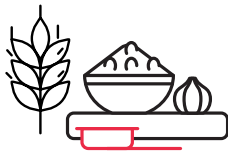


SUPPLY CHAIN MANAGEMENT



EBRO FOODS, S.A.

SUPPLY CHAIN MANAGEMENT



A. SUPPLIER MANAGEMENT

DESCRIPTION OF THE SUPPLY CHAIN

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

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

Approximately 70% of them are in Europe, 10% in North America and 20% distributed among Africa, India, South America and south-east Asia, according to the locations of our companies Mundiriz, Ebro India, La Loma Alimentos, Herba Bangkok and Herba Cambodia.

SUPPLIER MANAGEMENT MODEL

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

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

We have another two corporate tools we can use to achieve this goal: on the one hand, the Procurement Departments of the different subsidiaries visit and hold meetings with their suppliers; and on the other hand, the Sedex Platform, to which the suppliers of the different Group companies are gradually signing up, and who are in turn audited by an independent external firm.

In this area, we made 11 SMETA audits in 2019 on suppliers in Greece, Italy, France, Thailand, Pakistan and Hungary.

COUNTRY	DATE	AUDIT FIRM
Greece	21/11/2019	Intertek Bulgaria
Greece	20/11/2019	Intertek Bulgaria
France	14/11/2019	BVCERT 4 Pillar Audits
Thailand	12/09/2019	SGS Thailand
Italy	06/06/2019	BVCERT 4 Pillar Audits
Italy	17/05/2019	Intertek Italy
Italy	04/04/2019	SGS Italy
Hungary	27/03/2019	BVCERT 4 Pillar Audits
Italy	27/03/2019	Intertek Italy
Italy	01/02/2019	SGS Italy
Pakistan	23/01/2019	Elevate Limited

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

No adverse environmental impacts were detected in our supply chain during 2019.

B. MANAGEMENT OF THE SUPPLY CHAIN FOR AGRICULTURAL RAW MATERIALS

DETAILS OF OUR SUPPLY CHAIN

The information reported in this section only takes into account the supply chains of the agricultural raw materials rice, durum wheat and quinoa, 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
- > Millers and/or plants
- > *Traders*

Quinoa is mainly purchased from cooperatives of farmers and millers.

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.

