani (France)	100%
Riviana (USA)	56%

BUSINESS UNITS IN DEVELOPING COUNTRIES	NATIONAL EXECUTIVES
Ebro India (India)	81%
Herba Egypt (Egypt)	67%
Mundi Riz (Morocco)	100%



Commitment to Public Administration

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 principles 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 activities in any of the jurisdictions included on the list of tax havens, incorporated in Spanish law through Supplementary Provision 1 of the Tax Fraud Prevention Measures Act 36/2006, as amended by Final Provision 2 of Act 26/2014 of 27 November.

In 2017, the Ebro Group directly paid over €97.6 million to the tax authorities in the different countries in which it operates.



97,602

(000€)
2017 TOTAL TAXES PAID

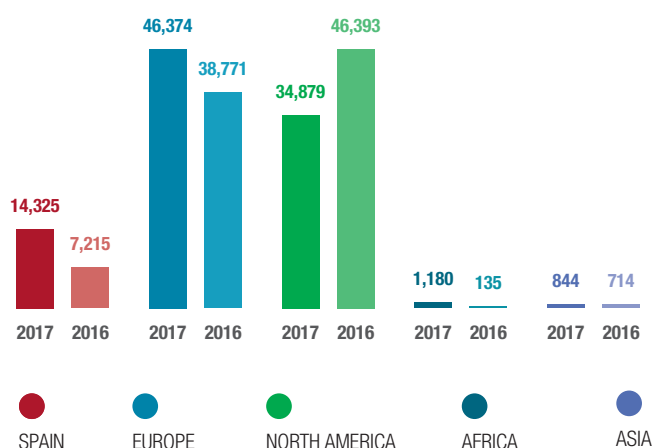
93,228

(000€)
2016 TOTAL TAXES PAID

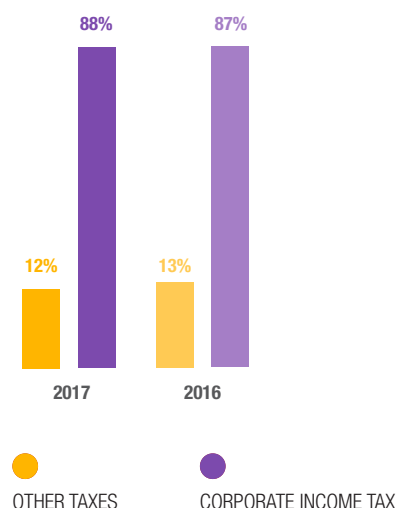
Ratio of tax paid to turnover by geographical areas (000€)

2017	TURNOVER	TAX	%
Spain	167,875	14,325	8.53%
Rest of Europe	1,224,008	46,374	3.79%
North America	928,302	34,879	3.76%
Africa	46,398	1,180	2.54%
Asia	129,927	844	0.65%

Breakdown of taxes paid by geographical areas



Breakdown of type of taxes paid



Anti-Corruption Commitment

[SO3 / SO4 / SO5]

To minimise the risks of corruption and bribery in the performance of its business activities, the Ebro Group has developed a corporate Code of Conduct (COC) (<http://www.ebrofoods.es/en/corporate-social-responsibility/code-of-conduct/code-of-conduct/>), of which all the employees of the organisation have been duly informed and which has been signed and accepted by each and every one of them.

In point 29, the COC expressly contemplates measures against corruption, bribery, illegal commissions, influence peddling and money laundering, expressing the Ebro Group's undertaking to eradicate all forms of corruption within its companies.

In addition, the following companies of the Ebro Group have specific policies against corruption, bribery, unfair trading practices, non-compliance and contributions to political parties and trade unions:

CORRUPTION
Arrozeiras Mundiarroz
Catelli
Ebro India
Garofalo
Herba Bangkok
Herba Ricemills
Lassie
Mundi Riso
Mundiriz
Panzani
Rivera del Arroz
Riviana Arroz
Stevens&Brotherton Herba Foods
BRIBERY
Arrozeiras Mundiarroz
Catelli
Ebro India
Garofalo
Herba Bangkok
Herba Ricemills
Lassie
Mundi Riso
Mundiriz
Panzani
Rivera del Arroz
Riviana Arroz
Stevens&Brotherton Herba Foods

UNFAIR TRADING PRATICES

Arrozeiras Mundiarroz
Catelli
Ebro India
Herba Bangkok
Herba Ricemills
Lassie
Mundi Riso
Mundiriz
Panzani
Rivera del Arroz
Riviana Arroz
Stevens&Brotherton Herba Foods

NON-COMPLIANCE

Arrozeiras Mundiarroz
Catelli
Ebro India
Garofalo
Herba Bangkok
Herba Ricemills
Lassie
Mundi Riso
Mundiriz
Panzani
Rivera del Arroz
Riviana Arroz
Stevens&Brotherton Herba Foods

CONTRIBUTIONS TO POLITICAL PARTIES AND TRADE UNIONS

Arrozeiras Mundiarroz
Ebro India
Herba Bangkok
Herba Ricemills
Lassie
Mundi Riso
Mundiriz
Rivera del Arroz

In the same context, the following companies of the Ebro Group have provided training on anti-corruption to all their employees:

- Arrozeiras Mundiarroz
- Catelli Foods
- Ebro India
- Herba Bangkok
- Herba Ricemills
- Lassie
- Mundi Riso
- Mundiriz
- Riviana Arroz

No cases of corruption have been reported in any companies of the Ebro Group or any of their business partners.

Public policy **[SO6]**

The Ebro Group declares its political neutrality and establishes in its COC the prohibition for its professionals to make any contributions to political parties, authorities, organisations, public administration and institutions in general in its name or on behalf of any of the companies in the Ebro Group.

All relations with the authorities, regulatory bodies and government departments are conducted according to the principle of maximum cooperation and transparency, without prejudice to defence of the Group's legitimate interests.

Regulatory compliance **[SO8 – SO11]**

None of the companies in the Ebro Group have been fined for non-compliance with the law or regulations, or received any grievances about impacts on society.



Commitment to the Development of local communities

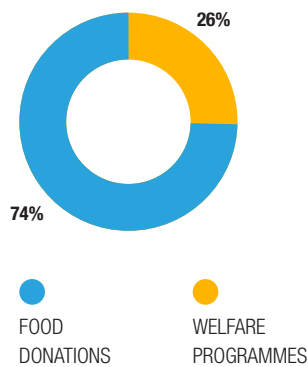
[SO1 / SO2]

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.

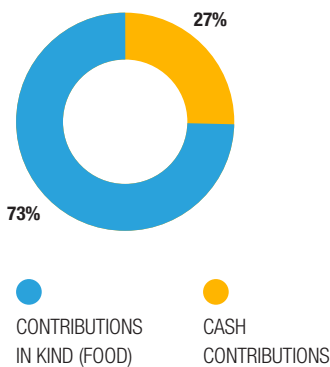
During 2017 the company, through the Ebro Foundation and its different companies, has allocated over €2,250,000 to implementing this commitment. The Ebro Group and the Ebro Foundation have participated in projects created by different not-for-profit organisations and promoted and developed motu proprio initiatives of social and environmental interest.

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

Social contributions in 2017



Type of contributions



Donations of food

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

Donations to food banks

Total donations to food banks by Group companies in Spain, France, USA and Canada amounted to over €1,650,000 in 2017.

In Spain, as well as food deliveries to different food banks by Herba Ricemills, the Ebro Foundation also contributed €100,000 in cash to the Spanish Federation of Food Banks (FESBAL) to buy the boxes used for the massive food collection organised at the end of November 2017.

Ratio of turnover to donations to food banks (by geographical areas)

COUNTRY (€)	TURNOVER	DONATIONS	%
SPAIN	167,875,000	207,129	0.12%
USA	837,986,000	674,118	0.08%
CANADA	131,521,000	108,679	0.08%
FRANCE	706,912,000	764,867	0.11%

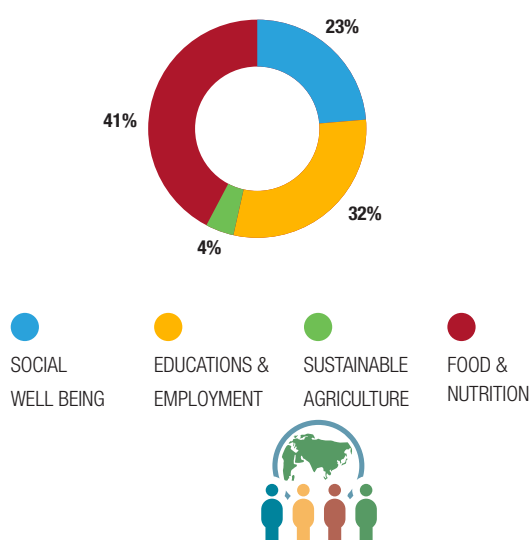
Welfare Programmes

In its determination to contribute to sustainable development of the communities in which it operates, the commitment to society of the Ebro Group and the Foundation is also developed through social initiatives set up in the areas of food and nutrition, education, research and promotion of employment and sustainable agriculture. A very large proportion of these actions is carried out by the Ebro Foundation.

Principal activities of the Ebro Foundation in 2017



Types of welfare programmes in 2017



WELFARE PROGRAMMES IN FOOD AND NUTRITION

Social assistance and school meal grants

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

Some of these actions are described below:

1. SEVILLE

- ▶ **San Juan de Acre soup kitchen**, run by **Orden de Malta**. This soup kitchen, promoted by the Andalusian Delegation of Orden de Malta, has served more than 260,081 meals over seven years with an average number of daily users of 401. It now provides important support for numerous families in the capital of Andalusia.
- ▶ **San Vicente de Paul soup kitchen**, monetary contribution to buy food for the soup kitchen. In addition to the soup kitchen, it has other services such as hygiene, information and welfare guidance, etc. They assist 350 people on average a day.
- ▶ **San Juan de Dios soup kitchen in Seville**: monetary contribution to buy food for the soup kitchen and to deliver food to persons in need. The soup kitchen, open from Monday to Friday, is able to provide meals for 120 people a day. Over 81,464 kg of food has been distributed to people in need, helping 153 families a month, so a total of 590 people benefiting from this service. Some 1,266 deliveries were made to families with children or elderly relatives under their charge.
- ▶ Through the **Fundación de Enseñanza Victoria Díez**, 7 school meal grants were financed at the Corpus Christi School for children whose families have no income, so that their children would have a balanced diet.

2. MADRID

- ▶ Economic assistance for the soup kitchen in the Ventas district of Madrid, run by Asociación **Manos de Ayuda Social**. The aim is to provide a soup kitchen in the Ciudad Lineal district to meet basic needs and a right: to food, offering correct nutrition while providing elements for healthy eating habits and promoting a warm environment where people at the risk of social exclusion feel welcome, finding ways to help them to find a job and participate in society. Some 100 people a day on average are served.
- ▶ Economic contribution to **ONG Olvidados** to buy food for underprivileged families. Overall, some 2,000 families in the southern districts of Madrid have benefited from this assistance. Food was distributed in all cases based on criteria of vulnerability of the families and the number of children. The people in charge of the centres know the families and their needs and guarantee fair distribution.
- ▶ Monetary donation to **Orden de Malta** to buy food for the Virgen de la Candelaria soup kitchen in the San Blas district. Fundación Hospitalaria de la Orden de Malta in Spain assists the groups in greatest need: the destitute, elderly and women, men and children in a situation of social exclusion. The soup kitchen serves some 127 users a day.

- ▶ **Asociación Achalay:** economic assistance to buy food. This programme was set up at the end of 2012, in the light of the huge impact of the economic crisis on the San Blas district in Madrid. Staple food is provided for families on a monthly basis. The needs of each family are met, prioritising assistance and following up each case with a view to supporting the inclusion process designed for each household. There were 273 beneficiaries in 2017, 159 of whom were minors.

3. L'ALDEA (TARRAGONA)

- ▶ Economic support to **Caritas Parroquial** to buy staple foods and distribute them among deprived families, 1,754 in number. We also funded school meals grants for 24 children.

4. VALENCIA

- ▶ Economic support to the **NGO Nueva Acrópolis** for its soup kitchen and the distribution of food among those most in need. The number of beneficiaries was approximately 230 people.
- ▶ Economic assistance for **Asociación Ayuda una Familia** to buy food. Beneficiaries: 30.

5. UGANDA

- ▶ Through the **NGO África Directo**, the Foundation has provided economic support for the emergency feeding of over 300,000 refugees from South Sudan at the Bidi Bidi refugee camp in Uganda, the largest in the world.



Programmes in the areas of food and nutrition

The work done by the company in the area of food goes beyond mere social assistance or the donation of food. It also includes the participation in programmes that combine food and health, food and social development, and food and environmental sustainability.

The best examples of this area of action in 2017 were:

- ▶ In collaboration with **Asociación Red Madre** in Madrid, the “Rechupete” Project includes training courses on food and care for pregnant women at the risk of social exclusion. These courses are given by matrons and paediatricians and also inform them on baby care. They were attended by 48 women overall.
- ▶ Young Health Promoters Project run by **Fundación Tomillo**, which aims to establish healthier eating and cooking habits in young people and extend this knowledge and habits through their communities by creating an application for mobiles related with healthy eating. Within the process, the young people have been trained as “expert health promoters”, giving workshops and classes to pupils and schools within their areas. There were 137 direct beneficiaries and approximately 22,000 downloads of the app.
- ▶ Official sponsorship of the 2nd edition of Gastronomix, a social cooking, creative gastronomy and retraining project that offers training in hotel and catering given by chefs from the Basque Culinary Centre in Madrid. Gastronomix is an initiative of **Fundación La Casa y el Mundo**, which gives a second chance to 50 young people from vulnerable environments who are unemployed or want to supplement their training.
- ▶ Collaboration with **Fundación Luis Olivares** in the ninth meeting of Friends of the Association. The Foundation cooperated in the purchase of aprons for the children’s cooking competition. The proceeds from the event are used to help children with cancer and their relatives.

The global investment made in this area in 2017 was €233,420.



WELFARE ACTION IN GEOGRAPHIC AREAS OF INTEREST

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

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

During 2017, the Foundation allocated €134,226 to collaborating with different entities in Seville, Madrid, Jerez, India, Morocco and Egypt.

Some of these actions were:

SEVILLE

- ▶ **Proyecto Hombre in Seville:** funding of four grants for drug addiction treatment of destitute youth. Overall, the average cost/user/month in Proyecto Hombre is €300 (€3,600 a year).
- ▶ **Fundación Stop Sanfilippo:** sponsorship of the charity run, "I'm running for Borja", held in La Puebla del Río to raise funds for research of the San Filippo syndrome.
- ▶ **Cáritas Parroquial in San Jose de la Rinconada:** economic aid to meet the cost of food, rent, medicines, electricity, water, etc. of the most deprived people in the town. Workshops have also been run to provide support in education, values, self-respect and employment. 105 families benefited from this action (around 400 people).
- ▶ **Asociación Santa Maria Magdalena in Villamanrique de la Condesa:** financial contribution for the Epiphany Procession.
- ▶ Economic donation to the **Spanish Cancer Association** for the Epiphany Procession in Seville.
- ▶ Financial support for **Fundación Auxilia in Seville.**
- ▶ Assistance to the **Alzheimer's Association in San Juan de Aznalfarache** for its programmes for the prevention, awareness and assistance of persons with dementia. Number of beneficiaries: 159.
- ▶ **Asperger's Association in Seville:** economic support to set up an autism information and meeting point. At present, 55 young people and adults have registered with the meeting point project.
- ▶ **Asociación Mater et Magistra:** financial contribution to buy an adapted vehicle for transport of the users of its day centres. Beneficiaries: 105.

MADRID

- ▶ **Fundación Vianorte Laguna**, monetary donation for the Christmas concert for the benefit of the Paediatric Day Unit for children with rare and advanced diseases. The Unit is free for low-income families and funds were raised with this concert for specialist transport to the Unit.
- ▶ Business Alliance for child vaccination created through **Obra Social La Caixa** to ensure that all the children in underdeveloped countries are vaccinated for two of the diseases with the highest child death rates: pneumonia and diarrhoea. More than €4,800,000 has been raised since 2008, funding vaccinations for over 2.4 million children in different countries of Africa and Latin America.

JEREZ DE LA FRONTERA

- ▶ “Child’s Play Project” promoted by **San Pablo Parish**. The beneficiaries are girls and boys aged 6-14. They are offered education in values, with monitors as a complementary or alternative reference for what they have around them. Training is also provided for young people over 14 to act as assistant monitors, pre-monitors and monitors. Number of beneficiaries: 55.
- ▶ **Cáritas Española**: economic contribution to lay electricity cables and water pipes and build a septic tank at the La Jara Agroecological Centre. Number of beneficiaries: 155.
- ▶ III Solidarity Dinner started up by **Fundación Prodean** to raise funds for the Forfait Mama programme, a social project for underprivileged pregnant women at the Monkole Hospital in the Congo.

