

06.



# Value creation model



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 cashflow

(000€)	2022	2021
<b>Economic value generated</b>		
Net proceeds from operations	419,351	538,897
Sale of assets and businesses	27,411	753,926
Dividends received from third parties	2,319	4,350
	449,081	1,297,173
<b>Economic value distributed</b>		
Payments to or on behalf of employees	(334,371)	(375,518)
Corporate income tax	(90,821)	(136,510)
Contribution to not-for-profit entities and support for sustainable agriculture	(4,933)	(5,352)
Interest income/expense	(5,562)	(8,384)
Business acquisitions	(48,556)	(24,063)
CAPEX	(118,808)	(120,035)
Dividends paid (*)	(96,528)	(185,719)
	(699,579)	(855,581)
<b>ECONOMIC VALUE RETAINED</b>	<b>(250,498)</b>	<b>441,592</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, regulated in Spain in **Supplementary Provisions 1 and 10 and Transitional Provision Two of the Tax Fraud Prevention Measures Act 36/2006 of 29 November (as amended by Act 11/2021 of 9 July on measures to prevent and combat tax fraud, effective from 11 July 2021)**.

In 2022, the Ebro Group directly paid EUR 97.2 million to the tax authorities in the different countries in which it operates.

## BREAKDOWN OF TAX PAYMENTS

(000€)	2022	2021
Income tax paid	90,821	136,510

TAXES PAID BY GEOGRAPHIC AREAS	2022		2021	
	NET IT	OTHER TAXES	NET IT	OTHER TAXES
Spain	36,615	613	(1,801)	408
Rest Europe	24,426	2,492	54,747	3,275
America	29,067	3,304	82,536	3,161
Asia	170	0	70	0
Africa	543	0	958	0
<b>TOTAL</b>	<b>90,821</b>	<b>6,409</b>	<b>136,510</b>	<b>6,844</b>

MOST SIGNIFICANT COUNTRIES	NET IT	OTHER TAXES	NET IT	OTHER TAXES
Spain	36,615	613	(1,801)	408
France	6,245	2,226	17,792	1,582
Italy	5,133	208	15,085	149
United States	11,690	3,196	72,422	2,892
United Kingdom	5,879	0	7,114	0

## PRE-TAX PROFIT, BY COUNTRIES

(000€)	2022	2021
	PRE-TAX PROFIT	PRE-TAX PROFIT
Spain	(315)	29,888
Rest Europe	74,130	88,115
America	89,668	71,204
Asia	18,353	7,278
Africa	3,971	2,246
<b>TOTAL</b>	<b>185,807</b>	<b>198,731</b>

MOST SIGNIFICANT COUNTRIES	2022	2021
	PRE-TAX PROFIT	PRE-TAX PROFIT
Spain	(315)	29,888
France	(3,627)	16,215
Italy	28,468	33,120
United States	87,087	72,318
United Kingdom	32,665	20,974

## PUBLIC GRANTS RECEIVED

(000€)	2022	2021
Capital grants received	1,026	1,591
Operating grants received	2,509	490

## □ 6.3 Commitment to the development of local communities

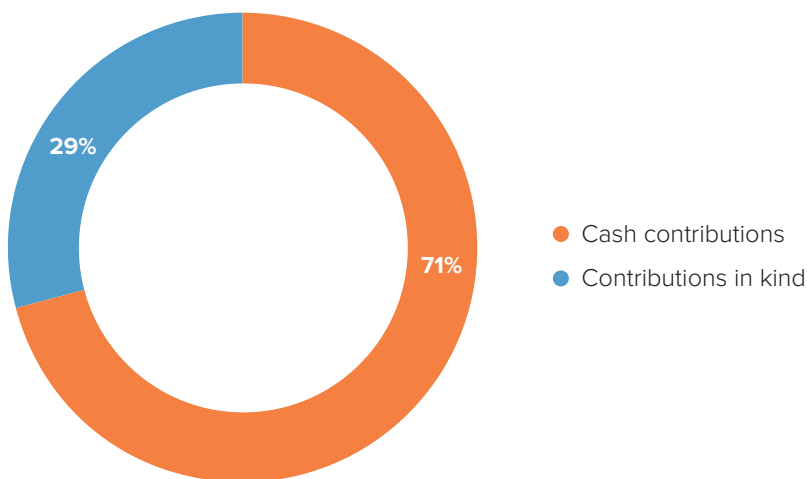
One of the main pillars of social responsibility action within the Ebro Group is ensuring the well-being and socio-economic development of the local communities directly related with our business activities.