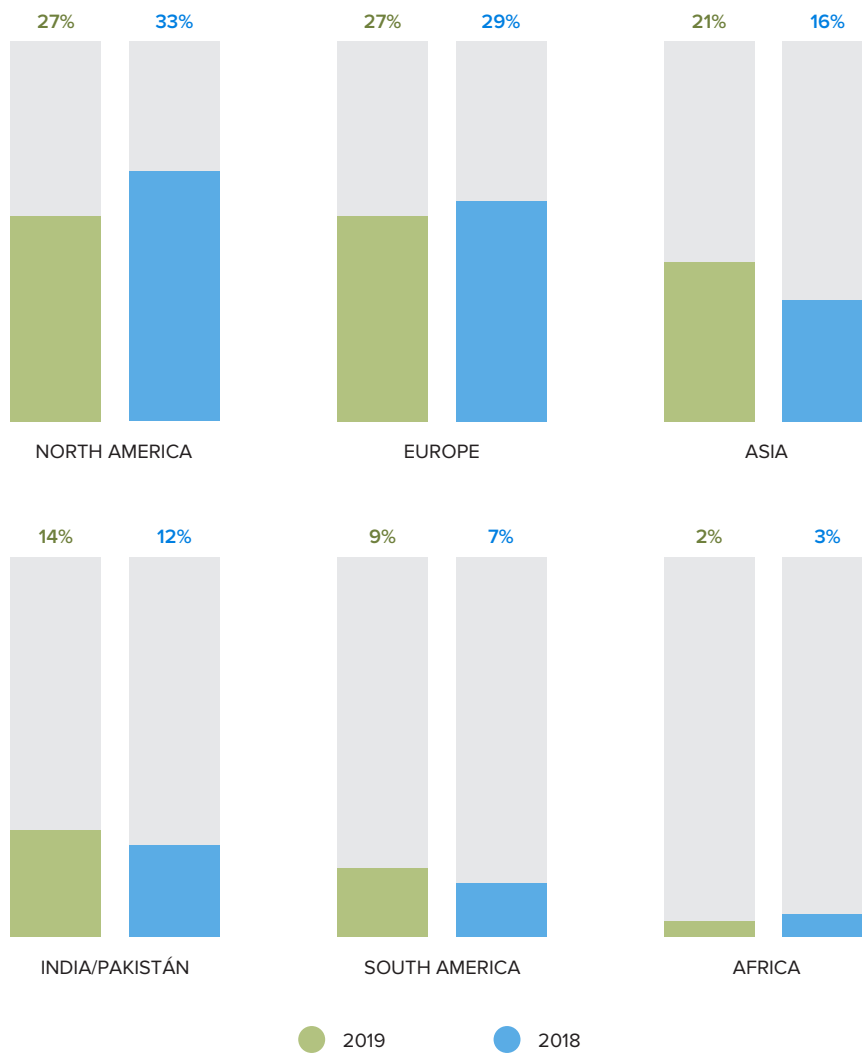
VOLUMES BY ORIGIN

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.

	2019		2018	
	TONNES	%	TONNES	%
North America	414,545	27%	495,759	33%
Europe	404,696	27%	434,512	29%
Asia	327,342	21%	233,424	16%
India/Pakistan	209,010	14%	179,521	12%
South America	134,198	9%	100,090	7%
Africa	35,771	2%	42,619	3%
TOTAL (T)	1,525,561		1,485,925	

RICE SOURCING ORIGINS

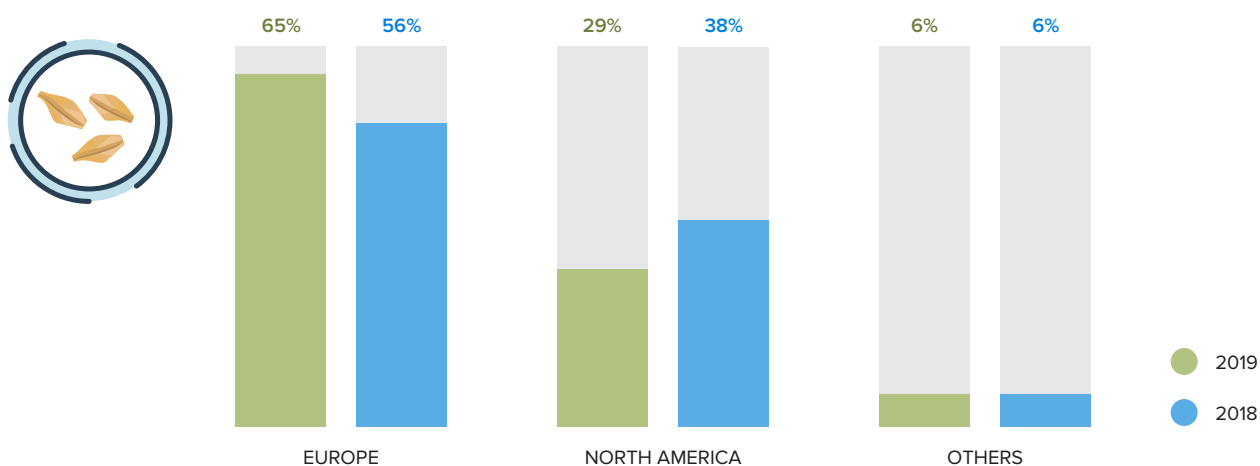


Durum wheat

The Ebro Group sources its durum wheat mainly in Europe and North America, the largest quantities being purchased in France and the USA.