VALENCIA

- ▶ **Asociación Familias Alzheimer**: economic assistance to hire staff for the care programme for people with mental illness..

MOROCCO

- ▶ Financing of school transport for children from the kabilas next to our factory, who have no means for getting to school. Funds were also provided to buy school material for one of the nurseries near the plant.

EGYPT

- ▶ Different projects in the hamlets near our plant: food bags for Ramadan, donations of rice, food for destitute families, etc.

INDIA

- ▶ Financing of the building of a library and purchase of school material for the new orphanage for 160 girls being built near our plant.

EDUCATION AND ENTREPRENEURSHIP

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

The overall investment in this area was €184,170, distributed as follows:

Types of activities



The main actions were:

Grants and scholarships

MADRID

- ▶ **Javeriana Vocational School:** Financing of three Erasmus grants for the Advanced Vocational Course in International Trade for young people with scarce resources.
- ▶ Financing of an **Alumni Scholarship** through **Fundación Universidad Carlos III**. This scholarship is intended for young students with good academic records and scarce resources, mainly from other parts of Spain, enabling them to study at Universidad Carlos III.

SEVILLE

- ▶ **Brillante Scholarships at the Loyola Leadership Universidad:** one scholarship per student per year, up to a total of four.

INDIA

- ▶ Award of 10 scholarships to the best female tenth-grade students in the State of Haryana, where our Ebro India plant is situated.
- ▶ The Ebro Foundation, in collaboration with Ebro India, is providing financial support for 20 students in vulnerable situations at two industrial training schools near our plant, so that they can subsequently study a university degree. The students are selected according to a scale established by the heads of the schools and Ebro India, which has set up an internal committee to oversee the project.

Research

BARCELONA

- ▶ **Fero Foundation:** financial contribution for a cancer research grant.

Education Programmes

SEVILLE

- ▶ Balia Sevilla Programme, promoted by the **Balia Foundation** for the social and educational development of children and adolescents in a situation of poverty. It seeks to boost the talent and abilities of children and adolescents at risk of exclusion so that they have a chance to become integrated adults and contribute to the economic and social benefit of the community. This programme is run in the Tres Barrios-Amate district of Seville. The Balia Sevilla Programme is a consolidated project, having been running for more than three years. It has 256 beneficiaries.

MADRID

- ▶ Aula Laboral Project for persons with disability from the **Capacis Foundation**. The main aim is to meet a large social demand with a very specific profile within intellectual disability, borderline intelligence, for which there are barely any resources. The pupils are offered quality training and job guidance, based on an education in values and permanent training to develop their professional skills. It has a duration of two years and there are 24 pupils participating in the programme.

VALENCIA

- ▶ **Silla Town Council** (Valencia): workshops for the social and labour market inclusion of special groups. The project is directed at youngsters aged 14-18 at school and unemployed youths up to age 25. The programme aims to provide individual assistance to each of the young people participating, giving priority at all times to their training as specialist workers and establishing roadmaps for adequate integration in each case. The number of pupils is 93.
- ▶ **Benifaió Town Council**, school back-up project for 35 pupils aged 6-12 in the town at risk of exclusion. The programme works on developing adequate study habits and acquiring social skills by participating in leisure and free time activities and conflict resolution workshops.

JEREZ DE LA FRONTERA

- ▶ **Promociona Programme** run by the **Romani Secretariat Foundation**. This is an education project aimed mainly at Romani pupils in the final cycle of primary education and in compulsory secondary education. They are pupils in a regular schooling situation, but with a very high risk of abandonment unless they receive a mentor who guides and directs them. The number of beneficiaries is 43.

Job promotion and entrepreneurship initiatives

MOROCCO

- ▶ In collaboration with the **Codespa Foundation**, training programme for young Moroccans in a situation of vulnerability who live in the kabilas near the rice business of the Ebro Group in Morocco.

The programme, called ‘Vocational Training for Young People at Risk of Social Exclusion in Chlihat’, has enabled 14 young men and women to specialise as kitchen/bakery assistants or waiters/waitresses for subsequent labour market integration in catering. The project will continue in 2018.

SEVILLE

- ▶ In collaboration with the **Santa María la Real Foundation** and the town council of La Puebla del Río, the Ebro Foundation has promoted an **Employment Launcher** in the town. This is a pioneer programme in the fight against unemployment, which operates all over the country with an average rate of job-finding of over 50%. Fundación Santa María la Real (which also set up the Vocational Schools (‘Escuelas Taller’) decades ago) manages the launcher, the Ebro Foundation finances it and the Town Council assigns the infrastructures and spaces for running the programme.

27 people of different ages participated and 63% found jobs.

MADRID

- ▶ **Food Evolutions**, the first acceleration programme specialising in foodtech organised in Spain to stimulate entrepreneurship and disruptive innovation in the food industry. During the 8 weeks of the programme, the founders of the 5 startups selected received specialist mentoring in branding, packaging, creativity, product, distribution, sales, marketing, finance and skills for pitching investors. This has enabled the entrepreneurs to make their business plans practicable and prepare themselves to find the best investors to accompany them in their business venture.



Sustainable procurement

The Foundation also plays an important role in the sustainable sourcing strategy put into practice by the Ebro Group. It develops and promotes programmes for implementing crop standards that are sustainable from a social and environmental point of view in our principal raw material sourcing regions.

EBRO DELTA

- ▶ Continuation with the Climate Smart Agriculture Project in the Ebro Delta in collaboration with the IRTA and Kellogg.

ITALY

- ▶ SAIRISI Project led by the SAI Platform and launched at the end of 2015 together with Unilever, Kellogg and Migros, all members of the Rice Group in the platform.

INDIA

- ▶ Led by volunteers from our subsidiary Ebro India, the EKTA programme (Ebro India Kissan Training and Awareness Program) aims to provide training for growers in state-of-the-art growing techniques, increase the yield of their production and educate them in a good use of pesticides, one of the greatest problems of rice-growing in that country.



Ebro India Kisan Training & Awareness Program



The EKTA Project was distinguished with one of the three prizes in the VIII SERES Awards 2017. This award recognises EKTA as a strategic, innovating project that generates value for both the company and society.

During 2017, EKTA set up 50 rural schools, providing training for around 3,500 growers. Overall, since the programme began in mid-2015, over one hundred rural schools have been set up, training some 7,000 growers.



NOTES

** Further information on our sustainable agriculture projects can be found in the chapter “Management of the supply chain”.*

** All the information on the projects developed by the Foundation in 2017 is published on the website www.fundacionebrofoods.es*

3 Commitment to our team



GOAL: *Foster the development of human capital and promote an optimum work environment to retain talent and help align workers with the general goals of the Organisation.*

One of the main sources of value generation in the Ebro Group is its workforce of 6,473 professionals, 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.

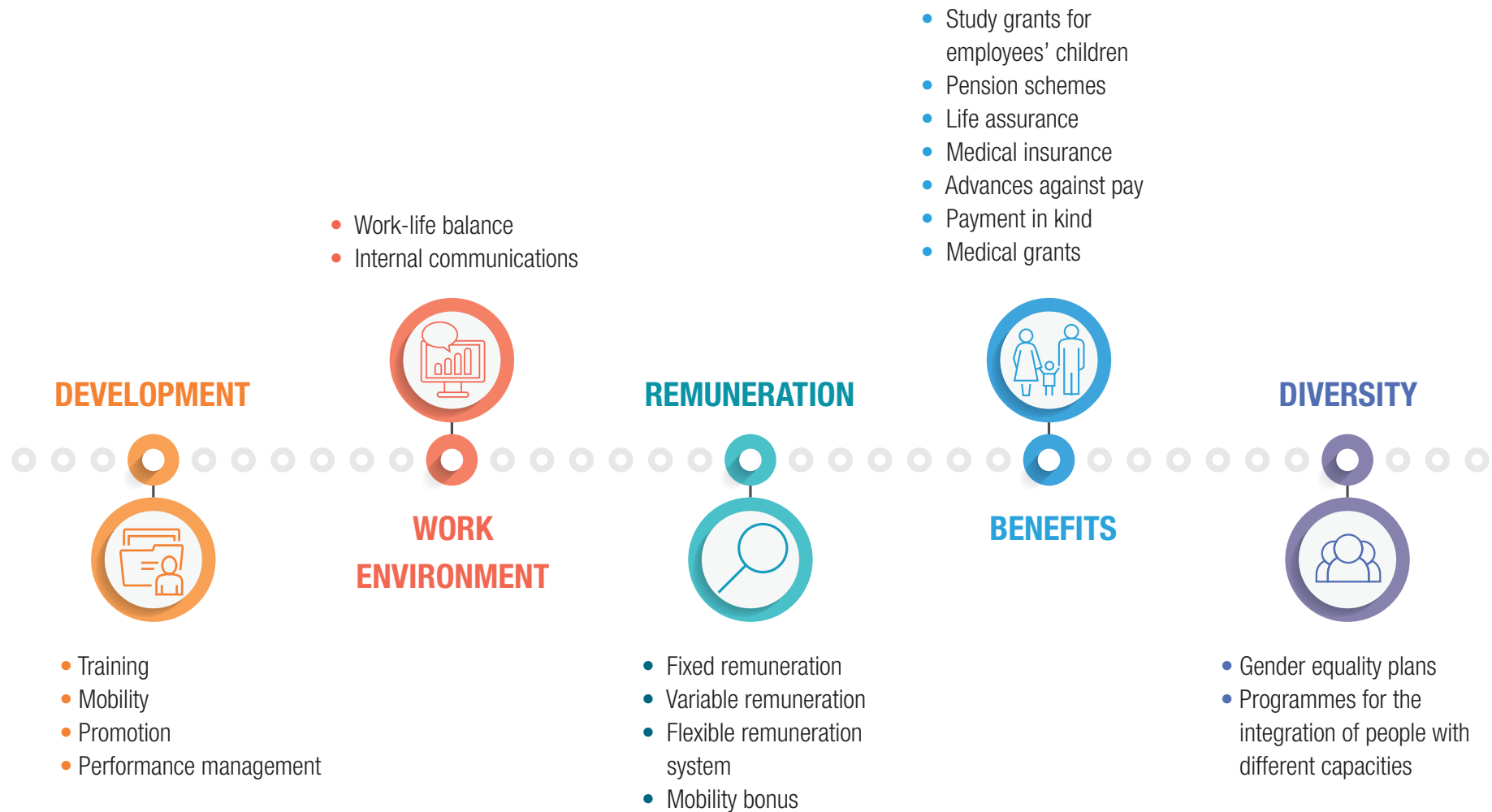
The Ebro Group's personnel management policy is designed to secure a high level of knowledge and contact with the workforce through a decentralised structure formed by the human resources managers in all the major companies of the Group and the implementation of bespoke policies (in addition to the provisions of labour laws) in each one, taking account of the specific features of the countries in which they operate. These policies include not only general guidelines regulating the company/employee relationship, but also specific guidelines on Health & Safety in the Workplace, 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 (COC), 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. Health and safety in the workplace.
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. Freedom of unionization.
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..



1. Labour performance indicators

SCOPE OF REPORTING

This report was prepared with information from all the companies engaged in the core businesses of the Ebro Group, except for Geovita and Transimpex, which were incorporated in the consolidated group as from mid-2017.

The figures set out below were prepared in accordance with the G4 guidelines of the *Global Reporting Initiative* (GRI).

SNAPSHOT OF OUR WORKFORCE IN 2017

Men

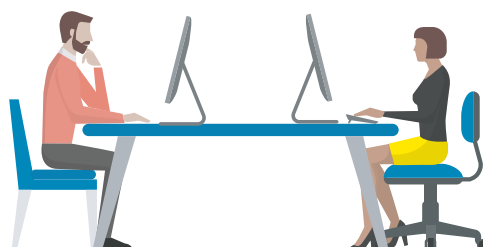
NO.	%
3849	70.49%
AGE	% MEN
<= 30	14.21%
30 - 50	53.78%
>= 50	32.01%
AVERAGE YEARS OF SERVICE	
11.62%	
PERMANENT CONTRACTS	% PERMANENT CONTRACTS
3.500	90.93%
EXECUTIVES & MIDDLE MANAGEMENT	%EXECUTIVES & MIDDLE MANAGEMENT
639	16.60%
EMPLOYMENT NET CREATION	EMPLOYEE TURN OVER
126	3.27%
OF NEW HIRES	
61.56%	
TOTAL TRAINING	% TRAINING
2,641	68.62%
DISABLED WORKERS	% DISABLED WORKERS
77	2.00%

Total headcount

TOTAL
6473
EMPLOYEES
5460
SUPERVISED WORKERS
999
INDEPENDENT CONTRACTORS
14

Women

NO.	%
1611	29.51%
AGE	% WOMEN
<= 30	16.64%
30 - 50	53.45%
>= 50	29.92%
AVERAGE YEARS OF SERVICE	
10.21%	
PERMANENT CONTRACTS	% PERMANENT CONTRACTS
1,451	90.07%
EXECUTIVES & MIDDLE MANAGEMENT	% EXECUTIVES & MIDDLE MANAGEMENT
294	18.25%
EMPLOYMENT NET CREATION	EMPLOYEE TURN OVER
129	8.01%
OF NEW HIRES	
38.44%	
TOTAL TRAINING	% TRAINING
1,058	65.67%
DISABLED WORKERS	% DISABLED WORKERS
23	1.43%



PROFILE OF THE ORGANISATION

[G4-10]

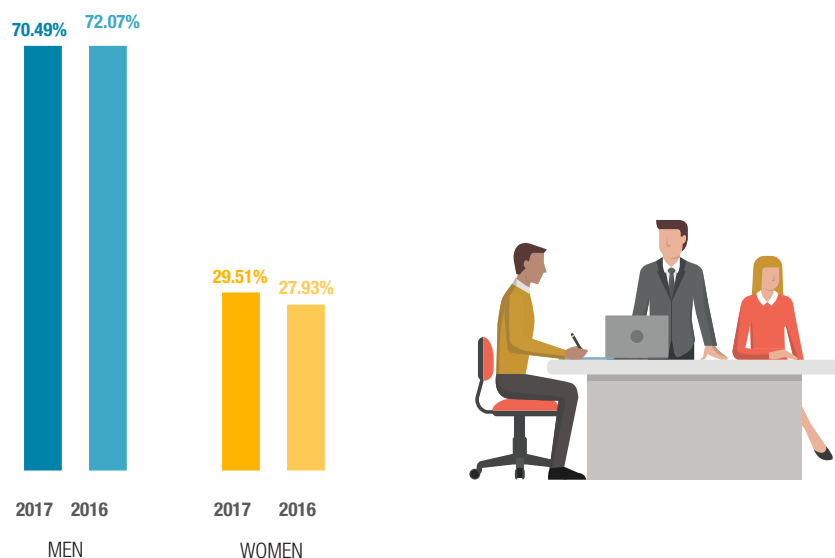
Average workforce



Breakdown of employees by continent:

CONTINENT	TYPE OF WORKERS	TOTAL		% WORKERS/ TOTAL GROUP WORKFORCE	
		2017	2016	2017	2016
Africa	Employees	344	354	5.31%	5.72%
	Supervised workers	30	30	0.46%	0.49%
	Independent contractors	0	0	0.00%	0.00%
Total Africa		374	384	5.78%	6.21%
Asia	Employees	232	185	3.58%	2.99%
	Supervised workers	265	191	4.09%	3.09%
	Independent contractors	5	5	0.08%	0.08%
Total Asia		502	381	7.76%	6.16%
Europe	Employees	3,272	3,114	50.55%	50.36%
	Supervised workers	507	462	7.83%	7.47%
	Independent contractors	9	4	0.14%	0.06%
Total Europe		3,788	3,580	58.52%	57.89%
North America	Employees	1,612	1,624	24.90%	26.26%
	Supervised workers	197	215	3.04%	3.48%
	Independent contractors	0	0	0.00%	0.00%
Total North America		1,809	1,839	27.95%	29.74%
Total headcount		6,473	6,184		

Breakdown of employees by gender



NB: The large gap between men and women is largely due to the nature of the Group, which is predominantly factory-based. Generally speaking, factory work has traditionally been done mainly by men. In this context, over 80% of the personnel employed at the 53 production plants of the Ebro Group are men. The men employed in factories represent 50% of the total male headcount in the Group. The gender balance in office jobs is much more balanced and in certain categories there are more women than men, such as in administration, where the number of women practically doubles that of men. Gender diversity is one of the commitments established in the Group's human resources guidelines.