During 2022, as in previous years, the Ebro Foundation and the Group participated in projects created by different not-for-profit organisations and promoted and developed *motu proprio* several initiatives of social and environmental interest.

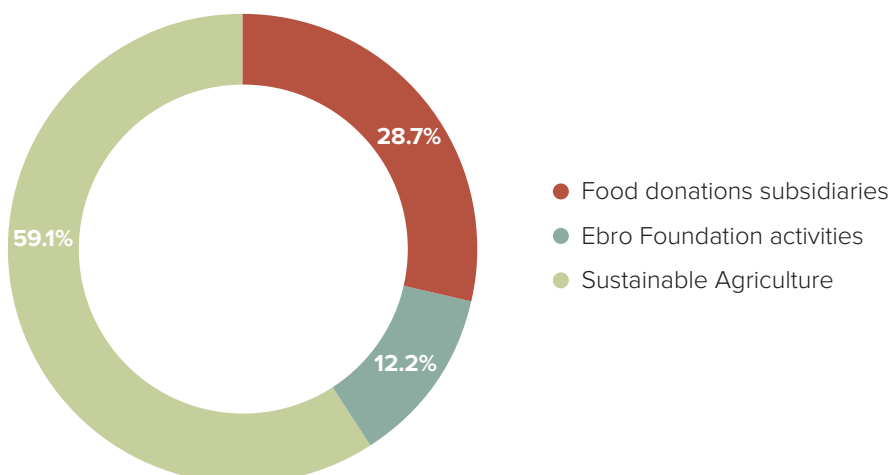
Within this context, the global amount spent on social action during 2022 was EUR 4.9 million.

SOCIAL ACTION	AMOUNT (EUR)
Food donations subsidiaries	1,415,232.06
Ebro Foundation activities	601,459.37
Sustainable Agriculture	2,916,070.00
<b>TOTAL</b>	<b>4,932,761.43</b>

Types of contributions



Social actions

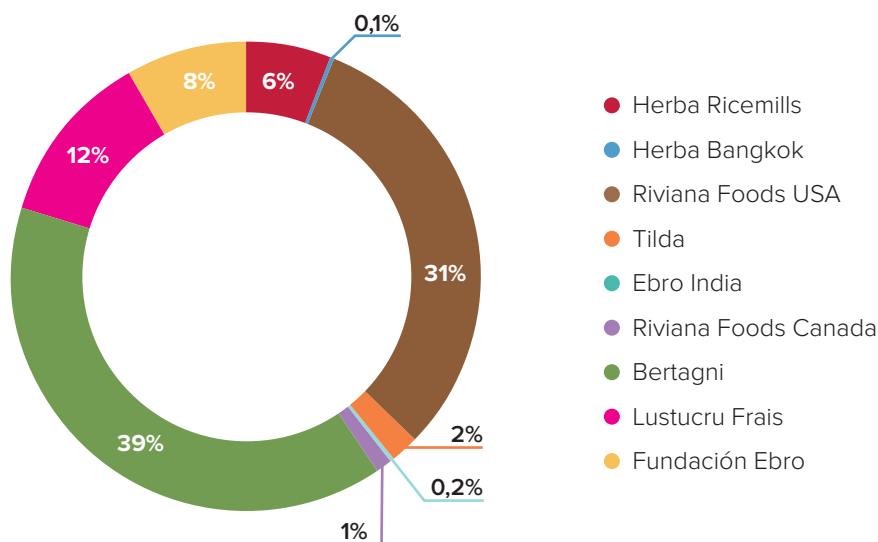


## FOOD DONATIONS

During 2022, Group companies in Spain, United Kingdom, Italy, France, Thailand, India, United States, Canada and the Ebro Foundation made food donations for an aggregate value of EUR 1.5 million, delivering almost 683,825 kilogrammes of food.