	2019		2018	
	TONNES	%	TONNES	%
Europe	491,282	65%	472,741	56%
North America	217,554	29%	326,250	38%
Others	45,994	6%	49,982	6%
TOTAL (T)	754,830		848,973	

WHEAT SOURCING / ORIGINS

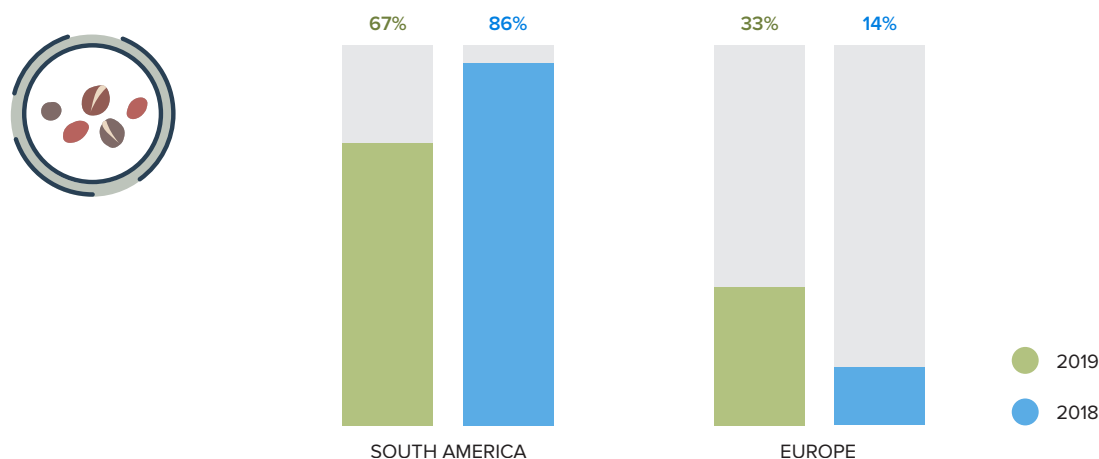


Quinoa

The Ebro Group sources most of its quinoa in South America.

	2019		2018	
	TONNES	%	TONNES	%
South America	1,778	67%	3,255	86%
Europe	862	33%	521	14%
TOTAL (T)	2,640		3,776	

QUINOA SOURCING ORIGINS



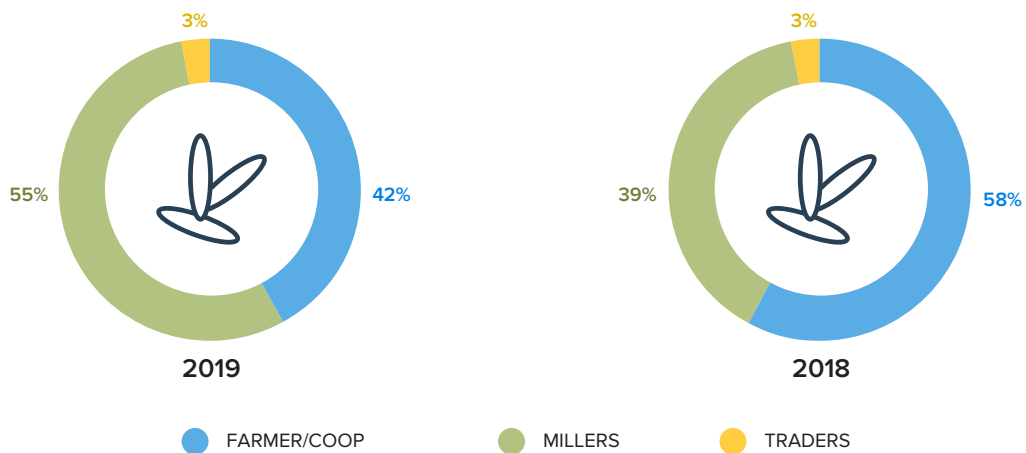
VOLUME BY SUPPLIER

Rice

On a global level, rice is bought directly from farmers, cooperatives and millers, and a very small quantity is purchased from traders.

