

# SOCIAL RESPONSIBILITY MODEL



# EBRO FOODS, S.A.

## SOCIAL RESPONSIBILITY MODEL

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

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

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

1. Diagnosis of the sustainability measures taken by the different companies in the Group.
2. Detailed analysis of our value chain with a view to identifying the potential risks and impacts, both positive and negative, of our operations. Within this process we have identified three key areas, in which we can make the most valuable contributions to society as they are inherent in our core business and present throughout the entire chain: (i) nutrition and health, (ii) agricultural development, by promoting and implementing sustainable agricultural practices, and (iii) environmental management.
3. Constant dialogue with our internal and external stakeholders, which has enabled us to identify their main concerns and incorporate their suggestions in the design and implementation of the Group's action plans.

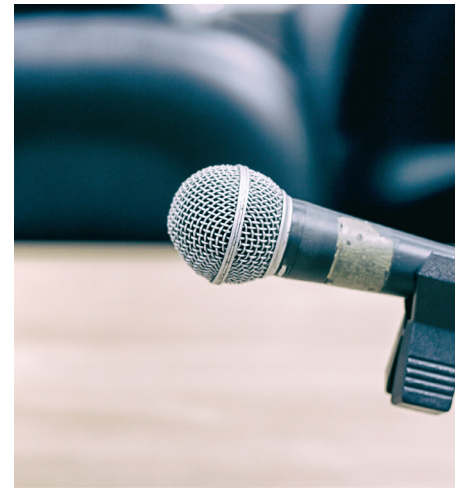
The company's main groups of stakeholders are:

- 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.

STAKEHOLDERS	CHANNELS OF DIALOGUE BETWEEN THE EBRO GROUP AND ITS STAKEHOLDERS
Shareholders	<ul style="list-style-type: none"> <li>➤ Corporate website</li> <li>➤ Electronic shareholders' mailbox</li> <li>➤ Shareholders' office</li> <li>➤ CNMV regulatory announcements</li> <li>➤ Investor Relations Department</li> <li>➤ Meetings with analysts and investors</li> <li>➤ Roadshows</li> <li>➤ General Meeting of Shareholders</li> <li>➤ Quarterly reports</li> <li>➤ Annual Report</li> <li>➤ Social media</li> <li>➤ Press releases</li> <li>➤ Reporting channel of the Code of Conduct (COC)</li> </ul>
Employees	<ul style="list-style-type: none"> <li>➤ Corporate website and websites of our subsidiaries</li> <li>➤ Corporate Intranet</li> <li>➤ Suggestion box</li> <li>➤ Social media</li> <li>➤ Mailbox</li> <li>➤ Digital newsletter</li> <li>➤ Blogs (corporate and brand)</li> <li>➤ Mailshots</li> <li>➤ Department Days</li> <li>➤ Works Council</li> <li>➤ HR contacts</li> <li>➤ Corporate Communications Department</li> <li>➤ Annual Report</li> <li>➤ Reporting channel of the COC</li> </ul>
Customers, consumers and distributors	<ul style="list-style-type: none"> <li>➤ Corporate website and websites of our subsidiaries</li> <li>➤ Customer services department</li> <li>➤ Electronic mailboxes in each of the Group companies</li> <li>➤ Parent company mailbox (comunicacion@ebrofoods.es)</li> <li>➤ Advertising and Marketing</li> <li>➤ Satisfaction surveys</li> <li>➤ Regular one-to-one meetings and visits</li> <li>➤ Social media</li> <li>➤ Blogs (corporate and brand)</li> <li>➤ Trade fairs, forums and conferences</li> <li>➤ Annual Report</li> <li>➤ Reporting channel of the COC</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>➤ Corporate website and websites of our subsidiaries</li> <li>➤ Meetings with the Purchasing Departments of Group companies</li> <li>➤ Supplier Code of Conduct</li> <li>➤ Regular visits to suppliers</li> <li>➤ Surveys</li> <li>➤ Assessments through Sedex</li> <li>➤ Annual Report</li> <li>➤ Social media</li> <li>➤ Reporting channel of the COC</li> </ul>
Society	<ul style="list-style-type: none"> <li>➤ Corporate website and websites of our subsidiaries</li> <li>➤ Website of the Ebro Foods Foundation</li> <li>➤ Social media</li> <li>➤ Corporate blog</li> <li>➤ Annual Report</li> <li>➤ Communications and CSR Department</li> <li>➤ Press releases</li> <li>➤ Parent company mailbox (comunicacion@ebrofoods.es)</li> <li>➤ Meetings with NGOs and social action institutions</li> <li>➤ Meetings with local authorities</li> <li>➤ Meetings with resident associations</li> <li>➤ Reporting channel of the COC</li> </ul>