COMPANY	AMOUNT (EUR)
Herba Ricemills	98,104.62
Tilda	31,552.60
Bertagni	600,732.00
Herba Bangkok	1,493.15
Ebro India	2,832.49
Lustucru	190,379.00
Riviana Foods	479,026.95
Riviana Foods Canada	11,111.25
Ebro Foundation	119,329.82
<b>TOTAL</b>	<b>1,415,232.06</b>

Food donations by company



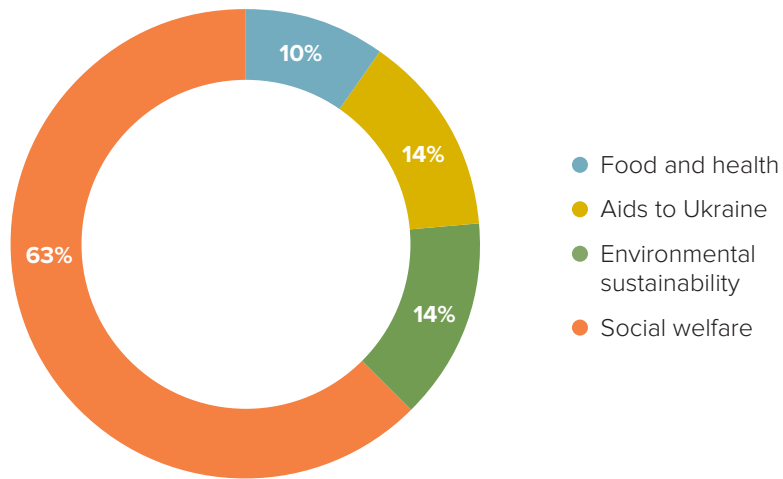
## OTHER SOCIAL AND ENVIRONMENTAL INITIATIVES

Apart from the food donations and in our determination to contribute to sustainable development of the communities in which we operate, the Ebro Group and the Foundation continued working in 2022 to set up social and environmental initiatives in the following areas:

- Food and health
- Social welfare
- Environmental sustainability
- Aids to Ukraine

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

### Details of actions by the Ebro Foundation



#### □ 1. Food and health

Participation in initiatives that broadly combine food and health, through sport, healthy eating and social development.

Among the food projects, some 23 tonnes of rice and pasta were donated to different residential associations, brotherhoods and food banks, etc. during 2022. Several cash donations were also made to soup kitchens and associations such as Order of Malta in Madrid and Sevilla, San Juan de Dios soup kitchen in Sevilla, Asociación Achalay, Manos de Ayuda Social, etc.

Programmes have also been run to encourage healthy habits by promoting and supporting sport for young people and teenagers in our areas of influence.

The contributions made by the Foundation in this area in 2022 totalled EUR 58,070.57.

#### □ 2. Social welfare and community aid

This area of work comprises support for education through scholarships, research projects, educational programmes that contribute towards equal opportunities, training projects for integration into society and employment, entrepreneurship and job promotion initiatives, and community aid programmes that contribute to achieving the full, effective social integration of these individuals and groups at risk of exclusion.

In collaboration with different entities in Sevilla, Madrid, Valencia, India and Morocco, the Foundation invested EUR 379,011.80 in this work during 2022.

The principal actions included:

## 1. SOCIAL INTEGRATION

### Seville

- **Proyecto Hombre in Seville:** Financing of grants to help meet the cost of rehabilitation and reintegration into society and employment of four drug addicts with limited financial resources from San Juan de Aznalfarache, Coria del Rio, Isla Mayor or La Puebla del Río.
- **Asociación Mater et Magistra:** Monetary contribution towards improvements at the Centre. Work continued on the maintenance and upkeep of the facilities, especially the heating systems.
- **San Juan de Aznalfarache Alzheimer's Association:** Assistance to the prevention and care programme for people with Alzheimer's by creating welfare, therapeutic, training and employability resources, resources for defending their rights, etc.

