Financial Report

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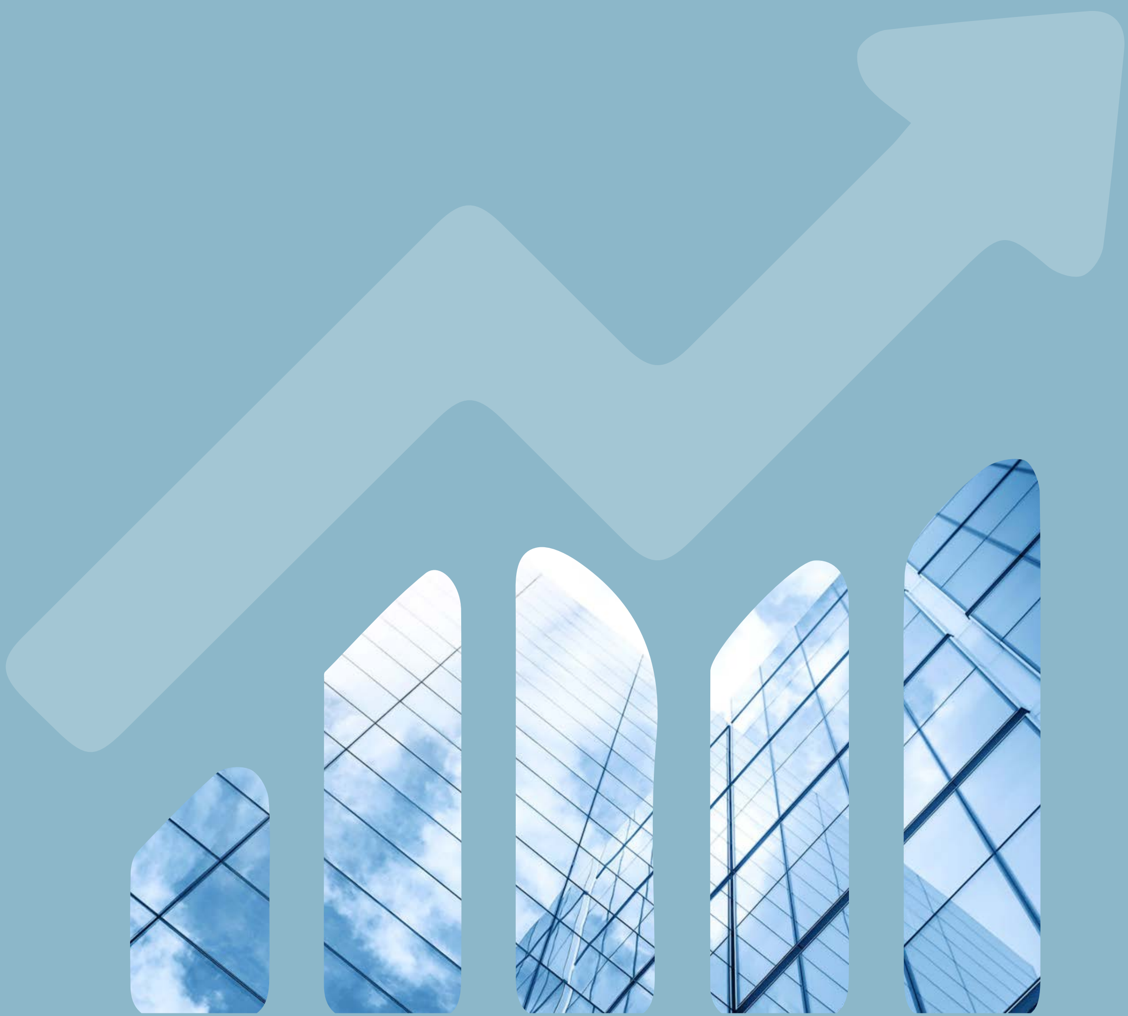

Ebro

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Financial Highlights

Consolidated figures (000€)

STATEMENT OF PROFIT OR LOSS	2021	2022	*2022/2021*	2023	*2023/2022*	CAGR 2023-2021
Revenue	2,427,068	2,967,672	*22.3%*	3,084,457	*3.9%*	***12.7%***
Advertising	(75,474)	(77,161)	*(2.2%)*	(86,314)	*11.9%*	***6.9%***
EBITDA-A	301,860	334,622	*10.9%*	387,171	*15.7%*	***13.3%***
EBIT-A	207,295	233,599	*12.7%*	284,297	*21.7%*	***17.1%***
Operating profit	203,058	202,571	*(0.2%)*	276,251	*36.4%*	***16.6%***
Profit for the year from continuing operations	145,219	135,565	*(6.6%)*	205,011	*51.2%*	***18.8%***
Profit after tax for from discontinued operations	105,027	(917)	*(100.9%)*	0	*(100.0%)*	***(100.0%)***
Profit attributable to equity holders of parent	238,629	122,059	*(48.8%)*	186,964	*53.2%*	***(11.5%)***

	31-12-21	31-12-22	*2022/2021*	31-12-23	*2023/2022*
Average working capital	662,058	925,501	*(39.8%)*	942,499	*(1.8%)*
Average capital employed	2,060,319	2,228,932	*(8.2%)*	2,255,729	*(1.2%)*
ROCE-A **(1)**	10.1	10.5		12.6	
Capex **(2)**	120,035	118,808	*(1.0%)*	141,670	*19.2%*
Average headcount	6,440	6,293	*(2.3%)*	6,323	*0.5%*

STATEMENT OF FINANCIAL POSITION	31-12-21	31-12-22	*2022/2021*	31-12-23	*2023/2022*
Equity	2,101,627	2,164,438	*3.0%*	2,185,159	*1.0%*
Net debt	504,723	762,635	*(51.1%)*	570,404	*25.2%*
Average net debt	865,418	645,809	*25.4%*	657,683	*(1.8%)*
Leverage **(3)**	41.2%	29.8%		30.1%	
Activos Total assets tales	3,938,622	3,900,216	*(1.0%)*	3,871,565	*(0.7%)*

STOCK MARKET DATA	31-12-21	31-12-22	*2022/2021*	31-12-23	*2023/2022*
Number of shares	153,865,392	153,865,392	*0.0%*	153,865,392	*0.0%*
Market capitalisation at year-end	2,597,248	2,255,667	*(13.2%)*	2,387,991	*5.9%*
Earnings per share (EPS)	1.55	0.79	*(48.8%)*	1.22	*53.2%*
Dividend per share (DPS)	1.14	0.57	*(50.0%)*	0.57	*0.0%*
Underlying carrying amount per share	13.66	14.07	*3.0%*	14.20	*1.0%*

(1) ROCE-A = Average profit after D&A but before tax for the last 12 months (excluding extraordinary/non-recurring items) divided by aver-age capital employed.
(2) Cash outflows for investment purposes On average, 15 million euros corresponds to activities that were discontinued.
(3) Leverage = Ratio of average net interest-bearing debt to equity (excluding non-controlling interests).

Rice Businesses (000€)

STATEMENT OF PROFIT OR LOSS	2021	2022	*2022/2021*	2023	*2023/2022*	CAGR 2023-2021
Revenue	1,858,919	2,329,486	*25.3%*	2,443,719	*4.9%*	***14.7%***
Advertising	(43,789)	(53,898)	*(23.1%)*	(56,890)	*5.6%*	***14.0%***
EBITDA-A	247,680	289,830	*17.0%*	310,988	*7.3%*	***12.1%***
EBIT-A	189,087	222,664	*17.8%*	242,950	*9.1%*	***13.4%***
Operating profit	187,089	213,176	*13.9%*	232,995	*9.3%*	***11.6%***
Capex	74,246	71,152	*(4.2%)*	100,122	*40.7%*	***16.1%***

Pasta Businesses (000€)

STATEMENT OF PROFIT OR LOSS	2021	2022	*2022/2021*	2023	*2023/2022*	CAGR 2023-2021
Revenue	590,781	651,545	*10.3%*	652,220	*0.1%*	***5.1%***
Advertising	(33,181)	(24,904)	*24.9%*	(31,521)	*26.6%*	***(2.5%)***
EBITDA-A	68,825	58,478	*(15.0%)*	90,435	*54.6%*	***14.6%***
EBIT-A	34,447	26,330	*(23.6%)*	57,261	*117.5%*	***28.9%***
Operating profit	30,374	3,184	*(89.5%)*	53,557	*1582.1%*	***32.8%***
Capex	45,266	46,222	*2.1%*	40,416	*(12.6%)*	***(5.5%)***

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Auditor's Report Individual Annual Accounts

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AUDIT REPORT ON THE FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report and annual accounts originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails.

To the shareholders of EBRO FOODS, S.A.:

Audit report in the financial statements

Opinion

We have audited the financial statements of EBRO FOODS, S.A. (the "Company"), which comprise the balance sheet as at 31 December 2023, the income statement, the statement of changes in equity, the statement of cash flows, and the notes thereto for the year then ended.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the equity and financial position of the Company as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with the applicable regulatory framework for financial reporting (identified in Note 2 to the accompanying financial statements) and, in particular, the accounting principles and policies set forth therein.

Basis of the opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned regulations.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Building a better working world

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of equity investments in group companies and associates

Description	
	At 31 December 2023, the Company recorded investments in group companies and associates amounting to 1,870,508 thousand euros in "Non-current investments in group companies and associates - Equity instruments" on the balance sheet. Company management assesses, at least at the end of each reporting period, whether there are indications of impairment and writes down these investments whenever there is objective evidence that the carrying amount of the investment is no longer recoverable, recognizing an impairment loss for the amount of the difference between carrying amount and recoverable amount. Since determining the recoverable amount requires the use of estimates, for which management must make complex judgments to establish the assumptions underlying those estimates (particularly those related to future profit and loss generated by its group companies and associates), and due to the significance of the amounts involved, we determined this to be a key audit matter. Information on the applicable measurement standards and the related disclosures are provided in notes 4 g, 4 h, and 8 to the accompanying financial statements.

Our response	
	Our audit procedures related to this matter included: ▶ Understanding the process designed by management to identify whether there are indications of impairment and to determine the recoverable amount of the investments in group companies and associates, as well as assessing the design and implementation of the relevant controls in place in that process. ▶ Obtaining and analysing the calculations made by the independent expert engaged by management to value each cash-generating unit (CGU) pertaining to the investments in group companies and associates at year end, assessing the competence, capacity, and objectivity of the expert for the purpose of using their work as audit evidence. ▶ Reviewing the methodology used to determine the recoverable amount, with the involvement of our valuation specialists, paying special attention to the methodology's mathematical coherence and the reasonableness of the cash flow projections of each material CGU, discount rates, and long-term growth rates when the recoverable amount was determined using the expected discounted cash flows from these companies. ▶ Reviewing the documentation supporting alternative analyses conducted by management when the latter is used to substantiate the recoverable amount, as well as the equity of investees adjusted by unrealized capital gains existing at the valuation date. ▶ Reviewing the disclosures made in the notes to the financial statements, assessing whether they are in conformity with the applicable financial reporting framework.

Building a better working world

Other information: Management report

Other information refers exclusively to the 2023 management report, the preparation of which is the responsibility of the Company's directors and is not an integral part of the financial statements.

Our opinion on the financial statements does not cover the management report. Our responsibility for the management report, in conformity with prevailing audit regulations in Spain, entails:

a. Checking only that the non-financial statement and certain information included in the Corporate Governance Report and in the Board Remuneration Report, to which the Audit Law refers, was provided as stipulated by applicable regulations and, if not, disclose this fact.

b. Assessing and reporting on the consistency of the remaining information included in the management report with the financial statements, based on the knowledge of the Company obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the management report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report that fact.

Based on the work performed, as described above, we have verified that the information referred to in a) above has been provided as stipulated by applicable regulations and that the remaining information contained in the management report is consistent with that provided in the 2023 financial statements and its content and presentation are in conformity with applicable regulations.

Responsibilities of the directors and the audit committee for the financial statements

The directors are responsible for the preparation of the accompanying financial statements so that they give a true and fair value of the equity and financial position and the results of the Company, in accordance with the regulatory financial reporting framework applicable to the Company in Spain, identified in Note 2 to the accompanying financial statements, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The audit committee is responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the financial statement auditing standards prevailing in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the management company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the use by the directors of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit committee of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee of the Company with a statement that we have complied with relevant ethical requirements, including those related to independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee of the Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on other legally stipulated disclosures requirements

European single electronic format

We have examined the digital file of the European single electronic format (ESEF) of EBRO FOODS, S.A. for the 2023 financial year, consisting of an XHTML file containing the financial statements for the year, which will form part of the annual financial report.

The directors of Ebro Foods, S.A. are responsible for submitting the annual financial report for the 2023 financial year in accordance with the formatting requirements established by Commission Delegated Regulation (EU) 2019/815, of 17 December 2018 (the "ESEF Regulation").

Our responsibility consists of examining the digital file prepared by the Company's directors in accordance with prevailing audit regulations in Spain. These standards require that we plan and perform our audit procedures to obtain reasonable assurance about whether the contents of the financial statements included in the aforementioned digital file correspond in their entirety to those of the financial statements that we have audited, and whether the financial statements and the aforementioned file have been formatted, in all material respects, in accordance with the ESEF Regulation.

In our opinion, the digital file examined corresponds in its entirety to the audited financial statements, which are presented, in all material respects, in accordance with the ESEF Regulation.

Additional report to the Audit committee

The opinion expressed in this audit report is consistent with the additional report we issued to the Ebro Foods audit committee on 5 April 2024.

Term of engagement

During the Ordinary General Shareholders' Meeting held on 6 June 2023, we were appointed auditors for the year ended 31 December 2023.

Previously, we were appointed auditors by the shareholders in general meeting for three years and we have been carrying out the audit of the financial statements continuously since the year ended 31 December 2014.

ERNST & YOUNG, S.L.
(Registered in the Official Register of Auditors under No. S0530)

(Signature on the original in Spanish)

Alfonso Manuel Crespo
(Registered in the Official Register of Auditors under No. 22308)

5 April 2024

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Individual Annual Accounts

3.1 Individual Annual Accounts

Ebro Foods, S.A.

Balance sheet at December 31, 2023 and 2022

ASSETS (000€)	NOTE	31-12-23	31-12-22
A) NON-CURRENT ASSETS		**1,897,058**	**1,905,348**
I. Intangible assets	**5**	**10,965**	**13,062**
2. Concession assets		75	0
3. Patents, licences and trademarks		10,481	12,418
5. Software		409	644
II. Property, plant and equipment	**6**	**509**	**718**
2. Plant and other PP&E items		509	718
III. Investment property	**7**	**8,400**	**8,464**
1. Land		7,273	7,273
2. Buildings		1,127	1,191
IV. Non-current investments in group companies and associates	**8**	**1,870,508**	**1,876,430**
1. Equity instruments		1,870,508	1,876,430
2. Loans to companies	**8 & 17**	0	0
V. Non-current financial assets	**9**	**146**	**146**
5. Other financial assets		146	146
VI. Deferred tax assets	**15**	**6,530**	**6,528**
B) CURRENT ASSETS		**32,392**	**39,910**
III. Trade and other receivables	**9 & 10**	**16,930**	**35,796**
1. Trade receivables		121	99
2. Trade receivables, group companies and associates	**17**	12,566	9,029
3. Miscellaneous receivables		1	8
4. Receivable from employees		191	177
5. Current tax assets	**15**	2,723	38
6. Other tax receivables	**15**	1,328	26,445
VI. Accruals		**698**	**6**
VII. Cash and cash equivalents	**11**	**14,764**	**4,108**
1. Cash		14,764	4,108
TOTAL ASSETS		**1,929,450**	**1,945,258**

The accompanying notes 1 to 20 are an integral part of the balance sheet at December 31, 2023.

Ebro Foods, S.A.

Balance sheet at December 31, 2023 and 2022

EQUITY AND LIABILITIES (000€)	NOTE	31-12-23	31-12-22
A) EQUITY		**1,310,657**	**1,364,790**
A.1) CAPITAL AND RESERVES	**12**	**1,310,657**	**1,364,790**
I. Capital		**92,319**	**92,319**
1. Issued capital		92,319	92,319
II. Share premium		**5**	**5**
III. Reserves		**1,184,772**	**1,057,904**
1. Legal and statutory reserves		18,464	18,464
2. Other reserves		1,166,308	1,039,440
IV. Own shares		**0**	**0**
V. Retained earnings (prior-year losses)		**0**	**0**
VI. Other owner contributions		**0**	**0**
VII. Profit for the year		**33,561**	**214,562**
VIII. Interim dividend		**0**	**0**
IX. Other equity instruments		**0**	**0**
A.2) VALUATION ADJUSTMENTS		**0**	**0**
A.3) GRANTS, DONATIONS AND BEQUESTS RECEIVED		**0**	**0**
B) NON-CURRENT LIABILITIES		**234,104**	**560,295**
I. Non-current provisions	**14**	**14,643**	**16,042**
1. Non-current employee benefit obligations		2,865	4,000
4. Other provisions		11,778	12,042
II. Non-current borrowings	**9**	**1,357**	**355,414**
2. Bank borrowings	**13**	0	349,872
4. Derivatives	**9**	1,345	5,530
5. Other financial liabilities		12	12
III. Non-current borrowings from group companies and associates	**17**	**184,877**	**158,309**
IV. Deferred tax liabilities	**15**	**33,227**	**30,530**
C) CURRENT LIABILITIES		**384,689**	**20,173**
III. Current borrowings:	**9**	**375,634**	**14,453**
2. Bank borrowings	**13**	375,634	14,453
IV. Current borrowings from group companies and associates	**17**	**0**	**290**
V. Trade and other accounts payable:	**9**	**9,055**	**5,430**
1. Trade payables		567	868
2. Trade payables, group companies and associates	**17**	3,860	1
4. Employee benefits payable		4,351	4,316
5. Current tax liabilities	**15**	0	0
6. Other taxes payables	**15**	277	245
TOTAL EQUITY AND LIABILITIES		**1,929,450**	**1,945,258**

The accompanying notes 1 to 20 are an integral part of the balance sheet at December 31, 2023.

Ebro Foods, S.A.

Statement of profit or loss for the years ended December 31, 2023 and 2022

(000€)	NOTE	2023	2022
CONTINUING OPERATIONS			
Revenue		**5,192**	**213,087**
Revenue form services rendered		3,765	3,507
Dividends from group companies and associates	8 & 17	1,166	209,177
Finance income from group companies	17	261	403
Other operating income		**5,012**	**5,085**
Ancillary and other operating income		5,012	5,085
Employee benefits expense		**(14,316)**	**(14,164)**
Wages and salaries and similar		(11,534)	(11,230)
Employee benefits		(1,422)	(1,229)
Provisions		(1,360)	(1,705)
Other operating expenses		**(10,040)**	**(8,609)**
External services		(9,677)	(8,262)
Taxes other than income tax		(336)	(347)
Other operating expenses		(27)	0
Depreciation and amortization	5, 6 & 7	**(2,534)**	**(2,625)**
Impairment of and gains/(losses) on disposal of fixed assets		**233**	**0**
Gains/(losses) on disposals	5 & 7	233	0
OPERATING PROFIT/(LOSS)		**(16,453)**	**192,774**
Finance income		**984**	**44**
From marketable securities and other financial instruments:			
Third parties		984	44
Finance costs		**(10,728)**	**(8,340)**
Borrowings from group companies and associates	17	(8,499)	(6,529)
Third-party borrowings		(2,229)	(1,811)
Change in fair value of financial instruments		**4,185**	**570**
Held-for-trading portfolio and other securities	9	4,185	570
Exchange gains/(losses)	9	**(1,407)**	**(2,816)**
Impairment of and gains/(losses) on disposal of financial assets		**50,442**	**27,768**
Impairment and losses	8	643	27,768
Gains/(losses) on disposals	8 & 9	49,799	0
NET FINANCE INCOME		**43,476**	**17,226**
PROFIT BEFORE TAX		**27,023**	**210,000**
Income tax	15	**6,538**	**4,562**
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		**33,561**	**214,562**
PROFIT FOR THE YEAR		**33,561**	**214,562**

The accompanying notes 1 to 20 are an integral part of the statement of profit or loss for the year ended December 31, 2023.

Ebro Foods, S.A.

Statement of recognized income and expense for the years ended December 31, 2023 and 2022

(000€)	NOTE	2023	2022
A) Profit as per statement of profit or loss		**33,561**	**214,562**
Income and expense recognised directly in equity			
I. Measurement of financial instruments			
1. Valuation adjustments: financial assets at fair value	**9**	0	0
2. Other income/expense			
II. Cash flow hedges			
III. Grants, donations and bequests received			
IV. Actuarial gains and losses and other adjustments			
V. Tax effect		0	0
B) Total income and expense recognized directly in equity		**0**	**0**
Amounts reclassified to profit or loss			
VI. Measurement of financial instruments			
1. Valuation adjustments: financial assets at fair value	**9**	0	0
2. Other income/expense			
VII. Cash flow hedges			
VIII. Grants, donations and bequests received			
IX. Tax effect		0	0
C) Total amounts reclassified to profit or loss		**0**	**0**
TOTAL RECOGNIZED INCOME AND EXPENSE (A + B + C)		**33,561**	**214,562**

The accompanying notes 1 to 20 are an integral part of the statement of recognized income and expense for the year ended December 31, 2023.

Ebro Foods, S.A.

Statement of total changes in equity for the years ended December 31, 2023 and 2022

(000€)	CAPITAL	SHARE PREMIUM	RESERVES	OWN SHARES	RETAINED EARNINGS	PROFIT/ (LOSS) FOR THE YEAR	INTERIM DIVIDEND	OTHER EQUITY INSTRUMENTS	VALUATION ADJUSTMENTS	GRANTS, DONATIONS AND BEQUESTS RECEIVED	TOTAL
OPENING BALANCE AT 31-12-2021	**92,319**	**5**	**818,484**	**0**	**0**	**327,145**	**0**	**0**	**0**	**0**	**1,237,953**
I. Restatements for changes in accounting criteria											0
II. Adjustments for misstatements											0
RESTATED BALANCE AT 1-1-2022	**92,319**	**5**	**818,484**	**0**	**0**	**327,145**	**0**	**0**	**0**	**0**	**1,237,953**
I. Total recognized income and expense						**214,562**			**0**		**214,562**
II. Transactions with shareholders and owners:	**0**	**0**	**(87,725)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**(87,725)**
Dividend distribution			(87,703)								(87,703)
Transactions with own shares (net)			(22)								(22)
Other transactions with shareholders			0								0
III. Other changes in equity			**327,145**			**(327,145)**					**0**
CLOSING BALANCE AT 31-12-2022	**92,319**	**5**	**1,057,904**	**0**	**0**	**214,562**	**0**	**0**	**0**	**0**	**1,364,790**
I. Restatements for changes in accounting criteria											**0**
II. Adjustments for misstatements											**0**
RESTATED BALANCE AT 1-1-2023	**92,319**	**5**	**1,057,904**	**0**	**0**	**214,562**	**0**	**0**	**0**	**0**	**1,364,790**
I. Total recognized income and expense						**33,561**			**0**		**33,561**
II. Transactions with shareholders and owners:	**0**	**0**	**(87,694)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**(87,694)**
Dividend distribution			(87,703)								(87,703)
Transactions with own shares (net)			9								9
Other transactions with shareholders			0								0
III. Other changes in equity			**214,562**			**(214,562)**					**0**
CLOSING BALANCE AT 31-12-2023	**92,319**	**5**	**1,184,772**	**0**	**0**	**33,561**	**0**	**0**	**0**	**0**	**1,310,657**

The accompanying notes 1 to 20 are an integral part of the statement of total changes in equity for the year ended December 31, 2023.

Ebro Foods, S.A.

Statement of cash flows for the years ended 31 December 2023 and 2022

(000€)	NOTE	2023	2022
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		**11,889**	**(62,127)**
1. Profit for the year before tax		**27,023**	**210,000**
2. Adjustments for non-cash income and expenses:		**(41,242)**	**(222,476)**
a) Depreciation and amortization (+)	**5,6 & 7**	2,534	2,625
b) Impairment charges (+/–)	**8**	(643)	(27,768)
c) Changes in provisions (+/–)	**14**	1,360	1,705
e) Gains/(losses) on derecognition and disposal of fixed assets (+/–)	**7**	(233)	0
f) Gains/(losses) on derecognition and disposal of financial instruments (+/–)	**8**	(49,799)	0
g) Finance income (–)		(1,245)	(447)
h) Finance costs (+)		6,543	7,770
i) Exchange differences (+/–)	**9.1**	1,407	2,816
k) Other income and expenses (+/–)		(1,166)	(209,177)
3. Changes in working capital		**(2,904)**	**(12,223)**
b) Trade and other accounts receivable (+/–)		(815)	(108)
c) Other current assets (+/–)		(692)	(6)
d) Trade and other payables (+/–)		(1,397)	(12,109)
4. Other cash flows from operating activities		**29,012**	**(37,428)**
a) Interest paid (–)		(2,030)	(2,837)
b) Dividends received (+)		1,166	1,233
c) Interest received (+)		632	181
d) Income tax receipts (payments) (+/–)		29,244	(36,005)
NET CASH FLOWS FROM INVESTING ACTIVITIES		**13,346**	**(70,290)**
6. Payments for investments (–)		**428**	**(70,305)**
a) Group companies and associates		643	(69,893)
b) Intangible assets		(184)	(106)
c) Property, plant and equipment	**6**	(31)	(306)
7. Proceeds from disposals (+)		**12,918**	**15**
a) Group companies and associates		12,634	0
d) Investment properties		284	15
NET CASH FLOWS USED IN FINANCING ACTIVITIES		**(14,661)**	**(50,948)**
9. Proceeds from and payments for equity instruments		**(632)**	**(665)**
c) Acquisition of own equity instruments (–)		(632)	(665)
10. Proceeds from and repayment of financial liabilities		**73,674**	**37,420**
a) Issuance of:		**123,482**	**243,059**
2. Bank borrowings (+)		43,962	33,696
3. Borrowings from group companies and associates (+)		79,520	209,363
b) Repayment of:		**(49,808)**	**(205,639)**
2. Bank borrowings (–)		(32,780)	(44,391)
3. Borrowings from group companies and associates (–)		(16,050)	(160,420)
4. Other borrowings (–)		(978)	(828)
11. Dividends and payments on other equity instruments		**(87,703)**	**(87,703)**
a) Dividends (–)		(87,703)	(87,703)
EFFECT OF CHANGES IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS		**82**	**82**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		**10,656**	**(183,283)**
Cash and cash equivalents - opening balance		**4,108**	**187,391**
CASH AND CASH EQUIVALENTS - CLOSING BALANCE		**14,764**	**4,108**

The accompanying notes 1 to 20 are an integral part of the statement of cash flows for the year ended December 31, 2023.

Ebro Foods, S.A.

Notes to the financial statements for the year ended December 31, 2023

1. COMPANY INFORMATION

Ebro Foods, S.A., a Spanish public limited company (*sociedad anónima*), hereinafter, the Company, was created by the merger by absorption of Puleva S.A. into Azucarera Ebro Agrícolas S.A. on 1, January 2001. On the occasion of that transaction, Azucarera Ebro Agrícolas, S.A.'s name was changed to Ebro Puleva, S.A. Later, at the Annual General Meeting of 1, June 2010, its registered name was changed again to its current name: Ebro Foods, S.A.

The Company's current registered office is in Madrid (28046), at Paseo de la Castellana, 20. The Company's corporate object is to perform the following business activities in Spanish and foreign markets:

a) The production, preparation, sale, research, export and import of all manner of food and dietary products for both human and animal consumption, in addition to energy food products, including their by-products and waste, and, in particular, rice, pasta, sauces and all manner of nutritional products.

b) The production, exploitation and sale of all manner of food, soft and alcoholic beverages.

c) The use of by-products and the provision of services or products of all types relating to the aforementioned activities, including refrigeration cabinets, ice, industrial gas, steam, cold and energy.

d) The acquisition, lease, creation, installation, development and management of industrial, farming and livestock facilities in the food, nutrition and beverage (including alcohol) industries.

e) The performance of projects and installation work and the provision of all manner of technical assistance to other companies in the aforementioned industries; the creation, development, protection and use of patents, trademarks and other assets susceptible to intellectual property protection.

f) Staff training, computer programming or management, investment and monetization of resources, advertising and image, transport, distribution and sale and marketing activities that are ancillary or complementary to the aforementioned activities.

The activities comprising the Group's corporate object may be carried on through the subscription or acquisition of shares or other equity interests in companies with an identical or similar corporate purpose.

Ebro Foods, S.A. is the parent of a consolidated group comprising it and its subsidiaries and associates (the Ebro Group or the Group) with which it has separately presented consolidated financial statements for 2023, which were authorised for issue by the Board of Directors of Ebro Foods, S.A. on 22 March 2024. The 2022 consolidated financial statements were approved at the Annual General Meeting held by Ebro Foods, S.A. on June 6, 2023 and duly filed with Madrid's Companies Register.

GOING CONCERN

The fact that Ebro Foods, S.A. is the parent of a consolidated group should be taken into consideration in assessing the working capital position typical of year-end (which at year-end 2023 was, actually, negative) in the separate annual financial statements of Ebro Foods, S.A., which, as the Group's parent company, has the option of financing itself via dividends and additional bank or Group financing, among other alternatives.

The key figures contained in the 2023 and 2022 consolidated financial statements, which were drawn up in accordance with Final Provision Eleven of Spanish Law 62/2003, of December 30, 2003, under the International Financial Reporting Standards approved by the European Commission, are replicated below:

(000€)	AT 31-12-2022		AT 31-12-2023	
Total assets		**3,900,216**		**3,871,565**
Equity:		**2,198,280**		**2,222,133**
Attributable to equity holders of the parent	2,164,438		2,185,159	
Attributable to non-controlling interests	33,842		36,974	
Revenue		**2,967,672**		**3,084,457**
Profit for the year:		**138,648**		**205,011**
Attributable to equity holders of the parent	122,059		186,964	
Attributable to non-controlling interests	12,589		18,047	
CURRENT ASSETS LESS CURRENT LIABILITIES		**799,308**		**434,829**

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS

The figures provided in these financial statements are presented in thousands of euros, unless otherwise indicated.

FINANCIAL REPORTING FRAMEWORK APPLICABLE TO THE COMPANY

The accompanying financial statements were authorised for issue by the directors in keeping with the financial reporting regulatory framework applicable to Company, namely:

a) Spain's Code of Commerce and other company law

b) Spain's General Accounting Plan, enacted by Royal Decree 1514/2007, as amended in 2021 by Royal Decree 1/2021, of January 12, and other prevailing company law.

c) The binding rules issued by the ICAC (acronym in Spanish for the Audit and Accounting Institute) enacting the General Accounting Plan and its complementary rules and regulations.

d) Other applicable Spanish accounting regulations.

FAIR PRESENTATION

The accompanying financial statements were prepared from the Company's accounting records in keeping with the prevailing applicable financial reporting framework and, specifically, the accounting principles and criteria contained therein, to present fairly the Company's equity and financial position at year-end and financial performance and cash flows during the year.

These financial statements have been authorised for issue by the Company's directors and will be submitted for shareholder approval at the Annual General Meeting at which they are expected to be ratified without modification. The financial statements for 2022 were approved by shareholders at the Annual General Meeting held on June 6, 2023.

COMPARATIVE INFORMATION

The information provided in these financial statements in respect of 2023 is presented to enable a reader comparison with the 2022 figures.

CRITICAL ISSUES CONCERNING THE MEASUREMENT AND ESTIMATION OF UNCERTAINTY

The directors prepared the Company's financial statements using estimates based on historical experience and other factors considered reasonable under the circumstances. The carrying amounts of assets and liabilities that are not readily apparent from other sources were established on the basis of those estimates. The Company reviews those estimates continually. However, given the uncertainty inherent in those estimates, there is a considerable risk that the carrying amounts of affected assets and liabilities may have to be significantly adjusted in the future should material changes occur in the assumptions, events or circumstances on which they were based.

In addition to other relevant information regarding the estimation of uncertainty at the reporting date, the key assumptions regarding the future that imply a risk that the carrying amounts of assets and liabilities may require material adjustment in the next financial year, are as follows:

* **Taxation**

  In accordance with prevailing tax legislation, tax returns cannot be considered final until they have been inspected by the tax authorities or until the four-year inspection period from the date of presentation of the respective returns has elapsed. The directors believe there are no contingencies that could give rise to material additional liabilities for the Company in the event of a tax inspection (Note 15).

* **Impairment of non-financial assets**

  Until December 31, 2015, the Company used to test its non-financial assets for signs of impairment annually. Specifically, indefinite-lived intangible were tested for impairment at least annually.

  Since January 1, 2016, as provided for in Spanish Royal Decree 602/2016, of December 2nd, which introduces a change in the criteria applicable to the amortization of intangible assets, those assets are now subject to amortization on a straight-line basis over a 10-year period. Irrespective of the new amortization regime, those intangible assets are tested for signs of impairment annually, along with the rest of the Company's non-financial assets.

* **Deferred tax assets**

  Deferred tax assets are recognized on the basis of the Company's estimates regarding the probability of occurrence and level of future taxable profits (Note 15).

* **Provisions**

  The Company recognises provisions for liabilities in keeping with the accounting policy outlined in Note 4.o below. The Company has made judgements and estimates as to the likelihood that the provisioned liabilities will materialise, as well as the corresponding amounts, and has recognized provisions when the liability is deemed probable, estimating the cost that would be generated by the obligating event (Note 14).

Although the above-mentioned estimates were made on the basis of the best information available at year-end, events that take place in the future, specifically including events related with the current global geopolitical situation, particularly the war in Ukraine and the conflict in the Middle East (see below), might make it necessary to revise them (upwards or downwards) in coming years. Any changes in accounting estimates would be applied prospectively.

THE CURRENT GLOBAL GEOPOLITICAL SITUATION, PARTICULARLY THE WAR IN UKRAINE AND THE CONFLICT IN THE MIDDLE EAST: IMPLICATIONS FOR THE 2023 FINANCIAL STATEMENTS

More than two years on from the invasion of Ukraine by the Russian Federation on 24 February 2022, global uncertainty remains high. The international community reacted swiftly to that invasion, with many countries (including the European Union and United States) imposing sanctions on Russia and its people and lending military support to Ukraine. Since October 2023, the conflict between Israel and some of the regions around it has further undermined geopolitical stability and added more uncertainty to the financial and energy markets.

The difficulty in predicting how these conflicts will end and their obvious geopolitical implications mean that it is not currently possible to reliably estimate what potential impact the denouement of the conflicts and the international response to them could have on the Group's businesses. These situations continue to affect the availability and prices of certain commodities (those in which Russia and Ukraine are leading global producers and exporters, such as wheat and sunflower oil), the price of energy and other essential products and exchange rates. Moreover, shipping costs are being driven upwards by the current instability in the Red Sea.

In short, the post-pandemic era has been marked by unanticipated economic developments such as global supply chain friction, energy inflation (oil, gas and electricity) and financial market and exchange rate volatility, which has ushered in a period of high inflation (which proved persistent throughout 2023 despite abating somewhat) with scope for provoking recessionary episodes in Europe and the Americas and social tension, which have in turn triggered new monetary and economic policies in an attempt to curb and resolve the inflationary cycle. As a result, it is hard to estimate how these variables will evolve in the coming months.

Despite the uncertainty and impossibility of making reliable estimates, the Company's directors believe that the current situation and its consequences are not and should not have a material impact on the Company and its Group, underpinned primarily by the following considerations:

- The Group has no subsidiaries, branches or operations in the region affected by the armed conflict in Ukraine. The Group does not have (and has not had in the recent past) factories, customers or suppliers in Ukraine or Russia.
- Neither Russia nor Ukraine are or have been sources of wheat supply for the Group which, moreover, downsized its dry pasta business significantly in 2021 and 2020.

  As a result, its exposure to the potential impact of inflation in that commodity and its different variants is considered low (as it should not go beyond the indirect effect that the reduction of wheat exports from Russia and Ukraine could have on the prices of wheat sourced from other markets).
- In the Middle East (Israel and surrounding regions), the Group only has a very small sales presence that is not material at the Group or Company levels.
- With respect to the global economic impact, the type of products made by the Ebro Group makes its businesses more resilient during times of crisis. As a result, the Group does not anticipate a significant decrease in customer demand, loss of suppliers or other adverse effects on its supply and distribution channels.
- As for energy costs, the measures announced by the European Union and other countries with the aim of (i) reducing dependence on oil and gas sourced from Russia; and (ii) mitigating the effect of the conflict on energy costs, should mean that those potential increases will not have a very significant impact on the Group's businesses.

On the basis of the most updated information available, in order to duly reflect the prevailing and prospective impacts of these situations on the financial situation, performance and cash flows of Ebro Foods, S.A., the following specific disclosures are made:

1. To date there have been no material adverse impacts on the financial position, earnings performance or cash flows of Ebro Foods, S.A. or its consolidated Group.
2. Ebro Foods, S.A., in its capacity as the holding company for its group of subsidiaries and associates, does carry on industrial or sales activities directly. It has not therefore been directly impacted by the war. Nor has the Ebro Group sustained material adverse impacts. The reader is referred to the related disclosures made in the notes to the Group's 2023 consolidated financial statements.
3. The war in Ukraine is having different impacts in each market. The situations in the Middle East and Red Sea are also creating uncertainty. Given the complexity of the situation and difficulty implicit in assessing the course these conflicts will take, it is not presently possible to make a reliable quantitative estimate of their potential additional impact, if any, on Ebro Foods, S.A. or on its Group beyond December 31, 2023, which, if necessary, would be recognized prospectively in the 2024 financial statements.
4. Ebro Foods, S.A. continues to take the steps required to tackle these situations and minimize their impact. It believes that they are circumstantial and, based on its most recent estimates and its liquidity position as of the reporting date, will not compromise its ability to continue as a going concern.

TRANSACTIONS CONCLUDED IN 2023 THAT AFFECT THE BASIS OF PRESENTATION

The Company did not undertake any transactions in 2023 or 2022 that affect the presentation or comparability of these financial statements.

Other transactions undertaken in prior years require specific disclosures in subsequent reporting periods, as outlined below:

a) **Merger by absorption of Productos La Fallera, S.A.:**
Refer to the 2003 financial statements.

b) **Dissolution of Azucarera Ebro Agrícolas Gestión de Patrimonio, S.L. (GDP) transferring all of its assets and liabilities to Ebro Foods, S.A.:**
Refer to the 2003 financial statements.

c) **Non-monetary contribution to Ebro Financial Corporate Services S.L.:**
Refer to the 2012 financial statements.

d) **Liquidation of Azucarera Energías, S.A. in December 2015:**
Refer to the 2015 financial statements.

e) **Liquidation of Beira Terrace Soc.de Const., Ltda. (Portugal),** all of whose assets and liabilities were assigned to Ebro Foods, S.A. by way of liquidating dividend.
Refer to the 2019 financial statements.

3. APPROPRIATION OF PROFIT

(000€)	AMOUNT
Basis of appropriation:	
Unrestricted reserves	1,163,140
Profit for the year (as per statement of profit or loss)	33,561
TOTAL	**1,196,701**

The distribution of profit proposed by the directors of Ebro Foods, S.A. at a meeting of the Board of Directors held on December 20, 2023 for submission for ratification at the upcoming Annual General Meeting is as follows:

The profit generated by the Ebro Foods Group in 2023 makes it possible, as in prior years, to propose the payment of a cash dividend by Ebro Foods, S.A., with a charge against profit for the year and unrestricted reserves, of 0.66 euros per share, payable in the course of 2024, in a total amount of 101,551 thousand euros.

The dividend will be paid out in three equal instalments of 0.22 euros per share on April 2, June 28, and October 1, 2024.

LIMITATIONS ON THE DISTRIBUTION OF DIVIDENDS

The Company is obliged to transfer 10% of profit for the year to a legal reserve until this reserve reaches an amount equal to at least 20% of share capital. This reserve cannot be distributed to shareholders (Note 12.c) unless it exceeds, and only in the amount by which it exceeds, this 20% threshold.

Once the legal and bylaw-stipulated requirements have been met, dividends may be distributed against profit for the year or freely distributable reserves, so long as the value of equity is not lower than or would not fall below share capital as a result of the distribution. Any profit recognized directly in equity may not be distributed either directly or indirectly for such purposes. If prior-year losses were to reduce the Company's equity to below the amount of share capital, profit would have to be allocated to offset those losses.

4. RECOGNITION AND MEASUREMENT POLICIES

A) INTANGIBLE ASSETS

Intangible assets are initially measured at either acquisition or production cost. The cost of intangible assets acquired in a business combination is their acquisition-date fair value.

Following initial recognition, they are stated at cost less accumulated amortisation and any impairment losses.

Intangible assets are assets with a finite useful life and are therefore amortized on a straight-line basis as a function of their estimated useful life and residual value. Amortization methods and periods are reviewed at the end of each reporting period and adjusted prospectively where applicable.

Intangible assets are tested for impairment at least at each financial year-end and any impairment is recognized. Patents, licences and trademarks are amortized on a straight-line basis over their useful lives, generally 10 years, while computer software is amortized over an estimated useful life of four years.

B) PROPERTY, PLANT AND EQUIPMENT

Items of property, plant and equipment are initially recognized at either acquisition or production cost. The cost of property, plant and equipment acquired in a business combination is the fair value of the assets at the acquisition date. Following initial recognition, they are carried at cost less accumulated depreciation and any impairment losses.

The cost of assets acquired or produced since January 1, 2008 that require more than one year to get ready for use (qualifying assets) includes borrowing costs accrued prior to putting the assets to use whenever such expenses meet the capitalisation requirements.

Property, plant, and equipment likewise includes the initial estimate of the present value of asset dismantling or retirement obligations and other associated costs, such as the cost of restoring assets, when these obligations trigger the recognition of provisions.

Expenses for repairs that do not prolong the useful life of the assets, as well as maintenance expenses, are taken to profit and loss in the year incurred. Expenses incurred for expansion or improvements that increase the productivity or prolong the useful life of those assets are capitalized as an increase in the carrying amount of the item.

Depreciation charges are recognized in the statement of profit or loss. Assets are depreciated from when they are available for use.

Items of property, plant and equipment are depreciated on a straight-line basis over their respective estimated useful lives, taking into consideration actual depreciation sustained through operation, usage and wear and tear, as follows:

	DEPRECIATION RATES
Buildings	2.0 a 3.0%
Machinery, plant and tools	2.0 a 8.0%
Furniture and other fixtures	10.0 a 25.0%
Vehicles	5.5 a 16.0%

The Company reviews its material assets' residual values, useful lives and depreciation methods at each year-end and adjusts them prospectively where applicable.

C) INVESTMENT PROPERTIES

Investment properties comprise land and buildings that are leased to third parties or not being used for operating purposes. Buildings so classified are depreciated on a straight-line basis over an estimated useful life of 50 years.

The measurement criteria applicable to property, plant and equipment apply in full to investment properties. Transfers are made to (or from) investment property only when there is a change in use.

D) EXCHANGES OF ASSETS

Assets acquired in exchange for other assets are analyzed individually to determine whether the related transaction has commercial substance.

When the transaction has commercial substance, the asset received is measured at the fair value of the asset given up, plus any monetary compensation where applicable, except for transactions for which the evidence supporting the fair value of the asset received is better, in which case this measurement is taken. Any valuation differences arising upon derecognition of the asset given up are recognized in the statement of profit or loss.

When the exchange does not have commercial substance or when the fair value of the assets exchanged cannot be reliably measured, the asset received is measured at the carrying amount of the asset given up, plus monetary consideration given, if any.

E) IMPAIRMENT OF NON-CURRENT AND NON-FINANCIAL ASSETS

The Company assesses whether there is any indication that a non-current financial asset or cash-generating unit may be impaired at least at each reporting date. If there is any indication of impairment, the asset's recoverable amount is estimated.

