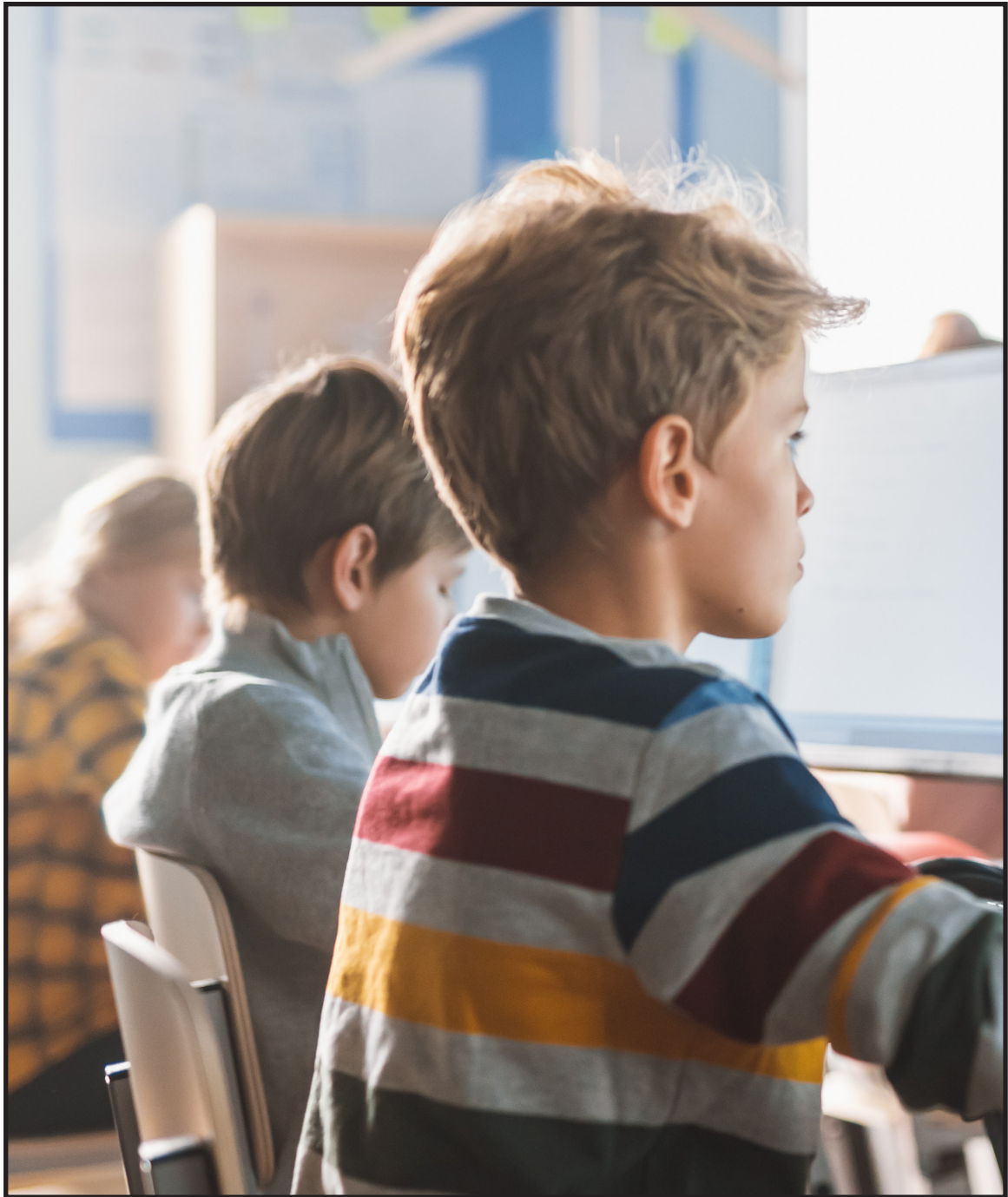


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## VALUE CREATION MODEL



06

# EBRO FOODS, S.A.

## Value creation model



NO POVERTY



ZERO  
HUNGER



DECENT WORK AND  
ECONOMIC GROWTH



REDUCED  
INEQUALITIES



PARTNERSHIPS FOR  
THE GOALS

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.