### Madrid

- **Techô:** A multistakeholder welfare programme that aims to find a sustainable solution to the problem of homelessness and social and residential exclusion, providing a decent home for people living on the streets. The concept of homelessness also includes people who have to leave their home due to violence; young people who, on reaching the age of 18, are forced to leave their reception centres or shelters; those who have to leave school or who have fallen into prostitution or trafficking; those living in slums; immigrants, refugees, those seeking political asylum, etc. The Ebro Foundation has taken a double role in this project: on the one hand, it is promoting its start-up by presenting the programme to more than 120 welfare organisations and, on the other hand, it is sponsoring a given number of housing units. In this context, in collaboration with the NGO Mundo Justo ['Fair World'], in 2022 it paid for the maintenance of a shelter in the San Cristóbal de los Ángeles district.

### Morocco

- **Rehabilitation of local road:** Jointly with our subsidiary Agromeruan, and true to our commitment to the development and welfare of the communities in which we operate, we continued funding the rehabilitation of the local road from Chilihate through the local kabila settlements to the city of Larache. This new, rehabilitated road more than 14 km long contributes not only towards improving communications between the kabila settlements and Larache, but also to improving the safety of travellers, especially women.

## 2. EDUCATION AND TRAINING FOR SOCIAL AND LABOUR MARKET INCLUSION

### 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.
- **Aula Laboral Project:** Once again, Ebro Foundation has collaborated with this initiative for persons with disability from the Capacis Foundation. Through the Ebro Foods Foundation, we have supported this project another year, thanks to which many young people with borderline intelligence have found their first job.

## Madrid-Seville

- **Gastronomix Project:** Ebro Foundation has been supporting this welfare and educational project since it began, eight years ago in Madrid and last year in Seville. Gastronomix gives young people at risk of social exclusion a second chance to secure their future through cookery training, building up their self-esteem and empowerment, and enhancing their chances of finding a job. The training programme is run by well-known, reputed professionals of the hospitality and catering industry, such as two chefs from the Basque Culinary Center, the head teachers of the Casa de Campo Hospitality Colleges in Madrid and the secondary school IES Atenea, among others. At the end of the project, the participants are given work experience in prestigious restaurant and catering firms: upmarket catering firms, hotel chains of good standing and other reputed establishments in the sector.

## Seville

- **Balia Foundation:** Ebro Foundation renewed for a further year its commitment to the projects that the Balia Foundation is implementing in Seville to stimulate the social and educational development of children and adolescents in situations of poverty. These initiatives, run in the Tres Barrios-Amate district of Seville, seek to boost the talent and abilities of children and adolescents at risk of exclusion through education in values, stop them from leaving school and, as far as possible, ensure that young people complete their secondary school education.

In 2022, the aids provided by Ebro Foundation enabled minors aged 6-17 to participate in the following projects:

- Balia classes: 179
- Summer camps: 49
- Guidance for expelled students: 74
- Youth Territory: 40

## Isla Mayor - Seville

- **CEIP Félix Hernández:** Contribution to promote specific programmes for pupils needing educational support.

## India

- **State of Haryana:** Financial allocation for prizes awarded to the 20 female students with the best 10th-grade academic achievements. Through this and other similar initiatives, we collaborate towards achieving equal rights and equal opportunities between genders in this country.
- **Taraori:** In collaboration with Ebro India, we provide financial support for 30 students without financial resources to do a training programme in maintenance at our Taraori factory.
- **Muskan School:** Economic aid for 51 pupils at the Muskan girls' school, situated in a marginal district of Delhi.

## 3. RESEARCH

### Madrid

- **Fero Foundation:** Financial contribution for a cancer research grant. The three projects that won the XXIII Fero Grant focus on translational cancer research into lung and breast cancer. Each researcher was awarded EUR 80,000 to develop their translational research over a period of 2 years.