	2019		2018	
	TONNES	%	TONNES	%
Farmer/Coop	640,230	42%	867,076	58%
Millers	839,197	55%	578,186	39%
Traders	46,134	3%	40,663	3%
TOTAL (T)	1,525,561		1,485,925	

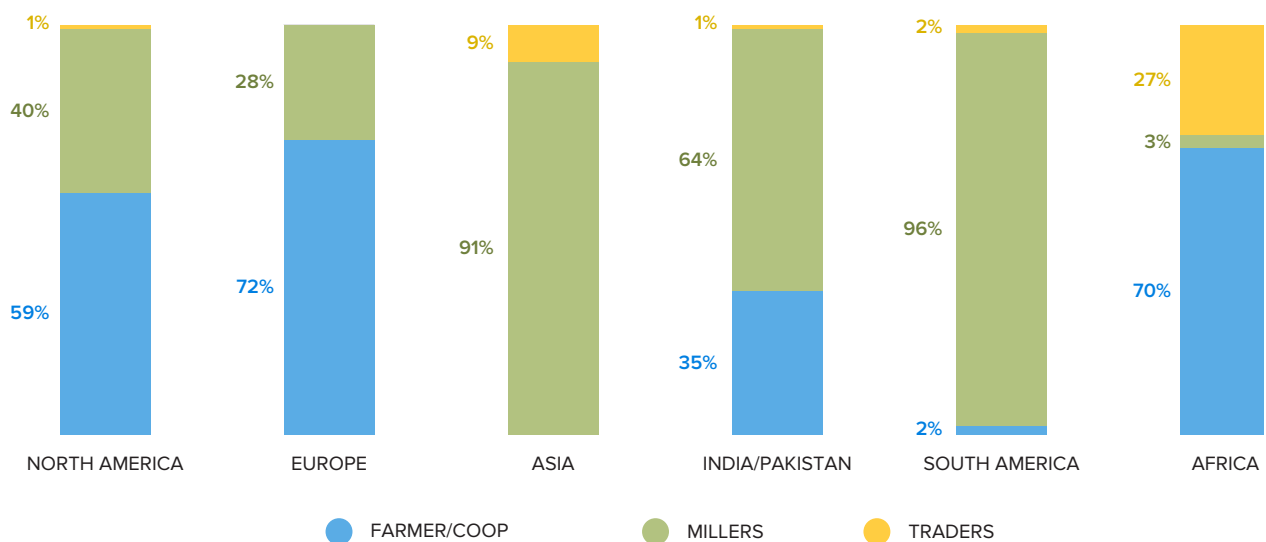
RICE SOURCING / 1ST TIER SUPPLIERS



At a disaggregated level, this volume/supplier distribution varies considerably from one geographical region to another.

	2019					
	NORTH AMERICA	EUROPE	ASIA	INDIA/PAKISTAN	SOUTH AMERICA	AFRICA
TOTAL (T)	414,545	404,696	327,342	209,010	134,198	35,771

RICE SOURCING 2019 / 1ST TIER SUPPLIERS / ORIGINS

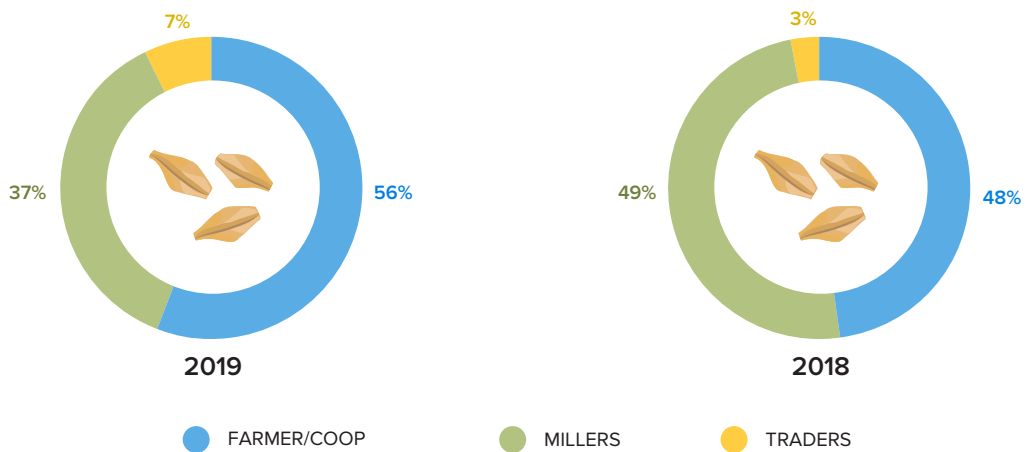


Durum wheat

On a global level most of the wheat is sourced directly from farmers or cooperatives in 2019.