## 6.1. Social Cash Flow

(000€)	2021	2020
<b>Economic value generated</b>		
Net proceeds from operations	536,391	980,256
Sale of assets and businesses	753,926	231,872
Dividends received from third parties	4,350	3,634
	<b>1,294,667</b>	<b>1,215,762</b>
<b>Economic value distributed</b>		
Payments to or on behalf of employees	(375,518)	(525,308)
Corporate income tax	(136,510)	(71,463)
Contribution to not-for-profit entities	(2,846)	(5,746)
Interest income/expense	(8,384)	(11,510)
Business acquisitions	(24,063)	(10,106)
CAPEX	(120,035)	(117,600)
Dividends paid (*)	(185,719)	(397,375)
	<b>(853,075)</b>	<b>(1,139,108)</b>
<b>Economic value retained</b>	<b>441,592</b>	<b>76,654</b>

(\*) Dividends paid in the corresponding year

## 6.2. Tax information

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

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

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

## BREAKDOWN OF TAX PAYMENTS

(000€)	2021	2020
Income tax paid	126,164*	47,774

TAXES PAID BY COUNTRY	2021		2020	
	NET IT	OTHER TAXES	NET IT	OTHER TAXES
Spain	(1,801)	408	2,716	438
Rest Europe	44,401	1,731	18,134	4,035
America	82,536	2,977	25,866	1,836
Asia	70	0	419	0
Africa	958	0	639	0
<b>TOTAL</b>	<b>126,164*</b>	<b>5,117</b>	<b>47,774</b>	<b>6,310</b>

MOST SIGNIFICANT COUNTRIES	NET IT	OTHER TAXES	NET IT	OTHER TAXES
Spain	(1,801)	408	2,716	438
France	17,792	1,582	2,658	3,885
Italy	15,085	149	6,172	150
USA	72,422	2,892	22,506	1,354
UK	7,114	0	5,650	0

\* This does not include tax payments corresponding to discontinued operations

## PRE-TAX PROFIT, BY COUNTRIES

(000€)	2021	2020
	PRE-TAX PROFIT **	PRE-TAX PROFIT **
Spain	29,888	13,221
Rest Europe	88,115	109,878
America	71,204	29,245
Asia	7,278	6,281
Africa	2,246	1,244
<b>TOTAL</b>	<b>198,731</b>	<b>159,869</b>

MOST SIGNIFICANT COUNTRIES	2021	2020
	BAI**	BAI**
Spain	29,888	13,221
France	16,215	15,245
Italy	33,120	43,826
USA	72,318	64,989
UK	20,974	24,594

\*\* Pre-tax profit in continuing operations

## PUBLIC GRANTS RECEIVED

(000€)	2021	2020
Capital grants received	1,591	5,059
Operating grants received	490	420

## 6.3. Commitment to the development of local communities

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

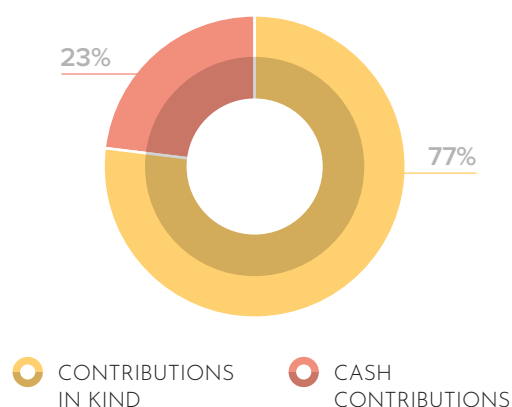
During 2022, the Group has continued making an extra effort to promote different initiatives to help combat the effects of COVID-19. In this context, the company provided further extraordinary funding in a sum of one million euros for the development of programmes in the health, education, employment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

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

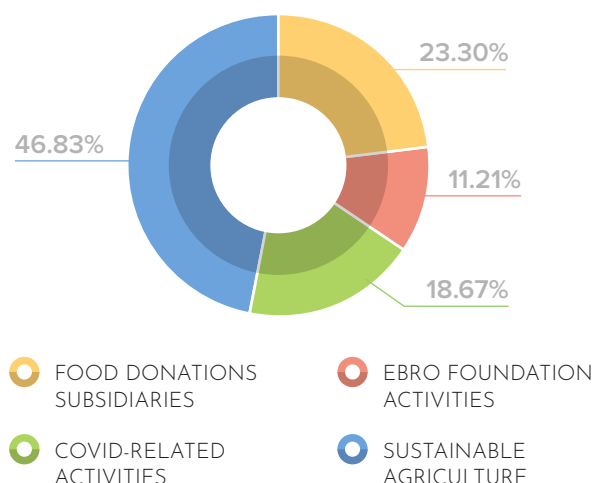
Within this context, the global investment during 2021 was EUR 5.3 million.