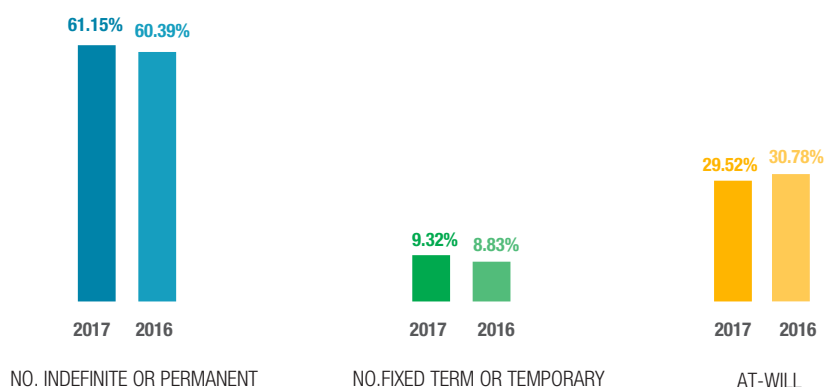
Breakdown of employees by business area and gender

	TOTAL				% TOTAL BUSINESS AREA			
	MEN		WOMEN		MEN		WOMEN	
	2017	2016	2017	2016	2017	2016	2017	2016
Rice	1,985	1,939	651	537	75.30%	78.31%	24.70%	21.69%
Pasta	1,698	1,805	861	903	66.35%	66.65%	33.65%	33.35%
Holding	39	38	23	23	62.90%	62.30%	37.10%	37.70%
Organic	94		59		61.44%		38.56%	
Others (*)	33	21	17	11	66.00%	65.63%	34.00%	34.38%
Total	3,849	3,803	1,611	1,474	70.49%	72.07%	29.51%	27.93%

NB: The **Organic area** includes professionals from the companies of Alimentation Santé: Celnat and Vegetalia. **Others** includes professionals from Arotz and Jiloca

Breakdown of employees by type of contract

The Ebro Group offers its workers stable, quality employment and a solid, structured, attractive professional career, where 91% of the jobs are permanent (*permanent contracts plus At-will contracts*).

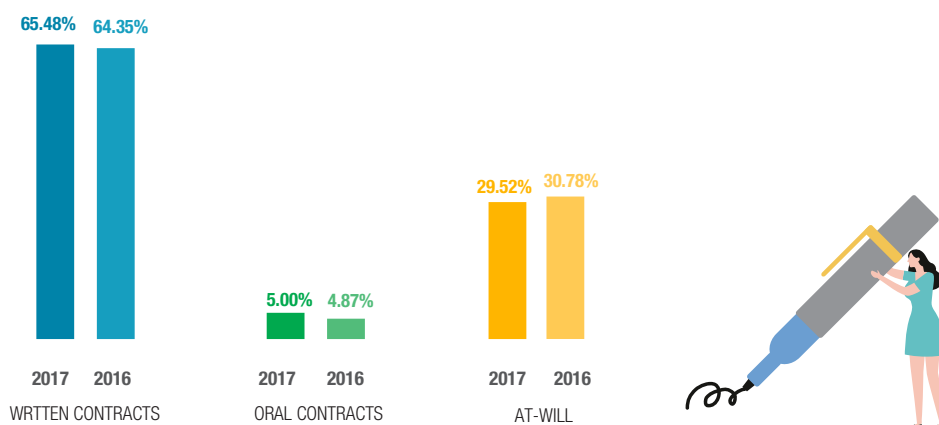


Breakdown of type of employment contract by continent

CONTINENT	TYPE OF CONTRACT	TOTAL		% TOTAL EMPLOYEES CONTINENT	
		2017	2016	2017	2016
Africa	No. Indefinite or permanent	141	158	40.99%	44.63%
	No. Fixed term or temporary	203	196	59.01%	55.37%
	At-Will	0	0	0.00%	0.00%
Total Africa		344	354	6.30%	6.71%
Asia	No. Indefinite or permanent	232	185	100.00%	100.00%
	No. Fixed term or temporary	0	0	0.00%	0.00%
	At-Will	0	0	0.00%	0.00%
Total Asia		232	185	4.25%	3.51%
Europe	No. Indefinite or permanent	2,966	2,844	90.65%	91.33%
	No. Fixed term or temporary	306	270	9.35%	8.67%
	At-Will	0	0	0.00%	0.00%
Total Europe		3,272	3,114	59.93%	59.01%
North America	No. Indefinite or permanent	0	0	0.00%	0.00%
	No. Fixed term or temporary	0	0	0.00%	0.00%
	At-Will	1,612	1,624	100.00%	100.00%
Total North America		1,612	1,624	29.52%	30.78%
Total employees		5,460	5,277		



Breakdown of form of employment contract

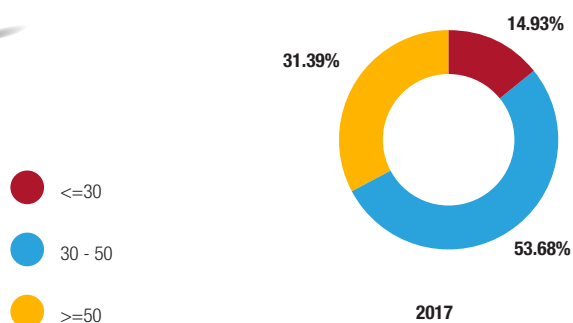


Breakdown of form of employment contract by continent

CONTINENT	TYPE OF CONTRACT	TOTAL		% TOTAL EMPLOYEES CONTINENT	
		2017	2016	2017	2016
Africa	Written	131	149	38.08%	42.09%
	Oral	213	205	61.92%	57.91%
	At-Will	0	0	0.00%	0.00%
Total Africa		344	354		
Asia	Written	232	185	100.00%	100.00%
	Oral	0	0	0.00%	0.00%
	At-Will	0	0	0.00%	0.00%
Total Asia		232	185		
Europe	Written	3,212	3,062	98.17%	98.33%
	Oral	60	52	1.83%	1.67%
	At-Will	0	0	0.00%	0.00%
Total Europe		3,272	3,114		
North America	Written	0	0	0.00%	0.00%
	Oral	0	0	0.00%	0.00%
	At-Will	1,612	1,624	100.00%	100.00%
Total North America		1,612	1,624		
Total employees		5,460	5,277		

Form of contract for permanent employees by gender

EMPLOYEES WITH PERMANENT CONTRACT	2017			2016		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Written	2,279	885	3,164	2,203	828	3,031
Oral	145	30	175	134	22	156
At-Will	1,076	536	1,612	1,137	487	1,624
Total employees	3,500	1,451	4,951	3,474	1,337	4,811



TOTAL		
AGE GROUP	2017	2016
<=30	815	758
30 - 50	2,931	2,798
>=50	1,714	1,721
TOTAL EMPLOYEES	5,460	5,277

Total employees by age group and gender

AGE GROUP	TOTAL				% TOTAL MEN-WOMEN RATIO IN GROUP			
	MEN		WOMEN		MEN		WOMEN	
	2017	2016	2017	2016	2017	2016	2017	2016
<= 30	547	519	268	239	14.21%	13.65%	16.64%	16.21%
30 - 50	2,070	2,021	861	777	53.78%	53.14%	53.45%	52.71%
>= 50	1,232	1,263	482	458	32.01%	33.21%	29.92%	31.07%
Total	3,849	3,803	1,611	1,474				

Total employees by age group, gender and continent

AGE GROUP	TOTAL			
	MEN		WOMEN	
	2017	2016	2017	2016
Africa				
<=30	101	123	23	13
30 - 50	165	170	21	15
>=50	32	31	2	2
Asia				
<=30	40	25	18	13
30 - 50	125	109	40	30
>=50	7	6	2	2
Europe				
<=30	294	276	189	176
30 - 50	1,273	1,209	516	477
>=50	736	717	264	259
North America				
<=30	112	95	38	37
30 - 50	507	533	284	255
>=50	457	509	214	195
Total Employees	3,849	3,803	1,611	1,474

RELATIONSHIP BETWEEN EMPLOYEES AND THE ORGANISATION

Collective bargaining agreements
[G4-11]

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

The remaining 30% are top management of the Ebro Group, the professionals of the North American companies (since these agreements have not been used there for over 20 years) and those of Herba Egypt, Munderiz y Herba Bangkok, where they are not used either. 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 Code of Conduct of the Ebro Group. External ethical audits are conducted regularly in all of them.

No. hours strike by Group employees

COMPANY	NO. HOURS 2017
Boost Nutrition	160
Lustucru	112
Panzani	2347
Total	2619

Boost Nutrition:

- Provincial strike in Antwerp in protest against the government labour decisions.
- National strike in Brussels in protest against the government’s decisions on pensions.

Panzani

- Industrial dispute over the pay negotiations.
- National strike against the government’s labour law.

Lustucru

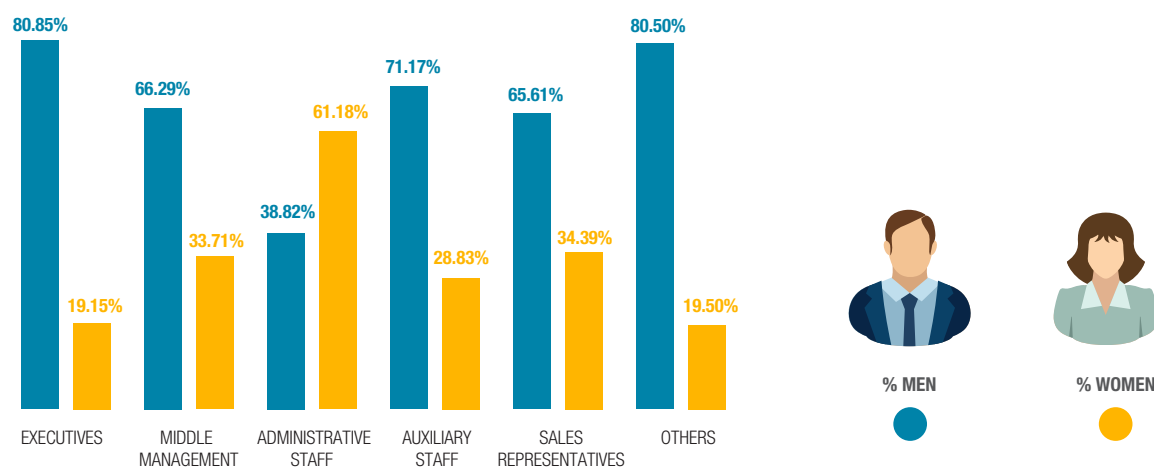
- National strike against the government’s labour law.



GENDER AND EQUAL OPPORTUNITIES

Breakdown of employees per employee category according to gender, age group and other indicators of diversity [LA12]

PROFESSIONAL CATEGORY	N° DE EMPLOYEES		% TOTAL EMPLOYEES GROUP	
	2017	2016	2017	2016
Executives	141	153	2.58%	2.90%
Middle management	792	608	14.51%	11.52%
Administrative staff	680	737	12.45%	13.97%
Auxiliary staff	1,214	212	22.23%	4.02%
Sales representatives	253	219	4.63%	4.15%
Others	2,380	3,348	43.59%	63.45%
Total	5,460	5,277		

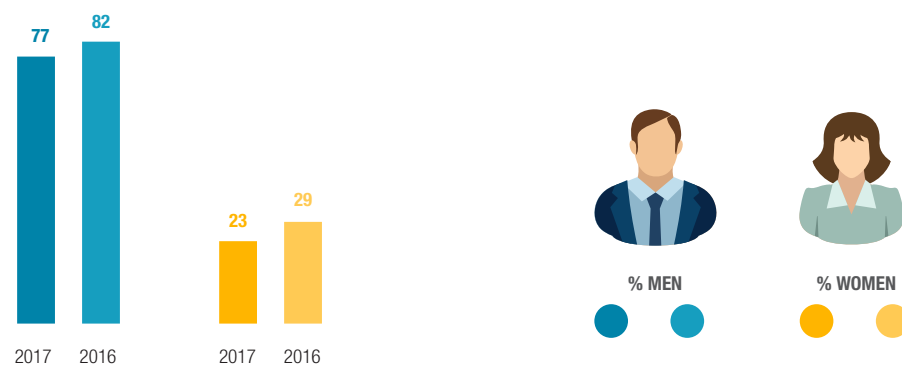


PROFESSIONAL CATEGORY	NO. MEN	NO. WOMEN	MEN/TOTAL CATEGORY %	WOMEN/TOTAL CATEGORY %
Executives	114	27	80.85%	19.15%
Middle management	525	267	66.29%	33.71%
Administrative staff	264	416	38.82%	61.18%
Auxiliary staff	864	350	71.17%	28.83%
Sales representatives	166	87	65.61%	34.39%
Others	1916	464	80.50%	19.50%
Total	3,849	1,611	70.49%	29.51%

2017						
PROFESSIONAL CATEGORY	NO. EMPLOYEES BY AGE GROUP			% TOTAL CATEGORY		
	<=30	30 - 50	>=50	<=30	30 - 50	>=50
Executives	1	85	55	0.71%	60.28%	39.01%
Middle management	66	500	226	8.33%	63.13%	28.54%
Administrative staff	106	370	204	15.59%	54.41%	30.00%
Auxiliary staff	166	541	507	13.67%	44.56%	41.76%
Sales representatives	42	134	77	16.60%	52.96%	30.43%
Others	434	1301	645	18.24%	54.66%	27.10%
Total	815	2,931	1,714	14.93%	53.68%	31.39%

2017						
PROFESSIONAL CATEGORY	MEN			WOMEN		
	<=30	30 - 50	>=50	<=30	30 - 50	>=50
Executives	1	62	51	0	23	4
Middle management	19	338	166	47	162	58
Administrative staff	44	143	77	62	227	127
Auxiliary staff	132	364	368	34	177	139
Sales representatives	24	86	56	18	48	21
Others	327	1077	514	107	224	133
Total	547	2,070	1,232	268	861	482

Workers with different abilities



The Ebro Group has promoted several actions in Spain related with the socio-occupational integration of persons with special capacities, through certain services contracted with different special employment centres (CEE).

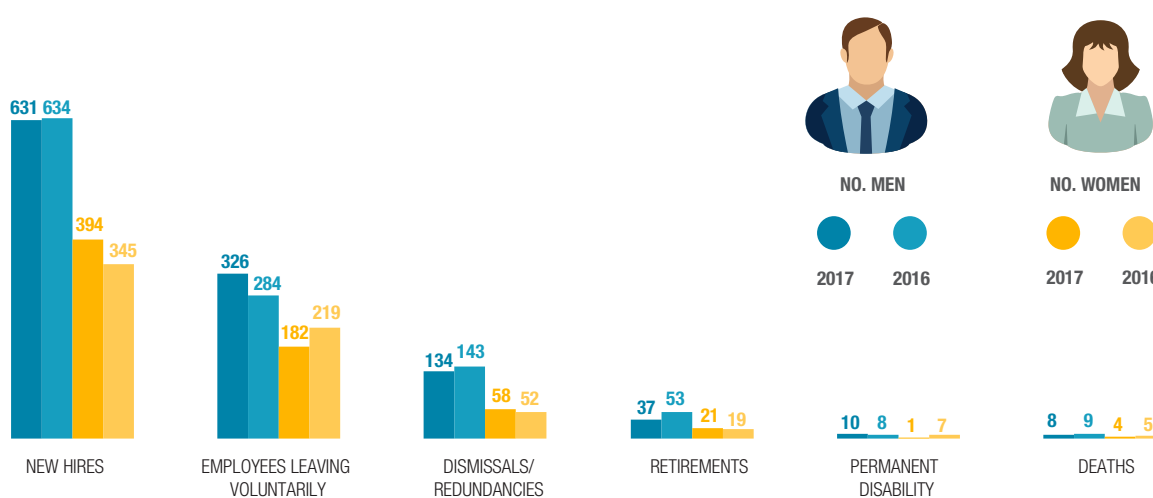
The value of those collaborations in 2017 was €81,057.23.