The recoverable amount is the higher of fair value less costs to sell and value in use. When the carrying amount exceeds the recoverable amount, the asset is considered impaired.

Value in use is the present value of expected future cash flows, discounted using risk-free market rates, adjusted for the risks specific to the asset. For those assets that do not generate cash inflows that are largely independent of those from other assets or groups of assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses and any subsequent reversals are recognized in profit and loss. Impairment losses are reversed only if the circumstances that gave rise to the impairment cease to exist. Goodwill impairment losses are not reversed. Any such reversal is limited to the carrying amount that would have been determined had no impairment loss been recognized for the asset in question.

F) LEASES

Leases are classified as finance leases when, based on the economic terms of the arrangement, substantially all the risks and rewards incidental to ownership of the leased item are transferred to the lessee. All other lease arrangements are classified as operating leases.

Company as lessee

Assets acquired under finance leases are classified by their nature within property, plant and equipment and are measured at the lower of the fair value of the leased property and the present value of the minimum lease payments; a corresponding financial liability is recognized in the same amount. Lease payments are apportioned between finance charges and reduction of the lease liability. Leased assets are depreciated, impaired and derecognized using the same criteria as apply to owned assets of a similar nature.

Operating lease payments are expensed in profit and loss as they accrue.

Company as lessor

Rental income from operating leases is recognized in the statement of profit or loss as accrued. Direct costs incurred in negotiating operating leases are added to the carrying amount of the leased asset and are expensed over the term of the lease using the same criteria as are used to recognise lease income.

G) FINANCIAL ASSETS

1. Classification and measurement

1.1. Financial assets at fair value through profit or loss

This category includes financial assets originated or acquired principally for the purpose of selling them in the near future (*for example, debt securities, irrespective of their maturity, and listed equity instruments that are purchased for sale in the short term*). It also includes assets that are part of a portfolio of financial instruments identified or administered on a joint basis, for which there is evidence of recent action to obtain short-term profit, and derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

These financial assets are initially measured at fair value, which, unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration paid. Transaction costs that are directly attributable to their issuance are recognized in profit or loss in the year incurred.

Subsequent to initial recognition, the Company measures the financial assets included in this category at their fair value, recognizing changes in their fair value in profit or loss.

Lastly, in addition to the above-listed financial instruments, any financial asset other than investments in a subsidiary, joint venture or associate may be designated at fair value through profit or loss upon initial recognition if management so decides when recognizing the asset for the first time.

1.2. Financial assets at amortized cost

This category includes trade and non-trade receivables, specifically including financial assets originating from the sale of goods and provision of services in the ordinary course of business for which payment is deferred and financial assets that are not commercial in origin, are neither equity instruments nor derivatives, carry fixed or determinable payments and derive from loans or credit granted by the Company.

Upon initial recognition, these assets are recognized at fair value, which, unless there is evidence to the contrary, is the transaction price, deemed equivalent to the fair value of the consideration paid plus directly attributable transaction costs.

Nevertheless, trade receivables that mature within no more than a year from the reporting date with no explicit contractual interest rate, as well as advances and loans to employees, dividends receivable and called-up payments on equity instruments, the amount of which is expected to be realized in the short term, may be measured at their face value, provided that the effect of not discounting the cash flows is not material.

1.3. Financial assets at cost

This category includes equity investments in group companies, joint ventures, and associates, other investments in equity instruments whose fair value cannot be determined by reference to a quoted price in an active market for an identical instrument or otherwise reliably estimated, and derivatives with such an investment as its underlying. Hybrid financial assets whose fair value cannot be reliably estimated, unless they meet the criteria for classification as financial assets at amortized cost. Contributions made under unincorporated joint venture and similar agreements.

Profit-participating loans in which interest payments are contingent either because the parties agree a fixed or variable rate conditional upon a specific milestone at the borrower (e.g., the generation of a profit) or because the interest is calculated exclusively by reference to the borrower's business performance. Any other financial asset which would initially fall into the fair value through profit or loss category when it is ultimately not possible to reliably estimate its fair value.

These assets are initially recognized at cost, which is equivalent to the fair value of the consideration delivered plus directly attributable transaction costs, additionally taking into consideration the criteria governing related-party transactions and the rules for determining the cost of a business combination, as required.

The initially-recognized amount of an equity investment includes preferential subscription and similar rights acquired. Equity investments in group companies, joint ventures and associates are subsequently measured at cost less any accumulated impairment.

When an investment is newly classified as an investment in a subsidiary, joint venture or associate, its deemed cost is the carrying amount of that investment immediately prior to the reclassification.

The financial assets included in this category are subsequently measured at cost less any accumulated impairment.

In the case of equity investments in group companies that give control over the subsidiary, the fees paid to legal advisors and other professionals in connection with the acquisition have been recognized directly in the statement of profit or loss since January 1, 2010.

1.4. Financial assets at fair value through equity

A financial asset is included in this category when the contractual terms of a financial asset give rise to payments on specific dates that are solely payments of principal and interest on the principal outstanding, it is not held for trading and cannot be classified at amortized cost.

In addition, the equity investments the Company decides not to include in financial assets at fair value through profit or loss may be classified in this category so long as management makes that irrevocable choice upon initial recognition.

1.5. Hedging derivatives

Derivatives designated as hedging instruments.

Financial instruments that have been designated as hedging instruments or hedged items are measured as described in Note 4.j below.

2. Derecognition

Financial assets are derecognized when (i) the contractual rights to the related cash flows have expired; or (ii) when the assets have been transferred, provided that the risks and rewards incidental to ownership have been substantially transferred.

If the Company has neither substantially transferred nor retained the risks and rewards incidental to ownership of the financial asset, it is derecognized when control over the asset is relinquished. If control over the asset is retained, the Company continues to recognise it to the extent to which it is exposed to changes in the value of the transferred asset, i.e. to the extent of its continuing involvement, recognizing the associated liability as well.

The difference between the consideration received, net of attributable transaction costs, including any new financial asset obtained less any liability assumed, and the carrying amount of the asset transferred, plus any cumulative gain or loss recognized directly in equity, determines the gain or loss generated upon derecognition, and is included in the statement of profit or loss for the year to which it relates.

The Company does not derecognise financial assets in respect of the sale of financial assets in which it has retained substantially the risks and rewards incidental to ownership, such as discounted bills, recourse factoring arrangements, disposals of financial assets under repurchase agreements at fixed prices or at the sale price plus interest, and securitisations of financial assets in which it retains subordinated financing or other types of guarantees that substantially absorb all the estimated losses. In those instances, it recognises a financial liability at an amount equal to the consideration received.

3. Interest and dividend income generated by financial assets

Interest and dividends accrued on financial assets subsequent to their acquisition are recognized as income; specifically, dividends and finance income received from Group companies are classified as revenue in the statement of profit or loss. Interest is recognized using the effective interest rate method; dividends are recognized when the right to receive them is established.

To this end, financial assets are recognized separately upon initial measurement based on maturity, accrued explicit interest receivable at that date, and the dividends approved by the competent governing body up to the date the assets are acquired. Explicit interest refers to the contractual interest rate applied to the financial instrument.

In addition, when distributed dividends are derived unmistakably from profit generated prior to the date of acquisition, based on the conclusion that the amounts distributed exceed the profit generated by the investee and its subsidiaries (in the case of subgroups) since acquisition, the dividends are not recognized as revenue but rather as a decrease in the carrying amount of the investment.

4. Reclassification of financial assets

When the Company's business model for managing financial assets changes it reclassifies all of the assets affected in keeping with the criteria outlined above. A category reclassification does not imply a derecognition but rather a change of measurement criteria and is accounted for prospectively.

H) IMPAIRMENT OF FINANCIAL ASSETS

The carrying amount of financial assets is adjusted against profit and loss when there is objective evidence of an impairment loss.

To determine whether its financial assets may be impaired, the Company tests individual assets and portfolios of assets with similar risk traits for impairment.

Financial assets at amortized cost

At least at every year-end, the Company checks for objective evidence of impairment of an individually assessed financial asset or a group of financial assets with similar credit risk characteristics as a result of one or more events occurring after initial recognition that has the effect of reducing the estimated future cash flows due to impaired debtor creditworthiness.

Any required financial asset impairment allowances are calculated as the difference between the carrying amount of the assets and the present value of estimated future cash flows (including cash flows expected from the foreclosure of any collateral), discounted at the effective interest rate prevailing at the initial recognition date.

Impairment allowances and any subsequent reversals (when the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized) are recognized as an expense or as income, respectively, in profit or loss. The reversal is limited to the amount at which the asset would have been recognized at the reversal date had no impairment loss been recognized.

Financial assets at cost

Investments in equity instruments are tested for impairment at least at each reporting date and the corresponding impairment losses are recognized when there is objective evidence that the carrying amount of an investment may not be recoverable.

Impairment of financial assets is recognized at the difference between their carrying and recoverable amounts, the latter understood as the higher of fair value less costs to sell and the present value of expected future cash flows from the investment, which in the case of equity instruments is calculated either by estimating the cash flows from the dividends to be received from the investee and the proceeds from the ultimate disposal of the investment or by estimating the Company's share of expected cash flows from the investee's operations and the proceeds from its ultimate disposal.

Financial assets at fair value through equity

In the case of equity instruments measured at fair value through equity, impairment allowances are measured at the difference between acquisition cost and fair value, less any previously recognized impairment losses. Unrealized capital losses deferred in equity are recognized immediately in profit or loss whenever it is deemed that such losses reflect a decline in fair value resulting from impairment.

In the case of equity instruments, impairment allowances give rise to a new cost basis for the impaired asset that provides the benchmark going forward for determining whether the investment has sustained additional permanent impairment and recognizing the related allowances. If, in a subsequent period, impairment allowances are partially or totally reversed, a valuation adjustment is recognized for the related amount in equity.

I) FINANCIAL LIABILITIES

1. Classification and measurement

1.1. Financial liabilities at amortized cost

These instruments include financial liabilities generated by the purchase of goods and services in the ordinary course of the Company's business with deferred settlement and non-trade payables that are not derivative instruments.

Profit-participating loans with characteristics akin to an ordinary loan are also included in this category, even if the interest rate agreed is a below-market rate or a rate of zero.

Upon initial recognition, they are recognized at fair value, which, barring evidence to the contrary, is the transaction price, deemed equivalent to the fair value of the consideration received, adjusted by directly attributable transaction costs.

Nevertheless, trade payables that mature within less than one year with no contractual interest rate, as well as called-up payments on shares, payment of which is scheduled in the short term, may be carried at their face value when the effect of not discounting the cash flows is not significant.

Subsequent to initial recognition, these financial liabilities are measured at amortized cost. Accrued interest is recognized in profit and loss using the effective interest rate method.

However, payables that mature no more than one year from the reporting date and are carried at face value, as outlined above, continue to be measured at that amount.

1.2. Financial liabilities at fair value through profit or loss

This category includes financial liabilities issued with the intention of buying them back in the near term and derivative instruments that have not been designated as hedging instruments.

These financial liabilities are initially measured at fair value, which, unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration paid. Transaction costs that are directly attributable to their issuance are recognized in profit or loss in the year incurred.

Subsequent to initial recognition, the Company measures the financial liabilities included in this category at their fair value, recognizing changes therein in profit or loss.

1.3. Hedging derivatives

Derivatives designated as hedging instruments. Financial instruments that have been designated as hedging instruments or hedged items are measured as described in Note 4.j below.

2. Derecognition

The Company derecognizes a financial liability when the obligation under the liability has been extinguished.

When debt instruments are exchanged, insofar as their contractual terms are substantially different, the original financial liability is derecognized and a new financial liability is recognized. Financial liabilities whose contractual terms are substantially modified are treated in the same manner.

The difference between the carrying amount of the derecognized financial liability (or part thereof) and the consideration paid, including any attributable transaction costs, which extends to any asset transferred other than cash and/or any liability assumed, is recognized in the statement of profit or loss in the year to which it relates.

When debt instruments are exchanged for other instruments whose contractual terms are not substantially different, the original financial liability is not derecognized and the commissions paid are recognized as a correction to the carrying amount. The new amortized cost of the financial liability is determined by applying the effective interest rate, namely that which equates the carrying amount of the financial liability on the modification date to the cash flows to be paid as per the new terms.

J) HEDGE ACCOUNTING

The Company typically arranges fair value hedges in respect of its foreign currency-denominated accounts receivable and cash flow hedges on loans arranged at floating rates and also hedges its net investments in its US subsidiaries.

Transactions are only designated as hedges when they effectively eliminate any risk inherent to the hedged item or position throughout the duration of the hedge, which means that the hedging item must be deemed highly effective at the inception of the contract (prospective effectiveness) and there must be sufficient evidence that the hedge has been effective throughout the life of the hedge (retrospective effectiveness).

The Company adequately documents its hedges, including how they are intended to achieve and measure effectiveness under current risk management policies.

To test its hedges for effectiveness, the Company verifies the actual results of the hedge, i.e., that the changes in the cash flows of the hedged item are offset by changes in the cash flows of its hedging instrument within a range of 80% and 125% throughout the life of the hedge, effectively delivering the forecasts established at inception.

If this correlation ceases to hold at any time, hedge accounting is discontinued and the hedges are reclassified as trading derivatives.

For measurement purposes, the Company classifies its hedges into three categories:

- **Fair value hedges:** These arrangements hedge the risk of variations in the fair value of accounts receivable as a result of changes in exchange rates. The changes generated by exchange differences in respect of both the hedging instrument and the hedged item are recognized in profit or loss.
- **Cash flow hedges:** These instruments hedge the risk of variations in cash flows attributable to changes in the interest rates borne on loans taken on. The Company uses interest rate swaps to exchange floating for fixed rates. The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized temporarily in equity; the cumulative gain or loss is reclassified to profit or loss in the year or years in which the hedged transaction affects profit or loss.

* **Hedges of net investments in foreign operations:** These instruments hedge the foreign currency risk associated with the Company's net investments in its US subsidiaries. These hedges take the form of the dollar-denominated loans used to finance the acquisition of these businesses. The exchange gains and losses arising on both the hedging instrument and the US investments are recognized in profit or loss.

K) FAIR VALUE ESTIMATION

The fair value of financial instruments is determined as follows:

* The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market prices.
* Where there is no active market, fair value is determined using valuation techniques based on market assumptions at the time of the measurement, specifically discounted cash flow analysis using market discount rates and, in the case of options, factoring in the volatilities implicit in the market participants' prices.

Non-current financial assets

There is no difference between the fair value and carrying amount of non-current loans granted since they all accrue interest at floating rates.

Since it is usually not possible to measure the fair value of shareholdings in unlisted companies reliably, these investments are measured at cost, or below cost if there is evidence of impairment.

Trade receivables

For receivables due in less than one year, the Company estimates that the carrying amount is a reasonable approximation of fair value.

Current financial assets

There is no difference between the fair value and carrying amount of current loans granted since they all accrue interest at market rates. For current financial assets, as their maturity is close to the financial year-end, the Company considers their carrying amount to be a reasonable approximation of fair value.

Bank borrowings

For current and non-current bank borrowings there is no significant difference between fair value and carrying amount since all these borrowings carry interest at market rates.

Trade and other payables

The Company considers the carrying amount of these headings to be a reasonable approximation of fair value.

Fair value of financial instruments

The fair values of current and non-current financial assets and liabilities do not differ significantly from their respective carrying amounts.

The Company used the three following fair value hierarchies, based on the relevance of the variables used, to measure the fair value of its financial instruments:

* **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.
* **Level 2:** estimates based on quoted prices in active markets for similar instruments or by means of other valuation techniques for which all of the significant inputs are based on market data that are observable either directly or indirectly.
* **Level 3:** estimates in which at least one significant input is not based on observable market data.

L) OWN SHARES

Own shares are recognized at the amount of consideration delivered; they are recognized in equity (as a deduction) when they are acquired and no gain or loss is recognized in the statement of profit or loss when they are sold or cancelled. The costs incurred to trade in own shares are recognized directly in equity as a deduction from reserves.

M) CASH AND CASH EQUIVALENTS

This heading includes cash, current accounts, short-term deposits and purchases of assets under resale agreements that meet the following criteria:

* They are readily convertible to cash.
* They mature within less than three months from the acquisition date.
* The risk of change in value is insignificant.
* They are part of the Company's standard cash management strategy.

For cash flow statement purposes, occasional bank overdrafts used as part of the Company's cash management strategy are recognized as a decrease in cash and cash equivalents.

N) GRANTS

Grants are classified as non-repayable once the terms attaching to their award have been met. They are recognized directly in equity, net of the corresponding tax effect.

Repayable grants are recognized as liabilities by the Company until deemed non-repayable; no income is recorded until that point.

Grants received to finance specific expenses are recognized as income over the periods necessary to match them with the related costs which they are intended to compensate. Grants received to acquire property, plant and equipment are released to income in proportion to the related depreciation charges.

O) PROVISIONS AND CONTINGENCIES

Provisions are recognized on the balance sheet when the Company has a present obligation (legal or constructive, explicit or implicit) arising from past events, settlement of which is expected to result in an outflow of resources embodying economic benefits that can be measured reliably.

Provisions are measured at the present value of the best possible estimate of the amount needed to cancel the obligation or transfer it to a third party, recognizing the increase in the carrying amount of the provision due to the passage of time as borrowing cost. Provisions due to be settled within twelve months are not discounted if the impact of not doing so is not material. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate of liability at each review date.

P) PROVISIONS FOR LONG-TERM EMPLOYEE BENEFITS

Under its prevailing collective bargaining agreements and other non-binding agreements, the Company is obliged to make annual supplementary payments of various kinds and other bonuses for long service and retirement, where applicable, to its permanent employees upon retirement at the legally stipulated age or early retirement. At present, the Company only has these commitments with some of its current employees.

The provision recognized for long-service bonuses represents the present value, calculated using actuarial studies performed by independent experts, of the potential future payments to these employees.

The post-employment and similar obligations have been externalized as stipulated under prevailing legislation. Since externalising this obligation, the Company is committed to making annual contributions to the externalized pension fund in an estimated amount that is not material in respect of the universe of employees affected.

In addition, the Company grants its employees certain voluntary retirement bonuses of undetermined amount. Those bonuses, which are scantly material, are recognized as an expense when they are paid.

Q) INCOME TAX

Income tax expense for the year is calculated as the sum of current tax resulting from applying the corresponding tax rate to taxable profit for the year, less any applicable tax credits, taking into account changes during the year in recognized deferred tax assets and liabilities. The corresponding tax expense is recognized in the statement of profit or loss, except when it relates to transactions recognized directly in equity, in which case it is likewise recognized in equity, and when it relates to business combinations, in which case it is recognized with a charge or credit to goodwill.

Deferred income tax is recognized using the liability method on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts. The tax base of an asset or liability is the amount attributed to it for tax purposes.

The tax effect of temporary differences is included in ‘Deferred tax assets’ or ‘Deferred tax liabilities’ on the balance sheet, as applicable. The Company recognizes deferred tax liabilities in respect of all taxable temporary differences, except as stipulated in prevailing legislation.

The Company recognizes deferred tax assets for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred assets are recognized to the extent that it is probable that taxable profit will be available against which the deferred tax assets can be utilized, except where disallowed by prevailing tax legislation.

At each reporting date the Company reassesses recognized and unrecognized deferred taxes. Based on the outcome of that assessment, the Company derecognizes a previously recognized deferred tax asset if its recovery is no longer deemed probable, and recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates expected to apply in the period in which they revere, as required by enacted tax laws, and in the manner in which it reasonably expects to recover or settle the deferred tax asset or liability, respectively.

Deferred tax assets and liabilities are not discounted and are classified as non-current assets or non-current liabilities, respectively.

Amendments to Measurement Rule #13 of the Spanish General Accounting Plan derived from International Tax Reform - Pillar Two Model Rules

In May 2023, the IASB issued its amendments to IAS 12 Income taxes as a result of the Pillar Two global minimum tax rules published by the OECD Inclusive Framework on Base Erosion and Profit Shifting. Those amendments introduce, provisionally, a mandatory temporary exemption to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules. They also introduce additional disclosure requirements for affected entities to help users of their financial statements better understand an entity's exposure to Pillar Two income taxes. The amendments related with the mandatory temporary exemption and the disclosure requirements for consolidated financial statement purposes already took effect in 2023. In Spain, Audit and Accounting Institute, the ICAC for its acronym in Spanish, has published a briefing note stating its plans to foster a regulatory amendment so as to change Measurement Rule #13 of the General Accounting Plan in line with the content already approved by the European Union following adoption of the above-mentioned amendments to IAS 12. The Company has already applied the amendments to Measurement Rule #13 in its financial statements for 2023.

R) DISTINCTION BETWEEN CURRENT AND NON-CURRENT

A distinction is made between current and non-current assets and liabilities in the balance sheet. An item is classified as current if it is associated with the Company's normal operating cycle and its realization, sale or consumption is expected to occur within that cycle; falling beyond this scope, if its realization is expected to occur within twelve months of the reporting period; if it is held primarily for the purpose of trading; or if it is cash or a cash equivalent, so long as its use is not restricted for more than one year.

S) INCOME AND EXPENSE

Revenue and expenses are recognized on an accruals basis, regardless of when actual payment or collection occurs.

Revenue from sales of goods and rendering of services

Revenue is recognized when control over the promised goods or services has been transferred to the customer. At that point, the Company recognises revenue at the amount of consideration received or receivable in exchange for those goods and services. Applicable indirect taxes on transactions which are reimbursed by third parties are not included.

In recognizing revenue for accounting purposes, the Company follows a multi-step process:

a) It identifies the contract(s) with its customers.

b) It identifies the performance obligation(s) in the contract(s).

c) It determines the transaction price.

d) It allocates the transaction price to the performance obligation(s).

e) It recognises revenue when (or as) it performs the performance obligation(s).

The Company's key sources of revenue are the dividends paid by its subsidiaries and the IT services it provides to its subsidiaries. The IT services provided are governed by one-year agreements that are automatically rolled over each year; those contracts feature a fixed price. The services are provided and consumed over the course of the one-year provision period and are not subject to price variability, so that it is assumed that the contracts cannot be modified during the provision period (of one year).

T) DISCONTINUED OPERATIONS

The income and expenses of discontinued operations are included in a single line item, net of the corresponding tax effect, under "Profit/(loss) for the year from discontinued operations, net of income tax". This heading also includes the after-tax gain or loss recognized upon measuring the assets or disposal groups constituting the discontinued operation at fair value less costs to sell.

U) FOREIGN CURRENCY TRANSACTIONS

The Company's functional and presentational currency is the euro.

Transactions in foreign currency are initially translated at the spot rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the spot rate prevailing at the reporting date. All exchange gains or losses arising from translation as well as those resulting from settlement of balance sheet are recognized in profit or loss in the year in which they arise.

Non-monetary items measured at historical cost are translated at the exchange rate prevailing on the date of the transaction. As an exception, as indicated in Note 4.j above, valuation adjustments deriving from the impact of exchange rate movements on the Company's US subsidiaries are recognized by restating the value of these net investments with a credit or charge in profit or loss.

Non-monetary items measured at fair value are translated at the exchange rate prevailing when fair value is determined. When a gain or loss on a non-monetary item is recognized directly in equity, any exchange component of that gain or loss is similarly recognized in equity; conversely, when the gain or loss is recognized in profit or loss, any exchange component is recognized in the statement of profit or loss.

V) ENVIRONMENTAL ASSETS AND LIABILITIES

Expenses relating to decontamination and restoration work in contaminated areas, as well as the elimination of waste and other expenses incurred to comply with environmental legislation are expensed in the year to which they relate, unless they correspond to the purchase of assets for the purpose of long-standing use in its business operations whose main purpose is to minimize environmental damage and/or enhance environmental protection, in which case they are recognized in the corresponding heading within "Property, plant and equipment" and are depreciated using the same criteria as other assets so classified.

X) TERMINATION BENEFITS

Under prevailing legislation, the Company is obliged to pay severance to employees that are discontinued under certain circumstances. Termination benefits that can be reasonably estimated are recognized as an expense in the year in which the redundancy decision is taken.

Y) RELATED-PARTY TRANSACTIONS

The Company conducts all related-party transactions on an arm's length basis. In addition, its transfer prices are duly documented so that the Company's directors do not believe there is a significant risk of related liabilities going forward.

5. INTANGIBLE ASSETS

The reconciliation of the carrying amounts of the various items comprising intangible assets at the beginning and end of 2023 and 2022 is as follows:

Carrying amounts

	CONCESSION ASSETS	TRADEMARKS & PATENTS	COMPUTER SOFTWARE	TOTAL
Balance at December 31, 2021	0	14,356	952	**15,308**
Balance at December 31, 2022	0	12,418	644	**13,062**
Balance at December 31, 2023	75	10,481	409	**10,965**

Gross carrying amounts

	CONCESSION ASSETS	TRADEMARKS & PATENTS	COMPUTER SOFTWARE	TOTAL
BALANCE AT DECEMBER 31, 2021	**0**	**24,610**	**4,572**	**29,182**
Business combination				0
Additions			106	106
Decreases				0
Translation differences				0
Transfers				0
BALANCE AT DECEMBER 31, 2022	**0**	**24,610**	**4,678**	**29,288**
Business combination				0
Additions	76		108	184
Decreases				0
Translation differences				0
Transfers				0
BALANCE AT DECEMBER 31, 2023	**76**	**24,610**	**4,786**	**29,472**

Amortization and impairment charges

	CONCESSION ASSETS	TRADEMARKS & PATENTS	COMPUTER SOFTWARE	TOTAL
BALANCE AT DECEMBER 31, 2021	**0**	**(10,254)**	**(3,620)**	**(13,874)**
Business combination				0
Additions		(1,938)	(414)	(2,352)
Decreases				0
Translation differences				0
Transfers				0
BALANCE AT DECEMBER 31, 2022	**0**	**(12,192)**	**(4,034)**	**(16,226)**
Business combination				0
Additions	(1)	(1,937)	(343)	(2,281)
Decreases				0
Translation differences				0
Transfers				0
BALANCE AT DECEMBER 31, 2023	**(1)**	**(14,129)**	**(4,377)**	**(18,507)**

At year-end 2023, the Company had patents and trademarks with an original cost of 1,679 thousand euros (year-end 2022: 1,649 thousand euros) and computer software with an original cost of 3,526 thousand euros (year-end 2022: 3,114 thousand euros) still in use that were fully amortized.

There were no significant movements under this heading in 2023 or 2022.

None of the Company's intangible assets is located outside Spain other than the Portuguese brand "Saludaes", the Dutch brand "Lassie", both acquired in 2011, and the Kohinoor brand (for use in continental Europe and the UK), acquired in 2021. The Company was not party to any firm commitments for the acquisition of intangible assets at either year-end.

In 2023, the Company recognized 2,281 thousand euros of amortisation charges in respect of these intangible assets (2022: 2,352 thousand euros); it did not recognise any impairment losses on these assets in either reporting period.

Although the Company did not identify potential indications that their carrying amount could exceed their fair value in 2023, it tested its brands for impairment at both year-ends. The mains assumptions made to test those brands for impairment are detailed next. The recoverable amount of the Company's trademarks and brands was determined by calculating their value in use, using cash flow projections that are based on budgets that cover a five-year horizon and are then projected for another five years. The table below presents the discount rates used to discount these assets' projected cash flows for the initial five-year projection period and the medium- to long-term growth rates used to extrapolate the cash flows for each CGU beyond that horizon:

	PRE-TAX DISCOUNT RATE		POST-TAX DISCOUNT RATE		GROWTH RATE "G"	
	2023	2022	2023	2022	2023	2022
Lassie	8.75%	9.00%	7.13%	7.38%	2.37%	2.50%
Saludaes	9.88%	10.25%	8.25%	8.63%	2.30%	2.35%
Kohinoor	11.38%	10.38%	9.00%	8.38%	2.54%	2.55%

With respect to the assumptions used to calculate these brands' value in use, management believes that no reasonably-possible change in the key assumptions used would cause their carrying amounts to significantly exceed their recoverable amounts, indicating the need to recognise additional impairment losses.

6. PROPERTY, PLANT AND EQUIPMENT

The reconciliation of the carrying amounts of the various items comprising property, plant and equipment at the beginning and end of 2023 and 2022 is as follows:

Carrying amounts

	LAND	BUILDINGS	PLANT AND OTHER PP&E	IN PROGRESS AND PREPAYMENTS	TOTAL
Balance at December 31, 2021	0	0	671	0	**671**
Balance at December 31, 2022	0	0	718	0	**718**
Balance at December 31, 2023	0	0	509	0	**509**

Gross carrying amounts

	LAND	BUILDINGS	PLANT AND OTHER EQUIPMENT	IN PROGRESS	TOTAL
BALANCE AT DECEMBER 31, 2021	**0**	**0**	**5,877**	**0**	**5,877**
Additions			306		306
Decreases					0
Transfers					0
BALANCE AT DECEMBER 31, 2022	**0**	**0**	**6,183**	**0**	**6,183**
Additions			32		32
Decreases					0
Transfers					0
BALANCE AT DECEMBER 31, 2023	**0**	**0**	**6,215**	**0**	**6,215**

Accumulated depreciation

	LAND	BUILDINGS	PLANT AND OTHER EQUIPMENT	IN PROGRESS	TOTAL
BALANCE AT DECEMBER 31, 2021	**0**	**0**	**(5,206)**	**0**	**(5,206)**
Additions			(259)		(259)
Decreases					0
Transfers					0
BALANCE AT DECEMBER 31, 2022	**0**	**0**	**(5,465)**	**0**	**(5,465)**
Additions			(241)		(241)
Decreases					0
Transfers					0
BALANCE AT DECEMBER 31, 2023	**0**	**0**	**(5,706)**	**0**	**(5,706)**

There were no significant movements under this heading in 2023 or 2022.

According to the directors' estimates and projections, there are no indications that its property, plant or equipment may be impaired. The Company has taken out insurance policies to cover the carrying amount of its property, plant and equipment. The breakdown at year-end of the original cost of fully-depreciated items of property, plant and equipment still in use is shown in the next table:

	2022	2023
Other fixtures, tools and furniture	2,314	2,443
Other PP&E	2,469	2,715

There were no firm commitments for the acquisition of material amounts of property, plant and equipment at either year-end. No material items of property, plant or equipment are located outside Spain.

OPERATING LEASES

The lease over the Company's head offices in Madrid originally terminated on April 1, 2024; on February 20, 2024, that lease was extended to April 1, 2025. The lease over the offices in Barcelona terminates on February 28, 2028. The Barcelona lease will subsequently be rolled over automatically if neither party gives termination notice. There are no material contingent payments under these leases. Expenditure under operating leases (including rent and general expenses) totalled 1,181 thousand euros in 2023 (2022: 1,233 thousand euros). The future minimum payments under the Company's non-cancellable operating leases at December 31, 2023 break down as follows:

	31-12-2022	31-12-2023
Within one year	1,004	1,009
Between one and five years	366	329
More than five years	7	0
	1,377	**1,338**

7. INVESTMENT PROPERTIES

The reconciliation of the carrying amounts of the Company's investment properties at the beginning and end of 2023 and 2022 is as follows:

Carrying amounts

	LAND	BUILDINGS	TOTAL
Balance at December 31, 2021	7,273	1,205	**8,478**
Balance at December 31, 2022	7,273	1,191	**8,464**
Balance at December 31, 2023	7,273	1,127	**8,400**

Gross carrying amounts

	LAND	BUILDINGS	TOTAL
BALANCE AT DECEMBER 31, 2021	**7,273**	**1,571**	**8,844**
Additions			0
Decreases			0
BALANCE AT DECEMBER 31, 2022	**7,273**	**1,571**	**8,844**
Additions			0
Decreases		(97)	(97)
BALANCE AT DECEMBER 31, 2023	**7,273**	**1,474**	**8,747**

Accumulated depreciation

	LAND	BUILDINGS	TOTAL
BALANCE AT DECEMBER 31, 2021	**0**	**(366)**	**(366)**
Additions		(14)	(14)
Decreases			0
BALANCE AT DECEMBER 31, 2022	**0**	**(380)**	**(380)**
Additions		(12)	(12)
Decreases		45	45
BALANCE AT DECEMBER 31, 2023	**0**	**(347)**	**(347)**

The only movement of significance in 2023 was the sale of three small properties, which generated a gain of 233 thousand euros. There were no material movements under this heading in 2022.

Except for a small property in Portugal, the Company has no investment properties outside of Spain. The original cost of fully-depreciated investment properties still in use was 81 thousand euros at both year-ends. The expenses associated with these properties related to their upkeep and the related depreciation charges. Maintenance expenses totalled 207 thousand euros in 2023 (2022: 203 thousand euros). All expenses are recognized in the statement of profit or loss as accrued. The Company has no contractual obligations to acquire, build on or develop its investment properties or to repair, maintain or upgrade them.

The breakdown of the future minimum payments receivable under non-cancellable operating leases at year-end is as follows:

	YEAR-END 2022	YEAR-END 2023
Within one year	91	92
Between one and five years	0	0
More than five years	0	0
	91	**92**

There are no restrictions on the monetization of the Company's investment properties or any proceeds from their disposal.

8. NON-CURRENT INVESTMENTS IN GROUP COMPANIES AND ASSOCIATES

The reconciliation of the carrying amounts of the Company's investments in Group companies at the beginning and end of 2023 and 2022 is as follows:

Item

	BALANCE AT 31-12-2021	INCREASES	DECREASES	TRANSFERS	BALANCE AT 31-12-2022
Equity investments in group companies	1,777,139	82,245	0	0	1,859,384
Equity investments in associates	31,615	0	0	0	31,615
Provision for impairment	(43,086)	0	28,517	0	(14,569)
	1,765,668	**82,245**	**28,517**	**0**	**1,876,430**
Loans to group companies	118,662	0	(118,662)	0	0
TOTAL INVESTMENTS IN GROUP COMPANIES AND ASSOCIATES	**1,884,330**	**82,245**	**(90,145)**	**0**	**1,876,430**

Item

	BALANCE AT 31-12-2022	INCREASES	DECREASES	TRANSFERS	BALANCE AT 31-12-2023
Equity investments in group companies	1,859,384	0	(5,922)	0	1,853,462
Equity investments in associates	31,615	0	0	0	31,615
Provision for impairment	(14,569)	0	0	0	(14,569)
	1,876,430	**0**	**(5,922)**	**0**	**1,870,508**
Loans to group companies	0	0	0	0	0
TOTAL INVESTMENTS IN GROUP COMPANIES AND ASSOCIATES	**1,876,430**	**0**	**(5,922)**	**0**	**1,870,508**

A) EQUITY INSTRUMENTS IN GROUP COMPANIES:

The main changes in each year are as follows:

2023

1. In 2023, the Company's equity investment in Riviana Foods Inc. decreased by 1,422 thousand euros. The original cost basis of the investment (acquisition cost) is 526,639 thousand euros. However, this financial asset is a designated hedged item; the hedging item, which is effective, is the loan taken on to fund the acquisition; accordingly, the changes in value arising between its original cost in US dollars and its euro equivalent give rise to adjustments in this cost basis.

   The corresponding adjustment in 2023 was a decrease of 1,422 thousand euros, which was recognized as a charge in the statement of profit or loss; the accumulated net gain at year-end 2023 stood at 49,987 thousand euros (Note 9.2.c).

2. The investment in Ebrofrost North America, Inc. (USA) decreased by 4,500 thousand euros due to the sale, for 54,299 thousand euros, of 100% of its share capital to Riviana Foods, Inc. (USA), a wholly-owned subsidiary of Ebro Foods, S.A. The Company collected the sum of 12,634 thousand euros in cash and the remainder of the price was settled by forgiving a loan between Ebro Foods, S.A. and Riviana Foods, Inc. On January 3, 2024, Ebrofrost North America, Inc. was merged into Riviana Foods, Inc. This sale generated a pre-tax gain of 49,799 thousand euros for Ebro Foods, S.A.

2022

3. In 2022, the Company's equity investment in Riviana Foods Inc. increased by 12,353 thousand euros. The original cost basis of the investment (acquisition cost) was 526,639 thousand euros. However, this financial asset is a designated hedged item; the hedging item, which is effective, is the loan taken on to fund the acquisition; accordingly, the changes in value arising between its original cost in US dollars and its euro equivalent give rise to adjustments in this cost basis.

   The corresponding adjustment in 2022 was an increase of 12,353 thousand euros, which was recognized as a gain in the statement of profit or loss; the accumulated net gain at year-end 2022 stood at 51,410 thousand euros.

4 The Company's investment in Ebro Premium Food (France) increased by 69,892 thousand euros due to a capital increase by that investee.

B) EQUITY INSTRUMENTS IN ASSOCIATES:

The 31,615 thousand euro investment corresponds to a 40% equity interest in Italy's Riso Scotti S.p.A. In August 2013, the Company acquired 25% of this Italian company from the Scotti Group. In 2016, it increased its shareholding to 40%.

The Scotti Group is an Italian group specialized in the production and processing of rice. It is the leading maker of risotto rice in Italy and boasts a broad portfolio of products that it sells under the Scotti brand in more than 70 markets. This portfolio includes multiple value-added products (rice and soy milk, rice biscuits, rice oils, ready meals, etc.) that represent a modern take on Italian cuisine and are targeted at the premium segment. The Company's 40% interest in the Scotti Group is accounted for as an investment in an associate.

C) NON-CURRENT LOANS TO GROUP COMPANIES:

The Company had not extended any loans to group companies at December 31, 2023. On December 31, 2021, a credit agreement was arranged with the Group's French subsidiary, Ebro Premium Food (formerly, LTL, SAS), in the amount of 118,662 thousand euros, as a result of the restructuring work undertaken prior to the sale of Panzani, SAS. In 2022, that loan was partially capitalized by means of a capital increase at that investee (refer to paragraph 4.a) of this note) and the remainder was collected by the Company.

D) IMPAIRMENT LOSSES:

There were no significant movements under this heading in 2023. In 2022, the Company reversed the 28,517 thousand euros impairment allowance recognized against its investment in Ebro Foods, Gmbh due to the revaluation of that investment.

The earnings of the Group companies indicated in the table at the end of this Note correspond in their entirety to continuing operations.

The direct investments held by Ebro Foods, S.A. in Group companies and associates at December 31, 2023 (none of the group companies being listed other than Ebro Foods, S.A. itself) are:

Subsidiaries and Associates

SUBSIDIARIES AND ASSOCIATES	INVESTMENT	IMPAIRMENT LOSSES	% SHAREHOLD.	REGISTERED OFFICE	BUSINESS ACTIVITY	(A) CAPITAL & RESERVES	(A) PROFIT/ (LOSS) 2023	DIVIDEND PAID EN 2023	TOTAL EQUITY	OP. PROFIT/ (LOSS)
Dosbio 2010, S.L.	22,297	(14,569)	100.00%	Madrid (Spain)	Flour production	7,965	212	–	8,177	(1)
Fincas e Inversiones Ebro, S.A.	4,926	–	100.00%	Madrid (Spain)	Agricultural holding	7,480	43	–	7,523	44
Arotz Foods, S.A.	22,864	–	100.00%	Madrid (Spain)	Tinned vegetables	33,624	1,162	–	34,786	492
Herba Foods S.L.	59,695	–	100.00%	Madrid (Spain)	Investment management	145,683	19,040	–	164,723	6,856
Herba Ricemills S.L	153,451	–	100.00%	Madrid (Spain)	Production and sale of rice	245,701	19,250	–	264,951	27,083
Herba Nutrición S.L	526	–	100.00%	Madrid (Spain)	Production and sale of rice	12,078	3,057	–	15,135	3,669
Fundación Ebro	0	–	100.00%	Madrid (Spain)	Foundation	301	0	–	301	0
Ebro Financial Corporate Services, S.L.	150,003	–	100.00%	Madrid (Spain)	Financial and insurance management	158,556	4,462	–	163,018	(141)
Harinas Santa Rita, S.A.	4,778	–	52.00%	Guadalajara (Spain)	Production and sale of flour	10,063	558	(654)	9,967	754
Riceland, Kft. **(*)**	597	–	20.00%	Budapest (Hungary)	Production and sale of rice	2,984	244	(31)	3,197	313
Riviana Foods Inc. (Group) **(**)**	576,627	–	84.47%	Houston, Texas (USA)	Production and sale of rice and pasta	1,015,402	83,042	–	1,098,444	90,817
Lustucru Premiun, SAS (Group)	396,698	–	100.00%	Lyon (France)	Production and sale of fresh pasta	285,014	26,607	–	311,621	44,314
Ebro Foods, Gmbh (Group) **(***)**	87,078	–	68.90%	Germany	Production and sale of pasta and sauces	98,585	5,041	–	103,626	10,369
Ebro Foods Alimentación, S.A.	0	–	100.00%	Mexico	Sale and marketing of rice	133	(132)	–	1	(13)
Pastificio Lucio Garofalo, S.r.l. (Group)	62,586	–	52.00%	Naples (Italy)	Production and sale of pasta and sauces	143,643	21,543	–	165,186	23,877
Geovita Functional Ingredients	20,000	–	52.00%	Vercelli (Italy)	Production and sale of pulses	37,586	873	(81)	38,378	1,535
Tilda Limited (Tilda)	282,736	–	100.00%	London (UK)	Production and sale of rice	340,564	12,504	–	353,068	15,077
Ebro Tilda Private Limited	860	–	100.00%	New Delhi (India)	Sale and marketing of rice	900	0	–	900	0
Ebro India Private Limited **(****)**	7,740	–	18.43%	New Delhi (India)	Production and sale of rice	43,325	3,990	–	47,315	8,164
Riso Scotti, S.p.a. (Group)	31,615	–	40.00%	Milan (Italy)	Production and sale of rice	85,858	10,125	(400)	95,583	17,892
TOTAL	**1,885,077**	**(14,569)**						**(1,166)**		

The direct investments held by Ebro Foods, S.A. in Group companies and associates at December 31, 2022:

Subsidiaries and Associates

SUBSIDIARIES AND ASSOCIATES	INVESTMENT	IMPAIRMENT LOSSES	% SHAREHOLD.	REGISTERED OFFICE	BUSINESS ACTIVITY	(A) CAPITAL & RESERVES	(A) PROFIT/ (LOSS) 2022	DIVIDEND PAID EN 2022	TOTAL EQUITY	OP. PROFIT/ (LOSS)
Dosbio 2010, S.L.	22,297	(14,569)	100.00%	Madrid (Spain)	Flour production	7,944	21	–	7,965	0
Fincas e Inversiones Ebro, S.A.	4,926	–	100.00%	Madrid (Spain)	Agricultural holding	7,447	34	–	7,481	45
Arotz Foods, S.A.	22,864	–	100.00%	Madrid (Spain)	Tinned vegetables	33,023	601	–	33,624	549
Herba Foods S.L.	59,695	–	100.00%	Madrid (Spain)	Investment management	133,663	1,631	–	135,294	510
Herba Ricemills S.L	153,451	–	100.00%	Madrid (Spain)	Production and sale of rice	236,696	8,907	–	245,603	19,214
Herba Nutrición S.L	526	–	100.00%	Madrid (Spain)	Production and sale of rice	9,814	2,262	–	12,076	2,980
Fundación Ebro	0	–	100.00%	Madrid (Spain)	Foundation	301	0	–	301	0
Ebro Financial Corporate Services, S.L.	150,003	–	100.00%	Madrid (Spain)	Financial and insurance management	157,711	844	–	158,555	(293)
Harinas Santa Rita, S.A.	4,778	–	52.00%	Guadalajara (Spain)	Production and sale of flour	9,266	266	(116)	9,416	689
Riceland, Kft. **(*)**	597	–	20.00%	Budapest (Hungary)	Production and sale of rice	2,689	283	–	2,972	389
Riviana Foods Inc. (Group) **(**)**	578,049	–	84.47%	Houston, Texas (USA)	Production and sale of rice and pasta	1,249,208	65,057	(207,943)	1,106,322	73,102
Ebro Premiun, SAS (Group)	396,698	–	100.00%	Lyon (France)	Production and sale of fresh pasta	302,080	(3,097)	–	298,983	10,565
Ebro Foods, Gmbh (Group) **(***)**	87,078	–	68.90%	Germany	Production and sale of pasta and sauces	87,576	5,395	–	92,971	9,750
Ebro Foods Alimentación, S.A.	0	–	100.00%	Mexico	Sale and marketing of rice	133	(11)	–	122	(9)
Pastificio Lucio Garofalo, S.r.l. (Group)	62,586	–	52.00%	Naples (Italy)	Production and sale of pasta and sauces	146,321	6,434	–	152,755	17,117
Geovita Functional Ingredients	20,000	–	52.00%	Vercelli (Italy)	Production and sale of pulses	37,797	9	(118)	37,688	181
Ebro Frost ENA, Inc.	4,500	–	100.00%	Houston (USA)	Production and sale of rice and pasta	1,068	3,629	–	4,697	5,043
Tilda Limited (Tilda)	282,736	–	100.00%	London (UK)	Production and sale of rice	317,909	15,997	–	333,906	17,260
Ebro Tilda Private Limited	860	–	100.00%	New Delhi (India)	Sale and marketing of rice	900	0	–	900	0
Ebro India Private Limited **(****)**	7,740	–	18.43%	New Delhi (India)	Production and sale of rice	38,339	6,939	–	45,278	7,327
Riso Scotti, S.p.a. (Group)	31,615	–	40.00%	Milan (Italy)	Production and sale of rice	86,466	1,392	(1,000)	86,858	3,550
TOTAL	**1,890,999**	**(14,569)**						**(209,177)**		

(A) Whenever the subsidiary's name is followed by "(Group)", the figures pertaining to that company's capital, reserves and profit or loss refer to the consolidated figures of that investee and its own subsidiaries and associates before considering dividends paid during the reporting period. In order to present uniform data for the various companies and groups of companies, the capital, reserves and earnings figures are obtained applying the International Financial Reporting Standard adopted by the European Union.