ACTIONS	AMOUNT €
Food donations subsidiaries	1,246,821
Ebro Foundation activities	599,960
COVID-related activities	998,988
Sustainable Agriculture Programmes	2,506,308
<b>TOTAL</b>	<b>5,352,077</b>

Types of contributions



Distribution of investment in 2021



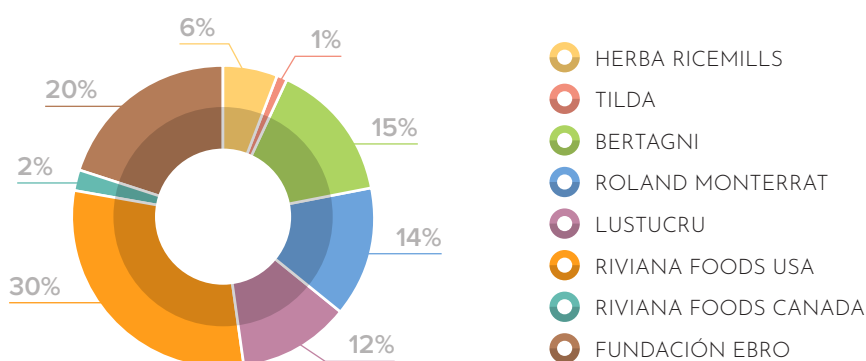
### FOOD DONATIONS

During 2021, Group companies in Spain, France, Italy, UK, USA and Canada donated almost 700 thousand kg of food, for an aggregate value of EUR 1.24 million.

Within the actions in Spain to mitigate the effects of COVID-19, 84 thousand kg of food was donated, valued at EUR 315,302.29.

COMPANIES	AMOUNT €
Bertagni	234,037
Herba Ricemills	87,287
Lustucru	189,043
Monterrat	224,748
Riviana Foods Canada	28,279
Riviana Foods USA	461,870
Tilda	21,556
EBRO Foundation (Food donations COVID)	315,302
<b>TOTAL</b>	<b>1,562,123</b>

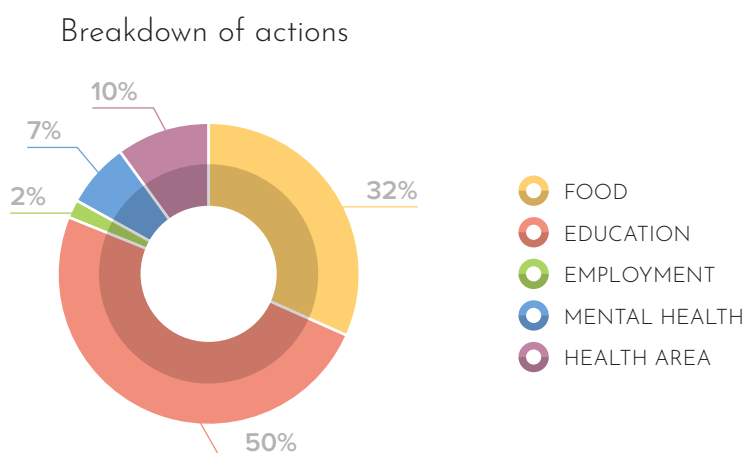
Food donations by Company



## DETAILS OF COVID-RELATED ACTIONS

The total amount invested in actions to combat the effects of the coronavirus was EUR 998,988.16. The breakdown of this investment is shown in the following graphs.