	2019		2018	
	TONNES	%	TONNES	%
Farmer/Coop	423,184	56%	406,270	48%
Millers	281,747	37%	416,381	49%
Traders	49,899	7%	26,322	3%
TOTAL (T)	754,830		848,973	

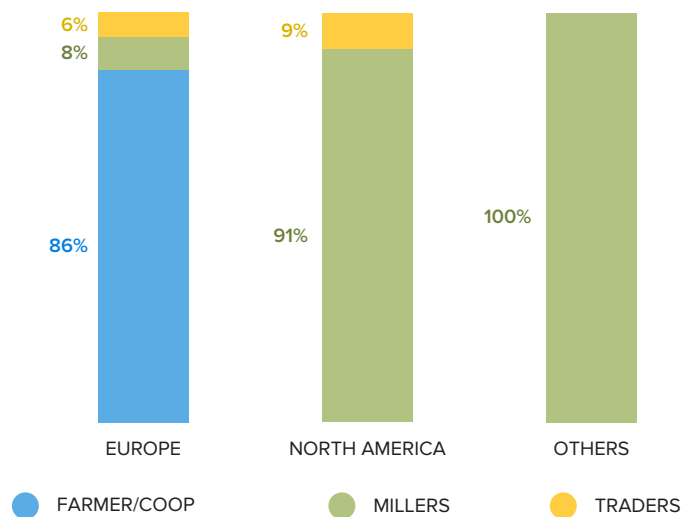
WHEAT SOURCING / 1ST TIER SUPPLIERS



At a disaggregated level, the direct suppliers are totally different for each geographical region: mainly farmers or cooperatives in Europe and millers and/or traders in North America.

	2019		
	EUROPE	NORTH AMERICA	OTHERS
TOTAL (T)	491,282	217,554	45,994

WHEAT SOURCING 2019/ 1ST TIER SUPPLIERS / ORIGINS

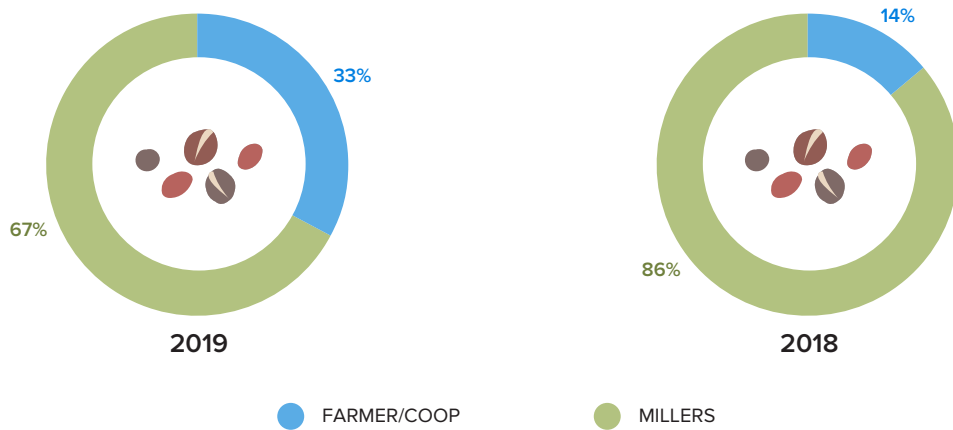


Quinoa

In 2019 most of the quinoa was sourced directly from mills and/or plants.

	2019		2018	
	TN	%	TN	%
Farmer/Coop	862	33%	521	14%
Millers	1,778	67%	3,255	86%
Traders	0	0%	0	0%
TOTAL (T)	2,640		3,776	

QUINOA SOURCING 2019/ 1ST TIER SUPPLIERS / ORIGINS



At a disaggregated level, the direct suppliers are totally different for each geographical region: farmers or cooperatives in Europe and mills in South America.

	2019	
	EUROPE	SOUTH AMERICA
TOTAL (T)	862	1,778

QUINOA SOURCING 2019/ 1ST TIER SUPPLIERS / ORIGINS