CENTRE	WORK	AMOUNT (€)
C.E.E. AFANIAS	Printing work	4,873.15
C.E.E. CADEMADRID	Printing work	546.92
FUNDACIÓN PRODIS	Christmas cards	3,102.44
C.E.E. INSERCIÓN PERSONAL DISCAPACITADOS «IPD»	Cleaning of Madrid offices	72,534.72
Total		81,057.23

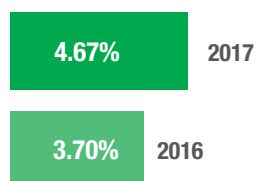
EMPLOYMENT

Employee turnover and employment net creation [LA1]

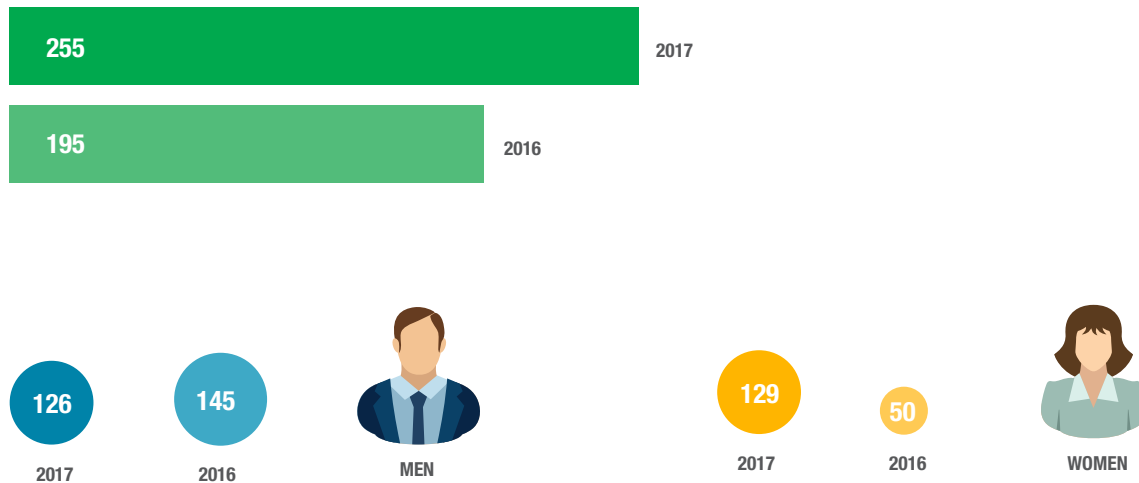
TYPE OF TURNOVER	TOTAL EMPLOYEES		% TOTAL EMPLOYEES GROUP	
	2017	2016	2017	2016
New hires	1,025	969	18.77%	18.55%
Employees leaving voluntarily	508	503	9.30%	9.53%
Dismissals/Redundancies	192	195	3.52%	3.70%
Retirements	58	72	1.06%	1.36%
Permanent disability	11	15	0.20%	0.28%
Deaths	12	14	0.22%	0.27%



TURNOVER RATE TOTAL %



EMPLOYMENT NET CREATION



Employees promoted during the year, by gender

	NO. INTERNAL PROMOTIONS		% OF GENDER OF EMPLOYEES	
	MEN	WOMEN	MEN	WOMEN
Total	181	78	4.70%	4.84%

Average seniority of employees during the year, broken down by employee categories and gender

CATEGORIES	MEN	WOMEN	TOTAL
Executives	10.92	9.85	10.72
Middle management	13.97	8.40	12.09
Administrative staff	11.69	11.13	11.34
Auxiliary staff	11.11	10.27	10.87
Sales representatives	9.8	7.84	9.13
Others	11.39	10.86	11.29
Total	11.62	10.21	11.20



Benefits for employees

[LA2]

The following table shows the benefits offered to employees in the principal companies of the Ebro Group: Herba Ricemills, Catelli, Panzani and Riviana Foods.

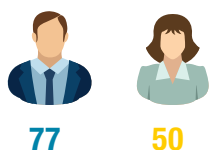
BENEFITS	COMPANY			
	HERBA RICEMILLS	CATELLI FOODS	PANZANI	RIVIANA
Stock ownership	All employees	---	---	---
Parental leave	All employees	Full-time employees	All employees	Full-time employees
Disability and invalidity coverage	All employees	Full-time employees	All employees	Full-time employees
Retirement provision	---	Full-time employees	All employees	All employees
Life insurance	All employees	Full-time employees	All employees	Full-time employees
Health care	All employees	Full-time employees	All employees	Full-time employees

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

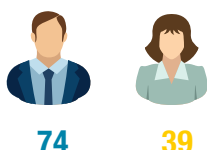
Return to work and retention rates after parental leave, by gender

[LA3]

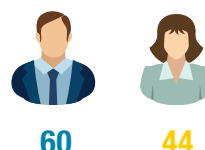
EMPLOYEES WHO
TOOK PARENTAL LEAVE



EMPLOYEES WHO RETURNED TO WORK
AFTER PARENTAL LEAVE ENDED



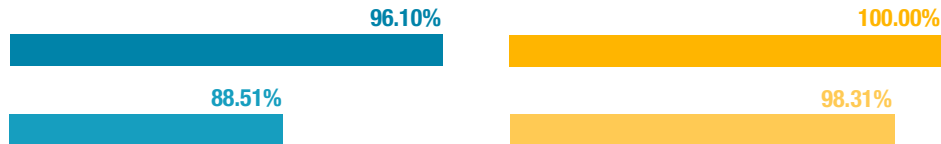
EMPLOYEES WHO RETURNED TO WORK
AFTER PARENTAL LEAVE ENDED AND
WERE STILL EMPLOYED TWELVE MONTHS LATER



CONCEPTS	2017			2016		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Employees who were entitled to parental leave	77	50	127	87	59	146
Employees who took parental leave	74	50	124	77	58	135
Employees who returned to work after parental leave ended	74	39	113	77	47	124
Employees who returned to work after parental leave ended and were still employed twelve months later	60	44	104	72	42	114



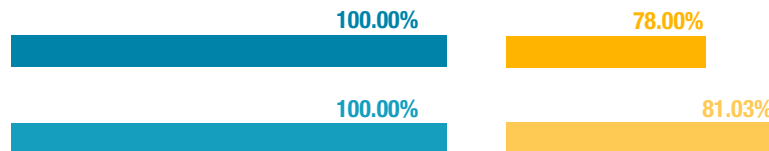
% EMPLOYEES WHO EXERCISED THEIR RIGHT



RETURN TO WORK RATE



% MEN



% WOMEN



RETENTION RATE



*NB: The **retention rate** is calculated using the formula indicated in the GRI: Total number of employees retained 12 months after returning to work following a period of parental leave / Total number of employees returning from parental leave in the reporting period.*



HEALTH AND SAFETY AT WORK

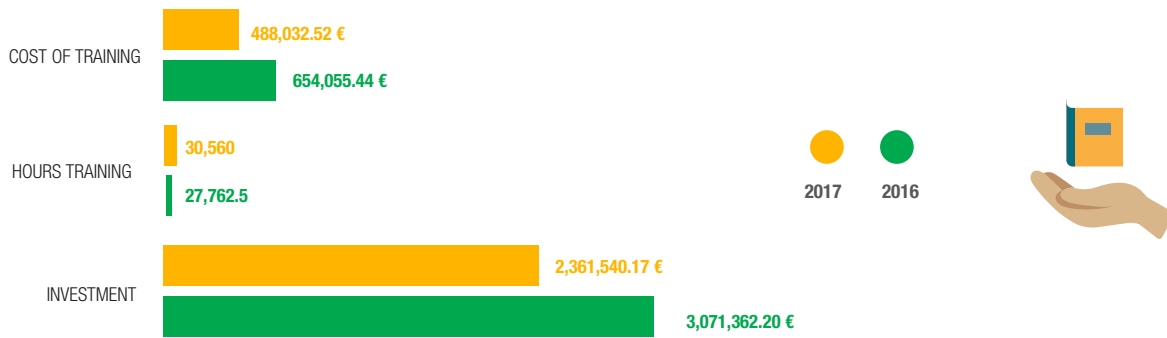
Health and Safety Committees [LA5]

All our workers are covered for occupational hazard prevention.

Prevention is provided through both internal means and external firms.

There is also a person responsible for occupational hazard prevention in all the companies, and 91% of the workforce is represented on the Health and Safety Committees in the companies.

Investment, hours' training and cost of training in Occupational Hazard Prevention



The investments made during the year in this area were mainly to bring our workplaces and equipment in line with the standards required in Spanish legislation, safety audits, improvements in personal protection equipment for employees, regular inspections of safety equipment, first aid training and material, fire protection systems, etc.

Rate of injuries, occupational diseases, lost days, absenteeism and number of work-related fatalities [LA6]



NB: To calculate these rates, we multiplied by the factor 200,000 (50 40-hour working weeks for every 100 employees). The resulting rate is thus linked to the number of workers, rather than the number of hours.

- ▶ Number of work-related fatalities, employees: 0
- ▶ Number of work-related fatalities, supervised workers: 0

NB: No figures are given for independent contractors because there were no incidents in any of the items measured.

Workers in occupational activities with a high incidence or high risk of disease [LA7]

No job in the Ebro Group entails a risk to the physical integrity of our workers or with a high risk of disease.



Health and safety topics covered in formal agreements with trade unions [LA8]

The following table shows the companies that have health and safety topics covered in formal agreements with trade unions.

LOCAL LEVEL AGREEMENTS	COMPANY	
Personal protection equipment	Boost Nutrition Catelli Celnat Herba Bangkok Herba Egypt Lassie	Lustucru Panzani Riviana Arroz Riviana Pasta Roland Monterratt
Joint management-employee health and safety committees	Boost Nutrition Catelli Celnat Garofalo Herba Bangkok Herba Egypt Herba Ricemills	Lassie Lustucru Panzani Riviana Arroz Riviana Pasta Roland Monterratt
Participation of worker representatives in health and safety inspections	Boost Nutrition Catelli Celnat Garofalo Herba Bangkok Herba Ricemills	Lassie Lustucru Panzani Riviana Arroz Riviana Pasta Roland Monterratt
Training and education	Boost Nutrition Catelli Celnat Garofalo Herba Bangkok Herba Egypt Herba Ricemills	Lassie Lustucru Panzani Riviana Arroz Riviana Pasta Roland Monterratt
Right to refuse unsafe work	Catelli Celnat Herba Bangkok Herba Egypt Herba Ricemills Lassie	Lustucru Panzani Riviana Arroz Riviana Pasta Roland Monterratt
Periodic inspections	Catelli Celnat Garofalo Herba Bangkok Herba Egypt Herba Ricemills	Lassie Lustucru Panzani Riviana Arroz Riviana Pasta Roland Monterratt

GLOBAL LEVEL AGREEMENTS	COMPANY	
Compliance with the ILO	Boost Nutrition Garofalo Herba Bangkok Herba Ricemills	Lassie Lustucru Riviana Arroz
Arrangements or structures for resolving problems	Boost Nutrition Herba Bangkok Lassie Lustucru	Panzani Riviana Arroz Roland Monterra
Commitments regarding target performance standards or level of practice to apply	Herba Bangkok Lustucru Panzani	Riviana Arroz Roland Monterra



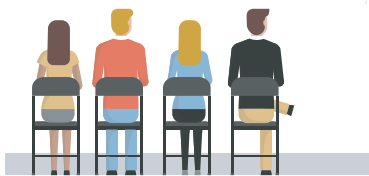
TRAINING AND EDUCATION

[LA9]

	2017	2016
Total cost of training	1,818,164 €	1,913,152 €
Total hours of training	130,220	130,786.5
No. employees who received training	3,699	3,665
% total employees	67.75%	69.45%

Total number of employees who have participated in training schemes, by employee category

CATEGORY	NO. EMPLOYEES WHO RECEIVED TRAINING		% TOTAL EMPLOYEES PER CATEGORY	
	2017	2016	2017	2016
Executives	85	83	60.28%	54.25%
Middle management	602	464	76.01%	76.32%
Administrative staff	425	508	62.50%	68.93%
Auxiliary staff	1,164	153	95.88%	72.17%
Sales representatives	159	114	62.85%	52.05%
Others	1,264	2,343	53.11%	69.98%
Total	3,699	3,665	67.75%	69.45%



Number of employees who have undertaken training, by gender and employee category

CATEGORY	NO. EMPLOYEES WHO RECEIVED TRAINING		% TOTAL EMPLOYEES, GENDER & CATEGORY	
	MEN	WOMEN	MEN	WOMEN
Executives	65	20	57.02%	74.07%
Middle management	409	193	77.90%	72.28%
Administrative staff	169	256	64.02%	61.54%
Auxiliary staff	831	333	96.18%	95.14%
Sales representatives	106	53	63.86%	60.92%
Others	1,061	203	55.38%	43.75%
Total	2,641	1,058	67.75%	65.67%

Number of training hours, by gender and employee category

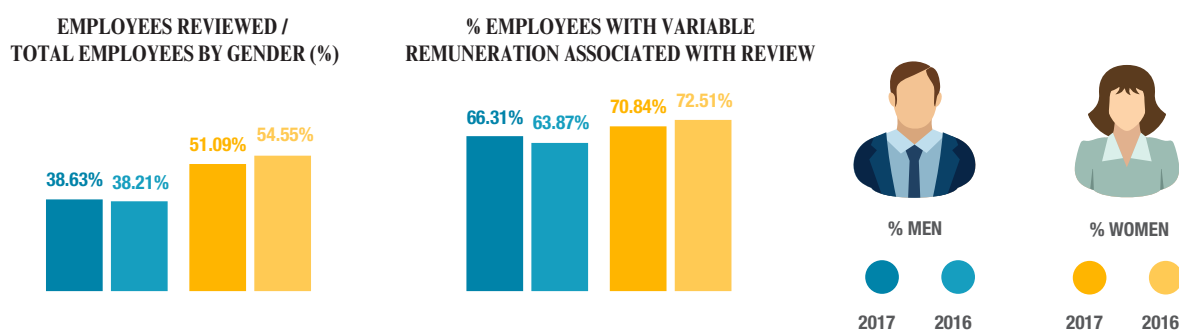
CATEGORY	2017		2016	
	MEN	WOMEN	MEN	WOMEN
Executives	1,470	414	1,265	520
Middle management	11,379	4,275	10,015	3,628
Administrative staff	5,076	6,833	8,569	7,295
Auxiliary staff	52,377	23,790	3,031	806
Sales representatives	2,559	805	1,469	1,003
Others	18,633	2,611	74,729	18,458
Total	91,493	38,728	99,077	31,710

Average employee training hours, by gender and employee category

CATEGORY	MEN		WOMEN	
	2017	2016	2017	2016
Executives	12.89	10.45	15.33	16.23
Middle management	21.67	24.97	16.01	17.53
Administrative staff	19.23	25.81	16.43	18.01
Auxiliary staff	60.62	21.96	67.97	10.89
Sales representatives	15.41	10.06	9.25	13.74
Others	9.72	28.04	5.63	27.02
Total	23.77	26.05	24.04	21.51

NB: The principal subject areas on which training has been given are: languages, quality, health and safety at work, occupational hazard prevention, information technologies, development of commercial and marketing skills, environment, corrective and preventive maintenance, gender equality, handling of food, etc.

Employees receiving regular performance and career development reviews [LA11]



2017							
NO. EMPLOYEES WHO HAVE RECEIVED REVIEWS		NO. EMPLOYEES REVIEWED WHOSE REVIEW IS ASSOCIATED WITH VARIABLE REMUNERATION		EMPLOYEES REVIEWED / TOTAL EMPLOYEES BY GENDER (%)		% EMPLOYEES WITH VARIABLE REMUNERATION ASSOCIATED WITH REVIEW	
Men	Women	Men	Women	Men	Women	Men	Women
1,487	823	986	583	38.63%	51.09%	66.31%	70.84%

Percentage of employees receiving regular performance and career development reviews, by gender and continent

2017								
CONTINENT	NO. EMPLOYEES WHO HAVE RECEIVED REVIEWS		NO. EMPLOYEES WHOSE REVIEW IS ASSOCIATED WITH VARIABLE REMUNERATION		EMPLOYEES REVIEWED / TOTAL EMPLOYEES BY GENDER (%)		% EMPLOYEES WITH VARIABLE REMUNERATION ASSOCIATED WITH REVIEW	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
Africa	33	40	7	1	11.07%	8.70%	21.21%	25.00%
Asia	172	60	164	44	100.00%	100.00%	95.35%	73.33%
Europe	928	517	461	296	40.30%	53.35%	49.68%	57.25%
North America	354	242	354	242	32.90%	45.15%	100.00%	100.00%
Total	1,487	823	986	583	38.63%	51.09%	66.31%	70.84%

28.74% of the employees of the different companies in the Ebro Group are included in a variable remuneration scheme which links the variable part of their annual salary to a number of collective (of the Ebro Group overall and the different business units) and job-specific objectives.

In addition, several employees of the Ebro Group in Spain benefit from the payment-in-kind programme, whereby taxation of their salaries can be optimised through the receipt of certain benefits, such as medical insurance, company car, computers or nursery service.

This remuneration policy includes the Ebro Foods, S.A. share delivery scheme, which is established for all employees of the Ebro Group with tax residence in Spain, both the parent and its Spanish subsidiaries. Participation in the scheme is voluntary and charged against employees' variable remuneration, or fixed remuneration, as the case may be. Under current tax laws, any employees who so wish may receive up to 12,000 euros in Ebro Foods, S.A. shares without considering them remuneration for the purpose of personal income tax. During 2017, 63 employees of different Ebro Group received shares in Ebro Foods, S.A. for an overall sum of €532,260.

EQUAL REMUNERATION FOR WOMEN AND MEN

[LA13]

Ratio of the basic salary and remuneration of women to men by significant locations of operation (business units) and locations of operation in developing countries

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

Men-women ratio of average remuneration

The following tables set out the women-men ratios in average remuneration, showing only those employee categories in which there are both genders and, therefore, that ratio can be established.

We calculated this average remuneration based on the average of gross annual salaries of the employees (men and women) in each category. This gross salary includes the sum of basic salary plus supplements, such as seniority, cash bonuses and equity (e.g. shares) bonuses, overtime and any other welfare benefit (transport, accommodation expenses, aids for children, etc.)