(*) Ebro Foods, S.A. owns 100% of this company, 20% directly and the other 80% indirectly via Herba Foods, S.L.

(**) Ebro Foods, S.A. owns 100% of this company, 84.5% directly and the other 15.5% indirectly via wholly-owned subsidiaries of Riviana.

(***) Ebro Foods, S.A. owns 100% of this company, 68.9% directly and the other 31.1% indirectly via subsidiaries.

(****) Ebro Foods, S.A. owns 100% of this company, 18.43% directly and the other 81.57% indirectly via subsidiaries.

9. FINANCIAL INSTRUMENTS

9.1 FINANCIAL ASSETS

The breakdown of financial assets, excluding investments in Group companies, jointly-controlled entities and associates (Note 8), at year-end, is as follows:

Non-current financial instruments (assets)

	EQUITY INSTRUMENTS		DEBT SECURITIES		LOANS, RECEIVABLES & DERIVATIVES		TOTAL	
CATEGORIES	**31-12-23**	**31-12-22**	**31-12-23**	**31-12-22**	**31-12-23**	**31-12-22**	**31-12-23**	**31-12-22**
Assets at fair value through profit or loss:								
a) Held for trading							0	0
b) Other							0	0
Held-to-maturity investments							0	0
Loans and receivables					146	146	146	146
Available-for-sale financial assets:								
a) Measured at fair value	0	0					0	0
b) Measured at cost							0	0
Hedging derivatives							0	0
TOTAL	**0**	**0**	**0**	**0**	**146**	**146**	**146**	**146**

Current financial instruments (assets)

	EQUITY INSTRUMENTS		DEBT SECURITIES		LOANS, RECEIVABLES & DERIVATIVES		TOTAL	
CATEGORIES	**31-12-23**	**31-12-22**	**31-12-23**	**31-12-22**	**31-12-23**	**31-12-22**	**31-12-23**	**31-12-22**
Assets at fair value through profit or loss:								
a) Held for trading							0	0
b) Other					0	0	0	0
Held-to-maturity investments							0	0
Loans and receivables					12,879	9,313	12,879	9,313
Available-for-sale financial assets:								
a) Measured at fair value							0	0
b) Measured at cost							0	0
Hedging derivatives							0	0
TOTAL	**0**	**0**	**0**	**0**	**12,879**	**9,313**	**12,879**	**9,313**

Loans and receivables

	31-12-23	31-12-22
Non-current financial instruments		
Loans to group companies (notes 8 & 17)	0	0
Long-term deposits	146	146
	146	**146**
Current financial instruments		
Loans to group companies (notes 8 & 17)	0	0
Trade and other receivables (note 10)	12,879	9,313
	12,879	**9,313**
TOTAL	**13,025**	**9,459**

Exchange differences recognized in profit or loss for the year

The exchange differences recognized in profit or loss in 2023 and 2022 for each financial asset category are broken down below:

Exchange differences recognized in profit or loss

	LOANS AND RECEIVABLES		EQUITY INVESTMENTS IN GROUP COMPANIES		LOANS AND PAYABLES		TOTAL	
	2023	2022	2023	2022	2023	2022	2023	2022
For transactions settled during the year	(19)	(547)	0	0	(20)	22	(39)	(525)
For transactions pending settlement at year-end	0	0	0	0	(1,368)	(2,291)	(1,368)	(2,291)
For foreign exchange hedges	0	0	(1,422)	12,353	1,422	(12,353)	0	0
TOTAL (EXPENSE)/INCOME RECOGNIZED IN PROFIT OR LOSS FOR THE YEAR	**(19)**	**(547)**	**(1,422)**	**12,353**	**34**	**(14,622)**	**(1,407)**	**(2,816)**

9.2 FINANCIAL LIABILITIES

The breakdown of the Group's financial liabilities at December 31, 2023 and 2022 is as follows:

Non-current financial instruments (liabilities)

CATEGORIES	BANK BORROWINGS		BONDS AND OTHER MARKETABLE SECURITIES		DERIVATIVES AND OTHER ACCOUNTS PAYABLE		TOTAL	
	31-12-23	31-12-22	31-12-23	31-12-22	31-12-23	31-12-22	31-12-23	31-12-22
Debts and payables	0	349,872			12	12	12	349,884
Liabilities at fair value through profit or loss								
a) Held for trading							0	0
b) Other					1,345	5,530	1,345	5,530
Hedging derivatives							0	0
TOTAL	**0**	**349,872**	**0**	**0**	**1,357**	**5,542**	**1,357**	**355,414**

Current financial instruments (liabilities)

CATEGORIES	BANK BORROWINGS		BONDS AND OTHER MARKETABLE SECURITIES		DERIVATIVES AND OTHER ACCOUNTS PAYABLE		TOTAL	
	31-12-23	31-12-22	31-12-23	31-12-22	31-12-23	31-12-22	31-12-23	31-12-22
Debts and payables	375,634	14,453			8,778	5,185	384,412	19,638
Liabilities at fair value through profit or loss								
a) Held for trading							0	0
b) Other							0	0
Hedging derivatives							0	0
TOTAL	**375,634**	**14,453**	**0**	**0**	**8,778**	**5,185**	**384,412**	**19,638**

a) **Bank borrowings.** Refer to Note 13.

b) Derivatives and other accounts payable

The breakdown of the financial liabilities included in this category is as follows:

(000€)	31-12-23	31-12-22
Non-current		
Derivatives	1,345	5,530
Trade and other payables	0	0
Security deposits	12	12
	1,357	**5,542**
Current		
Derivatives	0	0
Trade and other payables	8,778	5,185
Other financial liabilities	0	0
	8,778	**5,185**

The non-current derivatives balance includes the value assigned to the derivative contracts indicated below:

* Call-put option over 48% of Santa Rita Harinas, S.L. – the value ascribed to this derivative is 414 thousand euros (year-end 2022: 650 thousand euros). When acquiring 52% of this entity, the Company arranged two options with the other shareholder over the remaining 48%, granting the seller a put option (exercisable from August 2019 with no expiry date) and the Ebro Group a call option (exercisable from August 2026 with no expiry date). The acquisition price in the event the options are exercised will be determined as a function of the targets' average earnings metrics over a series of years, as well as other terms and conditions customary in arrangements of this nature. This option contractually gives rise to a financial derivative for the period until the call or put is exercised, due to the existence of a minimum guaranteed price; this derivative contract has been recognized as a non-current financial liability.
* Call-put option over 48% of Geovita Functional, S.r.l. – the value ascribed to this derivative is 819 thousand euros (year-end 2022: 980 thousand euros). When acquiring 52% of that entity, the Company granted the other shareholder a put option over the remaining 48% (exercisable over a 10-year period from July 2021). The acquisition price in the event this option is exercised will be determined as a function of the target's average earnings metrics over a series of years, as well as other terms and conditions customary in arrangements of this nature. This option contractually gives rise to a financial derivative for the period until the put is exercised, due to the existence of a minimum guaranteed price; this derivative contract has been recognized as a non-current financial liability.
* A vendor put option over 48% of the Italian pasta group, Garofalo – the value ascribed to this derivative is 112 thousand euros (year-end 2022: 3,900 thousand euros). When the Company acquired a 52% interest in this entity in 2014, it wrote a put option with the other shareholder over the remaining 48% (exercisable until May 2024) and wrote a call option (exercisable from June 2024 to May 2026). The original agreement was amended in 2019 such that the term of the vendor put option has been extended until December 31, 2029 and the term of the call option held by the Ebro Group has been extended to 2030 (between 1 January and December 31).

  The price of these options will be determined as a function of the target's average earnings metrics over a series of years, as well as other terms and conditions customary in arrangements of this nature. As amended in 2019, the option contractually gives rise to a new financial derivative for the period until the put is exercised, due to the existence of a minimum guaranteed price throughout that period; this derivative contract has been recognized as a non-current financial liability.

C) NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The main objective of the Company's capital management policy is to guarantee a capital structure that complies with prevailing regulations in its Group's operating markets. In addition, its capital management policy is designed to preserve its credit metrics and to maximize shareholder value.

The Company's business activities and operations expose it to financial risks including foreign currency and interest rate risk.

Interest-rate risk: The Company is exposed to changes in market interest rates, mainly on account of its non-current payment obligations arranged at floating rates of interest. Its policy is to manage its borrowing costs using a mix of fixed and variable rates. The goal is minimize the Company's exposure to this risk factor, to which end it tracks market rate trends exhaustively with the help of external experts.

It arranges interest-rate hedges as deemed necessary under which it agrees to swap, during specific periods, the difference between the amount of fixed and variable interest, calculated on the basis of a notional amount of principal agreed between the parties. These derivative or structured products are designed to hedge the underlying payment obligations.

Foreign currency risk: As a result of the investments made in the US, the carrying amounts of the Company's assets and liabilities are significantly exposed to changes in the USD / EUR exchange rate. The Company attempts to mitigate the impact of this structural exchange-rate risk by denominating its borrowings in US dollars.

Liquidity risk: The Company manages the risk of a shortfall of short-term liquidity with a liquidity planning tool. The tool analyses the maturity of the Company's financial assets and liabilities in conjunction with its operating cash flow projections.

Ebro Foods, S.A. is the parent of a consolidated group comprising it and its subsidiaries and associates (the Ebro Group) with which it separately presents consolidated financial statements. This fact should be taken into consideration in assessing the working capital position typical of year-end (which at year-end 2023 was, actually, negative) in the separate annual financial statements of Ebro Foods, S.A., which, as the Group's parent company, has the option of financing itself via dividends and additional bank or Group financing, among other alternatives.

10. TRADE AND OTHER RECEIVABLES

The breakdown of trade and other receivables at year-end 2023 and 2022 is as follows:

(000€)	31-12-23	31-12-22
Trade receivables	121	99
Trade receivables, group companies and associates (note 17)	12,566	9,029
Sundry receivables	1	8
Receivable from employees	191	177
	12,879	**9,313**

Impairment allowances: The "Trade receivables" balance in the table above is presented net of impairment losses. The Company did not recognise any new impairment losses against its trade receivables in 2023 or 2022. The accumulated balance of impairment allowances was nil at both year-ends. All of the balances recognized under trade receivables are denominated in euros.

11. CASH AND CASH EQUIVALENTS

Cash equivalents are typically bank deposits with a maturity of three months or less at the time of their acquisition. There are no restrictions on these balances.

12. CAPITAL AND RESERVES

a) **Issued capital:** The Company's share capital consisted of 153,865,392 fully subscribed and paid bearer shares with a par value of 0.60 euros each at both year-ends. The Company's shares are traded on the Spanish stock exchanges. All of its shares belong to the same class and carry identical rights.

The Company gleans the information regarding its significant shareholders and their shareholdings from the information they themselves provide directly to the Company or the disclosures they make under applicable legislation on significant shareholdings and from information collected by the Company from its shareholders as part of the process of preparing its annual financial statements. Based on that information, the Company's significant shareholders and their shareholdings at year-end are as follows:

SIGNIFICANT SHAREHOLDER	2023					2022				
	% OF VOTING RIGHTS ATTRIBUTED TO THE SHARES			% VOTING RIGHTS HELD THROUGH FINANCIAL INSTRUMENTS	% OF TOTAL VOTING RIGHTS	% OF VOTING RIGHTS ATTRIBUTED TO THE SHARES			% VOTING RIGHTS HELD THROUGH FINANCIAL INSTRUMENTS	% OF TOTAL VOTING RIGHTS
	DIRECT	INDIRECT	TOTAL			DIRECT	INDIRECT	TOTAL		
Corporación Financiera Alba, S.A.	14.522	0.000	14.522	0.000	14.522	14.522	0.000	14.522	0.000	14.522
Sociedad Anónima Damm (through Corporación Económica Delta, S.A.)	0.000	11.686	11.686	0.000	11.686	0.000	11.686	11.686	0.000	11.686
Sociedad Estatal de Participaciones Industriales (through Alimentos y Aceites, S.A.)	0.000	10.360	10.360	0.000	10.360	0.000	10.360	10.360	0.000	10.360
Hercalianz Investing Group, S.L.	9.073	0.000	9.073	0.000	9.073	9.000	0.000	9.000	0.000	9.000
Grupo Tradifín, S.L.	7.961	0.000	7.961	0.000	7.961	7.961	0.000	7.961	0.000	7.961
Empresas Comerciales e Industriales Valencianas, S.L.	7.827	0.000	7.827	0.000	7.827	7.827	0.000	7.827	0.000	7.827
José Ignacio Comenge Sánchez-Real (through Mendibea 2002, S.L.)	0.002	5.381	5.383	0.000	5.383	0.002	5.362	5.364	0.000	5.364
Artemis Investment Management, LLP	0.000	4.082	4.082	0.000	4.082	0.000	3.160	3.160	0.000	3.160

b) **Share premium:** The Consolidated Text of the Spanish Corporate Enterprises Act permits the use of the share premium account balance to increase share capital and provides no specific limitation with respect to its availability.

c) **Legal reserve:** The companies that generate a profit are required to earmark 10% of net profit for the year to a legal reserve until such reserve is equivalent to 20% of share capital.

The legal reserve cannot be distributed except in the event of dissolution but it can be used to offset losses insofar as other reserves are not available for this purpose and to increase capital by the amount that exceeds 10% of capital after the increase. The Company had fully endowed its legal reserve at both year-ends.

d) **Voluntary reserves:** This reserve is unrestricted other than the limitations imposed under prevailing company law.

e) Revaluation reserve, Royal Decree-Law 7/1996: As a result of the asset restatements made in the past by Sociedad General Azucarera de España, S.A. and Puleva S.A. under the scope of Royal Decree-Law 7/1996 of June 7, 1996, the Company recognized the corresponding revaluation reserves in the amount of 21,767 thousand euros; in the wake of the amounts derecognized in 2001 following the split-off of the sugar business and in 2003 following the dissolution of A.E. Gestion de Patrimonio, S.L., the remaining balance stands at 3,169 thousand euros (included under other reserves).

It can be used, without accruing taxes, to offset tax losses accumulated in prior, current and future tax periods and for the purpose of increasing share capital. Since April 1, 2007, this balance can be earmarked to unrestricted reserves to the extent that the monetary gain has been realized. The monetary gain is deemed realized in respect of the corresponding depreciation charges recognized or when the restated asset items have been sold or derecognized for accounting purposes. If this balance were used in a manner other than that provided for in Royal Decree-Law 7/1996, it would be taxable.

f) Own shares: In 2023, the Parent had the power to buy back and sell own shares under the scope of the authorization granted at the Annual General Meeting held on July 29, 2020 for a period of five years (and duly notified to the CNMV in keeping with prevailing legislation). In 2023, under the scope of the employee share plan, it bought back 41,000 shares, sold 1,187 and delivered 39,813 own shares to employees. The Company did not hold any own shares at December 31, 2023.

In 2022, the Parent was likewise empowered to buy back and sell own shares under the scope of the authorization granted at the Annual General Meeting held on July 29, 2020 for a period of five years (and duly notified to the CNMV in keeping with prevailing legislation). In 2022, under the scope of the employee share plan, it bought back 42,500 shares, sold 852 and delivered 41,648 own shares to employees. The Company did not hold any own shares at December 31, 2022.

g) Dividends paid in 2023:

Ordinary dividend - Distribution of the dividend approved at the Annual General Meeting held on June 6, 2023 at which the Parent's shareholders ratified the motion to pay a cash dividend with a charge against 2022 profit and unrestricted reserves of 0.57 euros per share, payable in the course of 2023, for a total outlay of 87,703 thousand euros. The dividend was paid out in three equal instalments of 0.19 euros per share on April 3, June 30, and October 2, 2023.

13. BANK BORROWINGS

The breakdown of current and non-current bank borrowings (in thousands of euros) at both year-ends:

	2023	2023	2022	2022
	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT
Bank loans arranged in euros	–	350,000	349,872	–
Credit facilities arranged in euros	–	25,420	–	14,303
Interest accrued but not due	–	214	–	150
TOTAL	**–**	**375,634**	**349,872**	**14,453**

At December 31, 2022, the Company recognized non-current loans in a total amount of 350 million euros. The four non-current loans comprising that balance were all arranged at the end of 2021, carry interest at an average rate of 0.45% and mature in November or December 2024, so that they were reclassified to current borrowings at year-end 2023. As a result, at December 31, 2023, the Company's working capital was, circumstantially, negative. Nevertheless, the Company plans to repay those loans at maturity, either cancelling them using existing funds or by refinancing them (refer to the consolidated financial statements for 2023).

The Company is obliged to comply with a series of covenants, specifically a series of ratios calculated on the basis of the Group's consolidated financial statements, throughout the term of these loans. Any breach of the covenants would increase the related borrowing costs and, in some cases, would trigger a prepayment requirement. The Company was in compliance with all these covenants at both year-ends.

In addition, at year-end 2023, the Company had arranged and guaranteed credit facilities with an aggregate limit of 30 million euros (year-end 2022: 35 million euros), which were drawn down by 25.4 million euros (year-end 2022: 14.3 million euros). The annual rate of interest on these borrowings, excluding the long-term loans, is 1-month EURIBOR plus a market spread of 0.625% (2022: 0.55%) on average.

In addition, the Company has extended sureties and other guarantees to third parties via banks totalling 100,372 thousand euros at year-end 2023 (161,039 thousand euros at year-end 2022) (Note 16).

The maturity schedule for bank borrowings (at December 31, 2023):

Due 2024	375,634 thousand euros

14. NON-CURRENT PROVISIONS

The reconciliation of the Company's provisions at the beginning and end of 2023 and 2022 is as follows:

Non-current provisions

(000€)	EMPLOYEE BENEFIT OBLIGATIONS			OTHER PROVISIONS FOR CONTINGENCIES			TOTAL
	LONG-SERVICE BONUSES	NON-CURRENT REMUNERAT.	TOTAL	BUSINESS SALE REPS & WARRANTIES	TAX ASSESSM.	TOTAL	
CLOSING BALANCE: DEC. 31, 2021	**200**	**3,482**	**3,682**	**11,240**	**802**	**12,042**	**15,724**
Additions (reversal of provisions)	38	1,559	1,597	0	0	0	1,597
Amounts used	0	(1,279)	(1,279)	0	0	0	(1,279)
CLOSING BALANCE: DEC. 31, 2022	**238**	**3,762**	**4,000**	**11,240**	**802**	**12,042**	**16,042**
Additions (reversal of provisions)	13	1,204	1,217	0	0	0	1,217
Amounts used	(61)	(2,291)	(2,352)	0	(264)	(264)	(2,616)
CLOSING BALANCE: DEC. 31, 2023	**190**	**2,675**	**2,865**	**11,240**	**538**	**11,778**	**14,643**

PROVISION FOR CONTINGENCIES – REPS AND WARRANTIES GRANTED IN CONNECTION WITH THE SALE OF THE DAIRY BUSINESS

The provisions recognized to cover the outcome of lawsuits related to the sale of the dairy business (sold in 2010) correspond to the reps and warranties extended to the buyers of that business under which an unfavourable ruling in the lawsuits has the effect of reducing the sale-purchase price. Additions to this provision (or reversals thereof) imply an adjustment to the sale price and are accordingly recognized as a reduction (or increase) in profit in the year in which they are recognized.

These lawsuits had been substantially resolved by year-end 2013, so that the related provision stood at zero. However, in the course of 2014 a number of smaller-sized disputes came to light. Management determined it was necessary to recognise a provision in respect of certain of these cases as an outflow of resources in the future is deemed probable.

A new lawsuit was brought in August 2014 when Grupo Lactalis Iberia, S.A. passed the proposed ruling in respect of the disciplinary proceedings initiated by the investigative unit of Spain's anti-trust authority, the CNMC, against Spain's leading dairy transformation companies, including Puleva Food, S.L., in connection with alleged anti-competitive practices between 2001 and 2013, on to Ebro Foods, S.A. Ebro Foods, S.A. sold Puleva Food, S.L. to Grupo Lactalis Iberia, S.A. in 2010; the related share purchase agreement (the "SPA") included a liability regime covering future contingencies. Under that regime, Ebro Foods, S.A., as seller, could be held liable to the buyer for any fine imposed on Puleva Food, S.L. with respect to developments taking place prior to the sale.

The above-mentioned proposed ruling qualifies the conduct investigated as a very serious infraction of article 62.4.a) of Spain's Anti-Trust Act and recommends that the Board of the CNMC hand down the fine contemplated in article 63 of that same piece of legislation. Grupo Lactalis Iberia, S.A. and Puleva Food, S.L., in keeping with the procedure agreed upon in the SPA, duly presented statements outlining their pleas against the proposed ruling, categorically denying the conduct charged therein.

The ruling issued by the CNMC's Board on February 26, 2015 was received on March 3, 2015. It handed down a fine against Puleva Food, S.L. of 10,270 thousand euros (the 2015 Disciplinary Ruling). Although the Ebro Group believed it had solid arguments for defending its position in these lawsuits, and so stated in the appeal lodged against the 2015 Disciplinary Ruling before the Spanish High Court (*Audiencia Nacional*) in September 2015, the risk of an outflow of resources was deemed probable and a provision was accordingly recognized in the 2014 financial statements.

In a ruling issued on October 25, 2018, the High Court annulled the 2015 Disciplinary Ruling on account of formal defects, ordering the rewinding of the procedure corresponding to disciplinary investigation S/0425/12, which originally gave rise to the 2015 Disciplinary Ruling, to the moment immediately preceding the procedural infraction that gave rise to the annulment. In keeping with the High Court's ruling, in November 2018, the CNMC agreed and notified Puleva Food, S.L. of the resumption of the disciplinary investigation, specifically the resumption of the pertinent proceedings rewound to immediately prior to April 24, 2014.

In the wake of the resumption by the CNMC on December 21, 2018 of the disciplinary proceedings, with retroactive effect, the CNMC issued a new disciplinary ruling on July 11, 2019 (the 2019 Disciplinary Ruling). In the 2019 Disciplinary Ruling, the CNMC reiterated its original opinion of the underlying facts and levied a fine in the same amount against Puleva Food, S.L. Therefore, and notwithstanding the fact that the Group continued to believe it had substantive arguments against the 2019 Disciplinary Ruling, the Company's directors decided that the provision recognized to cover this lawsuit should be maintained.

On February 21, 2024, the National High Court notified its ruling of February 13, 2024 with respect to the appeal lodged against the 2019 Disciplinary Ruling. In that new ruling, the National High Court partially upholds the appeal presented by Puleva Food, S.L.: (i) ruling that some of the conduct attributed to the latter has prescribed, and (ii) finding that its participation in the practices at the heart of the matter was only substantiated in two out of the three practices contemplated by the CNMC in its 2019 Disciplinary Ruling. On the basis of those findings, the National High Court has asked CNMC to recalculate the fine in light of the outcome of the appeal.

Ebro Foods, S.A. is currently assessing the new situation with its legal counsel and considering what measures to take with respect to the recent National High Court ruling. Although the Company believes that the recalculation of the fine ordered by the National High Court could result in a lower amount, it has decided to continue to recognise the provision recorded in 2014 in light of the uncertainty around its amount and the timing of the CNMC's decision.

Elsewhere and in addition, in 2016, the Group recognized a provision of 2,500 thousand euros to cover the litigation risk associated with the tax assessments signed under protest in 2016 in the wake of an inspection of the Puleva Group in respect of the years during which it still belonged to Ebro's consolidated tax group; the case was still pending ruling at present.

PROVISION FOR CONTINGENCIES – TAX ASSESSMENTS

A tax inspection of the Spanish tax group in respect of 2008 to 2011, both inclusive, concluded in May 2014. All of the assessments were paid (using financial criteria), including those signed under protest (albeit not the related fines). The assessments signed under protest have been appealed.

As for these tax assessments with respect of 2008 to 2011, on September 11, 2020, the Company received word that the High Court had dismissed the Company's appeal, prompting the Company to lodge a new appeal before the Supreme Court.

Elsewhere, an inspection of the Spanish tax group for 2012 to 2015, both years included, finished in 2018; as a result, in 2018, the Company recognized 851 thousand euros of provisions in relation to preliminary assessments signed under protest. The definitive assessments for the years covered by that inspection were handed down in 2019 and the Company adjusted its provision, accordingly, reducing it by 49 thousand euros. All of the assessments had already been recognized in 2018 for accounting purposes either for payment (those not contested) or as provisions (those contested). The assessments signed under protest have been appealed.

In addition, definitive assessments in the amount of 3,641 thousand euros were signed under protest in relation to a specific concept (transfer prices) with which the Ebro Group is in total disagreement. In this instance, the balance was not provided for as the assessments were appealed and the likelihood of winning the claim was deemed very high, due to the fact that there are solid arguments and precedent following prior inspections, prompting the directors to classify the probability of an outflow of resources as remote. Rulings were handed down on the seven lawsuits comprising this part of the assessments between 2021 and 2023 (friendly agreements between Spain and other countries in order to avoid double taxation) which have not given rise to significant outflows of resources for Ebro Foods, S.A.

The assessments related with the Company's VAT returns for 2012 to 2015 were dealt with in 2023, after some of the Company's pleas were upheld, with the Company agreeing to settle the remainder, a development that did not have a material impact. As for the other assessments for 2012 to 2015, there were no significant changes in the status of the lawsuits in 2023.

PROVISION FOR LONG-SERVICE BONUSES

Some of the Company's employees are entitled to receive long-service bonuses after 25 to 40 years' service from a fund managed internally by the Company. The provision recognized for long-service bonuses at year-end 2023 in the amount of 190 thousand euros (year-end 2022: 238 thousand euros) represents the present value, calculated using actuarial studies performed by independent experts, of the potential future payments to these employees.

The key assumptions used in the most recent actuarial study with effect as of each reporting date are as follows:

a) A discount rate of 3.63% (2022: 3.25%)

b) Wage increases: compound annual growth of 3% (2022: 3%)

c) Mortality and survival tables: PERM/F 20 ORD1 tables (new policies)

PROVISION FOR LONG-TERM REMUNERATION TO EXECUTIVES

See Note 18. The amounts used and recognized in 2023 and 2022 correspond to the 2019-2021 Plan (settled between 2021 and 2023) and the 2022-2024 Plan (to be settled between 2024 and 2026); specifically, the amounts utilized relate to the payments for the second and third years of the 2019- 2021 Plan, while the amounts recognized correspond to the expenses accrued for year one and two of the 2022-2024 Plan.

15. TAX MATTERS

The breakdown of taxes payable and receivable at year-end is as follows:

(000€)	31-12-23	31-12-22
Current		
Current tax assets	2,723	38
Other tax receivables	1,328	26,445
Current tax liabilities	0	0
Other taxes payables	(277)	(245)
	3,774	**26,238**
Non-current		
Deferred tax assets	6,530	6,528
Deferred tax liabilities	(33,227)	(30,530)
	(26,697)	**(24,002)**

Under prevailing legislation, tax returns may not be considered final until either they have been inspected by the tax authorities or until the inspection period has prescribed.

The Company has its books open to inspection since 2016 in respect of all applicable taxes. The Company's directors believe there is no need to provide for potential additional tax liabilities that could arise from differing interpretations of tax regulations in respect of the years open to inspection.

15.1 The tax group that files its return under the consolidated tax regime is made up of:
Ebro Foods, S.A. (parent of the tax group), Ebro Financial Corporate Services, S.L., Fincas e Inversiones Ebro, S.A., Dosbio 2010, S.L., Arotz Foods, S.A., Herba Foods, S.L., Herba Ricemills, S.L and its subsidiaries, Herba Nutrición, S.L. and Fallera Nutrición, S.L.

15.2 The reconciliation of net income and expense for both reporting periods to taxable income/(tax loss) is set forth below:

Income tax

(000€)	2023		2022	
	ACCOUNTING	TAX	ACCOUNTING	TAX
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	**27,023**	**27,023**	**210,000**	**210,000**
Permanent differences	(48,403)	(48,403)	(225,993)	(225,993)
Unused tax losses - Company	16,297	16,297	0	0
Unused tax losses - Tax group	(18,432)	(18,432)	0	0
ACCOUNTING PROFIT ADJUSTED FOR PERMANENT DIFFERENCES	**(23,515)**	**(23,515)**	**(15,993)**	**(15,993)**
Temporary differences		(11,214)		(9,903)
Tax group tax losses for offset		0		6,862
TAXABLE INCOME (TAX LOSS) OF THE COMPANY	**(23,515)**	**(34,729)**	**(15,993)**	**(19,034)**
Tax calculated at statutory rate: 25%	(5,879)	(8,682)	(3,998)	(4,759)
Tax credits	(744)	(805)	0	0
TAX EXPENSE/(INCOME) FOR THE YEAR	**(6,623)**	**(9,487)**	**(3,998)**	**(4,759)**
Restatement of prior-year's income tax	(1)		(566)	(10)
Tax assessments	86		2	
TOTAL INCOME TAX: EXPENSE (INCOME)	**(6,538)**	**(9,487)**	**(4,562)**	**(4,769)**

The reconciliation of income tax payable/(refundable) by/to the Company and total income tax payable/(refundable) as a result of application of the consolidated tax regime is provided below:

	2023	2022
Tax payable (refundable) corresponding to Ebro Foods, S.A.	(9,487)	(4,769)
Payments made on account during the year	(3,839)	0
Tax withholdings	(21)	(14)
Tax refundable pending collection from prior years	0	0
Tax payable (refundable) corresponding to the other companies in the tax group	10,624	4,745
TAX GROUP TAX PAYABLE (RECEIVABLE)	**(2,723)**	**(38)**

15.3 The reconciliation of tax expense(income) to the result of multiplying total recognized income and expense, as opposed to profit or loss as per the statement of profit or loss, by applicable tax rates, is as follows:

Statement of profit or loss

(000€)	2023	2022
Profit before tax from continuing operations	27,023	210,000
Statutory tax rate	25%	25%
THEORETICAL TAX EXPENSE	**6,756**	**52,500**
Effect of:		
Non-deductible expenses	183	160
Non-taxable income	(11,854)	(6,978)
Unused tax losses	(534)	0
Dividends between tax group companies	0	0
Dividends within parent company group	(430)	(49,680)
Unused tax credits	(744)	0
Tax expense payable in France	0	0
	(6,623)	**(3,998)**
Breakdown of tax expense (income):		
Current	(9,487)	(4,759)
Deferred	2,864	761
EFFECTIVE TAX EXPENSE (INCOME)	**(6,623)**	**(3,998)**

15.4 The breakdown of the temporary differences arising at the Company in 2023 and 2022 is as follows:

(000€)	2023	2022
Temporary differences - Additions		
Additions to provision for long-term remuneration obligations	1,347	1,667
Additions to provision for long-service bonuses	13	38
Amortization of trademarks for tax purposes	969	969
TOTAL ADDITIONS	**2,329**	**2,674**
Temporary differences - Decreases		
Goodwill amortization charges	401	2,007
Provisions for long-term remuneration obligations used	2,352	1,278
Temporary difference on account of goodwill amortization	10,790	9,292
TOTAL DECREASES	**13,543**	**12,577**
TOTAL NET ADDITIONS (DECREASES)	**(11,214)**	**(9,903)**

15.5 The breakdown of the permanent differences arising at the Company in 2023 and 2022 is as follows:

(000€)	2023	2022
Temporary differences - Additions		
Donations	680	594
Other non-deductible expenses	52	46
TOTAL ADDITIONS	**732**	**640**
Temporary differences - Decreases		
Adjustments for 95% of dividends from other group companies	1,718	198,718
Amortization of goodwill for tax purposes	108	109
Reversal of impairment provisions on investments in group companies	0	28,517
95% of gain on sale of investments in group companies	47,309	(711)
TOTAL DECREASES	**49,135**	**226,633**
TOTAL NET ADDITIONS (DECREASES)	**(48,403)**	**(225,993)**

15.6 In 2023, Ebro Foods, S.A. generated 260 thousand euros of tax credits, mainly corresponding to donations, and it utilized 805 thousand euros of tax credits in determining corporate tax payable for 2023. At December 31, 2023, the Company still had 3.2 million euros of unused tax credits (not capitalized as deferred tax assets), of which 3.0 million euros correspond to unused tax relief generated in prior years (mainly deductions generated by the reinvestment of extraordinary gains). The Company did not utilise any tax credits in 2022.

The amounts of proceeds reinvested by the Spanish tax group in prior years entitling it to tax credits were 33.1, 5.0, 115.3, 57.3, 1.5, 16.2, 11.2 and 76.3 million euros between 2012 and 2006, respectively. These reinvestments satisfied all of the requirements for qualifying for the related tax relief.

As for unused tax losses, at December 31, 2023:

* Ebro Foods, S.A. had 16,297 thousand euros of unused tax losses, all of which generated in 2023 (under new tax laws, which limit the volume of tax losses that can be contributed to a tax group to 50% in 2023), which it will revert on a straight-line basis over the next 10 years.
* In addition, the Ebro tax group has 18,854 thousand euros of unused tax losses.

Of the total volume of unused tax losses, at December 31, 2023, 1,838 thousand euros of deferred tax assets had been recognized for accounting purposes (25% of 7,351 thousand euros of the total).

15.7 A reconciliation of the Company's deferred tax assets and liabilities at the beginning and end of 2023 and 2022 is provided below:

(000€)	31-12-21	ADDITIONS	AMOUNTS DERECOGNIZED	RESTATEMENTS AND OTHER ADDITIONS/ DERECOGNITIONS	31-12-22	ADDITIONS	AMOUNTS DERECOGNIZED	RESTATEMENTS AND OTHER ADDITIONS/ DERECOGNITIONS	31-12-23
Deferred tax assets									
Goodwill	602		(501)		101		(101)		0
Intangible assets: Trademarks	2,764	242			3,006	243			3,249
Property, plant and equipment: Land	108				108				108
Property, plant and equipment: Depreciation/ amortization	9				9				9
Long-term remuneration obligations	1,107	417	(320)		1,204	337	(573)		968
Provisions for contingencies	310				310			1	311
Provisions for long-service bonuses	51	10			61	3	(15)	(2)	47
Impairment provisions: investments in group companies	0				0				0
Unused tax losses	0	1,715		14	1,729			109	1,838
	4,951	**2,384**	**(821)**	**14**	**6,528**	**583**	**(689)**	**108**	**6,530**
Deferred tax liabilities									
Amortization of goodwill for tax purposes	(27,876)	(2,323)			(30,199)	(2,697)			(32,896)
Deferral of gains by tax group	(331)				(331)				(331)
Impairment provisions: investments in group companies	0				0				0
	(28,207)	**(2,323)**	**0**	**0**	**(30,530)**	**(2,697)**	**0**	**0**	**(33,227)**
TOTAL DEFERRED TAXES, NET	**(23,256)**	**61**	**(821)**	**14**	**(24,002)**	**(2,114)**	**(689)**	**108**	**(26,697)**

15.8 International Tax Reform - Pillar Two Model Rules

The Pillar Two legislation has been enacted or substantively enacted in several jurisdictions in which the Group, of which Ebro Foods, S.A. is the ultimate parent, operates. That legislation will be effective in annual periods beginning on or after January 1, 2024. Ebro Foods, S.A. and its Group fall under the scope of the legislation that has been enacted or substantively enacted and have assessed potential exposure to the Pillar Two rules in 2024.

Specifically, the assessment of potential exposure to the Pillar Two rules is based on the most recent tax returns, country-by-country tax reports and the financial statements of the entities comprising the Group. Based on that assessment, the Group has identified its potential exposure to Pillar Two rules in respect of the earnings obtained in Thailand and the United Arab Emirates.

Its potential exposure originates from the Group's two subsidiaries in those jurisdictions, in which the effective tax rate under Pillar Two rules is under 15%. The effective Pillar Two rate in those jurisdictions is below the 15% threshold on account of certain 'tax holidays' and other tax credits received by both subsidiaries. However, the earnings generated in those countries are not material with respect to total consolidated tax income; the Group estimates potential expenditure for supplementary tax of between 0.5 and 1.5 million euros in 2024, although the final amount will depend on the subsidiaries' income and expenses and on trends in the related exchange rates. That supplementary tax, if any, will be paid by Ebro Foods, S.A. and passed through to the affected subsidiaries.

15.9 Annulment of Royal Decree-Law 3/2016

In January 2024, Spain's Constitutional Court ruled that some of the measures enacted via Royal Decree-Law 3/2016, of December 2, 2016, specifically those amending the Corporate Income Tax Act, were unconstitutional.

Royal Decree-Law 3/2016 modified several aspects of Spain's corporate income tax regime by eliminating some tax credits. The Constitutional Court has since ruled that three of those modifications are unconstitutional:

- The ceiling on the utilisation of tax losses by companies with annual revenue in excess of 20 million euros.
- The limit on relief for double taxation.
- The obligation to include in taxable income the amount of deductible impairment losses on equity investments in fifths over a period of five years.

Ebro Foods, S.A., as the parent of the Spanish tax group, had and has appealed its tax returns for 2016 to 2020 (both inclusive), alleging the unconstitutionality of Royal Decree-Law 3/2016, although the amounts involved in those years are not material with respect to the financial statements of the Company as a whole, so that it has not recognized any impact in the financial statements for 2023.

16. GUARANTEES EXTENDED

The Company had extended the following guarantees in the form of bank sureties at both reporting dates:

	2023	2022
Guarantees extended via banks		
Provided to courts and other bodies in relation to claims and tax deferrals	16,096	19,450
Provided to third parties to guarantee fulfilment of obligations arising in the ordinary course of business	360	360
Guarantees awarded directly by Ebro Foods, S.A.		
Guarantees given to banks to secure other companies' obligations	83,916	141,229

The guarantees extended to banks to secure other companies' obligations correspond mainly to guarantees given by Ebro Foods, S.A. to its subsidiaries Ebro India, Ltda. (100%-indirectly owned), Herba Bangkok, Ltd (100%-indirectly owned), Pastificio Lucio Garofalo, S.r.l. (52%-indirectly owned) and Lustucru Premiun, SAS (100%-directly owned) to secure their short- and medium-term credit facilities.

17. BALANCES WITH GROUP COMPANIES AND ASSOCIATES

Note 8 lists the Ebro Foods, S.A.'s subsidiaries and associates. Transactions with associates did not result in material balances at either year-end.

The main transactions performed by the Company with Group companies and associates in 2023 and 2022 are shown below:

	2023		2022	
	GROUP COMPANIES	ASSOCIATES	GROUP COMPANIES	ASSOCIATES
External services	(821)	0	(604)	0
Employee benefits expense	0	0	0	0
Finance costs	(8,499)	0	(6,529)	0
TOTAL PURCHASES AND EXPENSES	**(9,320)**	**0**	**(7,133)**	**0**
Services rendered and other income	8,425	0	8,300	0
Finance income	261	0	403	0
Dividend income received	1,166	0	208,177	1,000
TOTAL REVENUE AND INCOME	**9,452**	**0**	**216,880**	**1,000**

The resulting balances between Ebro Foods, S.A. and its Group companies and associates at the respective year-ends are as follows:

December, 31 2023

BALANCES WITH SUBSIDIARIES AND ASSOCIATES	NON-CURRENT LOANS	DUE FROM COMPANIES	CURRENT LOANS	BALANCES PAYABLE		DUE TO SUPPLIERS
				NON-CURRENT	CURRENT	
Ebro Premiun Food, SAS (formerly, LTL)		648				
Herba Foods, S.L.		396				
Arotz Foods, S.A.		403		(27,946)		
Ebro de Costa Rica, S.L.				(19,787)		
Ebro Riviana de Guatemala, S.L.				(11,047)		
Herba Ricemills, S.L.		6,587				
Riviana Foods (Group)		1,494				(235)
Ebro Financial Corporate Services, S.L.		1,524		(125,300)		(3,612)
Lassie Group (Netherlands)		361				
Fundación Ebro Foods		403		(297)		
Riso Scotti, S.p.a.						
Other companies (minor balances)	0	750	0	(500)	0	(13)
	0	**12,566**	**0**	**(184,877)**	**0**	**(3,860)**

December, 31 2022

BALANCES WITH SUBSIDIARIES AND ASSOCIATES	NON-CURRENT LOANS	DUE FROM COMPANIES	CURRENT LOANS	BALANCES PAYABLE		DUE TO SUPPLIERS
				NON-CURRENT	CURRENT	
Ebro Premiun Food, SAS (formerly, LTL)		288				
Herba Foods, S.L.		205				
Arotz Foods, S.A.		220		(27,455)		
Ebro de Costa Rica, S.L.				(17,063)		
Ebro Riviana de Guatemala, S.L.				(11,051)		
Herba Ricemills, S.L.		4,942				
Riviana Foods (Group)		1,670		(40,910)		
Ebro Financial Corporate Services, S.L.		281		(61,830)		
Lassie Group (Netherlands)		298				
Fundación Ebro Foods						
Riso Scotti, S.p.a.					(290)	
Other companies (minor balances)	0	1,125	0	0	0	(1)
	0	**9,029**	**0**	**(158,309)**	**(290)**	**(1)**

All of the balances are denominated in euros, other than the balances payable to Riviana Foods, Inc. (denominated in US dollars), Ebro de Costa Rica, S.L. (Colones) and Ebro Riviana de Guatemala, S.L. (Quetzales).

The long-term loans payable do not carry any fixed maturity; accordingly, the Company has classified them as non-current as it does not expect to repay them in the short term.

The Company has a current business account arrangement with most of its subsidiaries under which it guarantees coverage of all of their financing needs and, as required, remuneration of their cash surpluses, all of which at market interest rates.

18. RELATED PARTY TRANSACTIONS

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. The Company has not extended or received other guarantees in respect of accounts receivable from or payable to its related parties.

The Company did not write down any receivables due from related parties for impairment in either reporting period. That assessment is undertaken each financial year by examining the financial situation of the related party and the market in which it operates.

18.1 TRANSACTIONS WITH SIGNIFICANT SHAREHOLDERS (OR PARTIES RELATED THERETO) OF EBRO FOODS, S.A. (EXCLUDING DIRECTORS)

Note 12 lists the companies that have a significant equity interest in Ebro Foods, S.A.