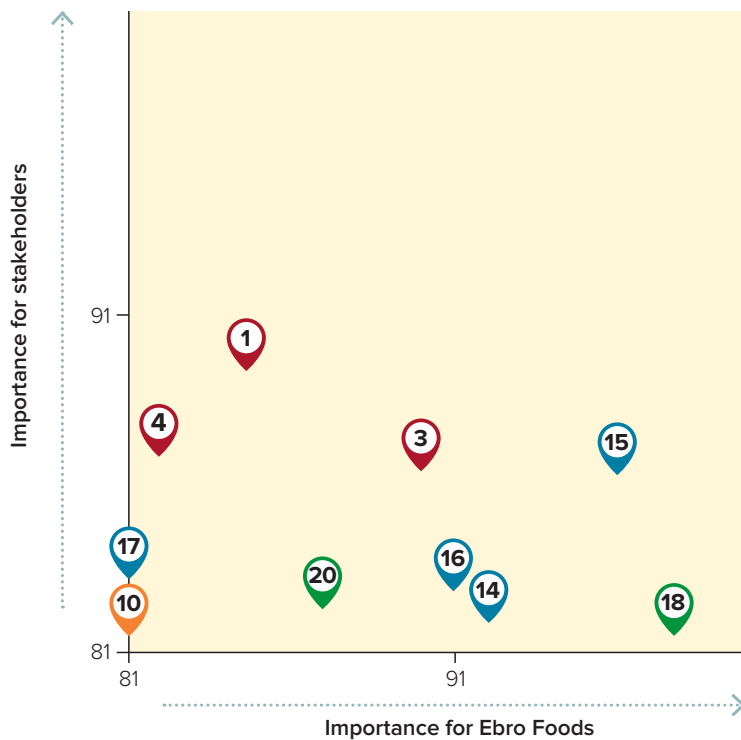


STAKEHOLDERS	CHANNELS OF DIALOGUE BETWEEN THE Ebro GROUP AND ITS STAKEHOLDERS
Media	<ul style="list-style-type: none"> <li>▶ Corporate website and websites of our subsidiaries</li> <li>▶ Corporate Communications Department</li> <li>▶ Parent company mailbox (comunicacion@ebrofoods.es)</li> <li>▶ Press releases</li> <li>▶ CNMV regulatory announcements</li> <li>▶ Social media</li> <li>▶ Corporate blog</li> <li>▶ Regular meetings with different media</li> <li>▶ Interviews</li> <li>▶ Surveys and questionnaires</li> <li>▶ Annual Report</li> </ul>

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

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

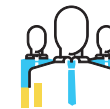
## GLOBAL MATERIALITY MATRIX



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



Maximising the sustainability, quality and safety of food throughout the value chain



Preventing and avoiding accidents and damage by improving the safety of direct and indirect jobs (manufacturing and distribution)



Implementing environmental policies (especially those related with climate change and water)

### 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 Manage human resources responsibly (equality, work-life balance, diversity)