We believe the resulting figures are close to reality, but not 100% reliable, since different circumstances within the personal supplements may alter the final salary of men or women within the same category.

SIGNIFICANT BUSINESS UNITS

Herba Ricemills

EMPLOYEE CATEGORY	WOMEN-MEN RATIO OF AVERAGE REMUNERATION
A) TECHNICAL, ADMINISTRATIVE & SALES STAFF	
Level I	0.87
Level II	0.82
Level III	0.88
Level V	1.06
B) PRODUCTION STAFF	
Level I	0.92
Level II	0.85
Level IV	0.9
Level VI	0.92
Level VIII	0.98



Panzani

EMPLOYEE CATEGORY	WOMEN-MEN RATIO OF AVERAGE REMUNERATION
Executives	0.66
Technical staff & supervisors	1.16
Administrative staff	0.93
Operators	0.90



Catelli

EMPLOYEE CATEGORY	WOMEN-MEN RATIO OF AVERAGE REMUNERATION
Executives	0.72
Middle Management	0.9
Professionals	1.01
Administrative staff	0.94
Skilled workers	0.87
Operators	0.95
Unskilled workers & assistants	0.94



Riviana (Rice business)

EMPLOYEE CATEGORY	WOMEN-MEN RATIO OF AVERAGE REMUNERATION
Executives	0.77
Middle Management	1.09
Professionals	0.83
Technical staff	0.74
Administrative staff	0.95
Operators	1.02
Unskilled workers & assistants	0.94

Riviana (Pasta business)

EMPLOYEE CATEGORY	WOMEN-MEN RATIO OF AVERAGE REMUNERATION
Middle Management	0.98
Professionals	0.97
Administrative staff	1.04
Operators	0.99
Unskilled workers & assistants	1.02

BUSINESS UNITS IN DEVELOPING COUNTRIES

Herba Egypt

EMPLOYEE CATEGORY	WOMEN-MEN RATIO OF AVERAGE REMUNERATION
Production assistants	1.00

Ebro India

EMPLOYEE CATEGORY	WOMEN-MEN RATIO OF AVERAGE REMUNERATION
Accounts manager	1.76
Sales coordinator	1.21

Mundiriz

EMPLOYEE CATEGORY	WOMEN-MEN RATIO OF AVERAGE REMUNERATION
Others	1

Rivera del Arroz

EMPLOYEE CATEGORY	WOMEN-MEN RATIO OF AVERAGE REMUNERATION
Middle management	1
Others	1



4

**Commitment to
our public:**
customers and consumers



GOAL: *Offer products that come up to the expectations of society in general and our customers and consumers in particular in terms of quality, safety, nutrition, health and well being. Actively promote healthy lifestyles through awareness campaigns and training programmes*

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.

The Ebro Group is a pioneer in the development of new concepts and innovation in the segments in which it operates. This can be seen in the new products put on the market over the past three years, such as Brillante Sabroz, Lustucru Selection, Quick Pasta, Ancient Grains, SOS Para, SOS Vidasania, Brillante a la Sartén, SOS Platos, Squeeze Sauces, gluten free, brown/wholewheat rice and pastas, high-fibre and high-calcium products, quinoa, Brillante Benefit, etc.

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

NB: Further information on R&D and Innovation can be consulted in point 3 of the Annual Report (Business Model)

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 the possible 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.

The effectiveness of these programmes is assessed regularly by independent experts.

All the Ebro Group's plants are now certified for quality and food safety.

COMPANY	COUNTRY	NAME OF PLANT	CERTIFICATE
Arrozeiras Mundiarroz	Portugal	Coruche	ISO 9001
			ISO 22000
			Food Product Certification
			IFS
Boost Nutrition	Belgium	Merksem	IFS
			KOSHER
			Organic Certification
Catelli Foods Corporation	Canada	Montreal	SQF
		Delta	BRC
		Hamilton	BRC
Celnat	France	Saint Germain Laprade	Organic Certification
			Demeter Biodynamic Agriculture
Danrice	Denmark	Orbaek	BRC
			ISO 22000
Ebro India	India	Taraori	ISO 22000
			Organic Certification
			BRC
			IPQC
			PPQS
Fallera Nutrición	Spain	Silla	ISO 9001
Herba Bangkok	Thailand	Bangkok	ISO 9001
			BRC
			Organic Certification
			HALAL
			KOSHER
			GMP & HACCP
			Gluten Free Certification
Herba Egypt	Egypt	Heliopolis	ISO 22000

COMPANY	COUNTRY	NAME OF PLANT	CERTIFICATE
Herba Ingredients	Belgium	Schoten	Organic Certification
			IFS
			GMP
	Netherlands	Wormer	KOSHER
			IFS
			GMP
			KOSHER
			HALAL
			Organic Certification
			Chinese Organic
Herba Ricemills	Spain	Coria del Río	ISO 9001
			Organic Certification
			KOSHER
		San Juan de Aznalfarache (Ready Foods plant and Rice Plant)	ISO 9001
			BRC
			IFS
			Organic Certification
			KOSHER (Rice)
		Jerez De La Frontera (Ready Foods Plant)	ISO 9001
			BRC
			IFS
		Silla	ISO 9001
			BRC
			IFS
		Algemesí (Ready Foods Plant)	ISO 9001
			IFS
			BRC
		Algemesí (Rice Plant)	ISO 9001
			KOSHER
		Algemesí (Flour Mill)	IFS
			KOSHER

COMPANY	COUNTRY	NAME OF PLANT	CERTIFICATE
Herba Ricemills	Spain	La Rinconada	IFS
			Organic Certification
			KOSHER
		Los Palacios	ISO 9001
			Organic Certification
			KOSHER
Lassie	Netherlands	Wormer	Ecological Certification
			IFS
			GMP FEED
Lustucru	France	Saint Genis Laval (Fresh Pasta Plant)	IFS
		Lorette (Fresh Pasta Plant)	IFS
		Communay (Fresh Pasta Plant)	IFS
Mundiriso	Italy	Vercelli	IFS
			BRC
			ISO 22000
			Organic Certification
			KOSHER
Mundi Riz	Morocco	Larache	ISO 22000
Riviana Pasta	USA	Saint Louis	SQF
		Winchester	SQF
		Fresno	SQF
Panzani	France	La Montre	ISO 9001
			IFS
		Gennevilliers	IFS
			ISO 9001
		Nanterre	ISO 9001
			IFS
			FSSC 22000
		Littoral	IFS
			ISO 9001
		Saint Just	IFS
			ISO 9001

COMPANY	COUNTRY	NAME OF PLANT	CERTIFICATE
Panzani	France	Vitrolles	IFS
			ISO 9001
		Lyon	Organic Certification
Pastificio Lucio Garofalo	Italy	Gragnano	KOSHER
			HALAL
			ISO 9001
			Organic Certification
			BRC
			IFS
Riviana Rice	USA	Memphis	SQF
		Brinkley	SQF
		Clearbrook	SQF
		Alvin	SQF
		Carlisle	SQF
		Freeport	SQF
Roland Monterrat	France	Feillens	IFS
S&B Herba Foods	UK	Cambridge	BRC
			KOSHER
		Liverpool	BRC
			KOSHER
Vegetalia	Spain	Castellcir	Organic Certification

* The certificates obtained in 2017 are in bold type

Other certificates

COMPANY	NAME OF PLANT	CERTIFICATE
Herba Bangkok	Bangkok	Fairtrade Certificate
Pastificio Lucio Garofalo	Gragnano	Pasta di Gragnano IGP (Protected Geographical Indication)



53

No. production plants



117

Total quality certificates



20

New certificates in 2017

Principal performance indicators on Product Responsibility

The details presented below have been obtained from all the companies operating in the brand businesses of the Ebro Group (listed in the section About this report) and have been prepared in accordance with the G4 Guidelines of the Global Reporting Initiative (GRI).

CUSTOMER HEALTH AND SAFETY

The following Group companies have made health and safety assessments to promote improvements:

[PR1]

	% PRODUCTS ASSESSED BY CATEGORY
Arrozeiras Mundiarroz	
Traditional	100.00%
Ready to serve	100.00%
Special	100.00%
Noodles	100.00%
Essential	100.00%
Wholegrain	100.00%
Broken rice	100.00%
Catelli Foods	
Regular white	79.37%
Healthy	100.00%
Wholegrain	100.00%
Vegetable	100.00%
Enriched grain	100.00%
Herba Bangkok	
Regular	100.00%
Enriched grain	100.00%
Herba Egypt	
Natural white rice - medium grain	100.00%
Natural white rice - short grain	100.00%
Camolino white rice - short grain	100.00%
Camolino white rice - medium grain	100.00%
Lassie	
Specialties	66.67%
Mixes	54.55%
Organic grain	100.00%
Lustucru	
Simple Pates Fraiches	16.67%
Panzani	
Pasta	100.00%
Sauces	100.00%
Cereals (Rice, Couscous, Wheat, semolina, cereal mix)	100.00%
Ready meals	100.00%
Potatoes, pure or flakes	100.00%

	% PRODUCTS ASSESSED BY CATEGORY
Riviana Pasta	
SuperGreens	100.00%
Organic	100.00%
GlutenFree	100.00%
Garden Delight	100.00%
Riviana Rice	
Healthy Minute Instant	100.00%
Success Healthy	100.00%
RiceSelect Quinoa	100.00%
RiceSelect Couscous	100.00%
<i>Organic</i> - Long grain white	100.00%
<i>Organic</i> - Long grain brown	100.00%
Brown Jasmine - Brown rice	100.00%
Rice mixes	100.00%
<i>Regular</i> - Long grain brown	100.00%
Basmati	100.00%
<i>Regular</i> - Long grain brown	100.00%
Roland Monterrat	
Sandwiches	88.31%
Take away	35.14%
PC - delicatessen	29.95%

PRODUCT AND SERVICE LABELLING

[PR3]

All our companies comply with the national laws and regulations applicable in each country. In addition, the following companies also provide the following information:

COMPANY	% PRODUCTS
Source of ingredients	
Arrozeiras Mundiarroz	100%
Catelli Foods	100%
Celnat	100%
Euryza	8%
Pastificio Lucio Garofalo	100%
Herba Bangkok	90%
Herba Egypt	100%
Herba Ricemills	13%
Lustucru	17%
Ebro India	100%
Environmental impact	
Catelli Foods	100%
Euryza	11%
Pastificio Lucio Garofalo	100%
Herba Bangkok	3%
Herba Egypt	100%
Ebro India	100%

COMPANY	% PRODUCTS
Product safety instructions	
Arrozeiras Mundiarroz	100%
Catelli Foods	100%
Euryza	100%
Pastificio Lucio Garofalo	100%
Herba Egypt	100%
Lustucru	9%
Ebro India	100%
Method of product elimination	
Catelli Foods	100%
Celnat	20%
Euryza	100%
Pastificio Lucio Garofalo	100%
Herba Egypt	100%
Herba Ricemills	100%
Lustucru	100%
Ebro India	100%

MARKETING COMMUNICATIONS

[PR6]

None of the companies of the Ebro Group sells products that are banned in certain markets or the subject of public debate among stakeholders

INCIDENTS REGISTERED DURING THE YEAR

[PR2/PR4/PR9]

14 incidents were registered during the year for non-compliance with regulations relating to:

	NO. INCIDENTS	AMOUNT OF FINES (EUROS)
Health and safety impacts of products and services during their life cycle	9	15,000 €
Product information and labelling	4	7,000 €
Marketing communications, including advertising, promotion and sponsorship	1	0 €

The companies in which those incidents occurred are listed below

- Boost Panzani
- Catelli
- Celnat
- Euryza
- Panzani
- Riviana Pasta
- Riviana Rice
- Roland Monterratt

[PR8]

None of the companies in the Ebro Group received any substantiated complaints during 2017 concerning breaches of customer privacy or leaks of customer data.

CUSTOMER SERVICES AND PRIVACY

[PR8]

Customer 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 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	TYPE OF CHANNEL	CONTACT VIA
Arrozeiras Mundiarroz	Internal	   
Boost Nutrition	External & Internal	   
Catelli Foods	External	   
Euryza	External & Internal	   
France Garofalo	Internal	
Herba Ricemills	Externo	 
Lassie	Internal	  
Lustucru Frais	Internal	 
Panzani	External & Internal	   
Pastificio Lucio Garofalo	Internal	   
Risella OY	External	
Riviana	External	   



TELEPHONE



MAIL



WEB



LETTER



SOCIAL MEDIA

% Production outsourced [FP5]

The following table shows the percentage of production volume manufactured at certified sites by an independent third party according to internationally recognised food safety standards:

COMPANY	PRODUCT MANUFACTURED	NAME OF PRODUCER	COUNTRY	% PRODUCTION
Arrozeiras Mundiarroz	Pre-cooked and Essential	Herba Ricemills	Spain	100.00%
	Noodles	Nissin Foods Kft.	Hungary	100.00%
Boost Nutrition	Tinned rice pudding	Limelco (FS certificate available)	Belgium	1.19%
	Trading Bosto 'bakrijst' and 'minute rice'	Herba (FS certificate available)	Spain	0.30%
	Bosto Grains with quinoa	Lassie (FS certificate available)	Netherlands	0.39%
	Bosto rice cakes	Sanorice (FS certificate available)	Belgium	0.49%
Pastificio Lucio Garofalo	Dry pasta	Pastificio Lucio Garofalo spa	Italy	100.00%
	Gluten-free pasta	Pasta lensi srl	Italy	100.00%
	Fresh pasta	Bertagni Spa	Italy	100.00%
	Wheat flour	Selezione Casilo srl	Italy	100.00%
	Fresh pasta	Pastificio Gaetarelli srl	Italy	100.00%
	Potato balls	Il Pastaio srl	Italy	100.00%
	Extra virgin olive oil	Ursini srl	Italy	100.00%
Herba Ricemills	Long grain cargo rice	Comunidad de Bienes San Andrés	Spain	2.50%
Mundi Riso	Parboiled rice	Riseria di Vespolate	Italy	2.48%
	Parboiled rice	Riso Viazzo	Italy	2.01%
	Parboiled rice	Riso Scotti	Italy	0.26%
	Parboiled rice	Riso Scotti	Italy	0.68%
	Cargo rice	Cascina Belvedere	Italy	0.08%
Catelli	Dry pasta	Griss	Canada	3.86%
	Dry pasta	Zerega	USA	1.23%
	Sauce	Inpralsa	Spain	1.01%
	Sauce	DelGrosso	USA	0.89%
	GF Lasagne	Fazion	Italy	0.29%
Riviana Rice	Jasmine Rice	Herba BK	Spain	9.11%
	RTS & Basmati (Spain)	Herba Ricemills	Spain	2.30%

COMPANY	PRODUCT MANUFACTURED	NAME OF PRODUCER	COUNTRY	% PRODUCTION
Riviana Rice	Calrose	ADM	USA	1.18%
	Mahatma/Carolina 20lb	SemChi	USA	1.00%
	SUP Rice Mixes	Pacmoore	USA	0.99%
	Rice flour	Rivland	USA	0.91%
Riviana Pasta	Dry pasta	Zerega	USA	1.82%
	Oven Ready lasagne	Fazion	Italy	0.48%
	Homestyle Pasta	Ferraro	Italy	0.22%
	Homestyle Pasta	Granarolo	Italy	0.13%
	Dry pasta	LaModerna	Mexico	0.03%
	Dry pasta	Griss	USA	0.03%
Lassie	Rice colouring (yellow)	Huijbregts Groep, Helmond	Netherlands	1.20%
	Rice and pea-based fibre grains	Maselis, Roeselare	Belgium	1.10%
	Cereal mix	Huijbregts Groep, Helmond	Netherlands	0.40%
	Sauces	Inproba, Baarn	Netherlands	0.10%
Lustucru	Potato crisps	Quiks	Netherlands	100%
	Tortilla	Palacios	Spain	100%
	Organic tagliatelle	Lo Scoiattolo	Italy	100%
	Fresh filled pasta	Bertagni	Italy	100%
Panzani	Sauces	GB foods & Taboada	Spain	11.50%
	Sauces	Casalasco & Italian food	Italy	1.50%
	Sauces	Cofigeo	France	1.50%
	Rice	Herba Silla & Herba Sevilla	Spain	3.00%
	Rice	Boost	Belgium	3.70%
	Rice	Herba Bangkok	Thailand	1.20%
	Cup rice	Ajinomoto	Poland	0.20%
S&B	Ground rice	Moorhead McGavin	UK	0.01%





PROMOTION OF HEALTHY FOOD AND HEALTHY LIFESTYLES

[FP7]

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

A new division has thus been created within the Ebro Group, headed by Alimentation Santé, comprising the latest acquisitions made by the Ebro Group in the organic foods segment: Celnat (2016), Vegetalia (2017) and BIA (2017), and everything that complements this category through the future organic and inorganic growth of the Ebro Group.

Sales in the healthy segment accounted for 10.10% of the sales of branded products of the Ebro Group in 2017.