Other than dividend payments, there were no transactions between Ebro Foods, S.A. and its significant shareholders (excluding directors, for whom the related disclosures are provided in Note 18.2) in either reporting period.

18.2 TRANSACTIONS WITH DIRECTORS AND EXECUTIVES (OR PARTIES RELATED THERETO) OF EBRO FOODS, S.A.

Ebro Foods, S.A. realized the following transactions with one of its directors in 2023 and 2022 outside the scope of the dividend and remuneration transactions disclosed in notes 18.3 and 18.7 (thousands of euros):

DIRECTOR (AND HIS RELATED PARTY)	RELATIONSHIP BETWEEN THE DIRECTOR AND HIS RELATED PARTY	TYPE OF TRANSACTION	2023 AMOUNT	2022 AMOUNT
Antonio Hernández Callejas	–	Temporary assignment of rights of use (expense)	76	0
Antonio Hernández Callejas (Luis Hernández González)	Relative	Lease (expense)	47	45
Antonio Hernández Callejas (Imirton, S.L.)	Company	Sale of goods (finished and in-progress)	1	0

18.3 OTHER TRANSACTIONS WITH SIGNIFICANT SHAREHOLDERS AND DIRECTORS/EXECUTIVES: DIVIDENDS RECEIVED FROM EBRO FOODS, S.A.

Framed by Ebro Foods, S.A.'s general dividend policy, the following amounts were paid in 2023 (2022) (thousands of euros):

- Dividends paid to significant shareholders, other than those who were members of the Board of Directors as of December 31, 2023: 22,721 (22,186)
- Dividends paid to directors and officers: 40,661 (40,350)

The dividends paid to directors and officers include the dividends paid to the direct holders of the shareholdings reported as indirect by certain directors.

18.4 TRANSACTIONS WITH OTHER RELATED PARTIES

Ebro Foods, S.A. did not transact with "other related parties" in 2023 or 2022.

18.5 OTHER DISCLOSURES

Ebro Foods, S.A. holds a 40% shareholding in Riso Scotti S.p.A. The investment in this associate is accounted for using the equity method. Riso Scotti S.p.A. is an Italian company with an analogous corporate purpose to that of Ebro Foods, S.A. Mr. Antonio Hernández Callejas, Chairman of Ebro Foods, S.A., is a director of Riso Scotti, S.p.A.

The transactions performed between Ebro Foods, S.A. and Riso Scotti S.p.A. (an associate that is not fully consolidated by the Ebro Group) in 2023 and 2022 (thousands of euros):

TYPE OF TRANSACTION	2023 AMOUNT	2022 AMOUNT
Services rendered (income)	6	4
Dividends received	400	1,000

18.6 FIDUCIARY DUTIES: CONFLICTS OF INTEREST AND NON-COMPETE DUTY

All of the directors, including in the case of the legal person directors their natural person representatives, have informed the Company that neither they nor any of their related parties found themselves party to any of the direct or indirect conflict of interests itemised in article 229 of Spain's Corporate Enterprises Act.

In addition, the directors, and where relevant the natural persons representing them on the Board of Directors of Ebro Foods, S.A., itemised below have informed the Company of the following relationships with entities that carry on an analogous business activity to that constituting Ebro Foods, S.A.'s core business:

* Grupo Tradifín, S.L. holds (i) a direct interest of 50% in Instituto Hispánico del Arroz, S.A., an entity of which it is the chief executive; and (ii) a 100% direct interest in Arrozales Los Moriscos, S.L., an entity of which it is the sole director.
* Ms. Blanca Hernández Rodríguez (the natural person who represents Grupo Tradifín, S.L. on the Board of Directors of Ebro Foods, S.A.) holds an indirect interest of 16.625% in Instituto Hispánico del Arroz, S.A. and of 33.25% in Arrozales Los Moriscos, S.L. through her direct shareholding of 33.25% in Grupo Tradifín, S.L., where she serves as chief executive officer. Ms. Blanca Hernández Rodríguez does not hold any positions at either Instituto Hispánico del Arroz, S.A. or Arrozales Los Moriscos S.L.
* Hercalianz Investing Group, S.L. holds a direct interest of 50% in Instituto Hispánico del Arroz, S.A., an entity of which it is the chief executive.
* Mr. Félix Hernández Callejas (the natural person who represents Hercalianz Investing Group, S.L. on the Board of Directors of Ebro Foods, S.A.) holds an indirect interest of 14.334% in Instituto Hispánico del Arroz, S.A. through his direct shareholding of 28.668% in Hercalianz Investing Group, S.L., on whose board he serves. Mr. Félix Hernández Callejas is the Vice-Chairman and CEO of Instituto Hispánico del Arroz, S.A.
* Mr. Antonio Hernández Callejas holds an indirect interest of 14.334% in Instituto Hispánico del Arroz, S.A. through the 28.668% interest he holds directly in Hercalianz Investing Group, S.L. Antonio Hernández Callejas does not hold any position at Instituto Hispánico del Arroz, S.A.

The directors of Ebro Foods, S.A. (or their natural person representatives, as warranted) did not perform any transactions with the Company outside of the ordinary course of its business or other than on an arm's length basis in either reporting period. The directors have not informed the Company of any direct or indirect potential conflicts of interest between them or their related parties and the Company other than those disclosed in this Note.

18.7 CHANGES IN THE BOARD OF DIRECTORS

Below is a list of the changes in the composition of the Board of Directors and its committees between January 1, 2023 and March 22, 2024 (the date of authorising these financial statements for issue):

* On December 10, 2023, Mr. Fernando Castelló Clemente resigned as director, with effect from December 31, 2023. Mr. Castelló Clemente was an independent director and a member of the Audit, Control and Sustainability Committee and member and chair of the Nomination and Remuneration Committee.
* On January 31, 2024, the Board of Directors, at the recommendation of the Nomination and Remuneration Committee, agreed to use its co-option powers to appoint Ms. Elena Segura Quijada to fill the vacancy left by Mr. Fernando Castelló Clemente. Ms. Segura Quijada likewise qualifies as an independent director. Elena Segura Quijada was also appointed a member of the Audit, Control and Sustainability Committee and of the Nomination and Remuneration Committee to fill the vacancies on both committees created by the resignation of Mr. Castelló Clemente.

- Lastly, on January 31, 2024, the Board of Directors, at the recommendation of the Nomination and Remuneration Committee, agreed to appoint Ms. Mercedes Costa García as Chairwoman of the Nomination and Remuneration Committee, a position held by Mr. Fernando Castelló Clemente at the time of his resignation. Ms. Costa García is an independent director and has been a member of the Nomination and Remuneration Committee since September 27, 2017.

18.8 DIRECTOR AND EXECUTIVE REMUNERATION

Director remuneration

The remuneration earned by the members of the Board of Directors of Ebro Foods, S.A. totalled 8,080 thousand euros in 2023 (2022: 7,244 thousand euros), broken down as follows (pre-tax amounts in € 000):

DIRECTOR REMUNERATION AND OTHER BENEFITS	2023	2022
TYPE OF REMUNERATION		
Attendance fees	324	328
Fixed remuneration received in their capacity as directors	2,850	2,850
Total director remuneration	**3,174**	**3,178**
Wages, salaries and professional fees	4,906	4,066
Termination and other benefits	0	
Total executive director remuneration	**4,906**	**4,066**
TOTAL REMUNERATION	**8,080**	**7,244**
OTHER BENEFITS		
Life insurance and post-employment benefits	0	0

Article 22 of the Bylaws stipulates that *"The overall remuneration received by the members of the Board of Directors in their capacity as such (i.e., in exchange for their supervisory and other non-executive duties) shall consist of: (i) a fixed annual sum; and (ii) fees for attending the meetings of the Board and its committees. Both the fixed annual sum assigned to the Board of Directors as a whole and the amount of the attendance fees shall be determined by the Company's shareholders in general meeting and remain in effect until such time as their modification is approved.*

The Board of Directors, subject to a report by the Nomination and Remuneration Committee, shall set the individual remuneration of each director for their duties as such, taking into account the positions held by the directors on the Board, their membership of Board committees and any other objective circumstances that the Board may consider appropriate, within the confines of the Articles of Association and the Remuneration Policy. The board shall also decide on the timing of successive payments...."

With respect to the remuneration of the directors in their capacity as such, at a meeting held on February 29, 2024, the Board of Directors resolved, at the recommendation of its Nomination and Remuneration Committee:

(i) to submit a motion for the payment of the pre-tax sum of 2,850 thousand euros of fixed remuneration in respect of 2023 at the upcoming 2024 Annual General Meeting; and

(ii) to leave pre-tax attendance fees at 1,600 euros per meeting of the Board of Directors and 800 euros per meeting of its various committees.

The individual breakdown of pre-tax director remuneration for 2023 (in thousands of euros) is provided below:

DIRECTOR	FIXED REMUNERATION	ATTENDANCE FEES	FIXED REMUNERATION FOR PERFORMANCE OF EXECUTIVE DUTIES	VARIABLE REMUNERATION FOR PERFORMANCE OF EXECUTIVE DUTIES	TOTAL
Hernández Callejas, Antonio	384	22	1,508	3,398	5,312
Carceller Arce, Demetrio	362	26			388
Barreiro Pérez-Pardo, Belén	154	22			176
Carceller Arce, María	119	18			137
Castelló Clemente, Fernando (Director until December 31, 2023)	201	30			231
Comenge Sánchez-Real, José Ignacio	146	19			165
Corporación Financiera Alba, S.A.	119	18			137
Costa García, Mercedes	193	30			223
Empresas Comerciales e Industriales Valencianas, S.L.	119	18			137
Fernández Alonso, Javier	305	29			334
Grupo Tradifín, S.L.	193	30			223
Hercalianz Investing Group, S.L. **(*)**	146	19			165
Murtra Millar, Marc Thomas	289	27			316
Xuclà Costa, Jordi	119	18			137
TOTAL	**2,849**	**331**	**1,508**	**3,398**	**8,081 (**)**

(*) Hercalianz Investing Group, S.L. did not perform either executive or management duties at Ebro Foods, S.A. or at any subsidiary and therefore did not receive any remuneration in this respect. It is categorised as an executive director based on the fact that the natural person representing this entity on the Board of Directors of Ebro Foods, S.A. is an executive and director of several Group subsidiaries.

(**) Total director remuneration in 2023 amounted to 8,079,680 euros, before tax, which, rounded to thousands of euros comes out at 8,080 thousand euros. That sum differs from the total provided in the table above as a result of the rounding, to the nearest thousandth, of each director's individual remuneration.

- Of the total variable remuneration earned by the Chairman of the Board of Directors for performance of his executive duties in 2023, 1,898 thousand euros, before tax, corresponded to the Deferred Annual Bonus Scheme tied to the Group's 2019-2021 Business Plan in respect of 2021, the last year of that plan, a figure representing up to 50% of the bonuses accrued under that three-year scheme. That sum was provided for in the 2021 financial statements and paid in 2023.
- Elsewhere, in relation to the total remuneration earned by the Chairman of the Board of Directors for the performance of his executive duties in 2023, the 2023 financial statements recognize a provision of 1,125 thousand euros in respect of the provisional estimate of the amount corresponding to 2023 under the Deferred Annual Bonus Scheme tied to the Group's 2022-2024 Business Plan, which represents up to 25% of the deferred bonus entitlement expected to be accrued during the three-year period. That figure will be paid in 2025.

These bonus schemes are not tied to Ebro Foods' share price performance and do not entitle their beneficiaries to the receipt of shares or any rights over such shares.

Elsewhere, none of the members of the Board of Directors benefits from complementary life insurance or pension cover. Moreover, the Company has neither extended any form of credit or advances to the members of its Board of Directors nor assumed any obligations on their behalf under guarantees.

Officer remuneration

A total of 10 people were considered officers of Ebro Foods, S.A. at year-end 2023 (year-end 2022: 10); in 2023, those executives accrued total remuneration (fixed wages and salaries, annual bonuses and, as applicable, deferred annual bonuses) of 2,874 thousand euros (2022: 2,582 thousand euros).

Note in relation to the officer remuneration disclosures, the term "officer" refers to the Chief Operating Officer of the Ebro Group, who is the most senior executive after the Executive Chairman, and the professionals in charge of the main departments of Ebro Foods, S.A., irrespective of whether they are considered "senior management".

In 2023, the team of executives (excluding the Chairman of the Board of Directors) of Ebro Foods, S.A. covered by the Deferred Annual Bonus Scheme tied to the Group's 2019-2021 Business Plan were paid 334 thousand euros, before tax, corresponding to 2021 (last year of the Plan), a figure representing 50% of the bonuses earned during the three-year term of the scheme that had been provisioned in the 2021 financial statements.

Meanwhile, in relation to the team of officers (excluding the Chairman of the Board of Directors) of Ebro Foods, S.A. covered by the Deferred Annual Bonus Scheme tied to the Group's 2022-2024 Business Plan, the 2023 financial statements recognise a provision of 178 thousand euros in respect of the provisional estimate of the amount corresponding to 2023 under the scheme, which represents up to 25% of the deferred bonus entitlement expected to be accrued during the three-year period. That sum will be paid in 2025, in keeping with the plan rules.

Note lastly for the record that Ebro Foods, S.A. has taken out director and officer liability insurance cover; those policies cover all of its subsidiaries up to an annual claims cap of 45 million euros. The policies cost 175 thousand euros in 2023 (193 thousand euros in 2022), are effective until April 30, 2024 and are currently in the process of being renewed.

19. OTHER DISCLOSURES

A) FOREIGN-CURRENCY TRANSACTIONS

The Company usually transacts in euros, other than the dollar-denominated borrowing arrangements described in notes 13 and 17.

B) WORKFORCE STRUCTURE

2023	AT YEAR-END		AVERAGE TOTAL
	MEN	WOMEN	
Officers	6	4	10
Middle managers	26	12	38
Clerical staff	5	7	12
	37	**23**	**60**

As required under article 260 of the Corporate Enterprises Act, the Company hereby discloses that the average number of people employed during the year with a disability of a severity of 33% or higher was one (man) - in the "Clerical staff" category - in both reporting periods.

2022	AT YEAR-END		AVERAGE TOTAL
	MEN	WOMEN	
Officers	6	4	10
Middle managers	22	11	33
Clerical staff	5	7	13
	33	**22**	**56**

C) AUDIT FEES

The fees paid for account auditing and other services to the Company's auditor, Ernst & Young, S.L., and entities related to the latter by means of control, joint ownership or joint management, in 2023 and 2022 were as follows (in thousands of euros):

- The fees corresponding to auditing services provided in 2023 amounted to 274 (2022: 246) thousand euros; those corresponding to other assurance services amounted to 82 (2022: 82) thousand euros.
- The fees for tax advisory and/other services totalled 111 (2022: 178) thousand euros.

D) ENVIRONMENTAL DISCLOSURES

The activities carried on by the various Ebro Foods Group companies require investments to manage and control their environmental risks.

Investments that increase the capacity of their facilities and machinery are capitalized and depreciated on a straight-line basis over their estimated useful life. Ebro Foods, S.A., in its capacity as the Group's holding company, does not directly undertake this effort; rather its Group companies make and incur the required environmental investments and expenditure.

The work performed on this front in recent years has been very broad but has focused above all on ensuring adequate control of wastewater discharges, combustion gas and dust emissions and inert solid and organic waste and rubbish generation.

The Company's directors believe there are no significant environmental protection or enhancement contingencies and therefore, have not deemed it necessary to record any related provisions.

E) DISCLOSURES REGARDING THE AVERAGE SUPPLIER PAYMENT TERM

The Company paid its suppliers at 28 days on average in 2023 (2022: 18 days).

	2023	2022
Days		
Average supplier payment term	28	18
Paid transactions ratio	28	18
Outstanding transactions ratio	30	26
Amount (000€)		
Total payments made during the year (thousands of euros)	**12,756**	**14,234**
Total payments outstanding (thousands of euros)	209	285
No. of invoices received during the year	1,374	1,374
%		
Payments settled within deadline	76.3	86.5
Invoices settled within deadline	84.2	83.5

For the purposes of calculating the average payment period, the 2023 figures in the table above do not include the sum of 5,284 (2022: 2,939) thousand euros invoiced by an IT system provider as its invoices took 119 (100) days to formally approve and document such that the payment was delayed by those 119 (100) days.

F) For the purposes of compliance with the obligation stipulated in article 42 bis of Regulation 1065/2007, of July 27, 2007, enacting the general regulations governing tax management and inspections and establishing common procedural rules in respect of tax matters, and in keeping with the terms of article 4.b of the said article, there follows a list of the accounts with foreign financial institutions held by non-resident subsidiaries:

COMPANY	ACCOUNT ID CODE	BIC CODE	ACCOUNT CODE	BANK	BRANCH	COUNTRY OF LOCATION OF BANK	DATE OPENED	BALANCE AT DEC. 31, 2023 (€)	AVERAGE BALANCE 4Q23 (€)	% INTEREST	CURR.
Semola S.r.l.	IBAN	BCABIT21XXX	IT39D0350003205000000037267	CREDITO EMILIANO SPA	Naples	Italy	Apr-21	18,274.21	200,376.59	100%	EUR
	IBAN	CITIITMXXXX	IT31V0356601600000136084453	CITIBANK	Milan	Italy	Dec-23	0.00	0.00	100%	EUR
Ebro Costa Rica S.L.	IBAN	BSNJCRSJXXX	CR11010200009024954723	BAC San Jose	San José	Costa Rica	Aug-06	16,795.22	22,328.42	100%	USD
Ebro Riviana Guatemala SL	Other	CITIGTGCXXX	0002058006	CITIBANK	Guatemala City	Guatemala	Mar-21	30,952.51	57,472.39	100%	GTQ
EF Alimentación, S de R.L de CV.	CLABE	BCMRMXMM	187408390	BBVA BANCOMER, S.A.	Mexico City	Mexico	Aug-11	2,397.55	2,604.17	100%	MXP
	CLABE	BCMRMXMM	187409842	BBVA BANCOMER, S.A.	Mexico City	Mexico	Aug-11	0.00	0.00	100%	USD

COMPANY	ACCOUNT ID CODE	BIC CODE	ACCOUNT CODE	BANK	BRANCH	COUNTRY OF LOCATION OF BANK	DATE OPENED	BALANCE AT DEC. 31, 2023 (€)	AVERAGE BALANCE 4Q23 (€)	% INTEREST	CURR.
Mundiriz	Other	BMCEMAMCXXX	0117350000032100060709.08	BANK OF AFRICA	Larache	Morocco	Jun-05	1,086,858.71	756,367.98	100%	MAD
	Other	BCMAMAMCXXX	007 640 0013709000000131 39	Attijariwafa Bank	TANGIER	Morocco	Jun-05	22,391.14	35,937.20	100%	MAD
	Other	BMCEMAMCXXX	011 735 0000 03 66600 60709 24	BANK OF AFRICA	Larache	Morocco	Jul-05	716.43	716.43	100%	MAD
	Other	BMCEMAMCXXX	011 735 000 503 66500 12519 27	BANK OF AFRICA	Larache	Morocco	Jul-05	145,818.31	147,725.34	100%	EUR
	Other	CDMAMAMCXXX	021 735 0000 080 030 167465 07	Crédit du Maroc	Larache	Morocco	Mar-18	65,657.47	44,549.56	100%	MAD
	Other	CAIXAMAMCXXX	003 640 64000000011 70167 55	CaixaBank - Tanger	TANGIER	Morocco	Sep-21	6,412.67	6,449.53	100%	MAD
Agromeruan	Other	BMCEMAMCXXX	0117350000032100006819.76	BANK OF AFRICA	Larache	Morocco	Jun-05	7,893.92	39,488.44	100%	MAD
	Other	CDMAMAMCXXX	021 735 0000 080 030 183549 61	Crédit du Maroc	Larache	Morocco	Oct-21	2,464.32	5,300.45	100%	MAD
	Other	CAIXAMAMCXXX	003 640 64000000011 70268 43	CaixaBank - Tanger	TANGIER	Morocco	Sep-21	(92,140.99)	(91,775.62)	100%	MAD
Rivera del Arroz, S.A.	Other	BMCEMAMCXXX	0117350000032100060728.48	BANK OF AFRICA	Larache	Morocco	Jun-05	1,963.46	3,934.86	100%	MAD
Katania	Other	BMCEMAMCXXX	011 735 0000 03 210 00 13562 23	BANK OF AFRICA	Larache	Morocco	Feb-17	69,753.80	69,753.80	100%	MAD

20. EVENTS AFTER THE REPORTING PERIOD

Other than the developments with respect to the CNMC Disciplinary Ruling, as outlined in note 14, there have been no significant events or developments between the end of the reporting period and the date of authorising the accompanying financial statements for issue.

3.2 Management report

Ebro Foods, S.A.
Management report for the year ended December 31, 2023

1. COMPANY SITUATION

Ebro Foods S.A. (the "Company") is the parent of the "Ebro Foods Group", Spain's largest food group. Through its subsidiaries, it commands a presence in the rice, fresh pasta and premium dry pasta markets in Europe and North America, as well as a growing presence in other countries.

As a holding company, its overriding objective is to lead, coordinate and foster the development of the Group it heads up, whose strategy is articulated around the provision of healthy food solutions to consumers that enable it to differentiate its brands by means of innovation and new product and format development.

The Ebro Foods Group articulates its management around business segments that combine business activities and their geographic location. Its two key business lines are the production and distribution of (i) premium dry and fresh pasta, and (ii) rice and their culinary derivatives and accompaniments. Geographically, it is structured into four major regions: the Americas, Spain, Europe & RoW.

Decision-making is spearheaded by the Board of Directors, which is ultimately responsible for defining the general strategy and management guidelines of the Company and its Group. The Board delegates certain tasks in its Executive Committee, including, notably, monitoring and oversight of delivery of the strategic and corporate development guidelines, while the Management Committee, on which the heads of the various business areas are represented, is tasked with monitoring and preparing the decisions taken at the management level.

The Annual Corporate Governance Report contains detailed information on the Company's ownership and governance structure.

The Management Report accompanying the consolidated financial statements provides detailed coverage of key trends in and the performance of the various segments and businesses that comprised the Ebro Food Group in 2023.

2. BUSINESS AND EARNINGS PERFORMANCE OF EBRO FOODS, S.A.

The Company's key sources of revenue are the dividends paid by its subsidiaries, the services it provides to these subsidiaries and certain real estate transactions. Its expenditure relates mainly to staff costs and the financial cost of the borrowings taken on in its capacity as parent of the Ebro Foods Group. In addition, depending on developments with respect to the value of its investments in its subsidiaries, it recognises and reverses impairment provisions on its portfolio of investees as required. Recurring expenditure was flat year-on-year.

Net operating income amounted to 16,453 thousand euros in 2023, compared to 192,774 thousand euros in 2022. The year-on-year change is attributable to the non-recurring dividend paid out by Riviana Foods Inc. in 2022.

Net finance income amounted to 43,476 thousand euros, compared to income of 17,226 thousand in 2022. The year-on-year change stems from the recognition in 2023 of the gain recognized on the sale of Ebro Frost North America, Inc. to the Group's US subsidiary, Riviana Foods Inc., in the amount of 49,799 thousand euros (note 8), whereas the main gain recognized in 2022 related to the reversal of the impairment loss previously recognized on the Company's equity investment in Ebro Foods GmbH by 28,517 thousand euros (note 8). The other differences originated from movements in exchange differences, a slight increase in borrowing costs and changes in the value of financial instruments.

Profit after tax accordingly amounted to 33,561 thousand euros, compared to 214,562 thousand euros in 2022.

The most significant developments last year related to its activity as parent of the Ebro Foods Group were the following:

KEY INVESTMENTS AND EXITS CONCLUDED BY THE GROUP

Note 8 to the financial statements lists Ebro Foods, S.A.'s direct investments in Group companies and associates. The main transactions involving Ebro Foods, S.A. in 2023:

Sale of Ebro Frost North America

On 29 December 2023, 100% of the capital of Ebro Frost North America, Inc. was sold to Riviana Foods, Inc. (USA), a wholly-owned subsidiary of Ebro Foods, S.A., for 54,299 thousand euros. The price was collected: i) in cash, in the amount of 12,634 thousand euros; and ii) in the form of loan offsets, for the remainder. Ebro Frost North America was merged into Riviana Foods, Inc. on January 3, 2024.

There were no other significant changes in Ebro Foods, S.A.'s portfolio of equity investments in 2023.

3. NON-FINANCIAL INFORMATION

The non-financial statement required under Spanish Law 11/2018 (of 28 December 2018) on non-financial and diversity reporting is included in the Management Report accompanying the consolidated financial statements.

4. EMPLOYEE AND ENVIRONMENTAL DISCLOSURES

HUMAN CAPITAL

Ebro Foods' ultimate objective on the labour front is to foster mutually-beneficial labour relations, by making its employees feel vested in the organisation, encouraging their career development, promoting equal opportunities and taking a zero-tolerance stance on discrimination and facilitating, in a nutshell, a tranquil workplace climate and legal compliance.

Each of the Group companies is governed by the labour legislation prevailing in the countries in which it does business. In addition, the bigger subsidiaries have formulated their own human resource policies that regulate relations between management and employees. Above all of these policies, and notwithstanding the terms of the collective bargaining agreements of the various companies comprising the Ebro Foods Group, there is a corporate Code of Conduct designed not only to ensure the ethical and responsible conduct of the professionals of all Ebro Foods Group companies on the job but also to serve as a guide for defining employment policies and safeguards, workplace health and safety policy, training issues and the principles for guaranteeing the absence of discrimination and the promotion of diversity and equality in hiring decisions.

The key staff disclosures are provided in note 19.b of the accompanying financial statements.

ENVIRONMENTAL DISCLOSURES

Although the Company's business activities do not have environmental consequences per se, one of Ebro Foods' basic management commitments is to provide its companies with the tools and measures needed to strike an optimal balance between their business activities and environmental protection.

Refer to note 19.d of the accompanying financial statements for additional information.

5. LIQUIDITY AND FINANCING

Ebro Foods, S.A. manages the Group's financing requirements in respect of strategic matters such as dividend policy and the Group's organic growth. To that end it relies on the cash generated by its subsidiaries which, on occasion, act as guarantors on the long-term loans taken on to facilitate this role.

The Management Report accompanying the consolidated financial statements provides an in-depth overview of the Group's liquidity and financial position.

6. BUSINESS RISK MANAGEMENT TARGETS AND POLICIES

Ebro Foods, in its capacity as the Group parent, is indirectly exposed to risks affecting its subsidiaries via the valuation of its investment portfolio and the amount of dividends they distribute. The business activities performed by the Ebro Foods Group companies are carried out in an environment shaped by exogenous factors that could influence their business and financial performances.

These risks are mainly environmental, business, financial, borrowings, labour and technology related. The risks and the measures taken to identify, manage and mitigate them are described in detail in both the Management Report accompanying the consolidated financial statements and in the Group's Annual Corporate Governance Report.

Due to their particular relevance this year, it is important to single out the risks derived from the war in Ukraine, the implications of which are outlined in note 2 of the accompanying financial statements.

On the basis of the main risks identified each year, management assesses the instruments in place for mitigating them and the main associated processes and controls.

FINANCIAL RISK MANAGEMENT AND USE OF FINANCIAL INSTRUMENTS

The main financial instruments used are bank loans, bank overdraft facilities, cash and short-term deposits. The overriding goal of using these instruments is to expand the sources of financing available to the Group.

In the past, the Company has written derivatives to hedge interest and exchange rate risk. It is Company policy not to use financial instruments for speculative purposes.

The main risks arising from the financial instruments used are credit risk, cash flow interest rate risk, liquidity risk and foreign currency risk.

The Board of Directors reviews and establishes the policies put in place for managing each of these risks, while the Finance Department identifies and manages them with a view to minimising or ring-fencing their potential impact on the Group's performance.

Credit risk

The Company's exposure to credit risk is not significantly concentrated. Moreover, it deposits its cash and arranges its financial instruments with highly solvent and creditworthy financial institutions.

Cash flow interest rate risk

The Company is exposed to changes in market interest rates, mainly on account of its non-current payment obligations arranged at floating rates of interest.

The policy deployed to minimize this risk is to combine floating and fixed rates and to build a well-balanced debt structure so as to reduce borrowing costs while containing volatility. To this end it tracks interest rate trends with the help of external experts. Whenever deemed necessary, the Company arranges interest rate derivatives.

Foreign currency risk

Exposure to foreign currency risk is intrinsic to the Company's role as a holding company which invests in Group companies whose functional currency is not the euro. Its ability to recover the carrying amounts of its investments depends on the ability to generate cash flows from them. At the reporting date, it was most exposed to the pound sterling and the US dollar.

Foreign currency risk also arises from the purchases and sales made by the various subsidiaries in currencies other than the functional currency. In that instance, the subsidiaries themselves arrange their own forward contracts or other exchange rate hedges, in keeping with Group policy.

Liquidity risk

Ebro Foods, S.A's objective is to maintain a balance between continuity of funding and flexibility through the use of renewable credit facilities, bank loans and short-term deposits.

7. EVENTS AFTER THE REPORTING PERIOD

Other than the developments with respect to the CNMC Disciplinary Ruling, as outlined in Note 14 of the financial statements, there have been no significant events or developments between the end of the reporting period and the date of authorising these financial statements and management report for issue.

8. BUSINESS OUTLOOK

Ebro Foods' earnings performance going forward will depend on the dividends received from its subsidiaries, the gains recognized on properties deemed non-core and the finance costs incurred on the debt taken on to finance its assets.

The Company's directors believe that the dividends declared by its subsidiaries will be sufficient to enable it to fund an adequate shareholder remuneration policy.

9. R&D

R&D initiatives are shaped by the subsidiaries' strategic initiatives (to which end we refer the reader to the Management Report accompanying the consolidated financial statements).

10. OWN SHARE TRANSACTIONS

In 2023, the Parent had the power to buy back and sell own shares under the scope of the authorization granted at the Annual General Meeting held on July 29, 2020 for a period of five years (and duly notified to the CNMV in keeping with prevailing legislation). In 2023, under the scope of the employee share plan, it bought back 41,000 shares, sold 1,187 and delivered 39,813 own shares to employees. The Company did not hold any own shares at December 31, 2023.

11. OTHER RELEVANT DISCLOSURES

AVERAGE PAYMENT PERIOD

The Company paid its suppliers at 28 days on average in 2023 (2022: 18 days).

	2023	2022
Days		
Average supplier payment term	28	18
Paid transactions ratio	28	18
Outstanding transactions ratio	30	26
Amount (000€)		
Total payments made during the year (thousands of euros)	**12,756**	**14,234**
Total payments outstanding (thousands of euros)	209	285
No. of invoices received during the year	1,374	1,374
%		
Payments settled within deadline	76.3	86.5
Invoices settled within deadline	84.2	83.5

For the purposes of calculating the average payment period, the 2023 figures in the table above do not include the sum of 5,284 (2022: 2,939) thousand euros invoiced by an IT system provider as its invoices took 119 (100) days to formally approve and document.

SHARE PRICE PERFORMANCE

The Parent's share price performed well in the first half of 2023 but gave up those gains in the second half to end the year roughly where it began. It performed in the opposite way to other shares considered high-growth stocks associated with emerging technologies. That would suggest that the Company is seen as a defensive investment with below average volatility whose sector tends to lag when the stock market is very bullish, despite a noteworthy earnings performance.

DIVIDEND DISTRIBUTIONS

Distribution of the dividends approved at the Annual General Meeting of June 4, 2023 at which the Parent's shareholders ratified the motion to pay a cash dividend with a charge against 2022 profit and unrestricted reserves of 0.57 euros per share (before withholding tax), payable in the course of 2023 for a total outlay of 87,703 thousand euros. The dividend was paid out in three equal instalments of 0.19 euros per share (before withholding tax) on April 3, June 30 and October 2, 2023.

3.3 Annual Corporate Governance Report and Financial Reporting (ICFR)

ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

CNMV COMISIÓN NACIONAL DEL MERCADO DE VALORES

DETAILS OF ISSUER

Year Ended: 31/12/2023

Tax Registration Number: A47412333

Name:

EBRO FOODS, S.A.

Registered Office:

PASEO DE LA CASTELLANA 20 - 3RD AND 4TH FLOORS - 28046 MADRID

ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

A. OWNERSHIP STRUCTURE

A.1. Complete the following table on the capital of the company and voting rights including loyalty shares, if any, at year end:

State whether the articles of association contemplate loyalty shares:

[ ] Yes
[√] No

Date latest modification	Capital (€)	Number of shares	Number of voting rights
27/02/2002	92,319,235.00	153,865,392	153,865,392

Indicate whether there are different classes of shares with different associated rights:

[ ] Yes
[√] No

A.2. Give details on the direct and indirect holders of significant interests in your company at year-end, including directors with significant holdings:

Name of shareholder	% voting rights attributed to the shares		% voting rights through financial instruments		Interest / total voting rights (%)
	Direct	Indirect	Direct	Indirect	
CORPORACIÓN FINANCIERA ALBA, S.A.	14.52	0.00	0.00	0.00	14.52
CORPORACIÓN ECONÓMICA DELTA, S.A.	11.69	0.00	0.00	0.00	11.69
SOCIEDAD ANÓNIMA DAMM	0.00	11.69	0.00	0.00	11.69
ALIMENTOS Y ACEITES, S.A.	10.36	0.00	0.00	0.00	10.36
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES	0.00	10.36	0.00	0.00	10.36
HERCALIANZ INVESTING GROUP, S.A.	9.07	0.00	0.00	0.00	9.07
GRUPO TRADIFÍN, S.L.	7.96	0.00	0.00	0.00	7.96
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	7.83	0.00	0.00	0.00	7.83
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	0.00	5.38	0.00	0.00	5.38
MENDIBEA 2002, S.L.	5.38	0.00	0.00	0.00	5.38
ARTEMIS INVESTMENT MANAGEMENT, LLP	4.08	0.00	0.00	0.00	4.08

See Explanatory Note Three in section H of this report.

ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

Details of indirect holdings:

Name of indirect holder	Name of direct holder	% voting rights attributed to the shares	% voting rights through financial instruments	Interest / total voting rights (%)
SOCIEDAD ANÓNIMA DAMM	CORPORACIÓN ECONÓMICA DELTA, S.A.	11.69	0.00	11.69
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES	ALIMENTOS Y ACEITES, S.A.	10.36	0.00	10.36
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	MENDIBEA 2002, S.L.	5.38	0.00	5.38

Indicate the principal movements in the shareholding structure during the year:

Most significant movements

There were no significant movements in the shareholding structure during 2023.

A.3. State, regardless of the percentage, the percentage of voting rights held by board members in the company attributed to shares or through financial instruments, excluding the directors named in section A.2 above:

Name of director	% voting rights attributed to shares (including loyalty shares)		% voting rights through financial instruments		% total voting rights	Of the total % of voting rights attributed to shares, state where appropriate the % of attributed additional votes corresponding to loyalty shares	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
ANTONIO HERNÁNDEZ CALLEJAS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DEMETRIO CARCELLER ARCE	0.01	0.13	0.00	0.00	0.00	0.14	0.00
MARÍA CARCELLER ARCE	0.02	0.00	0.00	0.00	0.00	0.02	0.00
FERNANDO CASTELLÓ CLEMENTE	1.50	0.00	0.00	0.00	0.00	1.50	0.00
MERCEDES COSTA GARCÍA	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Total % of voting rights held by board members	46.42

See Explanatory Note Three in section H of this report.

ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

Details of indirect holdings:

Name of director	Name of direct holder	% voting rights attributed to shares (including loyalty shares)	% voting rights through financial instruments	% total voting rights	Of the total % of voting rights attributed to shares, state where appropriate the % of attributed additional votes corresponding to loyalty shares
DEMETRIO CARCELLER ARCE	INVERSIONES LAS PARRAS DE CASTELLOTE, S.L.	0.13	0.00	0. 00	0.13
MARÍA CARCELLER ARCE	MAHOGANYSEPPL, S.L.	0.00	0.00	0.00	0.00

Total percentage of voting rights represented on the board:

Total % of voting rights represented on the board	68.47

See Explanatory Note Three in section H of this report.

A.4. Indicate family, commercial, contractual or corporate relationships among significant shareholders known to the company, if any, save any that are insignificant or deriving from ordinary commercial business, except those reported in A.6:

Name of related party	Type of relationship	Brief description
SOCIEDAD ANÓNIMA DAMM, CORPORACIÓN ECONÓMICA DELTA, S.A.	Corporate	Sociedad Anónima Damm holds a direct interest of 99.99% in Corporación Económica Delta, S.A.
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES, ALIMENTOS Y ACEITES, S.A.	Corporate	Sociedad Estatal de Participaciones Industriales holds a direct interest of 91.96% in Alimentos y Aceites, S.A.

A.5. Describe the commercial, contractual or corporate relationships between significant shareholders and the company and/or its group, if any, except any that are insignificant and those deriving from ordinary commercial business:

Name of related party	Type of relationship	Brief description
SOCIEDAD ANÓNIMA DAMM	Commercial	During 2023, Herba Ricemills, S.L.U. (a subsidiary of the Ebro Foods Group) entered into different commercial transactions with subsidiaries of the significant shareholder Sociedad Anónima Damm, for the sale of rice and rice by-products on arm's length terms. See in this respect the information on related party transactions in section D.2 of this Report.

ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

Name of related party	Type of relationship	Brief description
GRUPO TRADIFÍN, S.L.	Commercial	During 2023, several subsidiaries of the Ebro Foods Group entered into commercial transactions (mainly purchases and sales of rice) on arm's length terms with the significant shareholder and director Grupo Tradifín, S.L. and related parties. See in this respect the information on related party transactions and comments set out in section D.2 of this Report.
GRUPO TRADIFÍN, S.L.	Contractual	During 2023, several subsidiaries of the Ebro Foods Group entered into contractual transactions (mainly services rendered and received) on arm's length terms with the significant shareholder and director Grupo Tradifín, S.L. and related parties. See in this respect the information on related party transactions and comments set out in section D.2 of this Report.
HERCALIANZ INVESTING GROUP, S.L.	Commercial	During 2023, several subsidiaries of the Ebro Foods Group entered into commercial transactions (mainly purchases and sales of rice) on arm's length terms with the significant shareholder and director Hercalianz Investing Group, S.L. and related parties. See in this respect the information on related party transactions and comments set out in section D.2 of this Report.
HERCALIANZ INVESTING GROUP, S.L.	Contractual	During 2023, several subsidiaries of the Ebro Foods Group entered into contractual transactions (mainly services rendered and received) on arm's length terms with the significant shareholder and director Hercalianz Investing Group, S.L. and related parties. See in this respect the information on related party transactions and comments set out in section D.2 of this Report.

A.6. Describe the relationships, save any that are insignificant for both parties, between the significant shareholders or those represented on the board and the directors, or their representatives in the case of corporate directors.

Explain how the significant shareholders are represented, where appropriate. Indicate specifically any directors appointed on behalf of significant shareholders, those whose appointments have been promoted by significant shareholders or who are related to significant shareholders and/or companies in their respective groups, specifying the nature of those relationships. In particular, indicate the existence, identity and office of board members or representatives of directors of the listed company, if any, who are also directors or representatives of directors in companies holding significant interests in the listed company or in companies of its group:

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ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

Name of related director or representative	Name of related significant shareholder	Name of company in the significant shareholder's group	Description of relationship/office
DEMETRIO CARCELLER ARCE	CORPORACIÓN ECONÓMICA DELTA, S.A.	SOCIEDAD ANÓNIMA DAMM	Demetrio Carceller Arce is a proprietary director of Corporación Económica Delta, S.A., in which Sociedad Anónima Damm has a direct interest of 99.99%. Mr Carceller Arce has an indirect interest in Corporación Económica Delta, S.A. through Sociedad Anónima Damm, in which he has a 0.963% interest (0.056% direct and 0.907% indirect). He is Executive Chairman of the Board of Sociedad Anónima Damm, Chairman of the Board of Corporación Económica Delta, S.A. and holds other positions in some companies related with Damm. See section C.1.11 of this Report.
ALEJANDRA OLARRA ICAZA	CORPORACIÓN FINANCIERA ALBA, S.A.	CORPORACIÓN FINANCIERA ALBA, S.A.	Alejandra Olarra Icaza represents the director (and significant shareholder) Corporación Financiera Alba, S.A. on the Board of Directors of Ebro Foods, S.A. Ms Olarra Icaza has an employment relationship with Corporación Financiera Alba, S.A.
JAVIER GÓMEZ-TRENOR VERGÉS	EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Javier Gómez-Trenor Vergés represents the director (and significant shareholder) Empresas Comerciales e Industriales Valencianas, S.L. on the Board of Directors of Ebro Foods, S.A. Javier Gómez-Trenor Vergés has an indirect interest of 12.586% in Empresas Comerciales e Industriales Valencianas, S.L. Mr Gómez-Trenor Vergés represents the director and Chairman of the Board of Empresas Comerciales e Industriales Valencianas, S.L. and holds other positions in

ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

Name of related director or representative	Name of related significant shareholder	Name of company in the significant shareholder's group	Description of relationship/office
			some companies related with Empresas Comerciales e Industriales Valencianas, S.L. See section C.1.11 of this Report.
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	GRUPO TRADIFÍN, S.L.	GRUPO TRADIFÍN, S.L.	Blanca Hernández Rodríguez represents the director (and significant shareholder) Grupo Tradifín, S.L. on the Board of Directors of Ebro Foods, S.A. Ms Hernández Rodríguez has a direct interest of 33.25% in Grupo Tradifín, S.L., of which she is Managing Director. She also holds other positions on the boards of companies related with Grupo Tradifín, S.L. See section C.1.11 of this Report.
ANTONIO HERNÁNDEZ CALLEJAS	HERCALIANZ INVESTING GROUP, S.L.	HERCALIANZ INVESTING GROUP, S.L.	Antonio Hernández Callejas has a direct interest of 28.668% in Hercalianz Investing Group, S.L., a significant shareholder and director of Ebro Foods, S.A. He does not hold any office in that company.
FÉLIX HERNÁNDEZ CALLEJAS	HERCALIANZ INVESTING GROUP, S.L.	HERCALIANZ INVESTING GROUP, S.L.	Félix Hernández Callejas represents the director (and significant shareholder) Hercalianz Investing Group, S.L. on the Board of Directors of Ebro Foods, S.A. Félix Hernández Callejas has a direct interest of 28.668% in Hercalianz Investing Group, S.L., of which he is Joint and Several Director. He also holds other positions on the boards of companies related with Hercalianz Investing Group, S.L. See section C.1.11 of this Report.

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Name of related director or representative	Name of related significant shareholder	Name of company in the significant shareholder's group	Description of relationship/office
MARÍA CARCELLER ARCE	CORPORACIÓN ECONÓMICA DELTA, S.A.	SOCIEDAD ANÓNIMA DAMM	María Carceller Arce is a proprietary director of Corporación Económica Delta, S.A., in which Sociedad Anónima Damm has a direct interest of 99.99%. Ms Carceller Arce has a 0.05% direct interest in Sociedad Anónima Damm and represents the director Seegrund B.V. on the Boards of Directors of Corporación Económica Delta, S.A. and Sociedad Anónima Damm. See section C.1.11 of this Report.
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	MENDIBEA 2002, S.L.	MENDIBEA 2002, S.L.	José Ignacio Comenge Sánchez-Real has an indirect interest of 73% in Mendibea 2002, S.L. which is the direct holder of the significant indirect interest held by Mr Comenge Sánchez-Real in Ebro Foods, S.A. He is the Sole Director of Mendibea 2002, S.L. Mr Comenge Sánchez-Real also has corporate relationships with companies related with Empresas Comerciales e Industriales Valencianas, S.A. See section C.1.11 of this Report.
JORDI XUCLÀ COSTA	ALIMENTOS Y ACEITES, S.A.	SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES	Jordi Xuclà is a proprietary director of Alimentos y Aceites, S.A., in which Sociedad Estatal de Participaciones Industriales has a direct interest of 91.9625%. Mr Xuclà does not have any significant relationship with Alimentos y Aceites, S.A. or with Sociedad Estatal de Participaciones Industriales. See section C.1.11 of this Report.