### 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

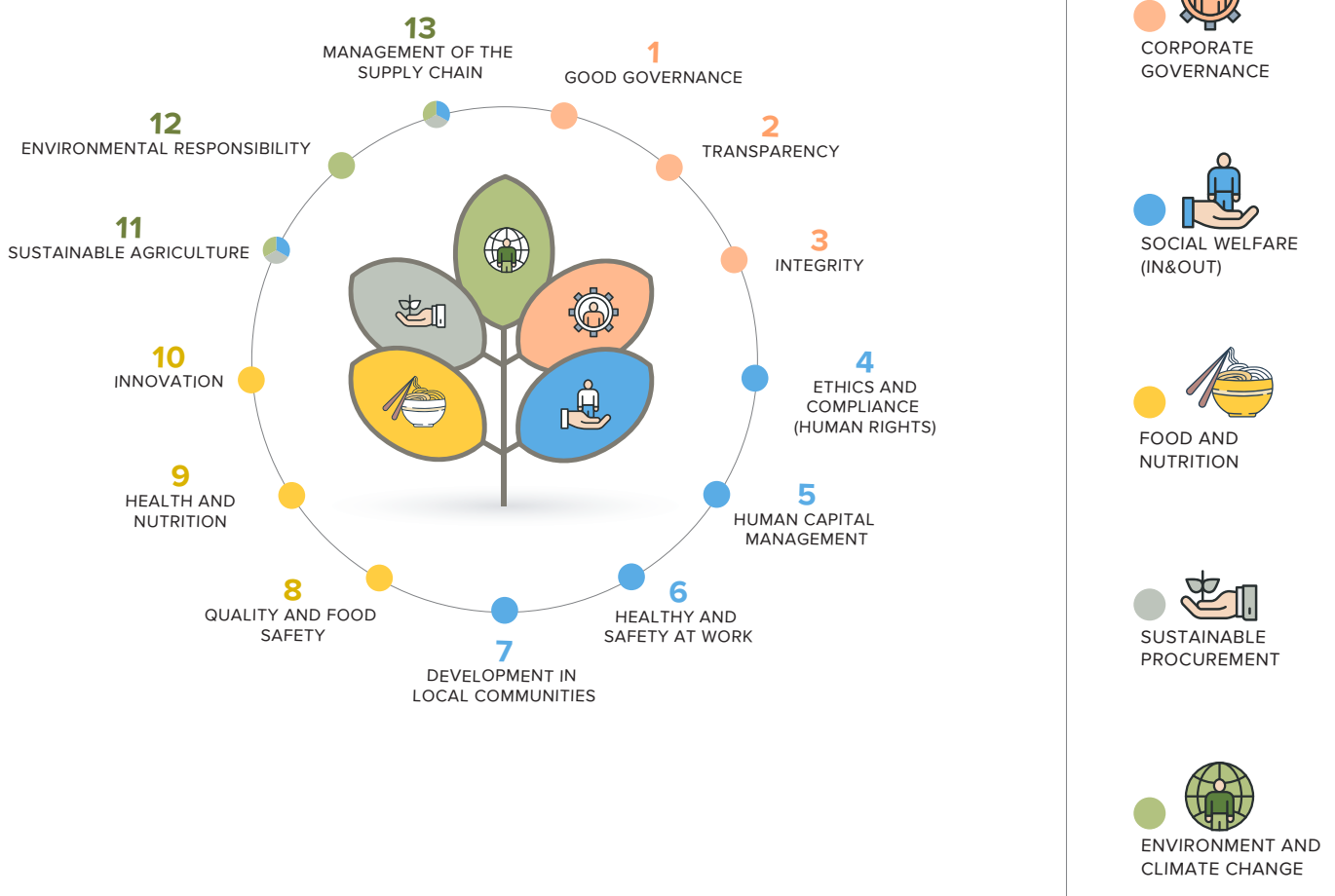
### IMPLEMENT ENVIRONMENTAL POLICIES

- 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

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.