Details of sales in the healthy food range, by company

COMPANY	% TOTAL SALES OF THE COMPANY 2017
Panzani	2.17%
Arrozeiras Mundiarroz	0.89%
Catelli	17%
Celnat	100%
Euryza	17.08%
Garofalo	20.42%
Herba Ricemills	13.96%
Herba Rumania	5.73%
Lassie	2.15%
Lustucru	0.38%
Riceland	7.79%
Riviana	9.87%
S&B	1.67%
Vegetalia	100%

The Ebro Group has also created the bloc <http://www.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 focused on promoting healthy eating habits and maintaining an active lifestyle.

5 Management of the supply chain



GOAL: *Ensure the sustainability of all production plants and groups forming the company's supply chain, and production traceability.*

The main aim of the sustainable management of the Ebro Group is to guarantee the sustainability of its products throughout the entire value chain. The first and principal link in this chain is the production and sourcing of its agricultural raw materials. The Group is acting directly and in two ways with the main players in its supply chain. On the one hand, it is working side by side with growers to promote sustainable agriculture in environmental, economic and social aspects; and on the other, it is controlling the performance of its industrial suppliers in respect of corporate responsibility through internal or external audits and collaborating with them to secure continuous improvement.

Sustainable agricultural raw material

After joining the SAI Platform in 2015, during 2016 the Ebro Group took another step forward in its commitment to the sustainable production of its agricultural raw materials, particularly rice, by becoming a member of the Sustainable Rice Platform (SRP, <http://www.sustainablerice.org/>). The SRP is a multi-stakeholder initiative co-convened by the UN Environment (UNEP) and the International Rice Research Institute (IRRI, <http://irri.org/>) to promote sustainability in the rice sector, especially Asian (<http://www.sustainablerice.org/About-Us/>), paying special attention to smallholders.

In this context, the Ebro Group has begun to use the sustainable crop standards of the SAI and the SRP as qualitative benchmarks in the different initiatives and projects that it has set up to improve the sustainability of growers in its sourcing regions

PROJECT FOR IMPLEMENTATION OF THE SRP STANDARD (INDIA)

During 2017, our subsidiary Ebro India embarked on a pilot project together with Rainforest Alliance (<https://www.rainforest-alliance.org/business/es>) to implement the SRP standard with a group of ecological growers in the North of India, specifically in Lakhimpur, Uttar Pradesh. This programme consists of three separate stages - assessment, training and implementation - and will run into 2018.

PARTICIPATING GROUPS	NO. OF GROWERS	AREA SOWN
Lakhimpur-III (9 hamlets)	281	378 Ha
Lakhimpur-IV (16 hamlets)	494	492 Ha
Total	775	870 Ha

SAIRISI PROJECT (ITALY)

Under the umbrella of the SAI Platform (<http://www.saiplatform.org/>), the SAIRISI project began in 2016. This programme, developed in Italy by several members of the SAI-P (Ebro Foods, Unilever, Kellogg and Migros), aimed to assess growers according to the SAI-P standard and provide them with specific training, given by the Italian National Rice Research Centre (ENTERISI) and professionals in the sector (universities, NGOs, etc.) to improve their performance.

During 2017, we increased the number of growers receiving training to 140 and the programme was developed on two levels: one for beginners, with three training sessions on soil preparation, sowing, precision growing, etc.; and another more advanced (for those who were participating for the second year), with two master classes given by the University of Turin and the University of Milan on nutrients & fertilisation and water management. Both courses were completed with four field trips and a strategic meeting to define the goals for 2018-2020.

FARM SUSTAINABILITY ASSESSMENTS

Through our Spanish subsidiary Herba Ricemills, we have made a new assessment on a representative sample of the growers who supply rice in Seville for our Brillante brand, based on the sustainable crop standard of the SAI Platform. The samples in this assessment were rated very highly: 90% were rated **GOLD** and the remaining 10% **SILVER**, classifying the Sevillian rice-growing region as one of the most sustainable in the world. This assessment entitles us to renew the Gold Quality seal on the packaging of Brillante rice.

We also assessed under the SAI standard a group of growers in Arkansas who supply rice for our subsidiary Riviana. The results were also very satisfactory there, with 70% obtaining the **GOLD** rating and 30% the **SILVER** rating.

The Ebro Group considers rice sustainable at or above the **SILVER** category.

The assessment identified two aspects (GHG and biodiversity) in which there was room for improvement. The Ebro Group is currently discussing with several stakeholders how to help growers and the sector to improve their performance in these aspects

CLIMATE SMART AGRICULTURE PROJECT (EBRO DELTA)

The LIFE EBROADMICLIM Project led by the Institute for Research and Technology in Food and Agriculture (IRTA) concluded in 2017. This programme, in which we participated along with Kellogg between 2015 and 2017, aimed to identify strategies to mitigate greenhouse gas emissions by using alternative water management systems in different fields of growers in the Ebro Delta region. The most widespread predictive model in agriculture is the Cool Farm Tool, but through this novel study made by IRTA, differences were found between the real GHG emissions in the Ebro delta fields and those predicted by the model, developed mainly in Asia. Therefore, it is now being considered whether that tool could be adapted to the peculiarities of the rice crop, or whether a new predictive model needs to be developed exclusively for this cereal.

BIODIVERSITY MANAGEMENT PROJECT (EBRO DELTA)

The programme consisted in studying biodiversity management for the benefit of the rice crop and its sustainability in the Ebro Delta. It was carried out by researchers from the Institute for Research and Technology in Food and Agriculture (IRTA), in collaboration with Kellogg and the Ebro Group.

The study, carried out in 2017, concludes that the measures most highly valued by the agricultural community and most effective in enhancing biodiversity were some of those promoted by Kellogg's Origins® sustainable agriculture programme and applied by the growers in the Ebro Delta in recent years: planting yellow flag to maintain the stability of the drainage channels and increase the bat population by installing artificial roosts (bat boxes) to improve pest control.

EKTA PROJECT (INDIA)

The EKTA (*Ebro Kissan Training and Awareness*) programme, begun in 2015 and led by our subsidiary Ebro India, was extended in 2017 to 50 villages (compared to 36 in 2016), involving around 3,500 farmers.

The project, in which 10 professionals from Ebro India participate alongside an expert from Haryana University, extended its training tools this year and in addition to informative sessions, it has made a radio programme available for farmers, in which farmers are able to ask questions live to a rice crop specialist, as well as brochures and posters with technical information, warnings and indications.

A visit to Haryana University was also organised for a large group of farmers, who attended a presentation on good agricultural practices and visited experimental fields.

Industrial suppliers

The Ebro Group is working actively within and outside its consolidated group to ensure compliance with the corporate responsibility and sustainability parameters in its supply chain and that of its customers.

In order to monitor its supply chain and ensure compliance with its Code of Conduct for Suppliers, Ebro Foods has updated its contract in Sedex (<https://www.sedexglobal.com/es>), becoming an AB member of the platform, enabling it to act as both supplier and client. Sedex is a global not-for-profit membership organisation, which has the world's largest collaborative platform for sharing responsible sourcing data on supply chains.

EXTERNAL SUPPLIERS

In 2016, the Ebro Group embarked on an engagement process with its industrial suppliers through the Sedex platform to be able to monitor their ESG performance and help them to improve. This process, begun so far with rice suppliers, entails:

- Registration of the supplier as a B member in Sedex
- Self-assessment and relation with the Ebro Group account
- Risk assessment using specific tool provided by Sedex and definition of an audit plan
- Ethical audit

By the end of 2017, 30% of our suppliers had fully or partly completed this process.

Details of our supply chain

The information reported in this section only takes into account the supply chains of agricultural raw materials (rice, durum wheat and quinoa) of Ebro Foods, which account for the bulk of the raw materials used by the Ebro Group.

Both rice and durum wheat are purchased from three types of 1st tier suppliers, which may vary according to the countries in which the raw material is sourced:

- Farmers or cooperatives
- Mills and/or plants
- Traders

Quinoa is mainly purchased from mills, and in a smaller portion, from farmers and cooperatives.

Most of the raw material is purchased on the local markets in the countries in which we operate and directly from farmers or cooperatives.

There is relatively little variation from one year to the next in the pool of countries in which we source materials but do not operate, the direct suppliers we use in those countries and the volumes purchased per supplier category. However, within those categories, the operators from whom we buy and the volumes bought from each one may vary considerably depending on our needs in respect of price, quality, customer specifications, etc



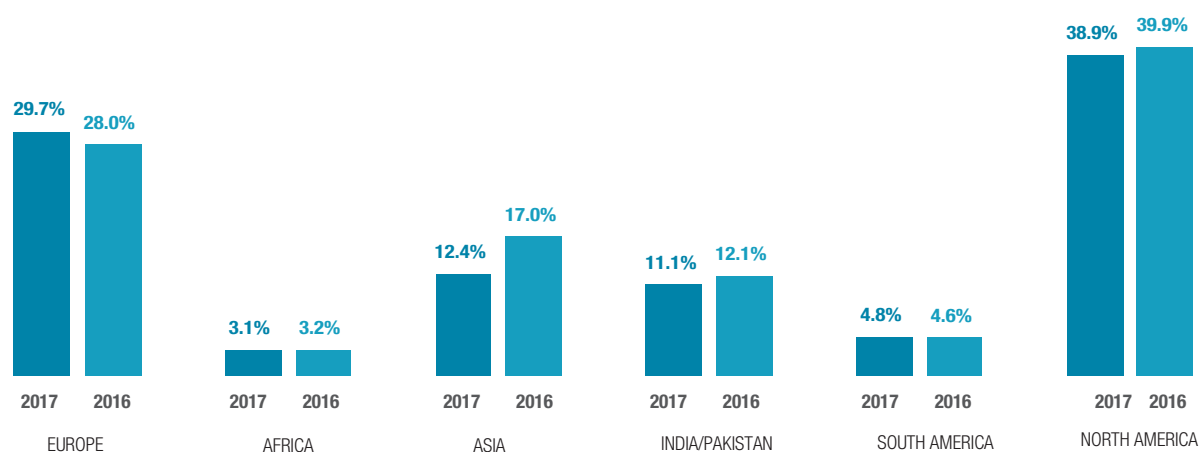
Volumes by origin

RICE

The rice supplies for the Ebro Group have been very stable over the past two years in both total volume and volume by origin, our most important sourcing regions being North America and Europe (see Fig. 1).

	2016	2017
	Tonnes	Tonnes
Europe	451,816	426,126
Africa	47,632	49,226
Asia	188,178	257,791
India/Pakistan	168,533	184,184
South America	72,456	69,815
North America	591,867	606,563
TOTAL	1,520,483	1,593,705

FIGURE 1: Rice sourcing - Origins (%)

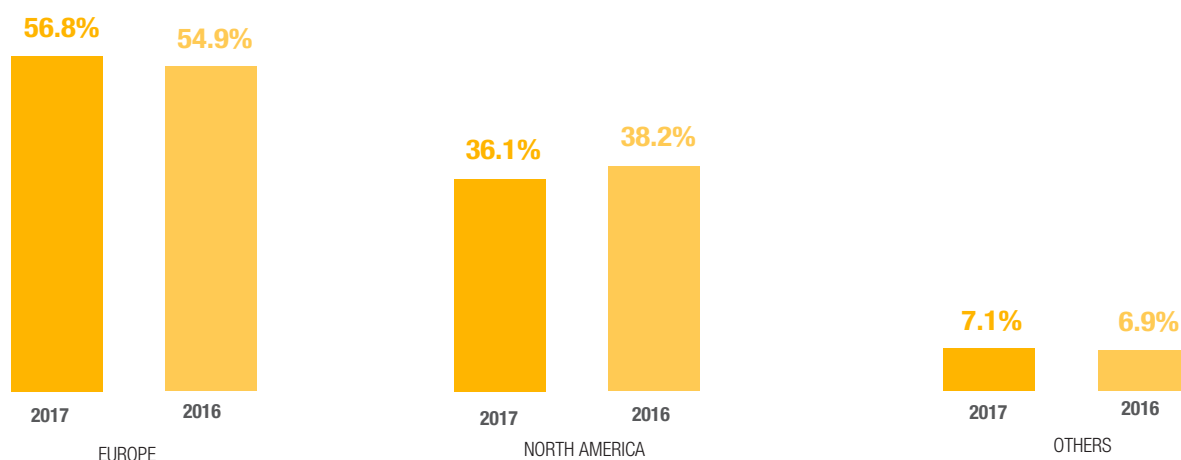


DURUM WHEAT

The Ebro Group sources its wheat mainly in Europe and North America, France and the USA being the two most important countries in purchase volume. (see Fig. 2).

	2016	2017
	Tonnes	Tonnes
Europe	481,418	453,518
North America	305,764	315,828
Others	59,828	56,800
TOTAL	847,010	826,146

FIGURE 2: Wheat sourcing - Origins (%)

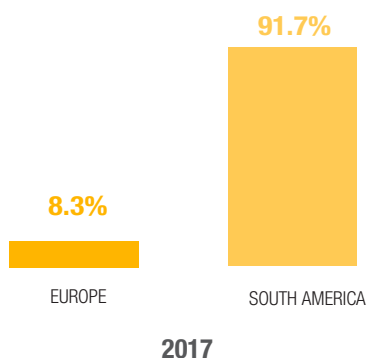


QUINOA

The Ebro Group sources its quinoa mainly in South America, and a very small percentage in Europe (see Fig. 3).

	2017	
	Tonnes	%
Europe	298	8.3%
South Am.	3,272	91.7%
TOTAL	3,570	100%

FIGURE 3: Quinoa sourcing - Origins (%)



Volume by supplier

RICE

On a global level, the vast majority of the rice is bought directly from farmers or cooperatives and the rest from millers and traders (see Fig. 4).

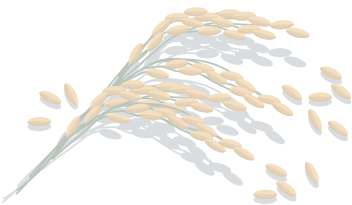


FIGURE 4: Rice sourcing - 1st tier suppliers (%)

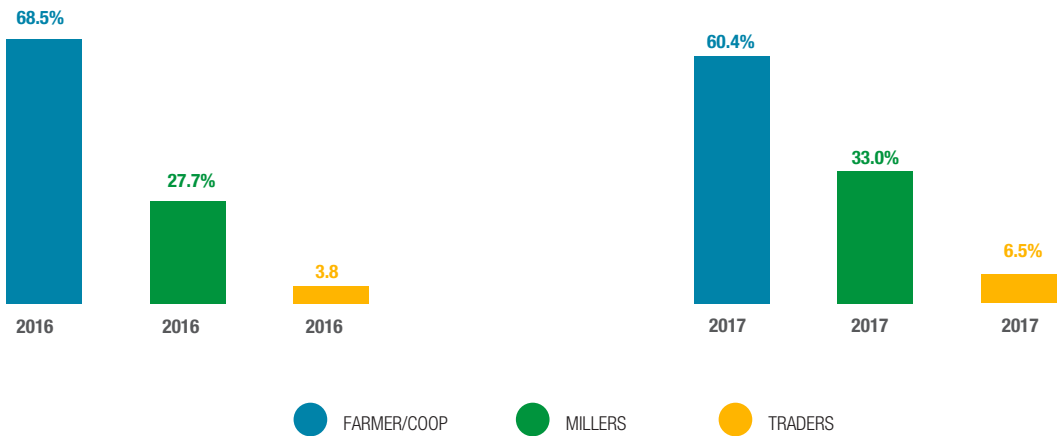
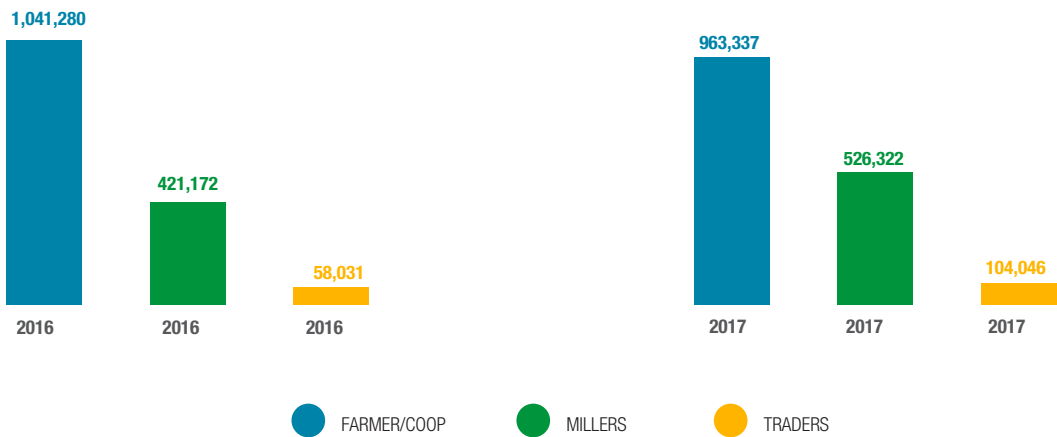


FIGURE 4: Arroz - Rice sourcing - 1st tier suppliers (t)



At a disaggregated level, this volume/supplier distribution varies considerably from one geographical region to another, but remains relatively constant for each region between 2016 and 2017 (see Fig. 5).