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Name of related director or representative	Name of related significant shareholder	Name of company in the significant shareholder's group	Description of relationship/office
JAVIER FERNÁNDEZ ALONSO	CORPORACIÓN FINANCIERA ALBA, S.A.	CORPORACIÓN FINANCIERA ALBA, S.A.	Javier Fernández Alonso is a proprietary director of Corporación Financiera Alba, S.A., with which he has an employment relationship. He is General Manager of that company and holds other positions in other companies of the Corporación Financiera Alba S.A. Group. See section C.1.11 of this Report.

The directors Hercalianz Investing Group, S.L., Grupo Tradifín, S.L., Corporación Financiera Alba, S.A. and Empresas Comerciales e Industriales Valencianas, S.L. are significant shareholders of Ebro Foods, S.A. The director José Ignacio Comenge-Sánchez Real is also a significant shareholder through the company he controls, Mendibea 2002, S.L.

See section A.2 of this report.

A.7. State whether the company has been notified of any shareholders' agreements that may affect it pursuant to sections 530 and 531 of the Corporate Enterprises Act. If any, describe them briefly and list the shareholders bound by the agreement:

[ ] Yes
[√] No

Indicate and describe any concerted actions among company shareholders of which the company is aware:

[ ] Yes
[√] No

Expressly indicate any change or break-up of those agreements or concerted actions, if any, that has taken place during the year:

N/A

A.8. Indicate any individuals or entities that exercise or may exercise control over the company in pursuance of section 5 of the Securities Market Act and identify it/them if appropriate:

[ ] Yes
[√] No

A.9. Complete the following tables on the company's treasury stock:

At year-end:

Number of direct shares	Number of indirect shares (*)	Treasury stock/capital (%)
		0.00

ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

(*) Through:

Name of direct holder of the interest	Number of direct shares
No details	

Explain the significant changes during the year:

Explain the significant changes
There were no significant changes during 2023.

A.10. Indicate the term and conditions of the authorisation granted by the general meeting to the board to issue, buy or sell own shares:

The Annual General Meeting of Shareholders held on first call on 29 July 2020, under item twelve on the agenda, resolved to authorise the Board of Directors to buy back own shares and reduce the Company's capital and to authorise subsidiaries to acquire shares in the parent company, by purchase or on any other payment basis, subject to the limits and other requisites stipulated in law.

a. Conditions of the authorisation

To authorise the Board of Directors, with the power to delegate, to buy back shares in Ebro Foods, S.A., directly or through its subsidiaries, by purchase, swap or under any other title and on one or several occasions, on the terms and conditions established in sections 146 et seq and sections 509 et seq of the Corporate Enterprises Act, and the following conditions:

- The par value of the shares purchased directly or indirectly, together with those already held by the Company or its subsidiaries, shall not exceed 10% of the subscribed capital.

- The buy-back, when added to the shares previously acquired by the Company, or any person acting in their own name but on behalf of the Company, and held as treasury stock, shall not have the effect of reducing equity to below the amount of the capital plus the legal or restricted statutory reserves. For this purpose, equity shall be the amount considered as such according to the principles for drawing up the annual accounts, less the amount of gains attributed directly thereto, plus the amount of uncalled subscribed capital and the par value and share premium of the subscribed capital recognised in liabilities.

- The shares thus acquired shall be fully paid up.

- The cap and floor values for buy-back shall be the market value of the shares on an official secondary market at the date of buy-back and a value equivalent to the par value of the own equity instruments acquired, respectively.

b. Contents of the authorisation

- To authorise the Board, by direct resolution or delegation to the Executive Committee, or by delegation to such person or persons as the Board of Directors may authorise for this purpose, to buy back own shares to hold them in its treasury stock, dispose of them or, as the case may be, put a motion to the General Meeting for their redemption, within the legal limits and complying with the conditions established in this resolution. This authorisation is also extended to the possibility of buying back own shares for delivery, on one or several occasions, to the Company or group employees, directly or following exercise of their stock option rights, pursuant to section 146.1(a), third paragraph, of the Corporate Enterprises Act.

The authorisation is also extended to acquisitions of shares in Ebro Foods, S.A. by its subsidiaries.

- To authorise the Board of Directors to reduce the capital in order to redeem the own equity instruments purchased by the Company or other companies in its group against the capital (for their par value) and unrestricted reserves (for the cost of the acquisition in excess of that par value), by such amounts as it may deem fit from time to time and up to the maximum own shares held at any time.

- To delegate to the board to implement the foregoing resolution to reduce the capital, which it may do on one or several occasions or declare it null and void, within a period not exceeding 5 years from the date of this General Meeting, taking such actions for this purpose as may be necessary or required by law.

The Board of Directors is especially authorised so that it may, within the times and limits indicated in this resolution, proceed to: (i) make or declare void the reduction of capital, naming if appropriate the specific date(s) of the transactions, taking account of any internal or external factors that may influence this decision; (ii) specify in each case the amount by which the capital is reduced; (iii) determine the destination of the amount of the reduction of capital; (iv) in each case adjust Articles 6 ("Capital") and 7 ("Shares") of the Articles of Association to reflect each new amount of capital and new number of shares; (v) apply in each case for delisting of the redeemed shares; and (vi) in general adopt such resolutions as may be considered necessary for redemption and the consequent reduction of capital, designating who is to put it on record.

ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

c. Term of the authorisation

The authorisation contemplated in this resolution is granted for a maximum of five years from the date of the General Meeting (29 June 2020) and covers all transactions in own equity instrument made hereunder, without requiring reiteration for each acquisition made. It also covers any provisions or earmarking of reserves made in accordance with the Corporate Enterprise Act.

The resolutions adopted at the Annual General Meeting on 29 July 2020 on treasury stock, reduction of capital and delegation to the Board rendered void, to the extent that they had not been used, those adopted on the same issues at the General Meeting of 3 June 2015 and at the date of this report they are still in force, not having been revoked.

A.11. Estimated free float:

	%
Estimated free float	27.45

See explanatory note 3 in section H of this report.

A.12. Indicate any constraints (statutory, legal or other) on the transferability of shares and/or any restrictions on voting rights. In particular, indicate the existence of any constraint or limitation that may hamper takeover of the company through the acquisition of its shares on the market, and any authorisations or prior notifications of acquisitions or transfers of the company's financial instruments required by sector laws and regulations.

[ ] Yes
[√] No

A.13. Indicate whether the general meeting has resolved to apply the breakthrough rule against a takeover bid, under Act 6/2007.

[ ] Yes
[√] No

If yes, explain the measures approved and the terms on which the restrictions will become ineffective:

A.14. State whether the company has issued any shares that are not traded on an EU regulated market:

[ ] Yes
[√] No

If appropriate, indicate the different classes of shares and the rights and obligations conferred for each class.

B. GENERAL MEETING

B.1. Indicate whether there are any differences between the quorums established for general meetings and the minimums stipulated in the Corporate Enterprises Act and, if any, explain:

[ ] Yes
[√] No

B.2. Indicate whether there are any differences in respect of the system stipulated in the Corporate Enterprises Act for adopting corporate resolutions and, if any, explain:

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[ ] Yes
[√] No

B.3. Indicate the rules for alteration of the company's articles of association. In particular, indicate the majorities stipulated for altering the articles of association and the rules, if any, protecting shareholders' rights in any alteration of the articles.

Ebro Foods, S.A. has not established any requirements for altering the Articles of Association other than those stipulated in the Corporate Enterprises Act.

B.4. Give details of attendance of general meetings held during the year of this report and the two previous years:

	Details of attendance				
Date of general meeting	% in person	% by proxy	% distance voting		Total
			Electronic vote	Others	
30/06/2021	0.00	61.09	0.02	18.75	79.86
Of which free float	0.00	12.21	0.02	0.56	12.79
15/12/2021	1.53	66.45	0.00	10.75	78.73
Of which free float	0.00	10.61	0.00	0.39	11.00
29/06/2022	14.64	56.01	0.03	10.78	81.46
Of which free float	0.09	12.94	0.03	0.42	13.48
06/06/2023	14.85	57.27	0.04	10.89	83.05
Of which free float	0.13	13.97	0.04	0.53	14.67

In 2023 the Annual General Meeting was held onsite and online. In addition to attendance in person and the possibility of voting and proxy by means of remote communication prior to the general meeting, the Board resolved to enable online attendance of the General Meeting, allowing shareholders (and their representatives or proxies) to attend and participate in the General Meeting in real time by remote connection, as contemplated in the Articles of Association, the Regulations of the General Meeting and the notice of call.

B.5. State whether there have been any items on the agenda for the general meetings held during the year that was not approved by the shareholders for any reason:

[ ] Yes
[√] No

B.6. Are any restrictions established in the articles of association requiring a minimum number of shares to attend general meetings or for distance voting?

[ ] Yes
[√] No

B.7. State whether certain decisions other than those established by law, involving an acquisition, disposal, transfer of essential assets to another company or other similar corporate operations must be laid before the general meeting of shareholders for approval:

[ ] Yes
[√] No

B.8. Indicate the address and access to the company's website and where to find information on corporate governance and other information on general meetings that must be made available to shareholders through the company's website:

The corporate website of Ebro Foods (http://www.ebrofoods.es/en/) is set up as a vehicle of continuous, up-to-date information for shareholders, investors and markets in general.

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OF LISTED COMPANIES

In this respect, the home page includes a specific section called "Information for shareholders and investors", which contains all the information required under the applicable legal provisions.

Pursuant to current legislation, this section includes the chapter on Corporate Governance at the following address: http://www.ebrofoods.es/en/information-for-shareholders-and-investors/corporate-governance/regulations-of-the-general-meeting/. That section includes all the information that the Company makes available to shareholders for general meetings, specifically at the following URLs:

http://www.ebrofoods.es/en/information-for-shareholders-and-investors/corporate-governance/general-meeting-of-shareholders-exercise-of-the-right-to-information/

https://www.ebrofoods.es/en/information-for-shareholders-and-investors/corporate-governance/extraordinary-general-shareholders-meeting-june-2023/, which is the direct link to the Annual General Meeting of Shareholders held on 6 June 2023.

Furthermore, since the Annual General Meeting held in 2023 was held both online and onsite, the company enabled the corresponding link on the corporate website to the live-streaming of the AGM. The link to the live broadcast of the AGM was maintained active on the website throughout its duration.

The 'Corporate Governance' section is structured in the following sub-sections:

- Regulations of the General Meeting
- General Meeting of Shareholders: exercise of the right to information
- Annual General Shareholders' Meeting, referring to the latest general meeting held, whether annual or extraordinary
- Previous general meetings
- Board of Directors
- Regulations of the Board
- Remuneration of Directors
- Board Committees
- Annual Corporate Governance Report
- Internal Code of Market Conduct
- Shareholders' Forum

The contents of this section are structured and hierarchical, with concise, explanatory titles, to permit rapid, direct access to those contents in accordance with legal recommendations, at just two clicks from the home page.

All these sections have been designed and prepared according to the principle of easy access, aiming to enable fast location and download of the required information.

The corporate website offers all the information in this section in Spanish and English.

C. MANAGEMENT STRUCTURE OF THE COMPANY

C.1. Board of Directors

C.1.1 State the maximum and minimum numbers of directors stipulated in the articles of association and the number set by the general meeting:

Maximum number of directors	15
Minimum number of directors	7
Number of directors set by general meeting	14

ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

C.1.2 Give details of the board members:

Name of director	Representative	Category of director	Position on Board	Date first appointment	Date latest appointment	Election procedure
BELÉN BARREIRO PÉREZ-PARDO		Independent	DIRECTOR	25/01/2017	30/06/2021	RESOLUTION PASSED AT AGM
DEMETRIO CARCELLER ARCE		Proprietary	VICE-CHAIRMAN	01/06/2010	16/12/2020	RESOLUTION PASSED AT AGM
ANTONIO HERNÁNDEZ CALLEJAS		Executive	CHAIRMAN	24/01/2002	29/06/2022	RESOLUTION PASSED AT AGM
FERNANDO CASTELLÓ CLEMENTE		Independent	DIRECTOR	29/05/2012	29/06/2022	RESOLUTION PASSED AT AGM
MARC THOMAS MURTRA MILLAR		Independent	DIRECTOR	31/01/2022	06/06/2022	RESOLUTION PASSED AT AGM
MARÍA CARCELLER ARCE		Proprietary	DIRECTOR	21/03/2018	16/12/2020	RESOLUTION PASSED AT AGM
MERCEDES COSTA GARCÍA		Independent	LEAD INDEPENDENT DIRECTOR	27/07/2016	30/06/2021	RESOLUTION PASSED AT AGM
JOSE IGNACIO COMENGE SÁNCHEZ-REAL		Proprietary	DIRECTOR	29/05/2012	16/12/2020	RESOLUTION PASSED AT AGM
JORDI XUCLÀ COSTA		Proprietary	DIRECTOR	30/03/2022	30/03/2022	COOPTATION
JAVIER FERNÁNDEZ ALONSO		Proprietary	DIRECTOR	29/07/2020	16/12/2020	RESOLUTION PASSED AT AGM
CORPORACIÓN FINANCIERA ALBA, S.A.	ALEJANDRA OLARRA ICAZA	Proprietary	DIRECTOR	31/01/2018	16/12/2020	RESOLUTION PASSED AT AGM
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	JAVIER GÓMEZ-TRENOR VERGÉS	Proprietary	DIRECTOR	18/12/2013	16/12/2020	RESOLUTION PASSED AT AGM
GRUPO TRADIFÍN, S.L.	MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	Proprietary	DIRECTOR	21/12/2016	16/12/2020	RESOLUTION PASSED AT AGM
HERCALIANZ INVESTING GROUP, S.L.	FÉLIX HERNÁNDEZ CALLEJAS	Executive	DIRECTOR	21/12/2016	16/12/2020	RESOLUTION PASSED AT AGM

Total number of directors	14

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Indicate any retirements from the board during the reporting period, through resignation or by resolution of the general meeting:

Name of director	Category of director at time of retirement	Date of last appointment	Date of retirement	Specialist committees of which the director was a member	State whether retirement occurred before end of term of office
FERNANDO CASTELLÓ CLEMENTE	Independent	29/06/2022	31/12/2023	Audit, Control and Sustainability Committee, Nomination and Remuneration Committee (Chair)	YES

Cause of retirement if produced prior to the end of the director's term of office and other comments; information on whether the director sent a letter to the other board members and, for retirements of non-executive directors, explanation or opinion of any director removed from office by the general meeting
On 10 December 2023, Fernando Castelló Clemente tendered in writing his resignation as Director for personal reasons, with effect from 31 December 2023. Mr Castelló Clemente was classified as an independent director and was a member of the Audit, Control and Sustainability Committee and member and chair of the Nomination and Remuneration Committee. See in Explanatory Note One in section H of this report the present composition of the Board of Directors following the changes to the Board and Committees from 31 December 2023 (year-end 2023) to 22 March 2024 (date of approval of this report).

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C.1.3 Complete the following tables with the details and types of the board members:

EXECUTIVE DIRECTORS		
Name of director	Position in company's organisation	Profile
ANTONIO HERNÁNDEZ CALLEJAS	Executive Chairman	Antonio Hernández Callejas was born in Tudela (Navarre). He has a degree in Economics from the University of Seville and a diploma in Law. He began his career in 1979 in Arrocerías Herba, a rice producer founded by the Hernández family. In 2002 he was appointed Director, Vice-Chairman and member of the Executive Committee of Ebro Foods, S.A. and since then he has been a key figure in Ebro's transformation and international expansion. In 2004 he was appointed CEO of the Company and in 2005 he became Executive Chairman of the Ebro Group. Under his leadership, the Ebro Group has become number one in the rice sector and second world producer of pasta, operating in more than 70 countries in Europe, America, Africa and Asia, with a portfolio of over 70 brands. Over the course of his professional career, he has received numerous prizes and awards, such as the Tiepolo Award for Italian and Spanish business success, Business Sponsorship Award from the University of Seville, "Dinero" Business Awards for the best business management, Officer of the National Order of Merit of the Republic of France, Prize awarded by the Social Council of the University of Seville and the Seville Business Confederation (CES) for his Outstanding Business Career, the Gold Medal of the city of Seville, the Joly Group Farming Innovation Award and the Manuel Clavero Award. He speaks English, French and Italian.
HERCALIANZ INVESTING GROUP, S.L.	Executive and director in several Group companies	Félix Hernández Callejas (representative of the director Hercalianz Investing Group, S.L.) was born in Tudela (Navarre). He has a Law degree and extensive experience in the rice and food industry in general. He has held several executive positions and directorships in different rice companies and is currently an executive of a subsidiary in the Ebro Group and director of several group companies.

Total number of executive directors	2
% of board	14.29

With regard to the classification of Hercalianz Investing Group, S.L. as Executive Director, this director:

(i) does not perform executive or management duties in Ebro Foods, S.A. or in any Group subsidiary, so receives no remuneration as such;

(ii) has been classified as executive director on the grounds that its representative on the Board of Directors of Ebro Foods, S.A. is an executive and director of several Group subsidiaries;

(iii) holds office as a director because it is a significant shareholder of the Company, with a direct interest of 9.10%.

Hercalianz Investing Group, S.L. will continue to be a director of Ebro Foods, S.A. as long as it is a significant shareholder, regardless of who is its representative and the executive position that said representative may have within the Group.

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NON-EXECUTIVE PROPRIETARY DIRECTORS		
Name of director	Name of significant shareholder represented or that proposed appointment	Profile
DEMETRIO CARCELLER ARCE	CORPORACIÓN ECONÓMICA DELTA, S.A.	Demetrio Carceller Arce was born in Madrid. He has a degree in Business Administration from the Private Financial Studies University 'Colegio Universitario de Estudios Financieros' (CUNEF) of Universidad Complutense de Madrid. He subsequently did an MBA at Duke University (Fuqua School of Business), an American business school in which he is on the Board of Visitors. He is Executive Chairman of Sociedad Anónima Damm and Chairman of Corporación Económica Delta, SA. and DISA Corporación Petrolífera, S.A. He is also Vice-Chairman and member of the Executive Committee of Sacyr, S.A. He chairs the Board of Trustees of the Damm Foundation and is a member of the board of trustees of Fundación Disa and Fundación SERES (Responsible Business and Society Foundation).
MARÍA CARCELLER ARCE	CORPORACIÓN ECONÓMICA DELTA, S.A.	María Carceller Arce was born in Madrid. She has a degree in Business Studies from the European Business School, specialising in marketing and international business, and has a postgraduate degree from IESE (Management Development Programme PDD-C). She has over 30 years' professional experience in national and international companies in the food and drink sector. She is on the Food and Drink Advisory Board of the IESE Business School, the advisory board of Fundación A La Par and Honorary Trustee of Fundación General de la Universidad Complutense de Madrid. Since January 2012, she has been Managing Director of Grupo Rodilla, where she has received several awards for her professional career and business management. Before joining Grupo Rodilla, she held different management positions in Pepsico and McDonald's, receiving the President Award, among others. She is bilingual in German and speaks English.
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	JOSE IGNACIO COMENGE SÁNCHEZ-REAL	José Ignacio Comenge Sánchez-Real was born in San Sebastián. He is an Economist and has a degree in International Banking. He has a lengthy track record in business management and administration in companies operating in different areas of the Spanish economy, including the financial, insurance, beverages and renewable energy sectors. He has been an executive and director in different financial and insurance entities, such as Banco Hispano Americano, Mutua Madrileña and Axa Winterthur, among others. He is Chairman of Ball Beverage Packaging Iberica S.L. and Arbitraje&Inversiones S.L. and Director of ENCE Energía y Celulosa, S.A., CVNE, S.A. (Compañía Vinícola Nacional de España), Olive Partners, S.A., Barbosa&Almeida, S.A. and Coca-Cola European Partners.
JORDI XUCLÀ COSTA	ALIMENTOS Y ACEITES, S.A.	Jordi Xuclà Costa was born in Olot (Gerona). He has a Law degree from the University of Gerona, a PhD in Communication and International Relations from Ramón Llull University and a master's degree in National Defence (CESEDEN), among other qualifications. A jurist and consultant in International Relations, he was formerly a lecturer of Administrative Law at the Universities of Gerona and Barcelona. He formerly held office as Senator-Elect for Gerona, CiU (2000-2004, VII Term), Deputy of the Congress of Deputies (2004-2019) and member of the Parliamentary Assembly of the Western European Union (2008-2011), NATO (2008-2011) and the European Council (2008-2019). He is currently a lecturer

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NON-EXECUTIVE PROPRIETARY DIRECTORS		
Name of director	Name of significant shareholder represented or that proposed appointment	Profile
		of International Relations at Universidad CEU San Pablo and Ramón Llull University and is on the Board of RENFE Mercancías, in which he previously chaired the Audit and Control Committee. He is a Trustee of the Josep Plà Foundation. Since October 2023 he has been Vice-Chairman of the Spanish Federal Council of European Movement. Among other recognitions, he has been awarded the distinction of Commander of the Order of Civil Merit.
JAVIER FERNÁNDEZ ALONSO	CORPORACIÓN FINANCIERA ALBA, S.A.	Javier Fernández Alonso was born in Bilbao. He graduated with a BA Summa Cum Laude in Business Management and Administration from Deusto University, majoring in Finance. He began his career in investment banking and M&A at Goldman Sachs in London in 2000 and in 2002 he joined ABN AMOR in Madrid. In 2006 he joined the Investment Department of Corporación Financiera Alba, S.A., where he was appointed Deputy Investment Director in 2007, Chief Investment Officer in 2012 and CEO in 2020, still serving to this day in the latter capacity. He currently represents Corporación Financiera Alba, S.A. on the boards of CIE Automotive, Profand Fishing Holding, Viscofan and the investment vehicles Rioja and Rioja Acquisition (Naturgy). He is also a Director of the private equity vehicle of the Alba Group and is on the Investment Committees of two funds managed by Artá Capital. He has formerly served on the boards of Acerinox, ACS, Dragados, ACS Servicios y Concesiones, Euskaltel, Parques Reunidos and Clínica Baviera, among others.
CORPORACIÓN FINANCIERA ALBA, S.A.	CORPORACIÓN FINANCIERA ALBA, S.A.	Alejandra Olarra Icaza (representative of the director Corporación Financiera Alba, S.A.) was born in Bilbao. She has a degree in Business Management & Administration from Comillas Pontifical University (Universidad Pontificia Comillas) in Madrid (ICAE-ICADE). She has a lengthy track record in the investment banking sector and considerable international experience in mergers & acquisitions and equity market transactions in all sectors. She is currently a member of the Investment Department of Corporación Financiera Alba, S.A. She speaks English.
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Javier Gómez-Trenor Vergés (representative of the director Empresas Comerciales e Industriales Valencianas, S.L.) was born in Barcelona. He has a degree in Economics and Business Studies from the University of Valencia. He has a lengthy track record in the business sector, as executive and director of numerous companies in the beverages, agricultural, livestock and concentrated juice sectors. He is currently the representative of the corporate Chairman of the Board of Empresas Comerciales e Industriales Valencianas, S.L. and the corporate Vice-Chairman of the Board of Olive Partners S.A.; he is Chairman of the Board of Inversiones Caspatró, S.L. and is on the boards of several financial investment, real estate and agricultural companies.
GRUPO TRADIFÍN, S.L.	GRUPO TRADIFÍN, S.L.	Blanca Hernández Rodríguez (representative of the director Grupo Tradifín, S.L.) was born in Seville. She has a degree in Economics and Business Studies from the University of Seville, a degree in Humanities from the European University of Madrid and a Master of Finance from CUNEF. She has extensive experience in the financial sector. She is Founder and Managing Director of Magallanes Value Investors, S.A., S.G.I.I.C., an independent investment fund manager following value investment philosophy that promotes ESG criteria; it is a signatory of the

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NON-EXECUTIVE PROPRIETARY DIRECTORS		
Name of director	Name of significant shareholder represented or that proposed appointment	Profile
		United Nations Principles for Responsible Investment (PRI) and all its funds are Articles 8 and 9. She is founder and Chair of Techo Hogar Socimi, an innovative welfare company that seeks to help eradicate homelessness. She is also Director of PharmaMar, S.A., on the Boards of Trustees of Proyecto Hombre, COF Virgen de los Reyes and the Capacis Foundation, and chairs the Ebro Foods Foundation.

Total number of proprietary directors	8
% of board	57.14

NON-EXECUTIVE INDEPENDENT DIRECTORS	
Name of director	Profile
BELÉN BARREIRO PÉREZ- PARDO	Belén Barreiro Pérez-Pardo was born in Madrid. PhD in Political Science, Sociology and Social Anthropology from the Autonomous University of Madrid and Master in Social Sciences from the Juan March Institute of Studies and Research. She is the founder and CEO of 40dB, a social and market research consultancy and is on the Scientific Council of Real Instituto Elcano / Elcano Royal Institute. She has over twenty years' experience in studying consumers and society. Drawing on her national and international experience, she has directed projects in Europe and Latin America, as well as a large volume of research into the social impact of ESG, the climate crisis, new technologies and artificial intelligence, inter alia. With a holistic vision of citizens and consumers, she has worked for the FMCG industry, food & beverages industry, retail, entertainment, media, telecommunications, energy, banking, insurance, NGOs and universities. She is the author of "La sociedad que seremos" (Planeta, 2017) and numerous academic publications and is a visiting lecturer for different university courses. She was previously Chair of the CIS [Sociological Research Centre] (2008-2010) and on the Advisory Board of the Spanish Association of Foundations (2016-2023) and the Economic Affairs Advisory Council of the former Deputy Prime Minister Nadia Calviño (2020-2023). She has received numerous acknowledgements and awards. In 2011 she was elected one of the 100 Leading Women by the Tiempo magazine and was in the Top 100 Leading Women in Spain in the category of thinkers and experts in 2016, 2017 and 2018 (and currently has honorary status). In 2019 she was awarded the European Prize for Women Entrepreneurs by the European Association of Economics and Competitiveness.
FERNANDO CASTELLÓ CLEMENTE	Fernando Castelló Clemente was born in Mollerusa (Lleida). He is an Industrial Engineer and has an MBA from IESE. He has held several important executive and management positions in companies operating in the dairy sector and in distribution in the food sector. He is on the Boards of several companies in the wine sector and others engaged in alternative energies and construction.
MARC THOMAS MURTRA MILLAR	Marc Thomas Murtra Millar was born in Blackburn, Lancashire, UK. He has a degree in Industrial Engineering, specialising in Machinery Mechanics, from the School of Industrial Engineers of Barcelona ETSEIB) of the Polytechnic University of Catalonia, and a Master in Business Administration (MBA), majoring in Finance, from the Leonard School of Business of the University of New York. He worked in the civil service for several years, as a specialist in Strategy and Digital Transformation, and has held several directorships. In the private sector, he was formerly Chairman of Closa Investment Bankers, since 2011 he has headed numerous corporate operations in the technology, media and telecommunications (TMT) and industrial sectors and Public Private Partnerships with international investors and enterprises throughout the world. He is also a part-time lecturer of Financial Management and Financial Economics at

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	the Pompeu Fabra University. He is Chairman of the Board, the Strategy Committee and the Executive Committee of Indra Sistemas S.A., a Trustee of Fundación La Caixa and a director of Industria de Turbo Propulsores S.A.
MERCEDES COSTA GARCÍA	Mercedes Costa García was born in Lleida. She has a Law degree from the Central University of Barcelona, Master in Corporate Legal Counselling from IE Business School and graduated from IE University in December 2011 with a PhD in Communication Science. She has extensive professional experience as a commercial lawyer in the law firm of José Mario Armero, lecturer and researcher in the field of the entire negotiation process, from start to finish. She is currently Manager of the Negotiation and Mediation Centre and Negotiation lecturer in the Masters programmes, advanced courses and programmes of Executive Education at the IE Business School in Madrid, both on-site and on-line. She is also Director of the Negotiate Forum and a member of the Good Governance Centre at the IE Business School.

Total number of independent directors	4
% of board	28.57

State whether any director qualified as independent receives from the company or any other company in its group any sum or gain other than directors' emoluments, or has or has had a business relationship with the company or any other company in its group during the past year, in their own name or as significant shareholder, director or senior executive of a company which has or has had such a relationship.

If appropriate, include a reasoned statement by the board explaining why it considers that the director in question can perform their duties as an independent director.

Name of director	Description of the relationship	Reasoned statement
BELÉN BARREIRO PÉREZ-PARDO	N/A	N/A
FERNANDO CASTELLÓ CLEMENTE	N/A	N/A
MARC THOMAS MURTRA MILLAR	N/A	N/A
MERCEDES COSTA GARCÍA	N/A	N/A

OTHER NON-EXECUTIVE DIRECTORS			
Name any other non-executive directors and explain why they cannot be considered proprietary or independent directors and their relationships, with the company or its executives or with the shareholders:			
Name of director	Reasons	Company, executive or shareholder with which it is related	Profile
No details			

Total number of other non-executive directors	N/A
% of board	N/A

Indicate any variations during the year in the type of each director:

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Name of director	Date of change	Previous category	Current category
No details			

C.1.4 Complete the following table with details of the number of female directors over the past 4 years and the type of female directors:

	Number of female directors				Female directors / total directo0rs of each type (%)			
	2023	2022	2021	2020	2023	2022	2021	2020
Executive					0.00	0.00	0.00	0.00
Proprietary	3	3	4	3	37.50	37.50	50.00	37.50
Independent	2	2	2	2	50.00	50.00	50.00	50.00
Other non-executive					0.00	0.00	0.00	0.00
Total	5	5	6	5	35.71	35.71	42.86	35.71

Following Fernando Castelló Clemente's resignation from the Board as of 31 December 2023 and the incorporation of the new director Elena Segura Quijada as of 31 January 2024: (i) there are now 6 women on the Board of Directors, representing 42.86% of the total members (14); and (ii) there are now 3 female independent directors, which represents 75.00% of the total number of independent directors (4).

The changes that have taken place on the Board of Directors and Committees from 31 December 2023 (year-end 2023) to 22 March 2024 (date of approval of this report) are set out in Explanatory Note One in section H of this report.

See also Explanatory Note Two in section H of this report for the evolution of female presence on the Board over the past two years.

C.1.5 Indicate whether the company has diversity policies for the board of directors of the company regarding issues such as age, gender, disability, training and professional experience. Small and medium-sized enterprises, as defined in the Auditing Act, must inform at least on the policy they have established with regard to gender diversity.

[v] Yes
[ ] No
[ ] Partial policies

If yes, describe those diversity policies, their goals the measures established, how they have been implemented and the results obtained during the year. Describe also the specific measures taken by the board of directors and the nomination and remuneration committee to achieve a balanced, diverse composition of directors.

If the company does not apply a diversity policy, explain why not.

Description of the policies, goals, measures and implementation and the results obtained

Ebro Foods, S.A. has implemented a Policy on the Selection of Directors and Diversity in the Composition of the Board of Directors, the scope of which is extended to the appointment, ratification and re-election of directors by the General Meeting of Shareholders and the appointments made directly by the Board of Directors by the procedure of cooptation.

According to that Policy, all proposals for candidates must be based on a prior analysis of the needs of the Board, the results of which will be set out in the corresponding report by the Nomination and Remuneration Committee, to be published when calling the General Meeting at which the ratification, appointment or re-election of each director is to be submitted for approval.

The following goals are established in the Policy:

- Avoid any implicit bias in the processes for selecting directors that may imply discrimination against any of the candidates on any grounds whatsoever.

- Under equal conditions, opt for the candidate whose gender is least represented on the Board at that time.

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- Favour diversity of expertise, professional experience and gender within the composition of the Board.

- Achieve a composition where the gender least represented on the Board accounts for at least 40% of the total Board members by and beyond the end of 2022.

To achieve these goals set in the Policy, the Company has established the following measures to be applied in each appointment of directors:

- prior analysis of the composition of the Board of Directors in aspects regarding the categories of directors, presence of the least-represented gender, profile and professional experience of the directors and capital represented on the Board of Directors;

- analysis of the legal, statutory and regulatory requirements applicable to both the classification of director of the candidate and the procedure for their appointment;

- analysis of the experience, qualification and professional training of the candidate and their availability for adequate performance of their duties;

- verification that the appointment of the candidate complies with the requirements of diversity, non-discrimination and equal treatment established in the Code of Conduct and the Policy for Selection of Directors and Diversity.

Through its implementation of the Policy on the Selection of Directors and Diversity in the Composition of the Board and correct monitoring of the measures described above, Ebro Foods, S.A. has a pluralistic, diverse Board of Directors in terms of gender, expertise, experience and professional profiles of its members.

C.1.6 Explain any measures agreed by the nomination committee to ensure that the selection procedures are not implicitly biased against the selection of female directors and that a conscious effort is made to include women with the target profile among the candidates so that a balance may be struck between male and female directors. State also whether these measures include encouraging a significant number of female senior executives in the company:

Explanation of the measures

With regard to the procedures for selecting directors, although the Nomination and Remuneration Committee has not adopted specific measures in this regard, in accordance with the gender diversity measures and the principles of non-discrimination and equal treatment applied by the Company when selecting candidate directors, the Company will: (i) seek at all times a diversity of expertise, experience and gender in the composition of the Board; and (ii) under equal conditions, opt for the candidate whose gender is least represented on the Board at that time.

The main principle followed by the Company in this regard is that the selection procedure must avoid any implicit bias that might imply discrimination against any of the candidates on any grounds, although it is necessary to recover the target set in the Policy on the Selection of Directors and Diversity in the Composition of the Board, that the gender least represented on the Board of Directors of the Company must account for at least 40% of the total Board members. With regard to the evolution and current situation of women on the company's Board of Directors, see Explanatory Note Two in section H of this report.

The Code of Conduct of the Ebro Foods Group promotes and defends the principle of equal treatment and equal opportunities for all professionals regardless of their gender or sexual orientation. This principle is behind the Human Resources policies applied in hiring, training, career opportunities, pay levels and all other aspects of the relationship between the company and its professionals of any category, including senior management.

The company's actions in respect of the selection, hiring, training and internal promotion of all its professionals (executives or otherwise, men or women) are based on clear criteria of capacity, competence and professional merit.

Therefore, there is no positive or negative discrimination of any nature in the procedures followed by the company for selecting and contracting its executive personnel, so it is not necessary to introduce any new measures to encourage the hiring of women for executive positions.

It is put on record in this regard that as established in the Senior Executive Remuneration and Incentives Policy of the Ebro Foods Group, "Senior Executive" means any employee of the Company or any other company in the Group holding the position of manager or head of a specific department or business (or similar position in foreign companies), regardless of whether they have a special senior management contract and even though they may not report directly to the directors or chief executive. The non-director Vice-Secretary of the Board of Directors of the Company is also considered a "Senior Executive".

If, despite the measures taken, if any, there are few or no female directors or executives, explain the reasons that justify this situation:

Explanation of the measures

See Explanatory Note Two in section H of this report.

C.1.7 Explain the conclusions of the nomination committee on compliance with the policy intended to favour an appropriate composition of the board.

During 2023, when the re-appointment of a director was contemplated, in accordance with the company's Policy on the Selection of Directors and Diversity in the Composition of the Board of Directors ("the Policy"), the Nomination and Remuneration Committee analysed the composition of the Board of Directors from the point of view of director categories, the presence of women, size and diversity of expertise and profiles.

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In this regard, the Nomination and Remuneration Committee:

(i) Assessed the current size of the Board of Directors (set at 14 members by virtue of a resolution adopted at the Annual General Meeting of Shareholders held on 29 July 2020). The Committee considers this size adequate to ensure adequate diversity of expertise, experience and gender in the composition of the Board and an adequate balance between the representation of significant shareholders and minority shareholders on the Board.

(ii) Assessed the extent of compliance with Recommendation 16 of the Code of Good Governance, which stipulates that the proportion of proprietary directors in the total number of non-executive directors should not exceed the proportion of capital represented by those directors in the total capital of the company. Although the proportion of proprietary directors in the total non-executive directors (66.67%) is greater than the proportion of capital represented by those directors in the total capital (57.87%), in the opinion of the Nomination and Remuneration Committee special circumstances exist that attenuate the principle of proportion recommended by the Code of Good Governance, because there are seven (7) unrelated significant shareholders present or represented on the Board that represent 66.81% of the capital.

In this regard, the Nomination and Remuneration Committee has considered it necessary to take account of the fact that the director Hercalianz Investing Group, S.L. is classified as an executive director even though it is a significant shareholder, on the grounds that its representative on the Ebro Board is an executive and director of several subsidiaries in the Ebro Group.

Based on the foregoing considerations, the Nomination and Remuneration Committee considers that the principle behind Recommendation 16 is respected.

(iii) Assessed the extent of compliance with Recommendation 17 of the Code of Good Governance, which stipulates that in companies that are not large cap (as is the case of Ebro), the number of independent directors should represent at least one-third of the total directors.

Since the number of independent directors (4) is still somewhat less than one-third (4.66) of the total Board members (14) recommended for non-large cap companies, like Ebro Foods, S.A., the Nomination and Remuneration Committee considers it necessary to continue working to increase the number of independent directors until it is at least equal to the recommended one-third, although it should be borne in mind that 68.47% of the company's total capital is concentrated in the Board.

(iv) Assessed the extent of compliance with Recommendation 15 of the Code of Good Governance, which provides that the number of female directors should represent at least 40% of the Board members by and beyond the end of 2022, and should previously not be less than 30%.

(iv) Assessed the fact that all the present directors were appointed on account of their expertise, skills, professional experience, availability and suitability, which were considered adequate for the duties they were to perform.
In view of the diversity of professional profiles of the directors (all specialists in sectors that are both varied and complementary, such as economic, financial, legal, industrial, consumer and distribution markets, beverages, rice and pasta) and taking into account the extensive knowledge that some of them have of the Group overall, the Nomination and Remuneration Committee considers that the composition of the Board of Directors has adequate diversity of expertise and professional experience to serve the interests of the company and the group.

See Explanatory Note Three in section H of this report regarding the percentages in the capital indicated in this section.

In addition, see Explanatory Note Two in section H of this report regarding the evolution and current situation of women on the Board.

C.1.8 Explain, if appropriate, why proprietary directors have been appointed at the request of shareholders holding less than 3% of the capital:

Name of shareholder	Justification
No details	

State whether any formal requests for presence on the board have been rejected from shareholders holding interests equal to or greater than others at whose request proprietary directors have been appointed. If appropriate, explain why such requests were not met:

[ ] Yes
[√] No

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C.1.9 Indicate the powers, if any, delegated by the board to particular directors or committees, including the power to cast or repurchase shares:

Name of director or committee	Brief description
ANTONIO HERNÁNDEZ CALLEJAS	Antonio Hernández Callejas has no powers delegated by the Board of Directors. Mr Hernández Callejas is a class A general attorney of the Company by virtue of the power of attorney granted in deed no. 4802, executed on 4 December 2014 before the notary Andrés Domínguez Nafría and entered in the Madrid Trade Register. In addition, in accordance with the rules on investments and divestments, strategic expenditure and corporate operations approved by the Board of Directors at its meeting on 21 March 2002, the following actions by Antonio Hernández Callejas require prior authorisation from the Board of Directors or the Executive Committee: - for investments/divestments or strategic expenditure, if exercise of the powers entails the acquisition of economic obligations or commitments in excess of two million euros, a resolution must previously be adopted by the Board of Directors; and for less than two million euros but more than three hundred thousand euros, the Executive Committee must be notified; and - for corporate operations, a prior resolution of the Board of Directors is required if they are for more than two million euros, and the Executive Committee must be notified if they are for less than two million euros but more than three hundred thousand euros.
Executive Committee	The Board of Directors has delegated all its powers to the Executive Committee, save any, which may not legally be delegated. This notwithstanding, in accordance with the rules on investments and divestments, strategic expenditure and corporate operations approved by the Board of Directors at its meeting on 21 March 2002, the powers of the Executive Committee in these areas are internally limited to the sum of two million euros per investment/divestment, expenditure or corporate operation. See section C.2.1 of this Report for the duties attributed to the Executive Committee in the Articles of Association and applicable regulations.

C.1.10 Name Board members, if any, who are also directors, representatives of directors or executives of other companies in the same group as the listed company:

Name of director	Name of group company	Position	With executive duties?
ANTONIO HERNÁNDEZ CALLEJAS	VOGAN, LTD.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	GEOVITA FUNCTIONAL INGREDIENTS, S.R.L	CHAIRMAN	YES
ANTONIO HERNÁNDEZ CALLEJAS	JOSEPH HEAP PROPERTY, LTD.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	EBRO INGREDIENTS BELGIUM B, B.V.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	JOSEPH HEAP & SONS, LTD.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	A.W. MELLISH, LTD.	DIRECTOR	YES

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Name of director	Name of group company	Position	With executive duties?
ANTONIO HERNÁNDEZ CALLEJAS	ANGLO AUSTRALIAN RICE, LTD.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	HEAP COMET, LTD.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	PASTIFICIO LUCIO GAROFALO, S.P.A.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	BERTAGNI 1882, S.P.A	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	RIVIANA FOODS, INC.	CHAIRMAN	YES
ANTONIO HERNÁNDEZ CALLEJAS	N&C BOOST, N.V.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	BOOST NUTRITION, N.V.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	EBRO RICE HANDLING, BVBA	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	S&B HERBA FOODS, LTD.	DIRECTOR	YES

Antonio Hernández Callejas is a director of Riso Scotti, S.p.A., an associate outside the Ebro Foods Group, in which Ebro Foods, S.A. holds a 40% interest. This investment is consolidated by the equity method. Riso Scotti, S.p.A. is an Italian company engaged in an activity similar to the objects of Ebro Foods, S.A. He is also a member of the Board of Trustees of the Ebro Foods Foundation.

Finally, the positions held by Félix Hernández Callejas in the subsidiaries of the Ebro Foods Group are listed below. In this regard, it should be remembered that, as mentioned elsewhere in this Report, Félix Hernández Callejas represents the director Hercalianz Investing Group, S.L. on the Board of Directors of Ebro Foods, S.A. and that director is classified as an executive director by virtue of the fact that its representative is an executive and director of several Group subsidiaries.