	NUMBER
Beneficiaries	145,211
Projects developed	129
Entities supported	100



Actions in the **healthcare area** included the following:

1. Donation of 96,000 masks to different Cáritas Diocesanas organisations for distribution among vulnerable groups.
2. Installation of an oxygen plant within the Kalpana Chawla Government Medical Collage & Hospital, in the region of Karnal (India).
3. Development of two projects promoted by Fundación Trauma and Fundación Educacional in the communities of Los Charrúas and Chajarí in Entre Ríos (Argentina). More specifically, the aim of the programme promoted together with Fundación Trauma was to develop strategies to improve the quality of health, through the training of healthcare professionals and members of the community in advanced first aid courses, so that they can provide adequate assistance in a medical emergency, thereby strengthening the response of the local health system. With Fundación Educacional we have worked on promoting healthy lifestyles in three schools in Los Charrúas and Chajarí, focusing on adequate eating habits, personal care and hygiene and sport.

Also in healthcare, a special effort has been made to mitigate the sequelae left by COVID-19 in groups with high social vulnerability, such as the homeless; who have suffered further deterioration of mental illnesses that they already suffered; or people with addictions, who have suffered a major increase in relapses due to the cancellation of therapies; or the elderly in nursing homes, who have suffered the effects of undesired loneliness. Specific programmes have been developed to address these problems with the Foundations Mundo Justo and Líneadicciones and the Residencias Lares group of nursing homes.

Within **food** projects, over 84 tonnes of food has been donated to different residential associations, 'hermandades' [brotherhoods], food banks, etc. for distribution among families at risk of exclusion. Cash donations have also been made to different entities and soup kitchens for the distribution of food among those most in need.

We also participated in the project “Nos sumamos #SALVEMOS LA HOSTELERÍA” [“We join in #SAVE HOSPITALITY”] in Seville, a 360° project with a dual goal: on the one hand, mitigate the crisis in the hospitality sector in Seville caused by the pandemic, restrictions and successive lockdowns, and on the other hand, help families in precarious economic situations. In this regard, the costs were financed of 16 restaurants that prepare meals for vulnerable groups previously identified by Cáritas and some Hermandades. The action overall covered 3,600 meals in total.

In the area of **employment** we have continued collaborating with Fundación Adecco in the programme “Emergencia por el Empleo” [Emergency for Employment], which aims to support the social and labour market inclusion of people who have lost their jobs as a result of the pandemic and, for reasons of age, gender or social situation, find it more difficult to return to work.

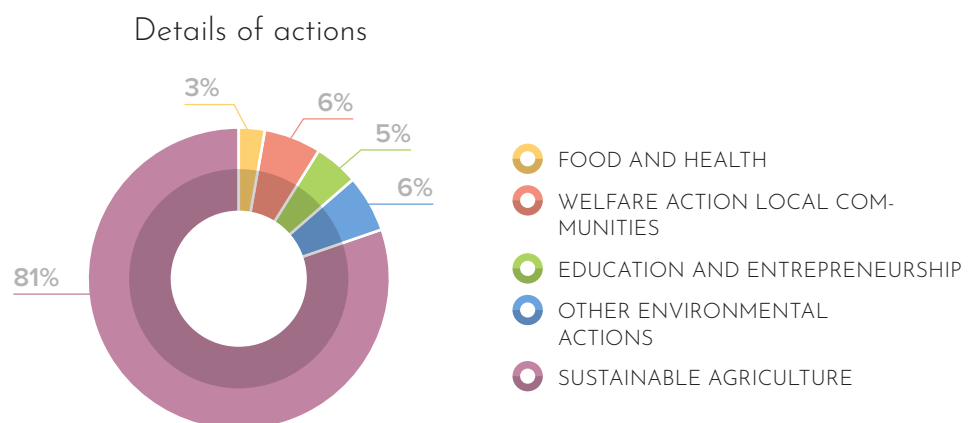
With regard to **education**, after an initial donation of one thousand laptops to the Andalusian regional government for destitute students in 2020, during 2021 we donated the same number of devices in Madrid for an integral project promoted by Asociación Madrid Futuro seeking to eliminate the digital gap among students in the capital of Spain. The programme was launched with the 1,000 donated laptops, covering in the first stage the 6 districts of the city in which the digital gap was most patent: Usera, Villaverde, Vicálvaro, Vallecas, Latina and Carabanchel.