## CSR Model



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



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

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

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

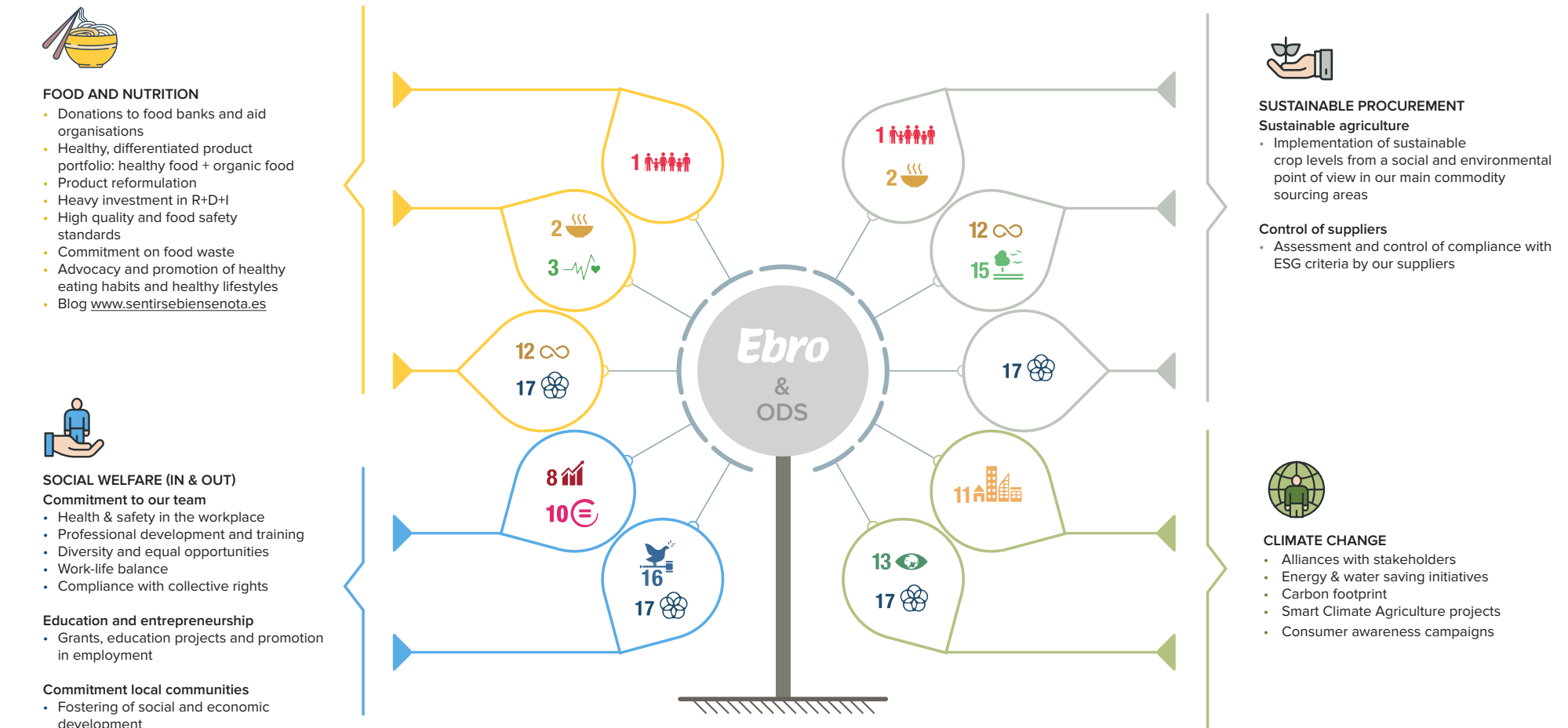
As for the third pillar, with the aim of securing the health and well-being of our consumers, in addition to its heavy investment in R&D and innovation to guarantee a broad range of safe, healthy products, the Group will continue to oversee the quality and food safety of those products while actively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

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



## ALIGNMENT OF THE MODEL WITH THE SDG

All the Ebro Group's CSR actions are directly or indirectly related with the 17 Sustainable Development Goals, although considering the nature of our business, we have a greater impact and, therefore, can make a greater contribution to 11 of them.














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



## ALLIANCES WITH ENVIRONMENTAL AND SOCIAL ENTITIES AND INITIATIVES

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

	<p>Signatory of the United Nations Global Compact  <a href="http://www.pactomundial.org">www.pactomundial.org</a></p>
	<p>Member of the Redistribution Committee of the Spanish Commercial Coding Association (AECOC) project against food waste "Don't waste food, use it"  <a href="http://www.alimentacionsindesperdicio.com/">http://www.alimentacionsindesperdicio.com/</a></p>
	<p>Member of the SERES Foundation  <a href="http://www.fundacionseres.org/Paginas/Inicio.aspx">http://www.fundacionseres.org/Paginas/Inicio.aspx</a></p>
	<p>Member of Forética  <a href="http://www.foretica.org/">http://www.foretica.org/</a></p>
	<p>Member of Fundación Lealtad  <a href="http://www.fundacionlealtad.org/">http://www.fundacionlealtad.org/</a></p>
	<p>Protector member of Fundación Secot  <a href="http://www.secot.org/">http://www.secot.org/</a></p>
	<p>Sustainable Agriculture Initiative (SAI) Platform  <a href="http://www.saiplatform.org/">http://www.saiplatform.org/</a></p>
	<p>Sustainable Rice Platform (SRP)  <a href="http://www.sustainablerice.org/">http://www.sustainablerice.org/</a></p>
	<p>Sedex  <a href="https://www.sedexglobal.com/es/">https://www.sedexglobal.com/es/</a></p>
	<p>Ecovadis  <a href="https://www.ecovadis.com/es/">https://www.ecovadis.com/es/</a></p>
	<p>Ceflex  <a href="https://ceflex.eu/">https://ceflex.eu/</a></p>



## EXTERNAL ASSESSMENTS

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

## REGULATORY FRAMEWORK

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

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

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