- Anglo Australian Rice, Ltd. Director. With executive duties
- Boost Nutrition, N.V. Director. With executive duties
- Española de I+D, S.A. Joint and Several Director. With executive duties
- Eurodairy, S.L.U. Joint and Several Director. With executive duties
- Formalac, S.L.U. Joint and Several Director. With executive duties
- Fallera Nutrición, S.L.U. Joint and Several Director. With executive duties
- Herba Foods, S.L.U. Joint and Several Director. With executive duties
- Ebro Ingredients Belgium B, BV. Director. With executive duties
- Ebro Ingredients Belgium F, BV. Director. With executive duties
- Herba Nutrición, S.L.U. Joint and Several Director. With executive duties
- Herba Trading, S.L.U. Joint and Several Director. With executive duties
- Joseph Heap & Sons, Ltd. Director. With executive duties
- Nuratri, S.L.U. Joint and Several Director. With executive duties
- Nutramas, S.L.U. Joint and Several Director. With executive duties
- Nutrial, S.L.U. Joint and Several Director. With executive duties
- Pronatur, S.L.U. Joint and Several Director. With executive duties
- Risella, OY. Chairman and CEO. With executive duties
- Riviana Foods, Inc. Director. No executive duties
- S&B Herba Foods, Ltd. Director. With executive duties
- Santa Rita Harinas, S.L. Chairman. No executive duties
- Vitasan, S.L.U. Joint and Several Director. With executive duties
- Vogan, Ltd. Director. With executive duties
- Yofres, S.L.U. Joint and Several Director. With executive duties
- Dosbio 2010, S.L.U. Joint and Several Director. With executive duties

C.1.11 Name the company directors or representatives of corporate directors who are board members or representatives of corporate directors in other companies, listed or otherwise:

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Name of director or representative	Name of company, listed or otherwise	Position
DEMETRIO CARCELLER ARCE	DISA CORPORACIÓN PETROLÍFERA, S.A.	CHAIRMAN
DEMETRIO CARCELLER ARCE	SACYR, S.A.	VICE-CHAIRMAN
DEMETRIO CARCELLER ARCE	DAMM RESTAURACIÓN, S.L.	CHAIRMAN
DEMETRIO CARCELLER ARCE	SETPOINT EVENTS, S.A.	CHAIRMAN
DEMETRIO CARCELLER ARCE	INVERSIONES LAS PARRAS DE CASTELLOTE, S.L.	SOLE DIRECTOR
DEMETRIO CARCELLER ARCE	S.A. DAMM	CHAIRMAN
DEMETRIO CARCELLER ARCE	CORPORACIÓN ECONÓMICA DELTA, S.A.	CHAIRMAN
DEMETRIO CARCELLER ARCE	COMPAÑÍA INVERSORA DEL MAESTRAZGO, S.L.	SOLE DIRECTOR
DEMETRIO CARCELLER ARCE	RODILLA SÁNCHEZ, S.L.	CHAIRMAN
DEMETRIO CARCELLER ARCE	BALEAR DE CERVEZAS, S.L.	CHAIRMAN
DEMETRIO CARCELLER ARCE	DISTRIBUCIÓN DIRECTA INTEGRAL, S.L.	CHAIRMAN
DEMETRIO CARCELLER ARCE	FUNDACIÓN DAMM	CHAIRMAN
DEMETRIO CARCELLER ARCE	FUNDACIÓN DISA	TRUSTEE
DEMETRIO CARCELLER ARCE	CERVECEROS DE ESPAÑA	CHAIRMAN
DEMETRIO CARCELLER ARCE	ESTRELLA DE LEVANTE FÁBRICA DE CERVEZA, S.A.	REPRESENTATIVE OF DIRECTOR
BELÉN BARREIRO PÉREZ-PARDO	40DB DATA, S.L.	SOLE DIRECTOR
MARÍA CARCELLER ARCE	DAMM RESTAURACIÓN, S.L.	DIRECTOR
MARÍA CARCELLER ARCE	CORPORACIÓN ECONÓMICA DELTA, S.A.	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	RODILLA SÁNCHEZ, S.L.	MANAGING DIRECTOR
MARÍA CARCELLER ARCE	ARTESANÍA DE LA ALIMENTACIÓN, S.L.	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	S.A. DAMM	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	EL OBRADOR DE HAMBURGUESA NOSTRA, S.L.	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	NOSTRA RESTAURACIÓN, S.L.	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	HAMBURGUESA NOSTRA, S.L.	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	BALEAR DE CERVEZAS, S.L.	DIRECTOR
MARÍA CARCELLER ARCE	RENTA INSULAR CANARIA, S.A. SICAV	DIRECTOR
MARÍA CARCELLER ARCE	HAMBURGUESA NOSTRA FRANQUICIA, S.L.	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	ESTRELLA DE LEVANTE FÁBRICA DE CERVEZA, S.A.	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	JAPAN INVESTMENT, BV	CHAIR
MARÍA CARCELLER ARCE	IESE BUSINESS SCHOOL	OTHERS
MARÍA CARCELLER ARCE	FUNDACIÓN A LA PAR	OTHERS
MARÍA CARCELLER ARCE	FUNDACIÓN GENERAL DE LA UNIVERSIDAD COMPLUTENSE DE MADRID	TRUSTEE
MARÍA CARCELLER ARCE	DISTRIBUCIÓN DIRECTA INTEGRAL, S.L.	DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	ENCE ENERGÍA Y CELULOSA, S.A.	DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	MENDIBEA 2002, S.L.	SOLE DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	BLIG 13-13, S.L.	SOLE DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	ARBITRAJES E INVERSIONES, S.L.	DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	GLOBOTRANS, S.L.	SOLE DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	DOSVAL, S.L.	DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	COCA-COLA EUROPACIFIC PARTNERS, LTD	DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	BA GLASS, B.V.	DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	OLIVE PARTNERS, S.A.	DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	CVNE, S.A.	DIRECTOR
MARC THOMAS MURTRA MILLAR	INDRA SISTEMAS, S.A.	CHAIRMAN

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ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

Name of director or representative	Name of company, listed or otherwise	Position
MARC THOMAS MURTRA MILLAR	TESS DEFENCE, S.A.	DIRECTOR
MARC THOMAS MURTRA MILLAR	INDUSTRIA DE TURBO PROPULSORES, S.A.	DIRECTOR
MARC THOMAS MURTRA MILLAR	FUNDACIÓN BANCARIA LA CAIXA	TRUSTEE
JORDI XUCLÀ COSTA	RENFE MERCANCÍAS SME	DIRECTOR
JORDI XUCLÀ COSTA	FUNDACIÓN JOSEP PLA	TRUSTEE
JORDI XUCLÀ COSTA	JORDI XUCLÀ CONSULTORES, S.L.	SOLE DIRECTOR
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	FRUVEGA, S.L.	JOINT AND SEVERAL DIRECTOR
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	DOSVAL, S.L.	CHAIRMAN
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	OLIVE PARTNERS, S.A.	VICE-CHAIRMAN 1
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	RIEGOS EL PATOR, S.L.	SOLE DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	INVERSIONES CASPATRÓ, S.L.	CHAIRMAN
JAVIER GÓMEZ-TRENOR VERGÉS	CULTIVOS VALENCIA, S.L.	JOINT AND SEVERAL DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	CULTIVOS CAPITAL, S.L.	JOINT AND SEVERAL DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	CULTIVOS ACTIVO INMOBILIARIO, S.L.	JOINT AND SEVERAL DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	LAS COLINAS DEL CONTADOR, S.A.	JOINT DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	LOS BARRANCOS Y EL HORNILLO, S.L.	JOINT AND SEVERAL DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	DOSVAL, S.L.	REPRESENTATIVE OF DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	FRUVEGA, S.L.	REPRESENTATIVE OF DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	CARTUJA AGRÍCOLA, S.A.	REPRESENTATIVE OF DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	RIEGOS EL PATOR, S.L.	REPRESENTATIVE OF DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	OLIVE PARTNERS, S.A.	REPRESENTATIVE OF DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	CITRICULTURA PAS, S.L.U.	REPRESENTATIVE OF DIRECTOR
JAVIER FERNÁNDEZ ALONSO	DEYÁ CAPITAL IV, S.C.R., S.A.	DIRECTOR
JAVIER FERNÁNDEZ ALONSO	PROFAND FISHING HOLDING, S.L.	DIRECTOR
JAVIER FERNÁNDEZ ALONSO	RIOJA, S.A.R.L.	DIRECTOR
JAVIER FERNÁNDEZ ALONSO	RIOJA ACQUISITION, S.A.R.L.	DIRECTOR
JAVIER FERNÁNDEZ ALONSO	CIE AUTOMOTIVE, S.A.	DIRECTOR
JAVIER FERNÁNDEZ ALONSO	VISCOFAN, S.A.	DIRECTOR
GRUPO TRADIFÍN, S.A.	ALDEBARÁN ENERGÍA DEL GUADALQUIVIR, S.L.	SOLE DIRECTOR
GRUPO TRADIFÍN, S.A.	ARROZALES LOS MORISCOS, S.L.	SOLE DIRECTOR
GRUPO TRADIFÍN, S.A.	CABHER 96, S.L.	SOLE DIRECTOR
GRUPO TRADIFÍN, S.A.	GOLF ACTIVITIES, S.L.	SOLE DIRECTOR
GRUPO TRADIFÍN, S.A.	HACIENDA DEL GUADAIRA, S.L.	SOLE DIRECTOR
GRUPO TRADIFÍN, S.A.	HERNÁNDEZ BARRERA SERVICIOS, S.A.	DIRECTOR
GRUPO TRADIFÍN, S.A.	INSTITUTO HISPÁNICO DEL ARROZ, S.A.	MANAGING DIRECTOR
GRUPO TRADIFÍN, S.A.	LIGHT ENVIRONMENT CONTROL, S.L.	MANAGING DIRECTOR
GRUPO TRADIFÍN, S.A.	OLIVETM RECURSOS BIOMÁSICOS, S.L.	SOLE DIRECTOR
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	GRUPO TRADIFÍN, S.L.	MANAGING DIRECTOR

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Name of director or representative	Name of company, listed or otherwise	Position
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	MAGALLANES VALUE INVESTORS, S.A.	DIRECTOR
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	MAGALLANES VALUE INVESTORS UCITS SICV	CHAIR
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	PHARMA MAR, S.A.	DIRECTOR
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	REAL CLUB SEVILLA GOLF, S.L.	DIRECTOR
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	TECHO HOGAR SOCIMI, S.L.	DIRECTOR
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	TECHO RAICES, S.L.	DIRECTOR
HERCALIANZ INVESTING GROUP, S.L.	HERSOT VENTURES, S.L.	SOLE DIRECTOR
HERCALIANZ INVESTING GROUP, S.L.	INSTITUTO HISPÁNICO DEL ARROZ, S.A.	DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	ACEBES NORTE, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	AGRÍCOLA MAURIÑAS, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	AGRÍCOLA VILLAMARTA, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	AGROPECUARIA ISLA MAYOR, SL.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	ARRIZUR 8, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	ARROZALES ISLA MENOR, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	AUSTRALIAN COMMODITIES, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	CAMPOARROZ SUR, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	CONDE-GUADAIRA, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	CUQUERO AGRO, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	DEHESA CASUDIS, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	DEHESA GUADALQUIVIR, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	DEHESA NORTE, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	EL COBUJÓN, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	ENTREGUADAL, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	ENTRERRÍOS NORTE, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	ESPARRAGOSILLA 91, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	FITOPLANCTON MARINO, S.L.	DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	GREENVETA 78, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	HACIENDA BOCÓN, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	HACIENDA GUADIAGRÁN, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	HACIENDA LAS POMPAS, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	HERCALIANZ INVESTING GROUP, S.A.	JOINT AND SEVERAL DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	HERNÁNDEZ BARRERA SERVICIOS, S.A.	DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	HERSOT VENTURES, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	HISPAGRAINS AGRO, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	HISPAMARK REAL ESTATE, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	INSTITUTO HISPÁNICO DEL ARROZ, S.A.	VICE-CHAIRMAN
FÉLIX HERNÁNDEZ CALLEJAS	ISLASUR, S.A.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	LABRADOS GUADALQUIVIR, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	LIBECCIO AGRÍCOLA, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	LLANOS RICE, S.L.	REPRESENTATIVE OF DIRECTOR

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Name of director or representative	Name of company, listed or otherwise	Position
FÉLIX HERNÁNDEZ CALLEJAS	MAGALLANES VALUE INVESTORS, S.A.	DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	MATOCHAL SUR, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	MUNDIRICE AGRO, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	ORYZA AGRÍCOLA, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	PESQUERÍAS ISLA MAYOR, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	PRORRÍO, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	RISOLAND AGRO, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	RIVERCANT AGRÍCOLA, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	RIVERETA 12, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	SARTENEJALES, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	SIROCCO AGRÍCOLA, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	VERCELLI AGRÍCOLA, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	VETA GRAINS, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	VETARROZ, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	ZUDIRROZ, S.L.	REPRESENTATIVE OF DIRECTOR

María Blanca Hernández Rodríguez, representative of the director Grupo Tradifín, S.L., also chairs the Board of Trustees of Fundación Ebro Foods.

Indicate any other remunerated activities of the directors or representatives of corporate directors, regardless of their nature, other than those mentioned in the preceding table.

Name of director or representative	Other remunerated activities
MERCEDES COSTA GARCÍA	Lecturer at IE Business School and member of the Advisory Board Ribé Salat
MARC THOMAS MURTRA MILLAR	Part-time lecturer of Financial Management and Financial Economics at the Pompeu Fabra University and UPF Barcelona School of Management
JORDI XUCLÀ COSTA	Publication of articles, conference speaker and lecturer of International Relations at Ramón Llull University

We include within the information on other remunerated activities set out in this section that the directors Corporación Financiera Alba, S.A., Empresas Comerciales e Industriales Valencianas, S.L., Grupo Tradifín, S.L. and Hercalianz Investing Group, S.L. each perform the activities corresponding to their objects.

C.1.12 Indicate and, where appropriate, explain whether the company has established rules on the maximum number of directorships its directors may hold, if so, indicating where those rules can be found:

[√] Yes
[ ] No

Explanation of the rules and identification of the document in which they are regulated

Article 32.2 of the Regulations of the Board establishes, among the "General Duties of Directors", that the Directors shall dedicate such time and attention to the Company as may be necessary to guarantee the effective and adequate fulfilment of each and all of the duties corresponding to their position. Consequently, the maximum number of other directorships they may hold will be such as to ensure that they are able at all times to meet each and all of their obligations to the Company.

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C.1.13 Indicate the amounts of the following items in the overall remuneration of the board:

Remuneration accrued during the year in favour of the board (thousand euros)	8,085
Amount of the funds accumulated by current directors in long-term savings schemes with vested economic rights (thousand euros)	
Amount of the funds accumulated by current directors in long-term savings schemes with non-vested economic rights (thousand euros)	
Amount of the funds accumulated by former directors in long-term savings schemes (thousand euros)	

The gross amount indicated in this section C.1.13 includes: (i) the remuneration of all the directors for their duties as such, and (ii) the remuneration of the Executive Chairman for his executive duties (including attendance fees as director received from a Group subsidiary, Pastificio Lucio Garofalo, S.p.A., in a gross sum of 5,000 euros).

In addition to the gross amount indicated in this section C.1.13, the Executive Chairman of the Board also received 5,200 euros gross from the associate Riso Scotti, S.p.A. in attendance fees as director.

C.1.14 Name the members of top management who are not executive directors and indicate the aggregate remuneration accrued in their favour during the year:

Name	Position(s)
ANA MARÍA ANTEQUERA PARDO	COMMUNICATIONS AND CSR MANAGER
LUIS PEÑA PAZOS	SECRETARY OF THE COMPANY AND BOARD
PABLO ALBENDEA SOLÍS	CHIEF OPERATING OFFICER (COO)
MARÍA JOSÉ GARRETA RODRÍGUEZ	PATENTS AND TRADEMARKS MANAGER
ALFONSO FUERTES BARRO	FINANCE MANAGER
GABRIEL SOLÍS PABLOS	TAX MANAGER
YOLANDA DE LA MORENA CEREZO	VICE-SECRETARY OF THE BOARD
GLORIA RODRÍGUEZ PATA	CORPORATE ASSETS MANAGER
JESÚS DE ZABALA BAZÁN	INTERNAL AUDIT MANAGER
MANUEL GONZÁLEZ DE LUNA	INVESTOR RELATIONS AND FINANCIAL INSTITUTIONS MANAGER

Number of women in top management positions	4
Percentage of total members of top management	40.00

Total remuneration top management (thousand euro)	2,874

The company executives named in this section C.1.14 include the Chief Operating Officer (COO), who is the highest-ranking executive of the Ebro Foods Group after the Executive Chairman, and the heads of the principal departments of Ebro Foods, S.A. even if they are not actually considered "top management".

C.1.15 State whether any modifications have been made during the year to the Regulations of the Board:

[√] Yes
[ ] No

Description of modifications

On 21 December 2022, the Board of Directors unanimously resolved to rename the Audit and Compliance Committee, changing its name to "Audit, Control and Sustainability Committee" in recognition of the increasing importance for the company of sustainability and corporate social responsibility and the significant powers exercised by this Commission in that area.

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In order to include the new name "Audit, Control and Sustainability Committee" in the Articles of Association and the Regulations of the Board, the Board of Directors resolved on 26 April 2023 to table a motion at the Annual General Meeting to be held on 6 June 2023 to amend Article 28 of the Articles of Association, and informed shareholders of the alteration of Articles 3, 8, 15, 24, 37 and 43 of the Regulations of the Board, where the new name replaced the former name of "Audit and Compliance Committee".

The amendment of the Regulations of the Board was: (i) previously assessed by the Audit and Compliance Committee, which issued a favourable report in pursuance of Articles 3.2 and 3.3 of the Regulations; and (ii) reported to the shareholders at the Annual General Meeting held on 6 June 2023, as mentioned above.

The recast Regulations of the Board were entered in the Madrid Trade Register on 22 June 2023 and published on the website of the National Securities Market Commission www.cnmv.es and the company's corporate website www.ebrofoods.es.

C.1.16 Describe the procedures for selection, appointment, re-election and removal of directors. Indicate the competent bodies, the formalities and the criteria to be followed in each of these procedures.

The procedures for selection, appointment, re-election and removal of the directors are regulated in the Articles of Association and the Regulations of the Board.

There is also a Policy for Selection of Directors and Diversity in the Composition of the Board of Directors, which specifically and verifiably establishes the basic criteria and principles to be followed in the selection of candidates.

The Policy is applicable in the appointment, ratification and re-election of directors by the General Meeting and any appointments made by the Board.

A. Procedure for selection, appointment and re-election of Directors

Procedures for selecting directors shall be designed to favour diversity of expertise, professional experience and gender within the Board, avoiding any implicit bias that may imply discrimination against any of the candidates on any grounds. Under equal conditions, the Company will opt for the candidate whose gender is least represented on the Board at that time.

The General Meeting is responsible for deciding on the number of directors the company is to have, within the minimum (7) and maximum (15) established in the Articles of Association, and for appointing or re-electing directors as proposed by the Board, subject to a favourable report by the Nomination and Remuneration Committee.

The Board may also appoint directors by cooptation, subject to a report by the Nomination and Remuneration Committee and by the Board of Directors on the terms stipulated in law.

In any case, the initiative of the Board regarding the incorporation of members by no means detracts from the sovereign power of the General Meeting to appoint and remove directors, or from any potential exercise by shareholders of their right to proportional representation.

The proposals for the appointment or re-election of directors made by the Board of Directors, or by the Nomination and Remuneration Committee in appointments or re-elections of Independent Directors, must be based on a prior analysis of the needs of the Board, the results of which are set out in the corresponding report by the Nomination and Remuneration Committee, published when calling the General Meeting at which the ratification, appointment or re-election of each director is submitted for approval.

B. Procedure for removal of Directors

The removal of directors is regulated in Article 31 of the Regulations of the Board. See section C.1.19 of this Report in this respect.

Without prejudice to the initiative of the Board regarding the inclusion of its members, the General Meeting has sovereign power to resolve on the removal of directors.

The Nomination and Remuneration Committee is competent to study, issue reports and prepare proposals for the removal of directors.

Following a report by the Nomination and Remuneration Committee, the Board of Directors shall table a motion at the General Meeting of Shareholders for removal of the director in question if the director in question fails to resign in the circumstances contemplated in Article 31.2 of the Regulations of the Board.

If a director retires from office before the end of their term, through resignation or by virtue of a resolution adopted by the General Meeting, they shall explain the reasons for their resignation or, in the case of non-executive directors, their opinion on the grounds for their removal by the General Meeting, in a letter sent out to all the Board members. Although the Annual Corporate Governance Report shall contain the appropriate information on the foregoing, to the extent that it is important for investors, the company shall publish news of the director's retirement as soon as possible, including a sufficient account of the reasons or circumstances indicated by the director.

If a director opts to resign following adoption by the Board of decisions on issues on which that director has expressed qualifications or reservations in the sense contemplated in Article 32.5 of the Regulations of the Board ("…/…whenever they consider that some of the decisions proposed to the Board may go against the corporate interests and/or those of the shareholders not represented on the Board."), they shall explain the reasons as per the preceding paragraph.

The measures described in the preceding two paragraphs shall also be applicable to the Secretary of the Board, regardless of whether the secretary is a director.

C.1.17 Explain to what extent the annual assessment of the board has given rise to major changes in its internal organisation and the procedures applicable to its activities:

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Description of changes

The assessment of the Board, Committees and Executive Chairman corresponding to 2022, made in 2023, did not reveal the need for any major changes in the Company's internal organisation or the procedures applicable to their activities.

Describe the process of assessment and the areas assessed by the board, assisted where necessary by an external consultant, on the performance and composition of the board and its committees and any other area or aspect that has been assessed.

Description of assessment process and areas assessed

A. ASSESSMENT PROCESS

The Board, its Committees and the Executive Chairman of the Company are assessed each year.

This process is based on: (i) a report prepared by the Nomination and Remuneration Committee to be laid before the Board of Directors; (ii) the activity reports issued by the Audit, Control and Sustainability Committee and the Nomination and Remuneration Committee in the year being assessed; and (iii) the resolutions adopted by the Board of Directors in view of those reports.

The methodology explained below was used again, where appropriate, in the assessment of 2022, made in 2023. This is the methodology normally used by the company in its assessments, with the exception of the 2020 assessment made in 2021, in which the external consultant who assisted the company used a different system based on interviews with the directors.

- The directors (and, in the case of corporate directors, their representatives) completed a questionnaire previously approved by the Nomination and Remuneration Committee.

- Once all the questionnaires had been completed, the data collected was sent to the Secretary of the Nomination and Remuneration Committee who, after analysing them, drew up an anonymous summary of the answers for the Committee to issue the corresponding Assessment Report, which was finally laid before the Board of Directors.

In the assessment process carried out in 2023, it was not considered necessary to complete the results from the questionnaires with a personal interview with the Lead Independent Director of the company, Mercedes Costa García, as she had participated intensely in the assessment process as a member of the Nomination and Remuneration Committee.

- The questionnaires completed by all the directors and the Assessment Report were filed by the Secretary of the Board.

B. AREAS ASSESSED

Apart from assessing the composition, powers and procedures of the Board of Directors, a specific assessment was made by that body of the following matters: (i) supervision and control of the business management, investments and strategy of the company; (ii) agenda for meetings, treatment and discussion of the issues and possibility of incorporating off-agenda issues; and (iii) planning, frequency, duration and dynamics of the meetings, notices of call and documentation of the meetings.

In addition to assessing the composition, powers and procedures of the Committees, a specific assessment was made of each committee with regard to the following matters:

- Executive Committee: specific assessment of reporting to the Board on the resolutions adopted by the Committee through access by all directors, through the Secretary, of the minutes of its meetings.

- Audit, Control and Sustainability Committee: specific assessment of its particular powers in matters concerning internal audit procedures, external auditors, whistleblowing channel, financial reporting, structural operations, risk control and annual accounts, as well as the specific powers of supervision in particular aspects of corporate government, internal codes of conduct and corporate social responsibility.

- Nomination and Remuneration Committee: specific assessment of its powers with regard to the selection of directors, basic terms of senior executive contracts, pay policies and the remuneration policy for directors and senior executives.

- Strategy and Investment Committee: specific assessment of the frequency of its meetings and analysis of the business to be transacted.

In addition to the specific assessment of each Committee made by the directors on each one, the other directors who are not on those committees also assess the work of each Committee.

The following were also assessed: (i) the Executive Chairman's management in aspects related with his dedication, participation and stimulation of debates, and the clarity and detail of the information and explanations given on the company's strategy and business; (ii) performance by the Lead Independent Director of her duties; (iii) decision-making in issues concerning related party transactions and conflicts of interest, significant investments and transactions, dividends, strategic plan, risk management and business liability policy; and (iv) follow-up on issues agreed by the Board in the previous assessment, made in 2022.

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C.1.18 In any years in which an external consultant has been called in to assist with assessment, describe any business relations between the consultant or any company in its group with the company or any other company in its group.

N/A

C.1.19 State the events in which directors are obliged to step down.

The retirement and resignation of directors are regulated in Article 31 of the Regulations of the Board:

- Directors must step down at the end of the term for which they were appointed and in all other events stipulated in law, the Articles of Association and the Regulations of the Board.

- Directors must also tender their resignations and step down in the following cases:

a) When they are affected by one of the causes of incompatibility or disqualification established in law, the Articles of Association or the Regulations of the Board.

b) When they step down from the executive post to which their appointment as Director was linked, when the shareholder they represent on the Board disposes of all its shares in the Company or reduces its interest to an extent requiring a reduction in the number of Proprietary Directors and, in general, whenever the reasons for their appointment disappear.

c) When the Board, following a report by the Nomination and Remuneration Committee, considers that: (i) the Director is in a situation, related or not with their actions within the company, that could jeopardise the company's prestige and reputation, (ii) the Director has seriously defaulted their obligations, or (iii) there are reasons of corporate interest so requiring.

C.1.20 Are special majorities differing from those stipulated in law required for any type of decision?

[ ] Yes
[√] No

If yes, describe the differences.

C.1.21 Are there any specific requirements, other than those established for directors, to be appointed chairman of the board?

[ ] Yes
[√] No

C.1.22 Do the Articles of Association or Regulations of the Board establish an age limit for directors?

[ ] Yes
[√] No

C.1.23 Do the Articles of Association or Regulations of the Board establish a limited term of office or other stricter requirements in addition to those provided by law for independent directors, other than as stipulated in law?

[ ] Yes
[√] No

C.1.24 Do the Articles of Association or Regulations of the Board establish specific rules for the delegation of votes to other directors at board meetings, how they are to be delegated and, in particular, the maximum number of proxies that a director may hold, and whether any limitation has been established regarding the categories to which proxies may be granted, other than those established in law? If yes, include a brief description.

Both the Articles of Association (Article 24) and the Regulations of the Board (Article 20) contemplate the possibility of Directors attending Board meetings through a duly authorised proxy.

The proxy must be made in advance, in writing, specially for each Board meeting, in favour of another Director.

The represented Director may issue specific voting instructions for any or all of the items on the agenda.

Non-executive directors may only grant proxies to other non-executive directors.

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No limit is established on the number of proxies any one Director may hold, nor is there any constraint on the categories to which proxies may be granted.

C.1.25 State the number of meetings held by the Board of Directors during the year, indicating, if appropriate, how many times the Board has met without the Chairman. Proxies made with specific instructions will be considered attendances.

Number of board meetings	11
Number of board meetings held without the chairman	0

Indicate the number of meetings held by the lead independent director with the other directors without the attendance or representation of any executive director:

Number of meetings	0

Indicate the number of meetings held by the different Committees of the Board:

Number of meetings of the Strategy and Investment Committee	2
Number of meetings of the Executive Committee	3
Number of meetings of the Audit, Control and Sustainability Committee	9
Number of meetings of the Nomination and Remuneration Committee	6

During 2023, the lead independent director did not hold any face-to-face meetings with the other non-executive directors, although she has proactively been in touch with them individually on several occasions to discuss matters within her remit.

Of the 9 meetings of the Audit, Control and Sustainability Committee held in 2023, the External Auditor attended 5 and the Internal Audit Manager attended 7. It should be borne in mind in this respect that 3 of the 9 meetings held had a single item on the agenda, regarding the procedure for selecting auditors for 2024, 2025 and 2026.

C.1.26 State the number of meetings held by the Board during the period and details of attendance by its members:

Number of meetings attended in person by at least 80% of the directors	11
Attendance / total votes during the year (%)	92.86
Number of meetings attended by all the directors, in person or by proxies made with specific voting instructions	11
Votes cast with attendance in person or by proxies with specific instructions / total votes during the year (%)	100.00

Attendance in person includes all directors who attended personally, whether face-to-face or online.

C.1.27 Are the separate and consolidated annual accounts submitted to the Board for approval previously certified?

[ ] Yes
[√] No

If yes, name the person(s) who certify the separate or consolidated annual accounts of the company before they are approved by the Board:

C.1.28 Explain the mechanisms, if any, established by the Board to ensure that the annual accounts that the Board laid before the General Meeting are drawn up in accordance with the applicable accounting standards.

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Article 24.4 of the Regulations of the Board gives the Audit, Control and Sustainability Committee the following powers, among others:

- Supervise and promote the policies, procedures and systems used for drawing up and controlling the company's financial information, checking the services performed in this regard by the Internal Audit Department, the Financial Department and the Management Committee and making sure they are correctly distributed throughout the Group.

- Ensure that (i) the systems used for preparing the separate and consolidated Annual Accounts and Directors' Report submitted to the Board to be authorised for issue in accordance with current legislation give a true and fair view of the equity, financial position and results of the Company and make sure that any interim financial statements are drawn up according to the same accounting principles as the annual accounts, considering the possibility of asking the external auditors to make a limited audit if necessary; and (ii) the Board of Directors endeavours to submit the annual accounts to the General Meeting with an unqualified auditors' report.

In this regard, it must also see that the internal control systems are adequate and effective in respect of the accounting practices and principles used for drawing up the company's annual accounts, supervising the policies and procedures established to ensure due compliance with applicable legal provisions and internal regulations. The Committee shall, through its Chairman, obtain information and collaboration from both the Internal Audit Manager and the External Auditors to perform these duties.

- Establish regular contact with the External Auditors to receive information on any issues that may jeopardise their independence, and any other issues relating to the auditing of accounts, receiving information from and exchanging communications with the External Auditors in accordance with prevailing auditing standards and legislation.

- Be informed of the decisions adopted by the senior management according to recommendations made by the External Auditors in connection with the audit.

In addition, the Group has a Risks Control and Management Policy, including tax risks, and internal control of financial reporting (ICFR), which lay down, among others, the basic principles and the general framework for internal control of the financial reporting by the company and the Ebro Group.

The Group has procedures in place for checking and authorising financial reporting and a description of the financial reporting internal control system (ICFR), for which the Economic Department is responsible, as described in section F.3.1 of this report.

The responsibility for the aforesaid procedures for checking and authorising financial reporting and the description of the financial reporting internal control system (ICFR) lies with the Group Economic Department, the Risks Committee, the economic and finance departments of the different business units, the Audit, Control and Sustainability Committee and the Board of Directors.

Finally, in 2023 the External Auditors attended the Board meeting at which the separate and consolidated annual accounts for 2022 were authorised for issue, to inform the Board directly on the conclusions of their audit, in view of which they issued an unqualified Auditors' Report for the separate and consolidated accounts.

C.1.29 Is the Secretary of the Board a Director?

[ ] Yes
[√] No

If the secretary is not a director, complete the following table:

Name of secretary	Representative
LUIS PEÑA PAZOS	

C.1.30 Describe the specific mechanisms established by the company to preserve the independence of the external auditors, if any; the mechanisms to preserve the independence of financial analysts, investment banks and rating agencies; and how the legal provisions are implemented.

A. With regard to the external auditors:

Both the Articles of Association and the Regulations of the Board vest in the Audit, Control and Sustainability Committee the power to contact the auditors and receive information on any issues that may jeopardise their independence, for examination by the Audit Committee, as well as any other issues relating to the auditing of accounts. The Committee shall also receive information from and exchange communications with the auditors in accordance with prevailing auditing standards and legislation, notwithstanding the ultimate responsibility of the Board of Directors, which, pursuant to Article 8.1.3.(a) of the Regulations of the Board, is responsible for ensuring the independence and professional suitability of the external auditor.

Article 24.4 of the Regulations of the Board establishes the following powers, among others, of the Audit, Control and Sustainability Committee in this respect:

- Ensure that (i) the systems used for preparing the separate and consolidated Annual Accounts and Directors' Report submitted to the Board to be authorised for issue in accordance with current legislation give a true and fair view of the equity, financial position and results of the Company and make sure that any interim financial statements are drawn up according to the same accounting principles as the annual accounts, considering the possibility of asking the external auditors to make a limited audit if necessary; and (ii) the Board of Directors endeavours to submit the annual accounts to the General Meeting with an unqualified auditors' report.

- See that the internal control systems are adequate and effective in respect of the accounting practices and principles used for drawing up the company's annual accounts, supervising the policies and procedures established to ensure due compliance with applicable legal provisions and internal regulations. To perform these duties it shall, through its Chair, obtain information and collaboration from both the Internal Audit Manager and the External Auditors.

- Establish regular contact with the external auditors to receive information on any issues that may jeopardise their independence, and any other issues relating to the auditing of accounts, receiving information from and exchanging communications with the external auditors in accordance with prevailing auditing standards and legislation.

- Submit to the Board, to be tabled at the General Meeting, proposals for the selection, appointment, re-appointment and replacement of the company's External Auditors and their terms of contract, the scope of their commission and the renewal or revocation of their engagement.

- Ensure the independence of the external auditors and the existence of a discussion procedure enabling the external auditors, the Internal Audit Department and any other expert to inform the company of any significant weaknesses in its internal control detected while checking the annual accounts or any other processes in which they have worked. The Committee shall issue an annual report, prior to issuance of the auditor's report, expressing an opinion on the independence of the external auditors and any supplementary services they may have provided. It shall also inform the Board on the proposed appointment of the Internal Audit Manager and approve each year the internal audit work plan and monitor its implementation.

In accordance with the foregoing and through the Audit, Control and Sustainability Committee, the Company keeps a strict, constant watch for any circumstances that might affect the independence of the external auditors. Accordingly:

(i) once a year, when the external auditors have provided the necessary information, the Audit, Control and Sustainability Committee issues an annual report on their independence, which is submitted to the Board of Directors and made available to shareholders as from the call to the General Meeting; and

(ii) constantly throughout the year, the Commission receives timely notification of any potential engagement of the external auditors to provide services in addition to auditing the annual accounts. In this regard, in February 2017 the Audit, Control and Sustainability Committee established a protocol for the notification, review and, if appropriate, authorisation of the potential contracting of the external auditors by any company in the Group for non-audit services. That protocol covers the "pre-approval" required for the events contemplated in Article 5(3) of Regulation EU 537/2014 and any other potential service.

Finally, Article 43 of the Regulations of the Board ("Relations with Auditors") provides that the Board shall establish an objective, professional, ongoing relationship with the external auditors of the company appointed by the General Meeting, guaranteeing their independence and putting at their disposal all the information they may require in order to perform their duties. This relationship with the external auditors is channelled through the Audit, Control and Sustainability Committee.

B. With regard to relations with analysts, investment banks and rating agencies:

In addition to the legal provisions and rules on corporate governance, the Regulations of the Board, Code of Conduct of the Ebro Group, the Policy on Communication and Relations with Shareholders, Institutional Investors and Proxy Advisors and the Policy on Communication of Financial, Non-Financial and Corporate Information are applicable in this area.

Article 42 of the Regulations of the Board regulates the Company's relations with shareholders and investors (particularly institutional investors).

The Code of Conduct establishes that relations with investors and financial analysts should be channelled through the unit responsible for the Company's relations with investors (Investor Relations Department), through which communications and information for investors in general are channelled.

The Company also has a Policy on Communication and Relations with Shareholders, Institutional Investors and Proxy Advisors, which upholds transparency as one of the fundamental values of the actions by the Company and its Group. This Policy contemplates the following general principles applicable in this matter:

- Communication and relations with institutional investors and proxy advisors are conducted in accordance with the principles of transparency, truth and permanent, adequate, timely reporting.

- The principle of non-discrimination and equal treatment is recognised for all shareholders and investors who are in the same conditions and not affected by conflicts of interest or competence.

- The rights and legitimate interests of all shareholders are protected.

- Continuous, permanent communication with shareholders and investors is encouraged.

- Reporting and communication channels are established with shareholders and investors to ensure compliance with these principles.

The company also has a Policy on Communication of Financial, Non-Financial and Corporate Information (supplementing the above-mentioned policy), which establishes the following principles and criteria governing the Company and its Group in respect of the communication of financial, non-financial and corporate information:

- The communication of financial, non-financial and corporate information through any available channels shall in all cases respect: (i) the legal provisions in place from time to time on market abuse and (ii) the principles of transparency, truth and permanent, adequate, timely reporting.

- The principles of non-discrimination and equal treatment shall be respected in all cases for all shareholders who are in the same conditions and not affected by conflicts of interest or competence.

- Continuous, permanent communication shall be encouraged with shareholders, investors and other stakeholders through all the channels considered appropriate for this purpose.

The Company's Audit, Control and Sustainability Committee is responsible for overseeing compliance with the rules and principles set out in the Policy on Communication and Relations with Shareholders, Institutional Investors and Proxy Advisors and the Policy on Communication of Financial, Non-Financial and Corporate Information.

C.1.31 Indicate whether the external auditors have changed during the year. If so, name the incoming and outgoing auditors:

[ ] Yes
[√] No

Explain any disagreements with the outgoing auditor:

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[ ] Yes
[√] No

C.1.32 State whether the firm of auditors does any work for the company and/or its group other than standard audit work and if so, declare the amount of the fees received for such work and the percentage that amount represents in respect of the total fees invoiced to the company and/or its group for audit work:

[√] Yes
[ ] No

	Company	Group companies	Total
Charge for non-audit work (thousand euros)	193	123	316
Charge for non-audit work / Amount invoiced for audit work (%)	70.44	6,31	14,21

C.1.33 Indicate whether the auditors' report on the annual accounts of the previous year was qualified. If so, state the reasons given by the Chairman of the Audit Committee to explain the content and scope of the qualifications.

[ ] Yes
[√] No

C.1.34 State the number of years in succession that the current firm of auditors has been auditing the separate and/or consolidated annual accounts of the company. Indicate the ratio of the number of years audited by the current auditors to the total number of years that the annual accounts have been audited:

	Separate	Consolidated
Number of years in succession	10	10

	Separate	Consolidated
Number of years audited by current auditors / Number of years that the company has been audited (%)	30.30	30.30

C.1.35 Indicate, with details if appropriate, whether there is an established procedure for directors to obtain sufficiently in advance any information they may need to prepare the meetings of the governing bodies:

[√] Yes
[ ] No

Details of procedure

According to the obligations and duties assigned by law, the Articles of Association and the Regulations of the Board, the Secretary of the Board is responsible for channelling the relations between the Company and the Directors in all matters concerning the procedures of the Board of Directors and the Board Committees in which he participates, following instructions received from the respective Chairman, and for implement and foster exercise by the Directors of their right to information (Article 15.2(c) and (d) of the Regulations of the Board).

At each year-end, the Secretary of the Board sends all the Directors an annual calendar of meetings previously agreed among all the Directors, setting the dates and times of the meetings of the Board of Directors, Committees, General Meetings and meetings with analysts for the following year. That calendar is also sent to the different professionals of the Company involved in preparing the documentation and information for the Directors for each meeting, to enable them to plan their work and make sure that the corresponding information and documentation are prepared sufficiently before each meeting.

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When the documentation for each meeting is complete, it is sent to the Secretary of the Board, who sends it to the Directors, if possible together with the notice of call to the meeting, or in highly justified cases, as soon as possible after sending the notice of call.

C.1.36 Indicate, with details if appropriate, whether the company has established any rules obliging Directors to report and, if necessary, retire if any situation arises, related or not with their actions within the company, that could jeopardise the company's prestige and reputation:

[√] Yes
[ ] No

Explain the rules

Article 31.2 of the Regulations of the Board provide that Directors must step down and tender their resignations, among other cases, if the Board, following a report by the Nomination and Remuneration Committee, considers that: (i) the Director is in a situation, related or not with their actions within the company, that could jeopardise the company's prestige and reputation, (ii) the Director has seriously defaulted their obligations, or (iii) there are reasons of corporate interest so requiring.

Article 31.3 of the Regulations of the Board provide that if a Director: (i) is in a situation, related or otherwise with his duties in the Company, that could jeopardise the Company's prestige and reputation, or (ii) is investigated within any criminal proceedings, he shall notify the Board as promptly as he is able and keep the Board up to date on subsequent developments in both cases.

Finally, the Regulations further stipulate that if a Director fails to tender their resignation when so obliged, the Board of Directors shall, subject to a report by the Nomination and Remuneration Committee, tender a motion to the General Meeting of Shareholders for their removal.

C.1.37 Indicate, unless special circumstances have occurred and been put on record, whether the Board has been informed or has otherwise become aware of any situation affecting a director, related or not with their actions within the company, that could jeopardise the company's prestige and reputation:

[ ] Yes
[√] No

C.1.38 Describe any significant agreements entered into by the company that enter into force or are modified or terminated in the event of a takeover of the company following a takeover bid, and the effects thereof.

Most of the financing agreements signed by Ebro Foods, S.A. include takeover clauses on the usual terms for this type of contract. By virtue of those provisions, the lender reserves the right to terminate the financing agreement in the event of a takeover of the Company. Although there is no universal definition of "takeover" for this purpose, the lender's right is triggered if there is a substantial change in the Company's significant shareholders.

C.1.39 Indicate individually for directors and globally in other cases, and describe in detail any agreements made between the company and its directors, executives or employees contemplating golden handshake clauses or any other indemnities in the event of resignation or unfair dismissal or termination of employment following a takeover bid or any other type of transaction.

Number of beneficiaries	0
Type of beneficiary	Description of agreement
N/A	N/A

State whether, apart from the cases contemplated in law, these contracts have to be notified to and/or approved by the governing bodies of the company/group companies. If yes, specify the procedures, events contemplated and nature of the bodies responsible for approval and notification:

	Board of Directors	General Meeting
Body authorising the clauses	√	

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	Yes	No
Is the general meeting informed of the clauses?	√	

C.2. Committees of the Board

C.2.1 Give details of the different committees, their members and the proportion of executive, proprietary, independent and other non-executive directors in each committee:

Strategy and Investment Committee		
Name	Position	Category
DEMETRIO CARCELLER ARCE	CHAIR	Proprietary
ANTONIO HERNÁNDEZ CALLEJAS	MEMBER	Executive
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	MEMBER	Proprietary
JAVIER FERNÁNDEZ ALONSO	MEMBER	Proprietary
HERCALIANZ INVESTING GROUP, S.L.	MEMBER	Executive

% executive directors	40.00
% proprietary directors	60.00
% independent directors	0.00
% other non-executive directors	0.00

Explain the duties delegated or attributed to this committee other than those described in section C.1.9 and describe the procedures and rules of its organisation and functioning. For each of these duties, indicate the committee's most important actions during the year and how it has performed in practice each of the duties attributed to it, by law, in the articles of association or by virtue of other corporate resolutions.

Article 28.4 of the Articles of Association stipulates that the Regulations of the Board shall contemplate the existence of a Strategy and Investment Committee, on which any Directors may sit.

The composition, organisation and procedure of the Strategy and Investment Committee are governed by the provisions common to all the committees set out in Article 22 of the Regulations of the Board and the specific provisions established in Article 24 of the Articles of Association, its powers being regulated in Article 24.3.

This Committee will have a minimum of three and a maximum of five Directors, including the Chair, appointed by the Board of Directors subject to a report by the Nomination and Remuneration Committee.

Meetings will be held when called by its Chairman or at the request of two of its members, and in any case whenever the Board of Directors requests the issuance of reports, submission of proposals or adoption of resolutions within the scope of its duties.

The Committee is competent to study, issue reports, review and submit proposals for the Board on the following matters:

- setting of targets for growth, yield and market share;

- strategic development plans, new investments and restructuring processes;

- coordination with subsidiaries in the matters contemplated in the previous paragraphs, for the common interests and benefit of the Company and its subsidiaries.

During 2023, the Strategy and Investment Committee assessed the degree of compliance with the Strategic Plan of the Ebro Foods Group 2022-2024 and worked on other strategic issues concerning the Group.

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Audit, Control and Sustainability Committee		
Name	Position	Category
FERNANDO CASTELLÓ CLEMENTE	MEMBER	Independent
MARC THOMAS MURTRA MILLAR	CHAIR	Independent
MERCEDES COSTA GARCÍA	MEMBER	Independent
JAVIER FERNÁNDEZ ALONSO	MEMBER	Proprietary
GRUPO TRADIFÍN, S.L.	MEMBER	Proprietary

% executive directors	0.00
% proprietary directors	40.00
% independent directors	60.00
% other non-executive directors	0.00

The composition of the Audit, Control and Sustainability Committee at 31 December 2023 is set out in the table above.

The changes that have taken place on the Board of Directors and Committees from 31 December 2023 (year-end 2023) to 22 March 2024 (date of approval of this report) are set out in Explanatory Note One in section H of this report.