## OTHER WELFARE AND ENVIRONMENTAL INITIATIVES

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

- Food and health
- Education and employment
- Sustainable agriculture and other environmental initiatives
- Social welfare in regions of interest

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



## 1. Welfare programmes in food and health

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

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



The principal initiatives supported during the year included:

- **Gastronomix:** Once again we have been the leading promoters of this project, which is now in its seventh year in Madrid and, for the first time, has opened its doors in Seville. Gastronomix is a welfare project aiming to secure the social and labour market inclusion of young people and students at risk of exclusion through a programme of intensive training in the Hospitality and Catering industry.
- **Ebroyoung**, developed in Madrid, is a welfare initiative promoted by Fundación Ebro and Asociación Norte Joven to foster youth employment through cookery training. This programme has provided training as kitchen assistants for young people with a history of academic failure in difficult socioeconomic circumstances. This training gives them the competence, skills and qualifications necessary to get a job or continue studying at higher levels.

## 2. Education, entrepreneurship and employment

This working area comprises support for education through scholarships, research projects, educational programmes, entrepreneurship and job promotion initiatives.

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

The principal actions included:

### SCHOLARSHIPS

#### Madrid

- **Carlos III University Foundation:** Financing of a dual-degree Alumni Scholarship for young students with good academic achievements and limited financial resources from other regions of Spain, to enable them to study at the Carlos III University in Madrid.

#### India:

- Financial allocation to reward female students with the best 10th-grade academic achievements in the State of Haryana. This initiative aims to promote equal rights and equal opportunities between genders in this country.
- Financial support for students with limited financial resources to do a training programme in maintenance at our Taraori factory.

### RESEARCH

#### Barcelona

- **Fero Foundation:** Financial contribution for a cancer research grant. The project that won the XXI Fero Grant focused on research into treatment for advanced melanoma, a type of cancer which, although not one of the most common forms of skin cancer, is fatal for 70% of those who have it.

The FERRO Grants give each researcher EUR 80,000 to fund their translational research project for a period of 2 years.

#### Seville

- **cicCartuja-Ebro Foods Research Award:** Owing to the pandemic, the awards for 2020 and 2021 were given during the reporting period.



In this tenth and eleventh edition, the cicCartuja-Ebro Foods Research Award was funded with EUR 20,000, of which EUR 10,000 was for the winners, EUR 5,000 for the first runner-up and another EUR 5,000 to be split between the two projects selected as the second runner-up.

Through this initiative, the company and the public are informed of the scientific work done by young talent from the Scientific Research Centre Isla De La Cartuja Cic (cicCartuja), stressing the social nature of science, conceived by and for citizens.

## EDUCATION PROGRAMMES

### Seville

- We renewed for a further year our commitment to the project that the Balia Foundation is implementing in Seville to stimulate the social and educational development of children and adolescents in situations of poverty. This project seeks to boost the talent and abilities of children and adolescents at risk of exclusion through education in values, so that they have a chance to become integrated adults and contribute to the economic and social benefit of the community. It is run in the Tres Barrios-Amate district of Seville. Thanks to this initiative, minors aged 6-17 were able to participate in the following activities in 2021:
  - Balia classes: 152
  - Summer camps: 35
  - Guidance for expelled students: 89
  - Youth Territory: 47

### Isla Mayor - Seville

- Contribution made by the Ebro Foundation to the infant and primary school **CEIP Félix Hernández** to support the education of children with special needs.

### Madrid

- Once again, the Ebro Foundation has collaborated with the **Aula Laboral Project** for persons with disability from the **Capacis Foundation**. Thanks to this programme, many young people with borderline intelligence have found their first job.

"Aula Laboral: Different teaching methods for different abilities" was set up with the aim of improving both the social inclusion and the employability of young people with intellectual disabilities and borderline intelligence, breaking away from the traditional model of training for employment and life embraced by most entities in this sector and with this segment of population. Some 24 young people participated in the Aula Laboral project during 2021.

## JOB PROMOTION AND ENTREPRENEURSHIP INITIATIVES

### Seville

- The initiative **Ebro Talent: Caring for Innovation** has been developed jointly with the Loyola University in Seville. It is an open innovation programme intended to detect innovative projects and ideas in the food sector, identify innovative talent and encourage the development of sustainable solutions that can be applied to the value chain of the Spanish food sector.