## Seville

- **cicCartuja-Ebro Foods Research Award:** In its thirteenth edition, in view of the high quality of the work, four awards were granted once again. 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.
- **Ebro Talent Caring for Innovation:** This open innovation programme, developed jointly with the Loyola University in Seville, has continued into its second year, aiming 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.

In its second year, the programme has again generated considerable interest in the agrifood industry, capturing the attention of over 40 projects. The Ebro Talent programme was rewarded by the publication *Compromiso RSE* as one of the best *Sustainability Actions 2022* on social and environmental impact.

## □ 3. Environmental sustainability

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 promoting and achieving the Group's sustainability goals through the **EBRO FOUNDATION SUSTAINABILITY & ENVIRONMENTAL AWARDS**, which aim to bring out the talent of the Group's professionals in the search for innovative solutions that contribute towards achievement of the goals contemplated in our sustainability plan *HEADING FOR 2030*.

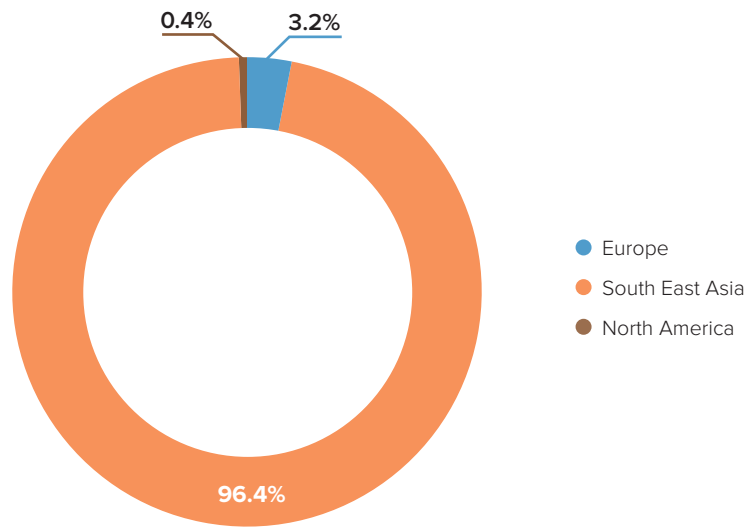
The prizewinners in 2022 were the companies Tilda and Ebro India (first prize), which jointly presented the programme *Integrated Plan for Sustainable Rice*, in which they worked with 900 growers to reduce water consumption and greenhouse gas emissions in rice growing. The second prize went to the subsidiary Ebro Ingredients for its project for the development and marketing of a textured bean protein, an ingredient for preparing alternatives to animal protein.

With regard to sustainable agriculture, the Foundation continued in 2022 to promote **EKTA**, a programme intended to implement crop standards that are sustainable from a social and environmental perspective in India.

The Foundation invested EUR 81,334 in this area, supplemented with the EUR 2,916,070 invested by several Group companies, both to set up sustainable agriculture programmes in our principal sourcing areas and to pay a fee premium to growers with a view to improving not only their agricultural yields, but also their income. The total investment in these initiatives was EUR 2.997 million.

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

Details of 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. Aids to Ukraine

During 2022, in an effort to alleviate the severe humanitarian crisis in Ukraine since the Russian invasion, the Ebro Foundation joined the wave of solidarity with the Ukrainian people by sending essential goods, donations in kind and financial contributions.

Within food donations and thanks to the support of our Belgian subsidiary Ebro Foods Belgium, the Foundation collaborated with World Central Kitchen (WCK), the NGO of chef José Andrés, sending more than 80,000 kg of rice for the Ukrainian refugees in Lviv (Ukraine).

Through the association Madrid Futuro, the Foundation also participated financially in the emergency campaign “Cáritas with Ukraine”, which had three goals: distribute essential goods, provide transport and safe refuge for the Ukrainians who managed to leave the country and help the refugees who arrived in Spain. Also through Madrid Futuro, the employees at our Madrid office collaborated in the campaign for collecting warm clothes for women and children, baby food, medicines, etc. organised by Madrid City Council.

#### □ 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.