Explain the duties attributed to this committee, including any duties additional to those stipulated in law, and describe the procedures and rules of organisation and procedure. For each of these duties, indicate the committee's most important actions during the year and how it has performed in practice each of the duties attributed to it, by law, in the articles of association or by virtue of other corporate resolutions.

The Audit, Control and Sustainability Committee is governed by the applicable legal provisions, the specific rules on its composition, organisation, procedure and powers set out in Article 28.2 of the Articles of Association and Article 24 of the Regulations of the Board, and by the provisions on organisation and procedure common to all the Committees, set out in Article 22 of the Regulations of the Board.

This Committee will have a minimum of three directors and a maximum of five.

All the members must be Non-Executive Directors, at least most of whom must be Independent Directors and they will, as a whole, be appointed on the basis of their expertise and experience in accounting, auditing and the management of financial and non-financial risks, or any of these areas.

The Committee Chair shall be appointed by the Board, subject to a report by the Nomination and Remuneration Committee, from among the committee members who are Independent Directors, taking into account their expertise and experience in accounting, auditing and the management of financial and non-financial risks, or any of these areas. The Committee Chair shall be replaced every four years and will become eligible for re-election one year after their retirement as such.

The Audit, Control and Sustainability Committee shall meet as and when called by its Chair, or at the request of two of its members and at least once every three months. It shall also meet whenever so required by law or when the Board requests the issuance of reports, submission of proposals or adoption of resolutions within the scope of its duties.

In addition to the powers and duties established by law, the articles of association and regulations, the Audit, Control and Sustainability Committee has the duties of supervision, assessment, oversight, control and reporting to the Board of Directors established in Article 24.4 of the Regulations of the Board in each of the following areas:

- Risk management and internal control;
- Policies, procedures and systems for the preparation and checking of the company's financial and non-financial reporting;
- Information sent regularly to the Stock Exchange Councils, issue prospectuses and any public financial information offered by the Company and, in general, all information prepared for distribution among shareholders;
- Internal systems used for control and preparation of the separate and consolidated Annual Accounts and Directors' Report submitted to the Board to be authorised for issue;
- External auditors, in aspects concerning their selection, appointment, re-appointment and replacement, their terms of contract and the scope of their commission, independence and the provision of supplementary services;
- Internal auditors, in respect of the appointment of the department manager and annual work plan;
- Intragroup transactions and related party transactions with the company or subsidiaries of the Group that are going to be submitted for authorisation by the Board;

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- Whistleblowing channel;
- Internal codes of conduct and corporate governance rules, including the policies falling within its remit.

During 2023, the Audit and Control Committee performed activities of supervision, control, monitoring and reporting to the Board of Directors in respect of the matters falling within its competence, including financial reporting, non-financial reporting, annual accounts, relations with the external and internal auditors, annual work plan of the internal audit department, risk management (including tax risks) and control systems, related party transactions, conflicts of interest, procedure for selecting the external auditors to audit the annual accounts corresponding to 2024, 2025 and 2026, whistleblowing channel, review of and reporting on the corporate policies within its area of competence, and compliance.

During 2023 the Committee also approved its 2022 activity report, made available for shareholders for the Annual General Meeting held on 6 June 2023.

The Company will issue a detailed report of all the activities performed by the Audit and Control Committee during 2023, which will be made available to all shareholders prior to the forthcoming Annual General Meeting 2024.

Name the member(s) of the audit committee appointed on account of their expertise and experience in accounting, auditing or both and indicate the date of appointment of the committee chair.

Names of directors with experience	FERNANDO CASTELLÓ CLEMENTE / MARC THOMAS MURTRA MILLAR / MERCEDES COSTA GARCÍA / JAVIER FERNÁNDEZ ALONSO / GRUPO TRADIFÍN, S.L.
Date of appointment as committee chair	23/11/2022

Nomination and Remuneration Committee		
Name	Position	Category
BELÉN BARREIRO PÉREZ-PARDO	MEMBER	Independent
DEMETRIO CARCELLER ARCE	MEMBER	Proprietary
FERNANDO CASTELLÓ CLEMENTE	CHAIR	Independent
MERCEDES COSTA GARCÍA	MEMBER	Independent
GRUPO TRADIFÍN, S.L.	MEMBER	Proprietary

% executive directors	0.00
% proprietary directors	40.00
% independent directors	60.00
% other non-executive directors	0.00

The composition of the Nomination and Remuneration Committee at 31 December 2023 is set out in the table above.

The changes that have taken place on the Board of Directors and Committees from 31 December 2023 (year-end 2023) to 22 March 2024 (date of approval of this report) are set out in Explanatory Note One in section H of this report.

Explain the duties attributed to this committee, including any duties additional to those stipulated in law, and describe the procedures and rules of organisation and functioning. For each of these duties, indicate the committee's most important actions during the year and how it has performed in practice each of the duties attributed to it, by law, in the articles of association or by virtue of other corporate resolutions.

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The Nomination and Remuneration Committee is governed by the applicable legal provisions, the specific rules on composition, organisation and procedure established in Article 28.3 of the Articles of Association and Article 25 of the Regulations of the Board and the provisions on organisation and procedure common to all the committees set out in Article 22 of the Regulations of the Board.

The powers of the Nomination and Remuneration Committee are regulated in Article 25.4 of the Regulations of the Board, without prejudice to any others that may be assigned to it by law, the Articles of Association or the Regulations of the Board.

The Nomination and Remuneration Committee will have a minimum of three and a maximum of five non-executive directors, at least two of which must be Independent Directors. The members are appointed by the Board of Directors.

The Board will appoint one of the Independent Directors who are members of the Nomination and Remuneration Committee to chair it, subject to a report by that Committee.

Meetings will be held when called by its Chairman or at the request of two of its members and at least once every three months. It shall also meet whenever so required by law or when the Board of Directors requests the issuance of reports, submission of proposals or adoption of resolutions within its remit.

Pursuant to Article 25.4 of the Regulations of the Board, the Nomination and Remuneration Committee is competent to study, issue reports and submit proposals to the Board on the following matters:

- selection of candidates to join the Board of Directors;

- appointment of the Chairman, and Vice-Chairman if any, of the Board, Managing Director(s), Lead Independent Director and the Secretary, and Vice-Secretary if any, of the Board;

- succession of the Chairman and chief executive;

- appointment of directors to the Committees of the Board of Directors;

- appointment and possible dismissal of senior executives and their termination benefit clauses;

- directors’ emoluments, according to the system of remuneration established in the Articles of Association and the executive directors’ relationship with the Company;

- remuneration of directors and executives indexed to the value of the shares in the Company or its subsidiaries or consisting of the delivery of shares in the Company or its subsidiaries or the granting of options thereover;

- selection policy for directors, targets for the representation of the least represented gender on the Board and issuance of guidelines on how to achieve them;

- remuneration policy for directors and senior management of the Company and Group subsidiaries;

- management training, promotion and selection policy in the Company and Group subsidiaries;

- Annual Report on Directors’ Remuneration.

With regard to the activities of the Nomination and Remuneration Committee during 2023, following the appropriate studies and assessments, the Committee has drawn up the proposals and issued the corresponding favourable reports to the Board of Directors in respect of the following: (i) appointment and re-election of directors and their assignment to the different Committees of the Board; (ii) appointment of Chair of the Nomination and Remuneration Committee to replace the previous chair; (iii) analysis of the composition of the Board with regard to the afore-mentioned appointments and re-elections; (iv) review of the Group policies falling within its remit; (v) review of the Directors’ Remuneration Policy 2022-2024; (vi) remuneration systems and remuneration of directors, including the Executive Chairman, and of the key executives of the Company and its Group; (vii) Corporate Governance Report and Directors’ Remuneration Report for 2022; (viii) Share-Based Remuneration Plan for Group employees for 2023; and (ix) self-assessment procedure for the Board of Directors, Chairman and Committees for 2022.

The Committee also approved during 2023 its 2022 activity report, made available for shareholders for the Annual General Meeting of 6 June 2023.

The Company will issue a detailed report of all the activities performed by the Nomination and Remuneration Committee during 2023, which will be made available to all shareholders for the forthcoming Annual General Meeting 2024.

Executive Committee		
Name	Position	Category
DEMETRIO CARCELLER ARCE	MEMBER	Proprietary
ANTONIO HERNÁNDEZ CALLEJAS	CHAIR	Executive
MARC THOMAS MURTRA MILLAR	MEMBER	Independent
JAVIER FERNÁNDEZ ALONSO	MEMBER	Proprietary

% executive directors	25.00
% proprietary directors	50.00

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% independent directors	25.00
% other non-executive directors	0.00

Explain the duties delegated or attributed to this committee other than those described in section C.1.9 and describe the procedures and rules of its organisation and functioning. For each of these duties, indicate the committee's most important actions during the year and how it has performed in practice each of the duties attributed to it, by law, in the articles of association or by virtue of other corporate resolutions.

Articles 19 and 27 of the Articles of Association contemplate the delegation of powers of the Board of Directors to the Executive Committee.

The composition, organisation and procedure of the Executive Committee is governed by the provisions common to all the committees set out in Article 22 of the Regulations of the Board, and the specific regulations established in Article 28.1 of the Articles of Association and Article 23 of the Regulations of the Board.

The powers of this Committee are set out in Article 23.2 of the Regulations of the Board, without prejudice to what the Board may establish in its resolution to delegate powers.

The Executive Committee shall have no fewer than three nor more than seven members, including the Chairman and Vice-Chairman of the Board, who will form part of this Committee. At least two of the Executive Committee members shall be non-executive directors and one of them shall be independent.

The Committee shall be presided by the Chairman of the Board. In general, the Executive Committee will meet once every two months. Its meetings may be attended by such members of management, employees and advisers of the Company as the Committee may deem fit. Without prejudice to the autonomy of decision of the Executive Committee in respect of the delegated powers, its resolutions normally being fully valid and effective without ratification by the Board, if the Chairman or three members of the Committee consider this necessary in the circumstances, the resolutions adopted by the Executive Committee shall be submitted to the Board for ratification. This will also be applicable when the Board has delegated the Committee to study certain matters while reserving for itself the ultimate decision, in which case the Executive Committee will merely submit the corresponding proposal to the Board.

During 2023, the Executive Committee assessed several investments, divestments and sales of assets, as well as the strategic decisions to be adopted in respect of the different business lines.

C.2.2 Complete the following table with information on the number of female directors on the board committees over the past four years:

	Number of female directors							
	2023		2022		2021		2020	
	No.	%	No.	%	No.	%	No.	%
Strategy and Investment Committee	0	0.00	0	0.00	0	0.00	0	0.00
Audit, Control and Sustainability Committee	2	40.00	2	40.00	2	40.00	2	40.00
Nomination and Remuneration Committee	3	60.00	3	60.00	3	60.00	3	60.00
Executive Committee	0	0.00	0	0.00	0	0.00	0	0.00

C.2.3 Indicate the existence, if appropriate, of regulations of the board committees, where they are available for consultation and any modifications made during the year. State whether an annual report has been issued voluntarily on the activities of each committee.

In general, Article 28 of the Articles of Association establishes the basic regulation of the Committees of the Board, contemplating the existence and composition of: (i) the Executive Committee, (ii) the Audit, Control and Sustainability Committee and (iii) the Nomination and Remuneration Committee. It also refers to the Regulations of the Board regarding the possible existence of a Strategy and Investment Committee.

The Regulations of the Board regulate the Board committees in the following specific provisions:

- General provisions applicable to all the Committees: Article 22
- Executive Committee: Article 23
- Audit, Control and Sustainability Committee: Article 24

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- Nomination and Remuneration Committee: Article 25
- Strategy and Investment Committee: Article 26

The Regulations of the Board also contemplate in different articles the powers of the different Committees of the Board in different areas (e.g. modification of the Regulations).

Both the Articles of Association and the Regulations of the Board are available for consultation on the corporate website (www.ebrofoods.es). The Regulations of the Board are also published and available for consultation on the website of the National Securities Market Commission (www.cnmv.es). Both texts are delivered to the Directors when they are appointed, together with the Regulations of the General Meeting, the Internal Code of Market Conduct, the Internal Code of Conduct and the Policies of the Ebro Foods Group, among other documents.

Both the Audit, Control and Sustainability Committee and the Nomination and Remuneration Committee issue annual activity reports, which are submitted to the Board of Directors for its information and consideration within the assessment of the Board and its Committees. Those activity reports are made available for shareholders on the corporate website www.ebrofoods.es coinciding with the call to the Annual General Meeting.

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D. RELATED PARTY AND INTER-COMPANY TRANSACTIONS

D.1. Explain the procedure, if any, and bodies competent to approve related party and inter-company transactions, indicating the internal criteria and general rules of the organisation regulating the obligations of affected directors or shareholders to abstain and defining the internal procedures on reporting and regular control established by the company in relation to the related party transactions whose approval has been delegated by the Board.

Article 24 of the Regulations of the Board vests in the Audit, Control and Sustainability Committee the power to: (i) oversee related party transactions and report to the Board or the General Meeting, as the case may be, prior to their approval, on the related party transactions to be submitted for its approval; and (ii) supervise the internal procedure established by the company for those transactions whose approval has been delegated.

Article 37 of the Regulations of the Board establishes that other than in the cases in which this power is reserved by law to the General Meeting, related party transactions must be reported to and approved by the Board, subject to a report by the Audit, Control and Sustainability Committee. Article 37 of the Regulations provides that:

- Related party transactions made for an amount or value equal to or greater than 10% of the total consolidated assets, as per the latest consolidated annual balance sheet approved by the company, require approval by the General Meeting.
- All other related party transactions shall be approved by the Board, which may not delegate this power unless: (i) they are made with Group companies within the scope of ordinary business and on arm's length terms, or (ii) they are made under standard form contracts used generally with a large number of clients, at prices or rates established generally by the supplier of the goods or provider of the services in question and provided the amount of the transaction does not exceed 0.5% of the company's consolidated net turnover.
- Whenever, in accordance with the preceding paragraph, the Board delegates the approval of related party transactions, the Board shall establish an internal procedure for regular reporting and control in order to verify the fairness and transparency of those transactions and, as the case may be, compliance with the applicable legal provisions.
- The Audit, Control and Sustainability Committee shall issue a report prior to approval of any related party transactions by the General Meeting or the Board. In that report, the Committee shall assess whether the transactions are fair and reasonable for the company and, where appropriate, for shareholders other than the related party involved in the transaction, explaining the assumptions on which its assessment is based and the methods employed. No members of the Audit, Control and Sustainability Committee affected by the related party transactions may participate in the preparation of this report. This report will not be obligatory for related party transactions whose approval has been delegated by the Board, whenever this is permitted by law and contemplated in the Regulations of the Board.
- The Board shall ensure publication of any related party transactions made by the company or Group companies for a sum equal to or greater than 5% of the total value of consolidated assets or 2.5% of the annual consolidated turnover of the Company or its Group. For this purpose, an announcement containing the details required by law shall be published in an easily accessible part of the company's website and sent to the National Securities Market Commission. The announcement shall be published and remitted no later than the date of the related party transaction, and shall be accompanied by the report, if any, issued by the Audit, Control and Sustainability Committee.
- The amount of a related party transaction shall be determined by adding up the value of all transactions made with the same counterparty within the past twelve months. The company makes intragroup transactions on arm's length terms, documenting them according to the requirements of the laws (essentially tax laws) in place in each jurisdiction. This is one of the practices required by the Risk Management and Control Policy established in the Ebro Group.

In addition, the Protocol on Related Party Transactions established in the company contemplates the following procedures:

-communication between the Company and its Related Parties to identify in advance any transactions to be made with them;
-control of any potential transactions identified that are going to be made;
-analysis of the transactions identified to determine: (i) whether the conditions are met for the transaction to be considered a "related party transaction"; (ii) whether, according to the applicable legal provisions, the related party transaction must be publicised; and (iii) which corporate body must approve the transaction; and
-monitoring after the related party transactions have been made, to check that the transactions declared in the Periodic Public Reporting, Annual Accounts and Annual Corporate Governance Report: (i) correspond to those recorded in the corporate accounts and (ii) are consistent with those previously identified.

This Protocol is also applicable to any transactions between the Company and its subsidiaries or investees in which one of the company's Related Parties has an interest.

D.2. Give the individual details of any transactions for a significant amount or object between the company and/or companies in its group and shareholders holding 10% or more of the voting rights or represented on the board of directors of the company, stating which body was responsible for approving them and whether any affected director or shareholder has abstained. If the General Meeting was competent, state whether the proposed resolution was passed by the board without votes against by the majority of independent directors:

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	Name of shareholder or any of its subsidiaries	% Interest	Name of subsidiary	Amount (thousand euros)	Body that approved transaction	Identification of significant shareholder or director who abstained	The proposal to the General Meeting, if any, was approved by the Board without votes against by the majority of independent directors
(1)	SOCIEDAD ANÓNIMA DAMM	11.69	Estrella de Levante, S.A.	2,321	Board of Directors	Demetrio Carceller Arce and María Carceller Arce	NO
(2)	SOCIEDAD ANÓNIMA DAMM	11.69	COCEDA, S.L.	7,115	Board of Directors	Demetrio Carceller Arce and María Carceller Arce	NO
(3)	HERCALIANZ INVESTING GROUP, S.L.	9.07	Instituto Hispánico del Arroz, S.A.	9,050	Board of Directors	Antonio Hernández Callejas, Grupo Tradifín, S.L. and Hercalianz Investing Group, S.L.	NO

	Name of shareholder or any of its subsidiaries	Nature of relationship	Type of transaction and other information necessary for evaluation
(1)	SOCIEDAD ANÓNIMA DAMM	Commercial	Sale of rice and rice by-products on arm's length terms
(2)	SOCIEDAD ANÓNIMA DAMM	Commercial	Sale of rice and rice by-products on arm's length terms
(3)	HERCALIANZ INVESTING GROUP, S.L.	Commercial	See information on and breakdown of transactions with Instituto Hispánico del Arroz, S.A. in "COMMENTS"

The related party transactions made with significant shareholders (or their related parties) which, in their capacity as such, are represented or hold a position on the Board are indicated in this section.

With regard to the transactions made between the Ebro Foods Group and Instituto Hispánico del Arroz, S.A. indicated in this section, it should be noted that although in the table those transactions are indicated as related with Hercalianz Investing Group, S.L., they should also be considered related with Grupo Tradifín, S.L., since both Grupo Tradifín, S.L. and Hercalianz Investing Group, S.L. hold interests in Instituto Hispánico del Arroz, S.A. (50% each).

The breakdown of transactions made by the Ebro Group with Instituto Hispánico del Arroz, S.A. and its subsidiaries declared in this section is as follows (in thousand euros):

- national and international commodity purchases: seeds and different varieties of rice, 6,509;

- national and international commodity sales: different varieties of rice and marine plankton, 1,624;

- services rendered, essentially royalties and import licences, 64;

- services received, essentially royalties and import licences, 133;

- R&D transfer and licence agreement for seeds, 268;

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- leases (expense) of offices, raw material warehouses and extended rice storage, 452.

The Board of Directors took the following criteria into account when approving the transactions related with Hercalianz Investing Group, S.L. and Grupo Tradifín, S.L.:

- internal comparables: price and terms applied in purchase and sale transactions and services rendered and received comparable with unrelated third parties;

- external comparables: when there are no internal comparables, the price and terms of similar products on the national or international markets has been taken (based on information obtained from stock markets and other public information); and

- other comparables: when there are no internal or external comparables, other aspects have been analysed, such as the return obtained on resale.

D.3. Give the individual details of any transactions for a significant amount or object between the company and/or companies in its group and the directors or executives of the company, including any transactions made with companies that the director or executive controls or jointly controls, stating which body was responsible for approving them and whether any affected director or shareholder has abstained. If the General Meeting was competent, state whether the proposed resolution was passed by the board without votes against by the majority of independent directors:

	Name of directors or executives or companies under their control or joint control	Name of company or subsidiary	Relationship	Amount (thousand euros)	Body that approved transaction	Identification of significant shareholder or director who abstained	The proposal to the general meeting, if any, was approved by the board without votes against of the majority of independent directors
(1)	ANTONIO HERNÁNDEZ CALLEJAS	---	Contractual	76	Board of Directors	Antonio Hernández Callejas, Grupo Tradifín, S.L. and Hercalianz Investing Group, S.L.	NO
(2)	ANTONIO HERNÁNDEZ CALLEJAS	Luis Hernández González	Contractual	47	Board of Directors	Antonio Hernández Callejas, Grupo Tradifín, S.L. and Hercalianz Investing Group, S.L.	NO
(3)	ANTONIO HERNÁNDEZ CALLEJAS	Imirton, S.L.	Commercial	1	Board of Directors	Antonio Hernández Callejas, Grupo Tradifín, S.L. and Hercalianz Investing Group, S.L.	NO
(4)	DEMETRIO CARCELLER ARCE	Disa Energy, S.L.U.	Commercial	4,045	Board of Directors	Demetrio Carceller Arce and María Carceller Arce	NO
(5)	DEMETRIO CARCELLER ARCE	Disa Peninsula, S.L.U.	Commercial	44	Board of Directors	Demetrio Carceller Arce and María Carceller Arce	NO

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	Name of directors or executives or companies under their control or joint control	Nature of the transaction and other information necessary for its evaluation
(1)	ANTONIO HERNÁNDEZ CALLEJAS	Transfer (expense) of temporary right to use parking spaces
(2)	ANTONIO HERNÁNDEZ CALLEJAS	Lease (expense) of real estate on arm's length terms
(3)	ANTONIO HERNÁNDEZ CALLEJAS	Sale of vehicle on arm's length terms
(4)	DEMETRIO CARCELLER ARCE	Services received consisting of supply of gas and diesel on arm's length terms
(5)	DEMETRIO CARCELLER ARCE	Services received consisting of supply of diesel on arm's length terms

D.4. Give the individual details of any inter-company transactions for a significant amount or object between the company and its parent or other companies in the parent's group, including the subsidiaries of the listed company, unless any other related party of the listed company has interests in those subsidiaries or the latter are fully owned, directly or indirectly, by the listed company.

In any case, inform on any inter-company transactions with companies established in countries or territories considered tax havens:

Name of group company	Brief description of the transaction	Amount (thousand euros)
No details		

Details are set out below of the transactions made in 2023 between companies in the Ebro Group and Riso Scotti, S.p.A., an Italian company in which Ebro Foods, S.A. has a 40% interest (investment in an associate consolidated by the equity method). It is, therefore, an associate outside the Ebro Group.

Those transactions, expressed in thousand euros, are listed below:

- Ebro Foods, S.A.: Services rendered (income), 6;
- Ebro Foods, S.A.: Dividends received, 400;
- Arotz Foods, S.A.U.: Purchase of goods (finished or otherwise), 13;
- Herba Ricemills, S.L.U.: Purchase of goods (finished or otherwise), 488;
- Herba Ricemills, S.L.U.: Sale of goods (finished or otherwise), 4,914;
- Herba Ricemills, S.L.U.: Services rendered, 12;
- Herba Foods, S.L.U.: Financial expenses, 54;
- Transimpex: Sale of goods (finished or otherwise), 51;
- Transimpex: Purchase of goods (finished or otherwise), 931;
- Mundiriso, S.R.L.: Purchase of goods (finished or otherwise), 823;
- Mundiriso, S.R.L.: Sale of goods (finished or otherwise), 2,444;
- Arrozeiras Mundiarroz, S.A.: Purchase of goods (finished or otherwise), 105;
- Geovita Functional Ingredients, S.R.L.: Purchase of goods (finished or otherwise), 54;
- Geovita Functional Ingredients, S.R.L.: Sale of goods (finished or otherwise), 169;
- Herba Bangkok, S.L.: Sale of goods (finished or otherwise), 237;
- Ebro Ingredients, B.V.: Sale of goods (finished or otherwise), 604.

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D.5. Give the individual details of any transactions for a significant amount or object between the company or group companies and other related parties that are so pursuant to the International Accounting Standards adopted by the EU and that have not been reported in the preceding sections.

Name of related party	Brief description of the transaction and other information necessary for its evaluation	Amount (thousand euros)
FÉLIX HERNÁNDEZ CALLEJAS	IT services rendered (income) between a subsidiary of the Ebro Foods Group and Hernández Barrera Servicios, S.A. on arm's length terms	4
FÉLIX HERNÁNDEZ CALLEJAS	Legal and tax counselling services received (expense) between a subsidiary of the Ebro Foods Group and Hernández Barrera Servicios, S.A. on arm's length terms	336

With regard to the transactions made between the Ebro Foods Group and Hernández Barrera Servicios, S.A. indicated above, although those transactions are indicated in the table as related to Félix Hernández Callejas (who represents the corporate director Hercalianz Investing Group, S.L. on the Board of Directors of Ebro Foods, S.A.), they should also be considered related to Grupo Tradifín, S.L., since both Félix Hernández Callejas and Grupo Tradifín, S.L. are directors of Hernández Barrera Servicios, S.A.

The transactions made with this company were approved by the Board with the votes of the independent directors and abstention of the following directors: Hercalianz Investing Group, S.L., Antonio Hernández Callejas and Grupo Tradifín, S.L.

D.6. Describe the mechanisms established to detect, define and resolve possible conflicts of interest between the company and/or its group, and its directors, executives, significant shareholders or other related parties.

Apart from the powers of the General Meeting and the Board of Directors on conflicts of interest of the Directors, under Article 24 of the Regulations of the Board, the Audit, Control and Sustainability Committee has the power to settle any conflicts of interest that may arise between the company or the group and its Directors, executives, significant shareholders and listed subsidiaries, if any (which is not the case).

With regard to the Directors, Article 36 of the Regulations of the Board provides that Directors may not perform activities for their own or third party account that effectively or potentially compete with the Company or which otherwise puts them in a permanent conflict of interest with the company; and Article 37.1 establishes the obligation of Directors to take such measures as may be necessary to avoid situations in which their interests, for their own or third party account, may conflict with the corporate interests and their duties to the Company.

For this purpose, Article 38 of the Regulations of the Board stipulates that Directors shall inform the Board of any direct or indirect conflict of interest that they or any of their related parties may have with the Company. Furthermore, pursuant to Article 32.4 of the Regulations of the Board, Directors shall abstain from participating in the corresponding debates and voting on resolutions or decisions in which they or any person related to them has a direct or indirect conflict of interest, except in the cases in which they are authorised by law to participate in the discussion and voting.

The current Internal Code of Market Conduct establishes for Relevant Persons (Directors, senior executives and their closely related parties) certain prohibitions and limitations on trading in the Company's shares and disclosure of information, and a penalty system for any breaches thereof.

It also stipulates that Relevant Persons other than directors may submit queries to the Compliance Unit regarding the application of the prohibited actions contemplated in Rule 6. Directors may submit any queries they may have directly to the Company Secretary.

Finally, it should be noted that every year, when preparing the Financial Reporting, Annual Accounts and Annual Corporate Governance Report, the Directors (and representatives of corporate directors) are asked for information on: (i) any transactions that they or their related parties may have made with the Company and/or subsidiaries of the Group (the same information is also requested of the significant shareholders of the company); (ii) possible conflicts of interest as per section 229 of the Corporate Enterprises Act directly or indirectly involving the director, its representative or related parties; and (iii) any other possible conflicts of interest.

D.7. Indicate whether the Company is controlled by another entity, listed or otherwise, in the sense of Article 42 of the Commercial Code and has business relations, directly or through its subsidiaries, with that entity or any of its subsidiaries (other than those of the listed company) or performs activities related with those of any of the latter.

[ ] Yes
[√] No

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E. RISK MANAGEMENT AND CONTROL SYSTEMS

E.1. Explain the scope of the company's financial and non-financial Risk Management and Control System, including tax risks.

As an integral part of the corporate policies passed by the Board, the Risk Management and Control Policy lays down the basic principles and the general framework for control and management of the business risks, including tax risks, and internal control of financial reporting to which Ebro Foods, S.A. and other companies in its Group are exposed.

Within this general framework, the integral, homogenous Risk Management and Control System is based on the preparation of a business risk map, through which, by pinpointing, assessing and grading of the risk management capacity, the risks are ranked from greater to lesser impact for the Group and by probability of occurrence. The risk map also identifies methods for mitigating or neutralising the risks detected.

The risk universe is structured in four main groups: compliance, operational, strategic and financial, and they are all subdivided into a large number of categories.

The risk classification process dynamically assesses both the inherent risk and the residual risk after application of the internal controls and action protocols established to mitigate them. These controls include preventive controls, adequate separation of duties, clear levels of authorisation and definition of policies and procedures. These controls can in turn be grouped into manual and automatic, made by data processing applications. This model is both qualitative and quantitative and can be measured in the Group's results, for which purpose the risk level is considered acceptable or tolerable on a corporate level.

The Risk Management and Control System is dynamic, so the risks to be considered vary according to the circumstances in which the Group is operating. The risks associated with inflation, drought and those related with cybersecurity were especially important during 2023.

E.2. Name the corporate bodies responsible for preparing and implementing the financial and non-financial Risk Management and Control System, including tax risks.

The Risk (including tax risks) Management and Control System and control of financial reporting is based essentially on the following structure:

- The Board of Directors, as ultimately responsible, defines the policy for control and management of risks, including tax risks, and control of financial reporting. Article 17.3 of the Regulations of the Board provides that the Board shall receive information on the most important aspects of business management and any foreseeable risk situations for the Company and its subsidiaries, together with the actions proposed by the senior management in respect thereof.

- The Audit, Control and Sustainability Committee, through the Risks Committee, performs the duties of oversight and monitoring of the financial reporting and risk control systems, reporting regularly to the Board on any significant aspects arising in these areas. It is responsible for supervising and promoting internal control of the Group and the risk management systems and submitting recommendations to the Board on the risk control and management policy and possible mitigation measures in those areas.

- The Risks Committee, based on the policy established by the Board of Directors and under the supervision of and reporting to the Audit, Control and Sustainability Committee, is specifically responsible for coordinating and monitoring the system for management and control of risks, including tax risks, and control of the Group's financial reporting.

- The Management Committees of the core business units of the Group, on which the Chairman of the Board and the Chief Operating Officer (COO) sit, assess the risks and decide on mitigation measures.

- Risk officers of the core business units of the Group. The major subsidiaries of the Group have officers responsible for monitoring the financial reporting risk (including tax risks) control and management systems and reporting to the Risks Committee.

- Internal Audit Department. Within the internal audits of the different subsidiaries, the Company's Internal Audit Department checks that the testing and control of the financial reporting and risk management systems have been performed adequately in accordance with the indications by the Risks Committee and Audit, Control and Sustainability Committee.

E.3. Define the main financial and non-financial risks, including tax risks and, to the extent that they may be significant, those deriving from corruption (the latter within the scope of Royal Decree Law 18/2017), that could have a bearing on achievement of the company's business goals.

The main risks that might have a bearing on achievement of the business goals set by the Ebro Foods Group are listed below and explained in greater detail in Explanatory Note Five in section H of this Report.

A. OPERATIONAL RISKS:

- Food safety risk

- Commodity supply risk

- Market (prices) risk

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- Customer concentration risk

- Technological risk

- Cybersecurity

B. RISKS RELATED WITH THE ENVIRONMENT AND STRATEGY:

- Environmental risk

- Climate risk

- Respect for human rights

- Competition risk

- Reputational risk

- Social network exposure

- Changes in lifestyle

- Country or market risk

- Natural disasters, fires

- Strategic planning and assessment of strategic opportunities for investment or divestment

C. COMPLIANCE RISKS:

- Sectoral regulatory risk

- General regulatory risk

- Tax risks

D. FINANCIAL RISKS:

- Foreign exchange risk

- Interest rate risk

- Liquidity risk

- Credit risk

E.4. State whether the company has a risk tolerance level, including one for tax risks.

Risks are measured by both inherent and residual risk.

A scorecard is made each year of the principal ten risks to which the Group may be exposed (the TOP TEN), which are rated and measured as far as possible. If the economic consequences of a risk could cause a loss (or a loss of profit) of more than 5% of the consolidated EBITDA budgeted, or over 20% of the individual EBITDA of a business, it is considered a threat requiring corporate action.

In general, the heads of the different business units and the Management Committee of each unit: (i) define the risks affecting their respective businesses, (ii) assess the possible economic impact of those risks and, (iii) in view of the specific prevailing circumstances, establish whatever mitigation measures they deem fit.

Without prejudice to the supervision by the Risks Committee and, ultimately, the Audit, Control and Sustainability Committee, the Management Committee of each unit implements and monitors the mitigation measures taken and assesses the results thereof.

This notwithstanding, when a threat is identified that requires action on a corporate level (as mentioned above), the persons responsible for risk management and control in the corresponding unit inform the Risks Committee of the situation, proposing such mitigation measures as they may consider adequate. The Risks Committee assesses the situation and the sufficiency and suitability of the proposed mitigation measures, supplementing them with additional measures should it deem fit, reporting to the Audit, Control and Sustainability Committee.

The Board of Directors is promptly informed on the risks that have materialised and the mitigation measures adopted, both through the report submitted regularly on the matter by the Audit, Control and Sustainability Committee and through the information given at all Board meetings on the development of business. In addition, the Board continuously receives (at least twice a year) the minutes of Risks Committee meetings to supplement the information provided regularly by the Audit, Control and Sustainability Committee throughout the year. This reinforces the most direct monitoring of risk control by the Board and,

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should they deem fit in the light of the Risks Committee minutes, the directors may request further information on any risk reported or the mitigation measures implemented.

E.5. What financial and non-financial risks, including tax risks, have occurred during the year?

The financial and non-financial risks, including tax risks, that occurred during 2023 and up to 22 March 2024 (the date of approval of this report) are indicated below:

A. SUPPLY RISKS

- Rice supply

As in recent years the extreme drought in southern Spain has continued, leading to restrictions on the use of water and minimisation of the areas sown in one of our Group's traditional supply regions. This situation complicates the operations of the Group's facilities in the region and has forced us to import rice from other latitudes and/or modify the supply chain to meet our commercial commitments.

Over the year certain countries such as India and Myanmar imposed restrictions on rice exports, prohibiting the export of certain rice varieties and levying customs tariffs or setting minimum prices for exports of other varieties. These decisions, based on the evolution of prices and the fear of internal shortage of essential goods in those countries, have put further strain on the market. The Group has maintained adequate hedging of stocks, assuming that these are temporary measures.

The growing tension in the Red Sea area has forced large ships to change their routes and sail through the Cape of Good Hope to reach European destinations, which has seriously distorted container traffic, affecting prices, availability and transit times. The Group's logistics teams continuously monitor the situation to minimise the impact.

B. MARKET RISK

- Prices and competition

Owing to the general increase in prices over 2022, the evolution of household consumption was cause for concern in 2023. General price increases and rising interest rates can have a strong impact on consumer choices. Although the Group's products can be considered staples, an increase was detected in the consumption of private label brands and low price products, requiring special monitoring of sales pricing, promotions and channel marketing. Through this close monitoring, the Group has so far managed to maintain an optimum evolution of our margins and volumes.

C. CYBERSECURITY RISK

In recent years there has been an increase in phishing and cyber attacks to obtain information for fraudulent use or to demand ransom for stolen information.

In 2023 the Group suffered two frauds involving phishing, which are currently in the process of investigation, determination of accountability and prosecution of the criminals. Although the extent of those frauds was not significant, the Group has: (i) further reinforced the security measures linked to payments; (ii) established a new alert system to detect weaknesses in our systems; and (iii) established a protocol on training and alerts to increase awareness and responsiveness to attacks of this nature.

D. COUNTRY RISK

- War in Ukraine

Although the situation appears to have stabilised, the crisis triggered by Russia's invasion of Ukraine is ongoing as is, consequently, the uncertainty regarding the situation of certain commodities and the global economic situation.

As indicated in our Corporate Governance Report last year, the Group believes that this situation of uncertainty and its consequences should not have a very significant impact on the Group, for the following reasons:

(i) The Group does not have any major interests in the region.

(ii) The possible impact on supplies used by the Group is limited to collateral effects (possible changes in consumption, increased cost of fertilizers, switching cereals grown, etc.), because the grains produced in that region are not included in the Group's supply chain.

(iii) The Ebro Group's businesses are more resilient in times of crisis thanks to the type of products we sell. Consequently, the Group does not expect any major drop in customer demand, loss of suppliers or adverse effects in our supply and distribution chains.

(iv) The European Union has taken measures to check energy price hikes and mitigate dependence on Russian gas.

E.6. Explain the response and supervision plans for the main risks, including tax risks, to which the company is exposed and the procedures followed to ensure that the board of directors provides solutions for any new challenges that may arise.

The Management Committees of each business unit are responsible for monitoring its risk supervision system. Management committees usually meet monthly to analyse any risks that may have materialised and design and monitor the contingency plans and actions taken to mitigate them. Control and monitoring of the economic variables in each subsidiary against the corresponding budget also ensures the immediate detection of unforeseen risk situations. The subsidiaries with greatest weight within the Group, such as the North American subsidiaries, have "Crisis Management Plans" (CMP), which specify the main risks to which the company is exposed, the protocols for responding to them and the company officers responsible for implementation.

This notwithstanding, when a threat is identified that requires action on a corporate level (see section E.4 of this report), the persons responsible for risk management and control in the corresponding unit must inform the Risks Committee of the situation, proposing such mitigation measures as may be considered adequate. The Risks Committee assesses the situation and the sufficiency and suitability of the proposed mitigation measures, supplementing them with additional measures should it deem fit. The Risks Committee reports regularly to the Audit, Control and Sustainability Committee on the actions taken and plans proposed and the latter in turn reports on all this to the Board of Directors (without prejudice to the Board's knowledge of the most important situations through its thorough monitoring of business at each Board meeting and the annual remittance to the Board of the minutes of all the Risks Committee meetings held during the preceding year).

The measures to control, reduce and, as the case may be, mitigate the risks are established according to the following basic criteria:

- They shall seek to neutralise the risk detected, maintaining coherence between the importance of the risk and the cost and means required to neutralise it.

- If neutralisation is not feasible, measures shall be designed to reduce the potential economic consequences, if possible to within tolerance levels.

- The management and control shall, as far as possible, forestall rather than remedy.

- The control mechanisms shall adequately separate management and oversight.

- The different people responsible for risk management shall coordinate their actions to be efficient, seeking the utmost integration between control systems.

- Maximum transparency shall be ensured in the identification and assessment of risks, specification and implementation of mitigation measures and assessment of the results of those measures.

- Compliance must be guaranteed with the requirements of internal reporting to the bodies responsible for supervision and control.

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F. INTERNAL RISK MANAGEMENT AND CONTROL SYSTEMS FOR FINANCIAL REPORTING (ICFR)

Describe the mechanisms comprising the internal control over financial reporting (ICFR) of your company.

F.1. Control environment

Report on at least the following, describing their principal features:

F.1.1 What bodies and/or units are responsible for: (i) the existence and maintenance of an adequate and effective ICFR, (ii) its implementation and (iii) its oversight?

As established in its Regulations, the Board of Directors is ultimately responsible for the existence, maintenance and oversight of an adequate, effective internal control system for the company's financial reporting (ICFR).

The Audit, Control and Sustainability Committee is responsible for: (i) supervising and promoting the procedures and systems used to prepare and control the company's financial reporting; (ii) checking any public financial information; and (iii) ensuring implementation of and compliance with the internal regulations and codes applicable to the risk management and control systems in relation to the financial reporting process.

The Management Committee is responsible for the design, implementation and functioning of the ICFR through the Group Finance Department and the Finance Departments of the different business units. The different general managements are responsible for effective implementation of these systems within their respective areas of activity. There are also officers responsible for the different processes documented within the ICFR, who must ensure that those processes are kept up to date, informing the Risks Committee, through the finance department and general management of the corresponding business unit, of any modifications or adaptations required.

The Risks Committee, reporting to the Audit, Control and Sustainability Committee, is specifically responsible for coordinating and monitoring the system for management and control of risks, including tax risks, and controlling the Group's financial reporting.

F.1.2 State whether the following elements exist, especially in respect of the financial reporting process:

· Departments and/or mechanisms responsible for: (i) designing and reviewing the organisational structure; (ii) clearly defining the lines of responsibility and authority, with an adequate distribution of tasks and duties; and (iii) ensuring that there are sufficient procedures for adequately informing the company:

As established in its Regulations, the Board of Directors is responsible for defining the general strategy and guidelines for management of the Company and its Group and encouraging and supervising the actions taken by the senior officers, establishing an organisational structure that will guarantee the utmost efficiency of the senior management and the management team in general.

According to the Regulations of the Board, the Nomination and Remuneration Committee is responsible for checking the criteria followed regarding the composition and structure of the Board and for selecting candidates for the Board. It also nominates the Chairman, CEO or managing director(s) and Secretary of the Board and proposes the assignment of Directors to the different Board Committees.

In turn, under the policies approved by the Board, the Nomination and Remuneration Committee supervises the senior executive remuneration and incentives policy.

Within each group company, the organisational structure of the units participating in the preparation of financial reporting depends on several factors, such as the volume of operations or type of business, but in all cases it corresponds to the need to cover the main duties of recording, preparing, checking and reporting the operations performed and the economic and financial position of the company. The Executive Chairman, Chief Operating Officer (COO) and executives of the different business units of the Ebro Foods Group participate actively in the management committees of the Group's subsidiaries, thereby ensuring direct communication through the lines of responsibility and authority.

The senior management and the human resources departments of the Group and each of the Group subsidiaries are responsible for designing the organisational structure according to local needs. The most important subsidiaries have organisation charts that include a description of the duties and responsibilities of the main areas participating in the internal control of financial reporting.

The different job descriptions of positions and responsibilities are maintained by the Human Resources Department of each subsidiary and the management of all the subsidiaries, especially the financial management, are informed of any new member of a subsidiary.

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· Code of conduct, body responsible for its approval, degree of publicity and instruction, principles and values included (stating whether there is any specific mention of the recording of transactions and preparation of financial reporting), body responsible for analysing default and proposing corrective measures and penalties:

The Code of Conduct of the Ebro Group, an update of the earlier Codes of Ethics and Conduct drawn up by the Ebro Foods Group in 2003, 2008 and 2012, was approved by the board on 25 November 2015 and all levels of the organisation were notified. The Code of Conduct was amended in 2023 to adapt its provisions on the Corporate Whistleblowing Channel, the Ebro Foods Group Internal Reporting Channel (designed and implemented in the Ebro Foods Group in 2023, in accordance with Act 2/2023 of 20 February regulating the protection of people reporting breaches of law and infringements of anti-corruption regulations).

The Code of Conduct provides guidance on how to act in the Group's internal and external relationships, strengthening the values that distinguish us and establishing a basic reference to be followed by the Group.

The Code aims to:

- Be a formal, institutional reference for personal and professional conduct.

- Guarantee the responsible, ethical behaviour of all the Group's professionals in their work.

- Reduce the element of subjectivity in personal interpretations of moral and ethical principles.

- Create a standardisation tool to guarantee progressive implementation throughout the Group of the ten principles of the UN Global Compact.

- Grow responsibly and committed to all our stakeholders.

As established in the Code of Conduct, the Group assumes a principle of conduct based on transparent reporting, consisting of an undertaking to report reliable financial, accounting or other information to the markets. Accordingly, the company's internal and external financial reporting will give a true and fair view of its real economic, financial and equity situation according to generally accepted accounting principles.

Employees formally sign the Code of Conduct when they join the workforce of most Group companies and all new Group employees during the year were informed and given a copy of the Code.

The Code of Conduct is published in the Intranet, where it can be consulted by any employee, and on the Group's website.

The Audit, Control and Sustainability Committee is responsible for monitoring and controlling application of the Code. The Compliance Unit, which has sufficient initiative, autonomy and resources, is responsible, among other duties, for assisting the Audit, Control and Sustainability Committee in the supervision of compliance, publication and interpretation of the Code of Conduct.

Ebro Foods, through its Secretary, has an e-mail address to which any Group employee may send queries and suggestions regarding the interpretation of the Code of Conduct.