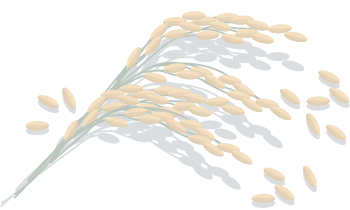


FIGURE 5: Rice sourcing - 1st tier suppliers (%)

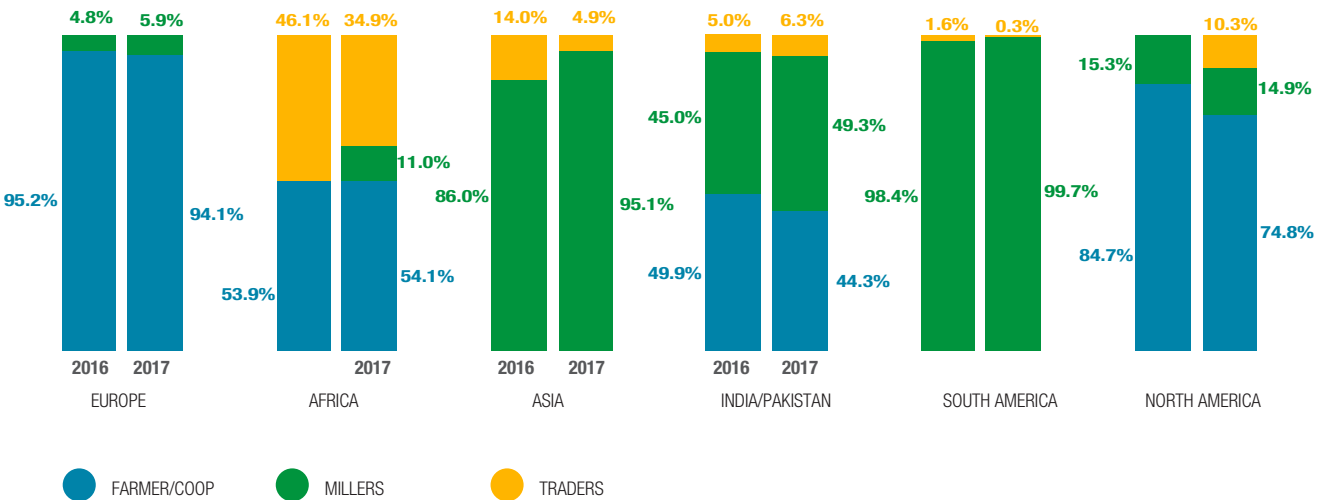
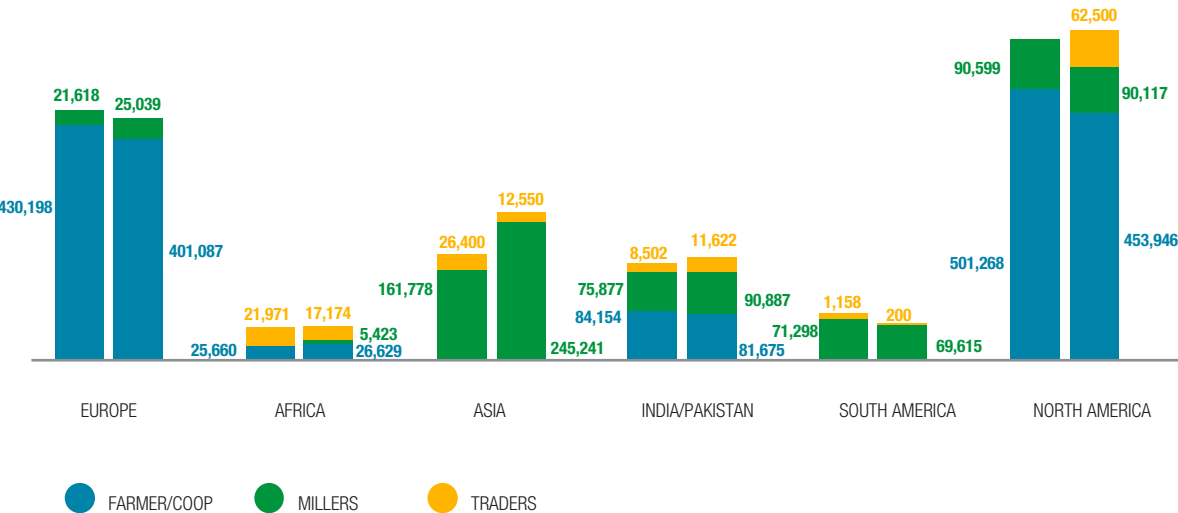


FIGURE 5: Rice sourcing - 1st tier suppliers (t)



DURUM WHEAT

On a global level most of the wheat is sourced directly from farmers or cooperatives, and millers. The rest of the volume is bought from traders (see Fig. 6).

FIGURE 6: Wheat sourcing - 1st tier suppliers (%)

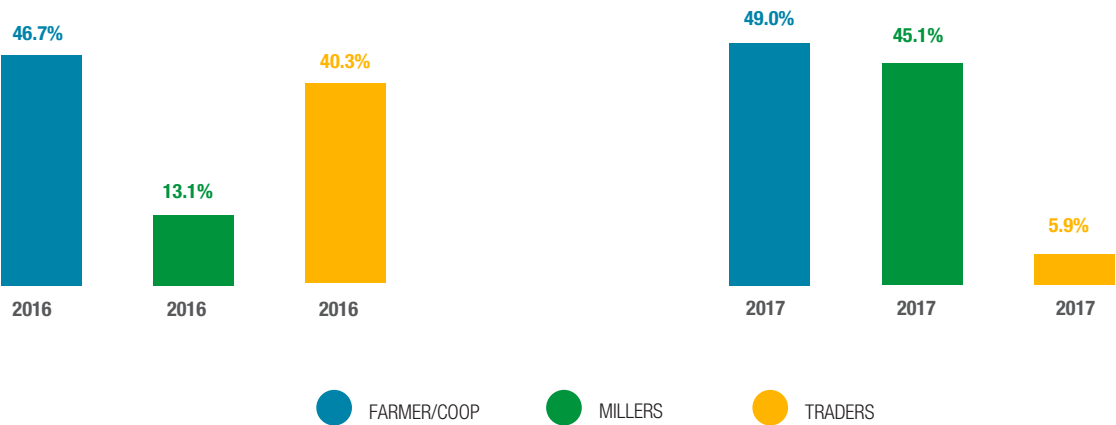
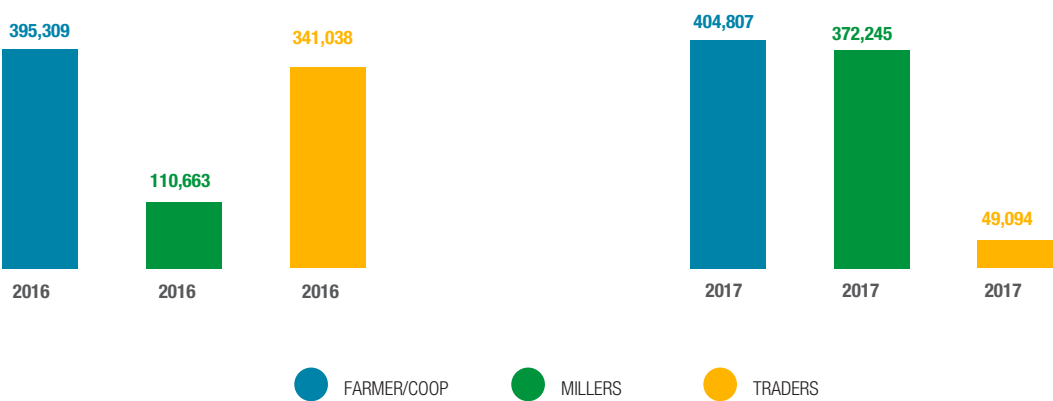


FIGURE 6: Wheat sourcing - 1st tier suppliers (t)



At a disaggregated level, the direct suppliers are totally different for each geographical region: mainly farmers or co-operatives in Europe and traders in North America (see Fig. 7).

FIGURE 7: Wheat sourcing - 1st tier suppliers - Origins (%)

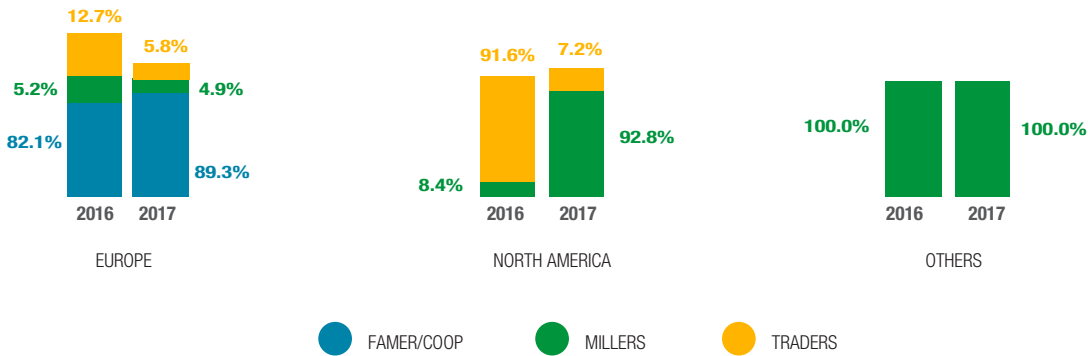
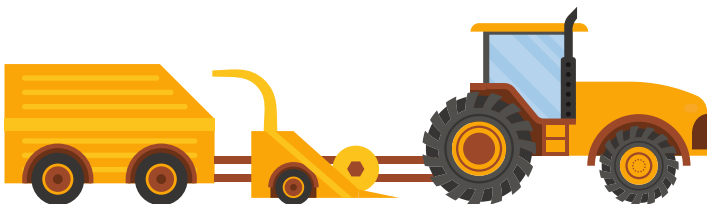


FIGURE 7: Wheat sourcing - 1st tier suppliers - Origins (t)



QUINOA

In 2017 most of the quinoa was sourced directly from mills. The remaining volume was purchased from farmers and cooperatives. (see Fig. 8).

FIGURE 8: Quinoa sourcing - 1st tier suppliers (%)

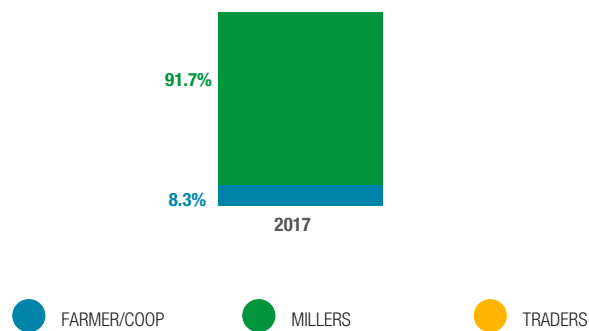
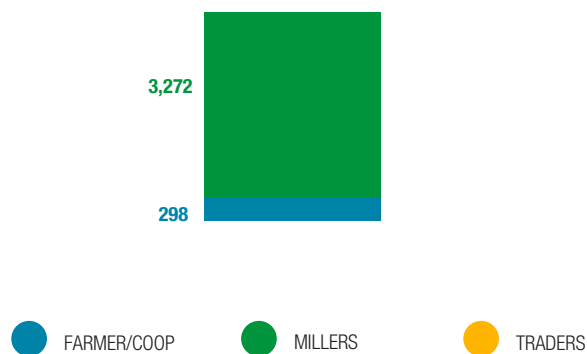
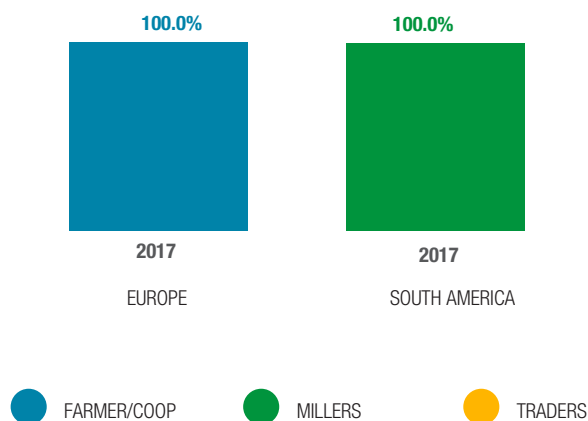


FIGURE 9: Quinoa sourcing - 1st tier suppliers (t)



At a disaggregated level, the direct suppliers are totally different for each geographical region: farmers or cooperatives in Europe and mills in North America (see Fig. 9).

FIGURE 9: Quinoa sourcing - 1st tier suppliers - Origins (%)



Environmental dimension

1

**Commitment to
the environment**

Pag 95

1 Commitment to the environment



GOAL: *Minimise the environmental impact of the operations performed within our industrial group through adequate management of natural resources, ensuring environmental efficiency in the supply chain and contributing to the mitigation of and adaptation to climate change.*

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

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

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

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

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

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

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

The Ebro Group also takes action on the rest of its value chain. It has launched a programme to control the environmental performance (social and governance) of its industrial suppliers through ethics audits and collaboration with them to enhance their environmental practices if necessary. It is using the Sedex platform as its management tool for this. During 2016, the Ebro Group created a holding account on that platform, in which all the companies in the rice division are already integrated, and the programme has been launched with the rice suppliers. During 2017, 30% of the suppliers in this Division were monitored in Sedex.

The company also takes an active approach to the promotion and investigation of environmentally sustainable growing techniques for application in the production of its agricultural raw materials, the principal material currently under study being rice. This work is done through own initiatives and specific collaborations with stakeholders and sectoral associations, particularly the Sustainable Agriculture Initiative Platform (SAI Platform) and the Sustainable Rice Platform. In this regard, the Group is also a member of the Climate Change Cluster promoted by Forética (www.foretica.org). That Cluster aims to position climate change strategically in the management of organisations, discuss and exchange views and good practices among the companies forming part of the cluster, be part of the global debate and be key to government decisions. Ebro also maintained its membership in 2017 of the Cool Farm Alliance (<https://coolfarmtool.org/cool-farm-alliance/>), an international platform for industry committed to developing sustainable agriculture by measuring different sustainability parameters, such as CO₂ emissions.

Environmental performance indicators

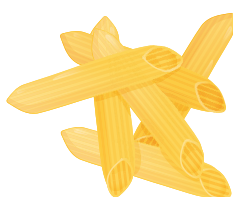
SCOPE OF REPORTING

This report was prepared with information from all the production plants making up the Ebro Group's industrial park, except for Geovita and Transimpex, which were incorporated in the consolidated group as from mid-2017.

The comparison of 2017 and 2016 is somewhat distorted because the details of eight production plants were added to the consolidated group in 2017.

The figures set out below were prepared in accordance with the G4 guidelines of the Global Reporting Initiative (GRI).

GEOGRAPHICAL LOCATION	NO. OF PLANTS REPORTING	COMPANIES
Europe	36	
Spain	11	Herba Ricemills (8) Harinas Santa Rita (1) Vegetalia (2)
Portugal	1	Mundiarroz
UK	3	S&B
Italy	2	Mundi Riso / Garofalo
France	11	Panzani / Lustucru / Roland Monterrat / Celnat
Belgium	1	Boost (1)
Netherlands	5	Lassie (1) Herba ingredients (4)
Germany	1	Keck
Denmark	1	Danrice
North America	13	
		Riviana (10) Catelli (3)
Africa	2	
Morocco	1	Mundiriz
Egypt	1	Herba Egypt
Asia		
Thailand	2	Herba Bangkok
India	1	Ebro India
Total	53	



Materials

RAW MATERIALS

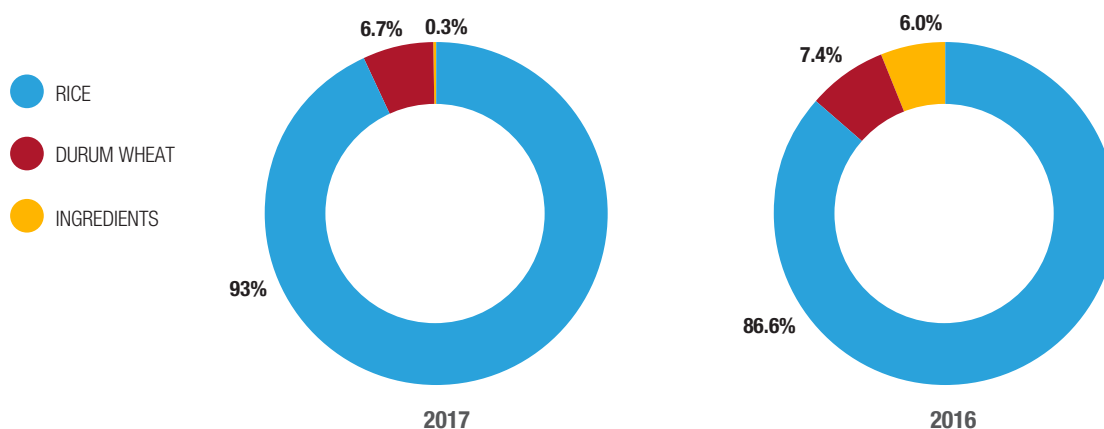
[EN1]

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

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

- **Agricultural:** rice, wheat and quinoa
- **Processed:** ingredients (ready-to-serve)

RAW MATERIALS FOR PRODUCT (T)	2017	2016
Rice	14,331,781	12,495,560
Durum Wheat	1,026,675	1,070,671
Pulsus	0	0
Quinoa	1,000	0
Ingredients	45,925	862,618
Total	15,405,382	14,428,850



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

INPUT MATERIALS FOR PACKAGING (T.)	2017	2016
Paper	16,197	16,865
Cardboard	42,761	40,314
Plástico	17,424	15,528
Others	1,246	2,124
Total	76,382	72,707

RECYCLED PACKAGING MATERIALS

[EN2]

The recycled input materials for packaging set out below are partial, since this indicator has not been reported globally by all the companies.