Ebro Talent: Caring for Innovation is structured around four major challenges: Responsible Production and Efficiency, Environment and Sustainability, Healthy Eating and Food Quality, and New Models and Responsible Consumption in a post-Covid19 scenario.

- **#coachExit Project**, an employee engagement initiative intended to enhance the employability of young people at risk of social exclusion through Coaching and Mentoring. Fundación Exit trains employee volunteers to "coach" those youngsters. Three volunteers from the Ebro Group's offices in Seville participated in the 2021 edition.

### 3. Environmental sustainability: sustainable agriculture and other environmental initiatives

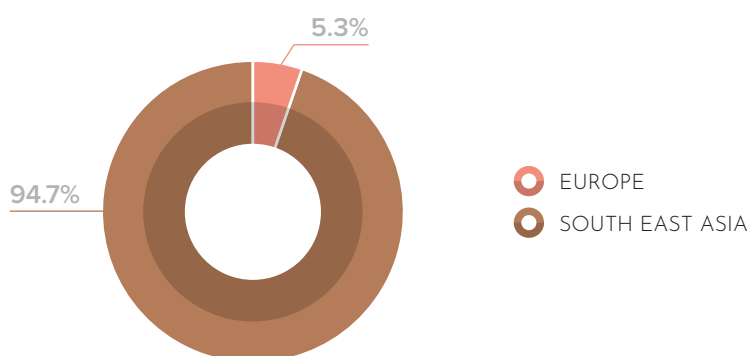
Environmental conservation is another essential aspect within the work of the Ebro Foundation. The Foundation supports the sustainable agriculture strategy put into practice by the Ebro Group and works on developing and publicising environmental sustainability.

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

The Ebro Group and its Foundation invested EUR 2.6 million in these initiatives during 2021.

The distribution of sustainable agriculture programmes is shown in the following graph:

Investment in sustainable agricultural projects



**Nb:** Information on all our sustainable agriculture projects is set out in the chapter “Commitment to the Environment” in this Report.

### 4. Welfare action in local communities

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

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

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

## SEVILLE

- **Hermanidad de la Macarena en Sevilla:** Construction of the “Balcony of Hope”, a space annexed to the ITU at the Virgen Macarena teaching hospital, built to enable long-stay patients to get outside, accompanied by a relative...
- **Asperger’s Association in Seville:** Financial contribution to the project Self-Help Workshop for Women with Autism Spectrum Disorder (ASD). This project was set up with the general aim of creating an integral support service specifically for women and secure the well-being of people with Asperger syndrome and other similar ASD through the creation of resources for their welfare, therapy, training, job placement, defence of their rights, etc.
- **Proyecto Hombre in Seville:** Funding of four grants to contribute towards the costs of rehabilitation and the reintegration in society and the labour market of four destitute drug addicts from some of the villages of San Juan de Aznalfarache, Coria del Rio, Isla Mayor and La Puebla del Río that participate in some of the Proyecto Hombre Seville programmes offering aid to combat drug dependence.
- **Mater et Magistra Association:** Financial contribution to improve accessibility at the centre. Maintenance and upkeep has continued, specifically embarking on the second stage of the renovation and reconstruction of the roof.

## MADRID

- **Vianorte Laguna Foundation:** Donation for the online Christmas charity concert for the Paediatric Day Unit for children with rare and advanced diseases.

## VALENCIA

- **Association of Families of Alzheimer’s patients of Benifaió:** Economic assistance for the Project “Click intervention for dementia using new technologies”, which aims to promote the use of touchscreen laptops and tablets through the channelling of a web platform of stimulation and rehabilitation (NeuronUp). This is intended to improve the cognitive and functional performance of users with mild or moderate cognitive impairment, thus promoting their personal and social autonomy.

## MOROCCO

- Financing of school transport for children from the kabilas next to our factory, who have no means for getting to school.
- In collaboration with our subsidiary Agromeruan, we have funded the work to improve the road between kabilas from Chilihate to Larache. This contributes towards securing a considerable improvement in the living conditions of the residence in those kabilas.

## INDIA

- Financial support to build a multi-use sports hall for children with different disabilities. Tapan Project.

*Detailed information on the projects developed by the Foundation during 2021 can be found on its website [www.fundacionebrofoods.es](http://www.fundacionebrofoods.es)*

## Compliance

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