RECYCLED INPUT MATERIALS IN PACKAGING (T)	2017	2016
Recycled paper	3,839	5,673
Recycled cardboard	17,055	11,410
Recycled Plastic	715	227
Total	21,609	17,310

Energy

ENERGY CONSUMPTION

[EN3]

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

Direct consumption

CONSUMPTION NON-RENEWABLE ENERGY SOURCES (GJ)	2017	2016
Natural Gas	3,327,082	3,216,440
Others	65,935	36,786
Total	3,393,017	3,253,226

CONSUMPTION RENEWABLE ENERGY SOURCES (GJ)	2017	2016
Biomass (*)	118,424	74,302
Total	118,424	74,302
Total direct consumption	3,511,442	3,327,528

(*) Biomass is exclusively rice husk, a by-product of our industrial processes.

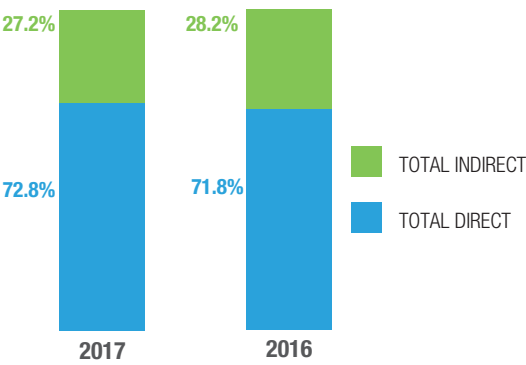
Indirect consumption

INTERMEDIATE ENERGY ACQUIRED AND CONSUMED (GJ)	2017	2016
Electricity	1,311,458	1,304,886
Total indirect consumption	1,311,458	1,304,886

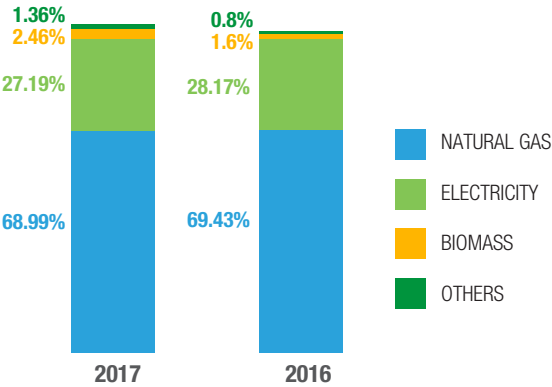
Total energy consumption

TOTAL ENERGY CONSUMPTION (GJ)	2017	2016
	4,822,900	4,632,414

ENERGY CONSUMPTION / DIRECT AND INDIRECT



ENERGY CONSUMPTION BY SOURCE



Energy intensity
[EN5]

	2017	2016
Total produced (t)	2,912,525	2,862,109
Total energy consumed (GJ)	4,822,900	4,632,414
Energy intensity (GJ/t product)	1.66	1.62



Reduction of energy consumption

[EN6]

Three group companies developed different initiatives in 2017 to reduce their energy consumption, by a total of €248,896.

COMPANY	INITIATIVE	2017
Catelli	Installation of a new more efficient natural gas boiler	18,936 €
Lustucru	Installation of LED luminaires	50,000
Lustucru	Replacement of burner in 6T boiler and drain tank	130,000 €
Roland Monerrat	Installation of flow meters	32,000 €
Roland Monerrat	Reduction of steam production	16,960 €
Roland Monerrat	Reduction of water consumption	1,000 €
Total		248,896 €

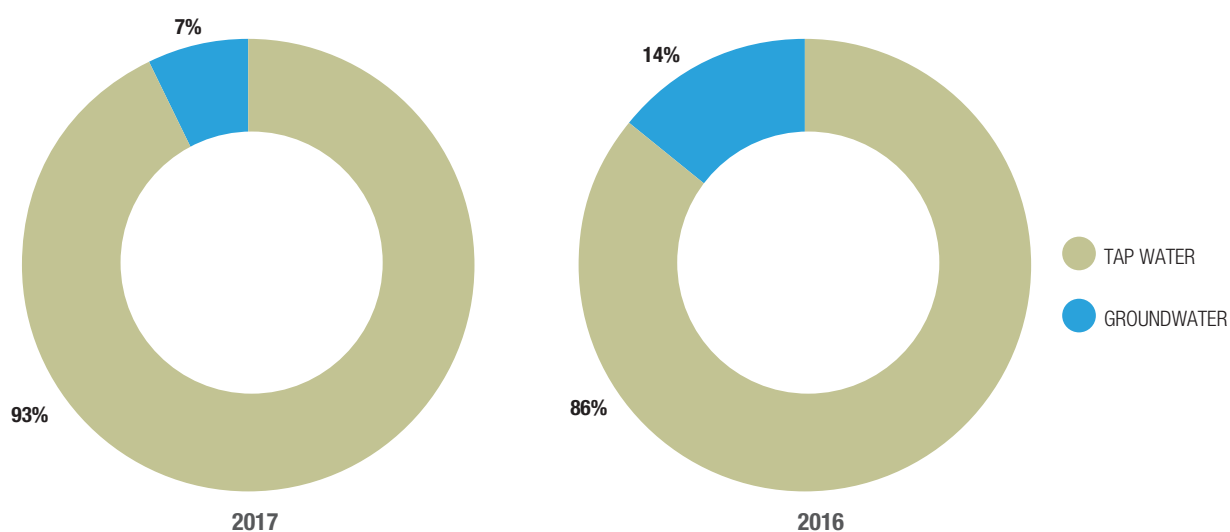
Water

WATER CONSUMPTION

[EN8]

TOTAL VOLUME OF WATER WITHDRAW (M³)	2017	2016
Tap water	3,310,017	2,828,917
Groundwater	242,308	493,681
Total industrial processes	3,552,324	3,322,598
Surface water (*)	17,340,000	17,340,000
Total water withdrawn	20,892,324	20,662,598

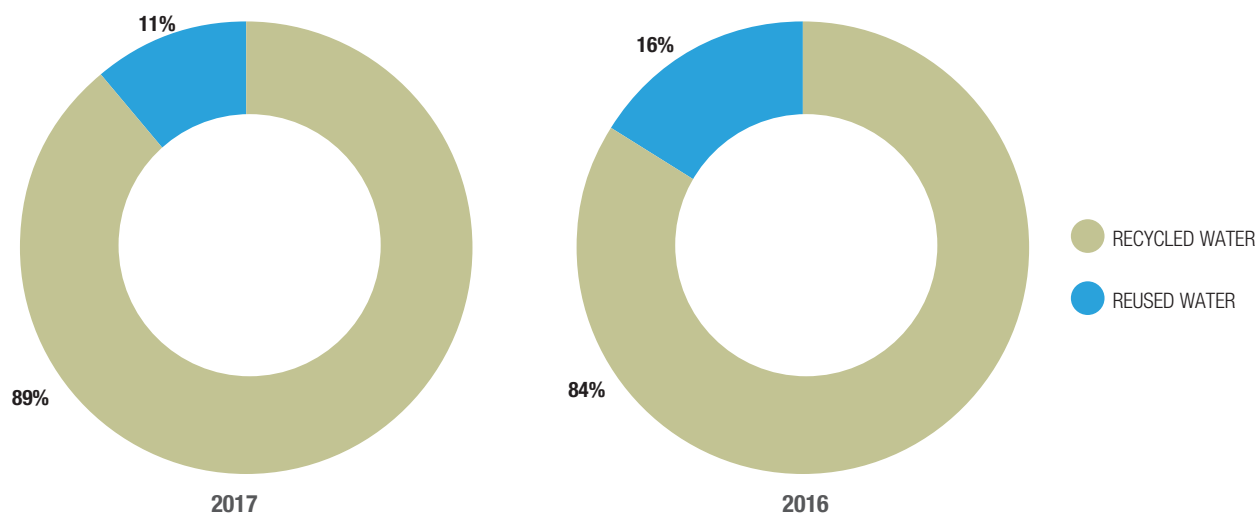
(*) The surface water was not withdrawn for our industrial activity but the agricultural activity performed by the subsidiary Rivera del Arroz in Morocco.



WATER RECYCLED AND REUSED

[EN10]

TOTAL VOLUME OF WATER RECYCLED AND REUSED (M³)	2017	2016
Recycled water	455,417	283,661
Reused water	53,681	54,012
Total	509,098	337,673



Two group companies developed initiatives in 2017 to reduce their water consumption, by a total of €70,000.

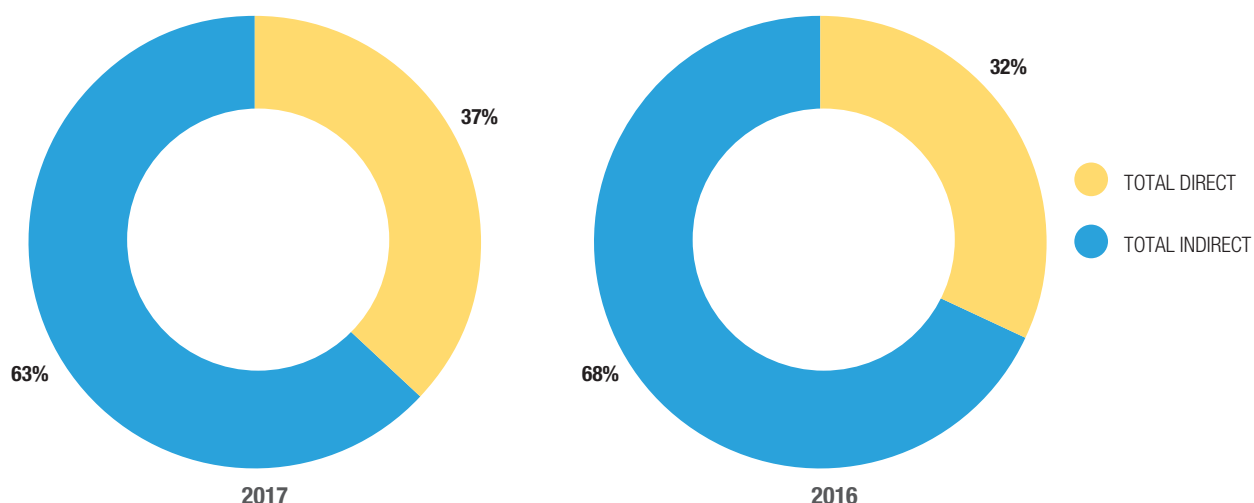
COMPANY	INITIATIVE	2017
Garofalo	Thermostat for reused water	55,000 €
Keck Spezialitäten	UV disinfection	15,000 €
Total cost		70,000 €



Emissions

DIRECT AND INDIRECT GREENHOUSE GAS (GHG) EMISSIONS (SCOPE 1 AND 2) [EN15 / EN16]

GHG EMISSIONS (T CO ₂ -EQ)	2017	2016
Direct emissions	191,256	182,899
Indirect emissions	325,979	389,371
Total emissions	517,234	572,270



OTHER INDIRECT GHG EMISSIONS (SCOPE 3) [EN17]

In 2015 the Ebro Foods rice division contracted its main shipping service provider, EccoFreight, to calculate the carbon footprint of shipping our raw materials and products.

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

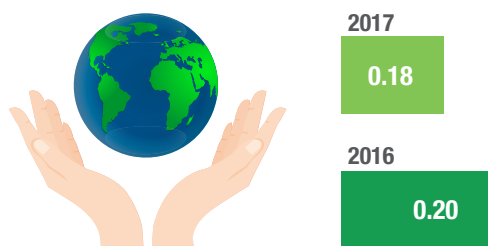
During 2017, EccoFreight handled 71.4% of the shipments of the rice division, with a total of 117,029 tonnes shipped (9,546 TEUS), producing GHG emissions of 29,599 tonnes of CO₂ eq.

These emissions were not counted for calculation of the indicator EN18.

As from 2017, Ebro Foods has started using the Cool Farm Tool predictive model of Cool Farm Alliance, of which it is a member, to estimate the GHG emissions generated in the production of its agricultural produce, which account for over 50% of the carbon footprint of its products in the case of rice.

GHG EMISSIONS INTENSITY [EN18]

	2017	2016
Total produced (t)	2,912,525	2,862,109
Total GHG emissions (t CO ₂ -eq)	517,234	572,270
GHG emissions intensity (t CO ₂ -eq /t product)	0.18	0.20



EMISSIONS OF OZONE-DEPLETING SUBSTANCES [EN20]

Practically no ozone-depleting substances have been generated.

TYPE OF GAS	2017	2016
Hydrofluorocarbons (HFCs)	0.28	0.15
Nitrogen trifluoride (NF ₃)	0.00	0.00
Perfluorocarbons (PFCs)	0.00	0.00
Sulphur hexafluoride (SF ₆)	0.00	0.00
Total	0.28	0.15

NO_x, SO_x AND OTHER SIGNIFICANT AIR EMISSIONS [EN21]

TYPE OF GAS	2017	2016
NO _x	121.75	51.77
Other emissions	29.45	22.82
Particulate matter (PM)	3.97	2.96
SO _x	12.00	18.01
Volatile Organic Compounds (VOC)	2.43	1.89
Total	169.60	97.46

Only natural gas combustion (principal source) has been considered at our plants to calculate the NO_x, SO_x and VOC emissions.

The emissions of particulate matter reported are those produced in the handling of agricultural raw materials at our plants. These data are merely approximate since not all our plants obtained a reliable figure. We are still working towards obtaining complete, consistent information on this point.

Effluent and waste

WATER DISCHARGE [EN22]

WATER DISCHARGED (M³)	2017	2016
Process water and sewage	2,447,632	2,140,813
Total effluent	2,447,632	2,140,813

DESTINATION OF WATER DISCHARGE (M³)	2017	2016
Sewerage system or treatment facility	1,879,317	1,869,329
Surface water	568,315	271,484

WASTE GENERATION [EN23]

WASTE (T.)	2017	2016
Hazardous	40	66
Non-hazardous	31,891	23,854
Total Waste	31,932	23,921

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

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

SIGNIFICANT SPILLS [EN24]

No spills occurred in 2017.

Compliance & expenditure and investment

REGULATORY COMPLIANCE

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.

ENVIRONMENTAL CERTIFICATION AND MANAGEMENT SYSTEMS

The following table shows the plants at which Panzani and Garofalo have an environmental management system certified under UNE-EN-ISO 14001.

COMPANY	COUNTRY	NAME OF PLANT	CERTIFICATE
Panzani	France	SEMOLINA GENNEVILLIERS	ISO 14.001
Panzani	France	SEMOLINA MARSEILLE LITTORAL	ISO 14.001
Panzani	France	SEMOLINA MARSEILLE ST. JUST	ISO 14.001
Pastificio Lucio Garofalo	Italy	GRAGNANO	ISO 14.001

NON-COMPLIANCE AND FINES

[EN29]

There have been two cases of non-compliance with the law, with the corresponding fines

SUBSIDIARY	NON-COMPLIANCE	FINE
Vegetalia	Exceeding the maximum instantaneous flow of effluent	Fine of €750 imposed by Consorci del Besòs - Tordera
Vegetalia	Effluent limits	Fine of €750 imposed by Consorci del Besòs - Tordera

ENVIRONMENTAL PROTECTION EXPENDITURES AND INVESTMENT

[EN31]

	2017	2016
Expenditure in management and control	784,096 €	350,395 €
Investment to minimise environmental impact	2,164,158 €	3,334,544 €
Total	2,948,254 €	3,684,939 €

Biodiversity

As established in the different strategies, plans and national action registers for biodiversity in the different geographical areas in which our production plants are situated, none of the Ebro Group companies has any operational site owned, leased, managed in, or adjacent to, protected areas or areas of high biodiversity value outside protected areas.