The Audit, Control and Sustainability Committee reports regularly to the Group's Board of Directors on any queries raised in respect of the interpretation and application of the Code of Conduct, how they have been solved and, where appropriate, the interpretation criteria followed.

The Code of Conduct provides that any violation or breach of the Code that is classified as a labour offence shall be penalised according to the labour laws, without prejudice to any other liability that the infringer may incur and the remedial measures that may be established by the different Group companies in pursuance of prevailing laws. On a Group level, the Audit, Control and Sustainability Committee, assisted by the Compliance Unit, shall receive reports of any violation of the Code of Conduct and act accordingly.

· Whistleblowing channel, through which the audit committee can be informed of any financial or accounting irregularities, any breaches of the code of conduct and any irregular activities within the organisation, indicating whether this channel is confidential and whether it allows anonymous communications respecting the rights of the reporting person and the person concerned:

As established in the Regulations of the Board, the Audit, Control and Sustainability Committee is formally responsible for implementing a confidential whistleblowing channel accessible to all Group employees and defining a protocol for prioritising, processing, investigating and settling reports according to their importance and nature, especially any concerning possible financial or accounting misrepresentations.

In this respect, the Ebro Group has established an Internal Reporting System (IRS) adapted to the provisions of Act 2/2023 of 20 February regulating the protection of people reporting breaches of law and infringements of anti-corruption regulations, which transposes EU Directive 2019/1937, known as the Whistleblowing Directive, into national law. Within the IRS, the Board of Directors has approved the Policy regarding the Internal Reporting System and Whistleblower Protection, establishing the principles and values underlying the IRS.

In its operating structure, the IRS is based on the creation of the Corporate Whistleblowing Channel, through which anyone can report any information concerning potential irregularities or breaches that may affect Ebro Foods, S.A. or its Group. That Corporate Whistleblowing Channel, which is set up in accordance with the requirements of Act 2/2023, has free public access through the Company's website.

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Through that whistleblowing channel, therefore, anyone can submit whatever complaints they may deem fit. Complaints submitted through the Corporate Whistleblowing Channel are received by the System Administrator who will determine the procedure for dealing with the specific information reported, depending on its content and origin, according to the provisions of the Manual of Procedures (a summary of which is also published on the company's website).

Apart from the Corporate Whistleblowing Channel, any Group companies who are obliged by local law to have a complaints channel will maintain that local channel, and the mechanisms required to guarantee adequate handling of any reports which, by virtue of their subjective and objective scope, must be dealt with according to the mandatory criteria established in Act 2/2023 will be regulated by the Policy regarding the Internal Reporting System and Whistleblower Protection and the Manual of Procedures.

The Internal Reporting System guarantees confidentiality and, where appropriate, anonymity in the handling of complaints processed through the Corporate Whistleblowing Channel.

Without prejudice to direct investigation of reports by the Chair of the Audit, Control and Sustainability Committee whenever this is considered appropriate according to the Manual of Procedures, the System Administrator periodically informs that Committee on the procedure and reports received through the Corporate Whistleblowing Channel, the investigations conducted and outcome thereof, fully respecting at all times the principles of security, confidentiality, impartiality, transparency and protection of the whistleblower, which are essential principles of the Internal Reporting System.

· Training programmes and regular refresher courses for employees involved in the preparation and checking of financial information and evaluation by the ICFR, covering at least accounting and auditing standards, internal control and risk management:

The Ebro Group has a policy of making sure it has personnel with sufficient training and experience to perform the duties and responsibilities assigned to them. The Ebro employees involved in the preparation and checking of the financial information and ICFR appraisal participate in training and refresher courses regarding the laws and standards in place from time to time and good practices to guarantee the reliability of the financial information generated.

The Ebro Group also encourages and provides means and resources for its employees to keep their accounting knowledge up to date through the attendance of seminars, on-line information and other means, and regular meetings are held with the external auditors to assess in advance the standards in place or those about to enter into force.

During the year the Ebro Group has focused its training for personnel involved in the preparation and checking of financial information and in the ICFR appraisal on the following aspects:

- Accounting updates

- Management and control of costs for business decision-making

- Training in the tax laws in different countries

- Financial Reporting Internal Control System Manual

In addition, the external auditors of the Company and its Group regularly attend the meetings of the Audit, Control and Sustainability Committee to give training on the principal novelties in accounting and auditing, especially those that have or may have a greater effect on the Group's accounts.

F.2. Measurement of risks in financial reporting

Report at least on:

F.2.1 The main features of the risk identification process, including risks of error or fraud, in respect of:

· Whether the process exists and is documented:

Within the risk management and control policy approved by the Board, the financial reporting internal control system is supervised by the Audit, Control and Sustainability Committee, assisted by the Risks Committee, the Internal Audit Department (for testing of the ICFR controls) and the Group Finance Department.

The potential risk events that could affect the organisation are identified and assessed through the financial reporting internal control system, pinpointing and assessing the risks corresponding to each line of business. Through this risk control and management system, the Ebro Group has drawn up a consolidated risk map by compiling and combining the risk maps of its major subsidiaries.

This process is coordinated by the Risks Committee, which manages and establishes the permitted tolerance to the risk and coordinates actions to align the measures addressing risks with the Group's global risk policy so that the exposure to risk assumed by the Ebro Group overall is known at all times.

Based on the results obtained, systems are devised for addressing risks and internal control, to keep the likelihood and impact of those risks on financial reporting within the tolerance levels, thereby providing reasonable certainty regarding achievement of the strategic business goals.

· Whether the process covers all the financial reporting objectives (existence and occurrence; integrity; measurement; presentation, breakdown and comparison; and rights and obligations), whether it is updated and how often:

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The Ebro Group has established a continuous improvement process to minimise the risks related with financial reporting by improving the design and effectiveness of existing controls.

For this purpose, it has a process identifying the risks affecting the reliability of financial reporting, based on and beginning with a definition of the scope, according to quantitative criteria of materiality in respect of the consolidated amounts and other qualitative criteria (error, fraud, uncommon transactions, etc.). Companies in the major business units or divisions that meet any of the afore-mentioned criteria and the material accounting items of each one are defined according to those criteria.

Once the material items have been defined on a company level, the processes and sub-processes they affect are established, according to a relationship matrix.

For each of the sub-processes included within the scope, the inherent risks and the checks made by the responsible persons to mitigate those risks are identified, setting this information down in a Risks-Controls Matrix. Those risks take account of all the financial reporting objectives (existence and occurrence; integrity; measurement; presentation, breakdown and comparison; and rights and obligations).

The financial reporting risks are identified in the Ebro Group's Risks-Controls Matrix and updated to take account of any changes in the scope of consolidation of the Group or development of its business and their reflection in the financial statements, making a comparative analysis every year of the variations in material processes and sub-processes to establish any risks that have not been previously identified.

· The existence of a process for defining the scope of consolidation, taking into account, among other aspects, the possible existence of complex corporate structures, base companies or special purpose vehicles:

The Ebro Group has a process based on internal regulations that guarantees the correct identification of the scope of consolidation through an adequate separation of duties in the requesting, authorising, reporting and recording of any operation entailing the incorporation, merger, division, acquisition or sale of companies and any other corporate operation, directly involving the Legal Department and the Board of Directors.

This process considers the possible existence of complex corporate structures, base companies or special purpose vehicles, among other means by establishing an adequate structure to separate the duties of requesting, authorising and reporting for any corporate operation within the Group. No transactions or complex corporate structures that might entail off-balance sheet transactions that should be recorded within the reporting period were identified this year.

· Whether the process takes into account the effects of other types of risk (operational, technological, financial, legal, tax, reputational, environmental, etc.) insofar as they affect the financial statements:

The Risk Management and Control System of the Ebro Group is designed to identify potential risk events that might affect the organisation. At present there are four types of risks: Operating, Compliance, Strategic and Financial, and the conclusions are taken into account insofar as the risks may affect financial reporting.

For this purpose, the Risks Committee acts as a unit of coordination and interrelation of the effect of the risks detected on the different areas (management, business, financial reporting, legal, reputational etc. risks).

· Which governing body of the company supervises the process:

While the Board has the power, which it may not delegate, to determine the policy for control and management of risks, including tax risks, and supervision of the internal control and reporting systems, the Audit, Control and Sustainability Committee is responsible for supervising and promoting the procedures and systems used to prepare and control the Company and Group financial reporting, and controlling the implementation of and compliance with the risk management and control systems, both in general and in respect of the financial reporting process.

The Audit, Control and Sustainability Committee is supported in this regard by the Risks Committee, which directly monitors the risks reported by the different units and the measures defined for mitigating them.

Also in this regard, the Internal Audit Department of the parent regularly tests the functioning of the ICFR controls in the different Group companies.

F.3. Control activities

Inform whether the company has at least the following, describing their main features:

F.3.1 Procedures for checking and authorising financial information to be published on the stock markets and description of the ICFR, indicating who is responsible for these tasks, and documentation describing the flows of activities and controls (including those checking for the risk of fraud) in the different types of transactions that may have a material effect on the financial statements, including the procedure for closing of accounts and the specific review of judgements, estimates, valuations and significant projections

The priorities established within the Ebro Group include the quality and reliability of the financial information, both internal information for decision-making and external information published for the markets. The information to be provided by the different units is requested by the Group financial department, paying special attention to the processes of closing the accounts, consolidation, measurement of intangibles and areas subject to judgement and estimates.

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The Ebro Group has procedures for checking and authorising the financial information and description of the ICFR, responsibility for which corresponds to the Financial Department, the Risks Committee, the Audit, Control and Sustainability Committee and the Board of Directors.

The Audit, Control and Sustainability Committee checks and analyses the financial statements and any other important financial information, as well as the principal judgements, estimates and projections included and discusses them with the Economic and Financial Area of the Group and the internal and external auditors to confirm that the information is complete and the principles applied are consistent with those of the previous full-year accounts.

The procedure for checking and authorising the financial information corresponds to the Group financial department, based on the information checked and validated by the different units. The Audit, Control and Sustainability Committee supervises this information to be published on the market and it is approved by the Board of Directors.

The Group has implemented a process to enhance the quality and quantity of documentation and make the generation of financial information and its subsequent supervision more effective and efficient.

The significant processes involved in the generation of the Group financial reporting are documented based on the COSO internal control model. The main processes documented are:

- Closing of Financial Statements and Reporting
- Consolidation
- Sales and Receivables
- Purchases and Payables
- Fixed Assets
- Inventories

The documentation outline is extended progressively, according to the materiality and the general criteria established in the Group's financial reporting internal control system.

The persons responsible for each of the documented processes in each subsidiary have been identified. They are responsible for keeping those processes up to date on an annual basis, reporting any modifications or adaptations to the Risks Committee through the Group's financial department.

Process documentation includes details of the flows and transactions and the financial reporting objectives and controls established to ensure they are met. It also contemplates the risks of error and/or fraud that might affect the financial reporting objectives. The documentation of flows of activities and controls that may have a material effect on the financial statements, including the accounts closing procedure, includes the preparation of narratives on the processes, flow charts and risk and control matrices.

The controls identified may be preventive or detective, manual or automatic, describing also their frequency and associated information systems.

Adequate functioning of the controls is regularly checked by the Internal Audit Department of the Group's parent, which performs specific tests on the ICFR controls in the different units of the Group.

F.3.2 Internal control procedures and policies for the IT systems (including access security, track changes, operation, operating continuity and separation of duties) used for the significant processes of the company in the preparation and publication of financial information

The Group has rules for managing financial information security. Those rules are applicable to the systems used to generate financial information and the IT Department is responsible for defining and proposing the security policies.

Within its policies and infrastructure management the Ebro Group has procedures to secure each of the following:

(i) Both physical and logical access are controlled to ensure that only authorised internal and external personnel can access the Ebro centres and systems. Ebro has several Data Centres, the main one in Spain where the company's critical systems are housed. The major subsidiaries also have local data centres. They all have their own infrastructure to guarantee adequate control of access to the installations. In small subsidiaries, the general rule is to have external service providers to provide that security. When external service providers are used, the Ebro Group makes internal audits of the information systems and their architecture, including the security aspect.

Logical access control is secured with: (i) efficient management of internal or external access to our systems and (ii) user management coordinated with the human resources department and the company's group of managers. Ebro has user access control systems and workflow tools to guarantee inter-departmental integration and efficient updating of user status, regularly identifying those who no longer access the systems. An additional multi-factor authentication (MFA) system has been introduced for access to our website or corporate data, for both employees and third party collaborators.

Ebro Foods has implemented a system to control the separation of duties and access to critical functions of the SAP GRC SoD system in certain subsidiaries (currently in place in Riviana Foods Inc and Riviana Foods Canada Corporation) and plans to extend this implementation to the other major subsidiaries.

To compile its non-financial information, Ebro has developed a tool that manages the information required to guarantee its integrity, and workflows for approval to guarantee its reliability.

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All the subsidiaries included in the SAP-based corporate ERP have implemented a procedure to separate duties within IT and the use of privileged users (Firefighter) subject to request, approval and control.

External access is guaranteed through specific users and controlled management. The necessary elements have also been provided on a network level to ensure that only authorised users and processes have access from outside.

(ii)The larger subsidiaries mainly use the ERP SAP system. In all those cases, Ebro has procedures underpinned by systems that systematically filter, assess, manage the life cycle and inform on production changes after acceptance by specific users and impact analysis in the systems currently used in production.

(iii) The separation of duties is underpinned by the use of roles by groups of users, which allow access only to the information and transactions previously approved by the organisation. The modification or creation of new roles is backed by the same procedure that guarantees management of the user life cycle and is applicable to the major companies of the Ebro Group. Special attention is paid to separation in IT support processes to make sure that the tasks of development, sending to production and administration of the system are duly separated. In addition, as mentioned above, Ebro Foods has implemented the SAP GRC SoD system throughout the Group for the IT Department and is in the process of rolling it out in all subsidiaries. This is designed to ensure adequate access control, separation of duties, anti-fraud elements within ERP and mitigating measures where necessary.

(iv) Ebro has internal tools which, combined with the user support departments and systems (Help Desks), guarantee the management and traceability of any incidents in the IT systems. Programme changes are managed within that system, which is based on best practices and management following the ITIL methods.

The critical information systems are always housed in our data centres or the principal hyperscaler clouds and there are individuals assigned to each one who are responsible for proactive monitoring of the automatic processes and proactive assessment of the yield and functioning of the systems.

Ebro has global contracts with security control tool providers, which guarantee the installation of such tools in all the computer and data processing equipment used in the company.

(v) Ebro Foods has a cybersecurity policy based on several fundamental pillars for the security of our systems. This includes endpoint security, of both users and servers, identity security (especially important in view of the increasingly more common cloud migration strategies), perimeter security for access to our network and data security.

Ebro Foods uses the leading tools available on the market and procedures based on best practices to minimise the risk in each of these areas, and it has continued implementing new tools and utilities to monitor unauthorised access through cloud profiles.

The Group continues working on perimeter security, especially in respect of its most important plants. Moreover, processes have been defined and advanced security systems have been implemented in the major subsidiaries of the Ebro Group.

(vi) Ebro has tools to guarantee the continuity of business support by its IT systems in the event of a fatal error or system crash. There are backup systems and policies in its data centres that guarantee access to information and systems in case of a disaster. The use of tape or disk backups and replicating the information in several computers with subsequent triangular distribution are habitual procedures for making incremental or complete backup copies. The current systems allow recovery of the information up to the specific time of the fatal error or system crash. Ebro is also in the process of migrating its critical systems to cloud environments that guarantee a Disaster Recovery system. Some of those systems have already been migrated and the rest will be migrated over the coming 18-24 months.

F.3.3 Internal control procedures and policies to oversee the management of outsourced activities and any aspects of valuation, calculation or measurement commissioned to independent experts, which may have a material impact on the financial statements

In general, the Ebro Group manages all activities that may have a material impact on the reliability of the financial statements, using internal resources to avoid outsourcing.

There are very few outsourced activities and the procedures and controls of those activities are regulated in the contracts signed with the service providers in question.

The valuation, calculation or measurement activities commissioned by the Ebro Group to independent experts are mainly concerned with the appraisal of properties, actuarial studies of employee benefits and impairment testing of intangibles.

Only service providers of internationally recognised standing are used for these valuation reports, making sure that they are not affected by any circumstance or event that could compromise their independence.

The reports obtained from these firms are submitted to internal review to check that the most significant assumptions and hypotheses used are correct and that they comply with the International Valuation Standards (IVS) and International Financial Reporting Standards (IFRS). Furthermore, the valuation processes and the hypotheses and assumptions used by independent experts are reported to and considered by the external auditors of the Company and its Group.

F.4. Information and communication

Inform whether the company has at least the following, describing their main features:

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F.4.1 A specific department responsible for defining the accounting policies and keeping them up to date (accounting policy department or division) and solving queries or conflicts deriving from their interpretation, maintaining fluent communication with those responsible for operations in the organisation, as well as an updated accounting policy manual distributed among the units through which the company operates

The Ebro Group has adequate procedures and mechanisms to inform the employees involved in the preparation of financial information on the applicable criteria and the IT systems used in that preparation. This is done through the Management Control Unit and the Corporate Financial Department, whose powers include the following, among others:

- Define, administer, update and report on the Group's accounting policies, in compliance with the applicable accounting standards and rules of consolidation for the preparation and presentation of financial information to be disclosed.

- Prepare, update and report on the Accounting Policy Manual to be applied by all financial units in the Group. This manual is updated regularly.

- Settle any queries or conflicts regarding the interpretation and application of the accounting policies, maintaining fluent communication with those responsible for these operations in the organisation.

- Define and create templates, formats and criteria to be used for preparing and reporting the financial information. All financial information distributed on the markets is prepared by consolidating the reports of the different business units, prepared using mechanisms for data input, preparation and presentation that are homogenous for the entire Group. These mechanisms are designed to enable compliance with the standards applicable to the principal financial statements, including accounting criteria, valuation rules and presentation formats, and embrace not only the balance sheet, profit and loss account, statement of changes in equity and statement of cash flows, but also the obtaining of other information that is necessary to prepare the notes to the financial statements.

F.4.2 Mechanisms for collecting and preparing financial information with homogenous formats, applied and used by all business units in the company or group, valid for the main financial statements and notes, and the information given on the ICFR

The Group's financial information is prepared using a process of aggregating separate financial statements at source for subsequent consolidation according to the applicable accounting and consolidation standards, to obtain the consolidated financial information to be presented monthly to the Board and published periodically on the markets.

The process of aggregation and consolidation of the Group's financial statements is based on homogenous, common format templates that include different tables and reports to be completed. They also have automatic internal controls to check the integrity and reasonability of the data input.

These templates are validated each month by a financial manager in each subsidiary before sending them for checking and consolidation. To complete the automatic checks, those data and the estimation, valuation and calculation principles used to obtain them, as well as the accounts closing procedure, are checked by the financial manager at each level of aggregation and consolidation until the Ebro Group consolidated financial information is obtained, prepared and checked by the corporate financial department.

The Ebro Group has established a reporting system for the Financial Reporting Internal Control System, which is available in the Group for all the subsidiaries included within the scope of the ICFR. Through that reporting, the parent coordinates maintenance of the system in the rest of the subsidiaries annually through the assignment of persons responsible for their maintenance and updating in the event of any significant change to be taken into consideration in the documentation. Finally, if any weaknesses are detected in the financial reporting internal control system, the subsidiaries are notified of the necessary action plans and they are monitored by the parent.

F.5. Supervision of the functioning of the system

Inform on at least the following, describing their main features:

F.5.1 The ICFR supervisory activities performed by the audit committee and whether the company has an internal audit department responsible, among its duties, for assisting the committee in its supervision of the internal control system, including the financial reporting internal control system (ICFR). Inform also on the scope of the ICFR appraisal made during the year and the procedure through which the department or body responsible for the appraisal informs on the outcome, whether the company has an action plan defining any possible corrective measures and whether their impact on the financial information has been considered

The Board of Directors is ultimately responsible for the existence, maintenance and supervision of an adequate, effective internal control system for the financial reporting. Among the duties defined in the Regulations of the Board, the Audit, Control and Sustainability Committee assists and supports the Board in its supervision of the accounting and financial information, the internal and external audit services and corporate governance.

The Audit, Control and Sustainability Committee, assisted by the Risks Committee, must see that the internal audit procedures, the internal control systems in general, including the risk management control system and, in particular, the financial reporting internal control system, are adequate.

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The Audit, Control and Sustainability Committee also ensures that the external auditor and Internal Audit Manager are selected on the basis of objective, professional qualifications, guaranteeing their independence in the performance of their duties; reports to the board on any related party transactions submitted for its consideration; controls any possible conflicts of interest; and, in general, makes sure that all the company's information and reporting, particularly financial, complies with the principle of truth and maximum transparency for shareholders and markets.

The Risks Committee, as the central control system, monitors adequate fulfilment by the risk officers of the respective units of the following duties: (i) monitoring, updating and review of the business risks map and the different financial reporting processes; (ii) compliance with the reporting protocols for business risks and financial information; (iii) assessment of the measures for mitigating and controlling any risks detected, and (iv) assessment of the effectiveness of the systems and controls by implementing the test processes indicated by the Risks Committee, assisted by the heads of the different units and, where necessary, external advisers.

The Risks Committee, based on the policy established by the Board and supervised by and reporting to the Audit Committee, is specifically responsible for coordinating and monitoring the system for management and control of risks, including tax risks, and checking the Group's financial information.

Within the business risks control and the financial reporting internal control system, the Internal Audit Department: (i) makes sure that the testing and control of risk management and financial reporting systems have been done properly, within the internal audits carried out on different subsidiaries during the year, and (ii) periodically tests the ICFR controls in the Group subsidiaries to detect any reinforcement measures that may be required in this area, all in accordance with the Internal Audit Plan.

The Internal Audit Department has submitted its annual working plan to the Audit, Control and Sustainability Committee and reported directly to said committee on any incidents detected in the performance of that work, proposing the corresponding action plan defining any necessary corrective measures; and at the end of each year, it has submitted an activity report.

The results of audits made by the Internal Audit Department and any incidents detected by the Risks Committee have been reported to the Audit, Control and Sustainability Committee. Moreover, the action plan devised for remedying those incidents has been sent to both the person responsible for remedying them and the Audit, Control and Sustainability Committee.

F.5.2 Inform on whether the company has a discussion procedure whereby the auditor (according to the provisions of the auditing standards), the internal audit department and other experts can inform the senior management and audit committee or company directors of any significant weaknesses detected in internal control during the auditing or checking of the annual accounts or any other processes commissioned to them. Indicate also whether the company has an action plan to remedy or mitigate the weaknesses observed

The Audit, Control and Sustainability Committee has a stable, professional relationship with the external auditors of the principal companies in its group, strictly respecting their independence. That relationship favours communication and discussion of any internal control weaknesses pinpointed during the auditing of annual accounts or any other audit work commissioned to them.

In this regard, the Audit, Control and Sustainability Committee receives information from the external auditor at least every six months on the audit plan and outcome of its implementation, and checks that the senior management heeds the auditor's recommendations. In addition, as established in the Regulations of the Board, it is responsible for overseeing the Internal Audit Services, examining the financial reporting process and internal control systems.

Each year, when it has finished its audit work, the External Auditor provides the company with a letter of recommendations on internal control. In 2023, following the audit of the 2022 accounts, the External Auditor informed the Audit, Control and Sustainability Committee that they had not detected any significant weaknesses during their work. This notwithstanding, they submitted a few recommendations to reinforce internal control.

Of the 9 meetings of the Audit, Control and Sustainability Committee held in 2023, the External Auditor attended 5 and the Internal Audit Manager attended 7. It should be borne in mind in this respect that 3 of the 9 meetings held had a single item on the agenda, regarding the procedure for selecting auditors for 2024, 2025 and 2026.

F.6. Other significant information

N/A

F.7. External auditor's report

Inform on:

F.7.1 Whether the ICFR information sent to the markets was checked by the external auditor, in which case the company should include the corresponding report in an annex. If not, explain why not.

The report issued by the external auditor is appended hereto.

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G. EXTENT OF COMPLIANCE WITH THE CORPORATE GOVERNANCE RECOMMENDATIONS

Indicate the degree of compliance by the company with the recommendations of the Good Governance Code for Listed Companies.

If any recommendation is not followed or is only partly followed, include a detailed explanation of the reasons so that shareholders, investors and the market in general have sufficient information to assess the company's actions. General explanations are not acceptable.

1. The articles of association of listed companies should not limit the maximum number of votes that may be cast by an individual shareholder or impose other restrictions hampering takeover of the company via the market acquisition of its shares.

   Complies [X]   Explanation [ ]

2. When the listed company is controlled, in the sense of Article 42 of the Commercial Code, by another company, listed or otherwise, and conducts business, directly or through its subsidiaries, with that controlling company or any of its subsidiaries (other than those of the listed company) or engages in activities related with those of any of the latter, it should report publicly and precisely on:

   a) The types of activity they are respectively engaged in and any business dealings between the listed company or its subsidiaries, on the one hand, and the parent company or its subsidiaries, on the other hand.

   b) The mechanisms in place to solve any conflicts of interest that may arise.

   Complies [ ]   Partial compliance [ ]   Explanation [ ]   Not applicable [X]

3. During the annual general meeting, to supplement the written distribution of the annual corporate governance report, the chairman of the board should inform the shareholders orally, in sufficient detail, of the most important aspects of the company's corporate governance, especially:

   a) Any changes made since the previous annual general meeting.

   b) The specific reasons why the company does not follow any of the recommendations of the Code of Corporate Governance and the alternative rules applied, if any.

   Complies [X]   Partial compliance [ ]   Explanation [ ]

4. The company should define and promote a policy concerning communication and contacts with shareholders and institutional investors, within the framework of their involvement in the company, and proxy advisors that fully respects the laws against market abuse and gives similar treatment to shareholders who are in the same position. And the company should publish that policy on its website, including information on how it has been implemented, naming the contacts or those responsible for such implementation.

   Notwithstanding the legal obligations regarding the disclosure of inside information and other kinds of regulated information, the company should also have a general policy regarding the communication of non-financial economic and financial corporate information through channels considered adequate (media, social networks or other channels), contributing towards maximum disclosure and quality information to the market, investors and other stakeholders.

   Complies [X]   Partial compliance [ ]   Explanation [ ]

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5. The board should not table a motion at the general meeting for delegating powers to issue shares or convertible securities excluding the preferential subscription right in a sum of more than 20% of the capital at the time of the delegation.

   And when the board approves an issue of shares or convertible securities excluding the preferential subscription right, the company should immediately publish on its website the reports on that exclusion required by commercial law.

   Complies [X] Partial compliance [ ] Explanation [ ]

6. Listed companies that prepare the following reports, whether mandatory or voluntary, should publish them on their websites sufficiently in advance of the annual general meeting even though that publication is not compulsory:

   a) Report on the independence of the auditor

   b) Reports on the functioning of the audit committee and the nomination and remuneration committee

   c) Report by the audit committee on related party transactions

   Complies [ ] Partial compliance [X] Explanation [ ]

All the sections of this Recommendation are met, except (c).

The Audit, Control and Sustainability Committee checks that all the related party transactions with significant shareholders, directors, representatives of corporate directors and other related parties have been made on arm's length terms, at market prices, transparently, fairly and reasonably, and always in the interests of the Ebro Foods Group, and issues a report to the Board in favour of their approval.

However, after studying this Recommendation the Company does not consider it convenient to publish the contents of that report because it contains sensitive commercial information that is confidential for the Group in respect of its rivals.

It should be noted that none of the related party transactions that took place in 2023 (or any of those made in 2024 up to the date of approval of this report) meet the conditions for requiring publication stipulated in section 529 unvicies of the Corporate Enterprises Act.

7. The company should broadcast general meetings live, through its website.

   And the company should have mechanisms to enable online proxies and voting and even, in large cap companies and insofar as is proportionate, online attendance and active participation in the general meeting.

   Complies [X] Partial compliance [ ] Explanation [ ]

8. The audit committee should make sure that the annual accounts presented by the board of directors to the general meeting are drawn up in accordance with the applicable accounting standards. And if the auditors have submitted a qualified report, the chairman of the audit committee should explain clearly at the general meeting the opinion of the audit committee on the content and scope of the qualifications included, making a summary of that opinion available to shareholders, together with the other motions and reports by the board, when the notice of call to the general meeting is published.

   Complies [X] Partial compliance [ ] Explanation [ ]

9. The company should publish permanently on its website the requirements and procedures it will accept as proof of ownership of shares, right to attend the general meeting and exercise or delegation of shareholders' voting right.

   And those requirements and procedures should favour the attendance and exercise by shareholders of their rights, not being in any way discriminatory.

   Complies [X] Partial compliance [ ] Explanation [ ]

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10. If a legitimate shareholder has exercised their right, prior to the general meeting, to supplement the agenda or submit new proposed resolutions, the company should:

    a) Immediately distribute those supplementary items and new proposed resolutions.

    b) Publish the model attendance card or proxy form or postal/electronic voting form with the necessary modifications to enable voting on the new items on the agenda and alternative proposed resolutions on the same terms as those proposed by the board of directors.

    c) Put all these items or alternative proposals to the vote and apply the same voting rules as those applicable to the proposals by the board, including in particular the presumptions or deductions regarding votes.

    d) After the general meeting, report the details of the voting on those supplementary items or alternative proposals.

    Complies [ ] Partial compliance [ ] Explanation [ ] Not applicable [X]

11. If the company plans to pay attendance fees for general meetings, it should establish in advance a general policy on those fees and that policy should be stable.

    Complies [X] Partial compliance [ ] Explanation [ ] Not applicable [ ]

The company's Policy on Attendance Fees for General Meetings establishes the principle that those fees may not be delivered in the form of cash, but will consist of a gift related with the Ebro Foods Group's products and/or brands.

12. The board should perform its duties with unity of purpose and independence of judgement, give the same treatment to all shareholders in the same position and be guided by the company's interests, namely the achievement of a profitable business sustainable in the long term, promote its continuity and maximise the economic value of the company.

    And in its search for the company's interests, apart from respecting the laws and regulations and acting in good faith, ethically and with respect for generally accepted use and good practice, it should endeavour to reconcile the corporate interests with the legitimate interests of its employees, suppliers, customers and other stakeholders that may be affected, as the case may be, and the impact of the company's activities on the community and environment.

    Complies [X] Partial compliance [ ] Explanation [ ]

13. The board should have the necessary size to operate effectively, with participation. The recommended size is between five and fifteen members.

    Complies [X] Explanation [ ]

14. The board should approve a policy designed to favour an appropriate composition of the board that:

    a) Is specific and verifiable;

    b) Ensures that nominations for appointment or re-election are based on a prior analysis of the expertise required by the board; and

    c) Favours the diversity of expertise, experience, age and gender. For this purpose, any measures designed to ensure that the company has a significant number of female executives are considered to favour gender diversity.

    The results of the prior analysis of expertise required by the board should be set out in the report by the nomination committee published when calling the general meeting at which the ratification, appointment or re-election of each director is proposed.

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The nomination committee shall check compliance with this policy annually and inform on its conclusions in the annual corporate governance report.

Complies [ ] Partial compliance [X] Explanation [ ]

All the sections of this Recommendation are met, except the last paragraph of (c).

The company has not considered it necessary to pass a specific policy to stimulate the presence of female executives to comply with the principles behind this Recommendation.

The Code of Conduct of the Ebro Foods Group guarantees the principle of equal treatment and equal opportunities for all professionals, regardless of their gender or sexual orientation, and this principle is applied by the company in its processes of selection, hiring, promotion and career opportunities of all its professionals, regardless of whether they are men or women.

As indicated in section C.1.6 above, there is no positive or negative discrimination of any nature in the procedures followed by the company for selecting and contracting its executive personnel, so it is not necessary to introduce any new measures to encourage the hiring of women for executive positions.

See section C.1.6 also for the definition of "Executive" used by the company.

15. The proprietary and independent directors should represent an ample majority of the board and the number of executive directors should be the minimum necessary, taking account of the complexity of the corporate group and the percentage stake held by the executive directors in the company's capital.

And the number of female directors should represent at least 40% of the board member by the end of 2022 and before that, no less than 30%.

Complies [ ] Partial compliance [X] Explanation [ ]

Although at the date of approval of this report the Company complies with this Recommendation, we have indicated "Partial compliance" because at 31 December 2023 the number of female directors represented less than 40% of the Board members. See section C.1.7 of this report.

See Explanatory Note Two in section H of this report regarding the evolution and current situation of women on the company's Board of Directors.

16. The ratio of proprietary directors to total non-executive directors should not be greater than the ratio of capital represented by those directors to the rest of the capital.

This may be eased:

a) In companies with a high capitalisation, in which shareholdings legally considered significant are scarce.

b) In companies with a plurality of unrelated shareholders represented on the board.

Complies [ ] Explanation [X]

The number of directors classified as proprietary directors (8) represent 57.14% of the total members of the Board (14) and 66.67% of the total non-executive directors (12).

Furthermore, the proprietary directors represent 57.89% of the company's total capital at 31 December 2023.

Although proprietary directors represent a higher percentage (66.67%) of the total non-executive directors than the proportion of the company's capital represented by those directors in the total capital (57.89%), in the opinion of the Nomination and Remuneration Committee special circumstances exist that attenuate the principle of proportion recommended by the Code of Good Governance, because there are seven (7) unrelated significant shareholders present or represented on the Board that represent 66.81% of the capital.

In this regard, the Nomination and Remuneration Committee considers it necessary to take into account that although the director Hercalianz Investing Group, S.L. is a significant shareholder, it is classified as an executive director because its representative on the Board of Directors of Ebro is an executive and director of several subsidiaries in the Ebro Group.

The Committee has assessed the monitoring of this Recommendation and considers that the composition of the Board combines the principles of necessary size, balance and ample majority of non-executive directors recommended by the Code of Good Governance.

Based on the foregoing considerations, the Nomination and Remuneration Committee has considered that the principle behind Recommendation 16 is respected. See section C.1.7 of this report.

See Explanatory Note Three in section H of this report regarding the percentages of capital indicated.

17. The number of independent directors should represent at least one-half of the total directors.

    This notwithstanding, if the company does not have a large capitalisation or if it has a high level of capitalisation but has one shareholder, or several acting in concert, that controls more than 30% of the capital, the number of independent directors should represent at least one-third of the total directors.

    Complies [ ]   Explanation [X]

The number of independent directors (4) is somewhat lower than one-third (4.6) of the total Board members (14) recommended for companies which, like Ebro Foods, S.A., are not high-cap.

The Nomination and Remuneration Committee considers it necessary to continue working to increase the number of independent directors until it is at least equal to the recommended one-third, although in the Committee's opinion it should be borne in mind that the percentage of the company's total capital represented on the Board at 31 December 2023 was 68.47%.

See Explanatory Note Three in section H of this report regarding the percentages of capital indicated.

18. Companies should publish on their websites and keep up to date the following information on their directors:

    a) Professional and biographic profile

    b) Other directorships held, in listed or unlisted companies, and other remunerated activities performed, of whatsoever nature

    c) Indication of the category of director, indicating for proprietary directors the shareholder they represent or with which they are related

    d) Date of first appointment as director of the company and subsequent re-elections

    e) Shares and stock options held in the company

    Complies [ ]   Partial compliance [X]   Explanation [ ]

All the sections of this Recommendation are met, except (b).

Although there is no specific section on the corporate website containing the information contemplated in paragraph (b), information on the positions, remunerated or otherwise, held by the directors of Ebro Foods, S.A. and the representatives of corporate directors on the boards of other companies, listed or otherwise, and any other remunerated activities they may perform, is included in the corporate governance report each year, which is published permanently in the corresponding section of the corporate website.

After studying this Recommendation, the Company considers that it informs on the positions held by the directors of Ebro Foods, S.A. and the representatives of corporate directors on the boards of other companies, listed or otherwise, and in companies engaged in similar or identical activities as Ebro Foods, S.A., as well as on any other remunerated activities they may perform, remunerated or otherwise, in sufficient detail to comply with the transparency in reporting sought by the Code of Good Governance.

19. Once checked by the nomination committee, the annual corporate governance report should include an explanation of the reasons why proprietary directors have been appointed at the request of shareholders with an interest of less than 3% in the capital, as well as the reasons, if appropriate, for not meeting formal requests for presence on the board from shareholders with an interest equal or greater than others at whose request proprietary directors have been appointed.

    Complies [ ]   Partial compliance [ ]   Explanation [ ]   Not applicable [X]

20. Proprietary directors should resign when the shareholder they represent disposes of its entire shareholding in the company. They should also resign in the corresponding number when the shareholder disposes of part of its shares to an extent requiring a reduction in the number of proprietary directors.

    Complies [ ]   Partial compliance [ ]   Explanation [ ]   Not applicable [X]

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21. The board should not propose the removal of any independent director before the end of the period for which they were appointed, unless there are just grounds for doing so, as appreciated by the board subject to a report by the nomination committee. In particular, just grounds are deemed to exist when the director takes up new positions or contracts new obligations preventing them from dedicating the necessary time to performance of their duties on the board, or if they breach their duties or any circumstances arise by virtue of which they would no longer be considered independent, according to the applicable legal provisions.

    The removal of independent directors may also be proposed following takeover bids, mergers or other similar corporate operations entailing a change in the ownership structure of the company, when changes in the structure of the board are required by the principle of proportionality contemplated in Recommendation 16.

    Complies [X] Explanation [ ]

22. Companies should establish rules obliging directors to report and, if necessary, resign if any situation arises, related or not with their actions within the company, that could jeopardise the company's prestige and reputation. In particular, directors should be obliged to inform the board of any criminal proceedings brought against them and the development of the proceedings.

    If the board has been informed or has otherwise become aware of any of the situations contemplated in the preceding paragraph, it should study the case as soon as possible and, in view of the specific circumstances and the corresponding report by the nomination and remuneration committee, decide whether any action should be taken, such as opening an internal investigation, requesting the director to resign or proposing their removal. An account of this situation should be included in the Annual Corporate Governance Report, unless special circumstances justify not doing so, in which case they should be put on record. This is notwithstanding the information that the company is obliged to disclose, if appropriate, when adopting the corresponding measures or actions.

    Complies [X] Partial compliance [ ] Explanation [ ]

23. All the directors should clearly express their opposition whenever they consider that any proposed decision submitted to the board may go against corporate interests. The independent and other directors not affected by the potential conflict of interest should also do so when the decisions may be detrimental to shareholders not represented on the board.

    And when the board adopts significant or reiterated decisions about which a director has expressed serious reservations, the latter should reach the appropriate conclusions and, if they opt to resign, explain the reasons in the letter contemplated in the following recommendation.

    This recommendation also affects the secretary of the board, even if they are not a director.

    Complies [ ] Partial compliance [ ] Explanation [ ] Not applicable [X]

24. If a director retires from office before the end of their term, through resignation or by virtue of a resolution adopted by the General Meeting, they shall explain the reasons for their resignation or, in the case of non-executive directors, their opinion on the grounds for their removal by the General Meeting, in a letter sent out to all the Board members.

    Even if the Annual Corporate Governance Report contains the appropriate information on the foregoing, to the extent that it is important for investors, the company should publish news of the director's retirement as soon as possible, including a sufficient account of the reasons or circumstances indicated by the director.

    Complies [X] Partial compliance [ ] Explanation [ ] Not applicable [ ]

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25. The nomination committee should make sure that non-executive directors have sufficiently availability to perform their duties correctly.

And the regulations of the board should stipulate the maximum number of directorships that may be held by its directors.

Complies [ ] Partial compliance [X] Explanation [ ]

Although the Regulations of the Board do not stipulate a maximum number of directorships that may be held by the Directors of Ebro Foods, S.A., it does impose on the Directors the obligation to dedicate to the Company such attention and time as may be necessary to guarantee the effective and adequate fulfilment of each and all of the duties corresponding to their position. Consequently, the maximum number of other directorships they may hold will be such as to ensure that they are able at all times to meet each and all of their obligations to the company (Article 32 of the Regulations of the Board, "General duties of Directors").

Moreover, the Policy for Selection of Directors and Diversity in the Composition of the Board of Directors stipulates within "Conditions to be met by candidates" that candidates must have sufficient availability to be able to duly perform their duties. This point is confirmed by the Committee with the candidates before submitting any proposal to the Board of Directors.

After studying this Recommendation, the Company considers that the principles pursued by the Code of Good Governance in this respect are met with the obligation regarding dedication imposed in Article 32 of the Regulations of the Board and the Policy for Selection of Directors and Diversity in the Composition of the Board of Directors. It considers this a complex issue and believes that it is not necessary to establish a maximum number of directorships that may be held by the Directors in order to achieve this.

26. The board should meet as often as may be necessary to secure efficient performance of its duties, and at least eight times a year, following the calendar and business established at the beginning of the year, although any director may individually propose additional items to be included on the agenda.

Complies [X] Partial compliance [ ] Explanation [ ]

27. Non-attendance of board meetings should be limited to inevitable cases and stated in the Annual Corporate Governance Report. If a director is forced to miss a board meeting, a proxy should be granted with the appropriate instructions.

Complies [X] Partial compliance [ ] Explanation [ ]

28. When the directors or the secretary express concern over a proposal, or, in the case of directors, the company's performance, and those concerns are not settled by the board, they should be put on record in the minutes, at the request of those expressing them.

Complies [ ] Partial compliance [ ] Explanation [ ] Not applicable [X]

29. The company should establish adequate channels for directors to obtain any counselling they may need to perform their duties, including, should circumstances so require, external counselling at the company's expense.

Complies [X] Partial compliance [ ] Explanation [ ]

30. Regardless of the expertise required of directors to perform their duties, companies should also offer their directors refresher courses in the appropriate circumstances.

Complies [X] Explanation [ ] Not applicable [ ]

31. The agenda for meetings should clearly indicate the items on which the board is called upon to adopt a decision or resolution, so that the directors can study or obtain in advance the information they may need.

In exceptional cases, for reasons of urgency, the chairman may submit decisions or resolutions not included on the agenda for approval by the board. The prior, express consent of most of the directors present will be necessary for this, leaving due record in the minutes.

Complies [X] Partial compliance [ ] Explanation [ ]

32. Directors shall be regularly informed on any changes in the ownership of the company and the opinion held by the significant shareholders, investors and ratings agencies of the company and its group.

Complies [X] Partial compliance [ ] Explanation [ ]

33. Being responsible for the efficient procedure of the board of directors, apart from performing the duties assigned by law and in the articles of association, the chairman should prepare and submit to the board a schedule of dates and business to be transacted; organise and coordinate the periodical assessment of the board and chief executive, if any, of the company; be responsible for managing the board and for its efficient operation; make sure sufficient time is allotted to the discussion of strategic issues; and resolve and review refresher programmes for each director whenever circumstances so require.

Complies [X] Partial compliance [ ] Explanation [ ]

34. When there is a lead independent director, the articles of association or regulations of the board should assign the following powers, apart from those corresponding to them by law: preside over board meetings in the absence of the chairman and vice-chairmen, if any; echo the concerns of non-executive directors; hold contacts with investors and shareholders to find out their points of view and form an opinion on their concerns, particularly regarding the corporate governance of the company; and coordinate the plan for succession of the chairman.

Complies [ ] Partial compliance [ ] Explanation [X] Not applicable [ ]

Although the Articles of Association and Regulations of the Board do not expressly assign to the Lead Independent Director the powers contemplated in this Recommendation, said Director is entirely free to exercise them.

The Articles of Association and Regulations of the Board do not establish any limit on the exercise of those powers by the Lead Independent Director or any other Director.

After studying this Recommendation, the Company considers that the fact that any Director, not only the Lead Independent Director, may exercise the powers contemplated in this Recommendation, together with the ample majority on Non-Executive Directors on the Board of Directors, this is sufficient to counteract any concentration of powers in the Executive Chairman, which is the aim pursued by the Code of Good Governance.

35. The secretary of the board should especially ensure that the actions and decisions of the board follow the recommendations on good governance contained in the Code of Good Governance that are applicable to the company.

Complies [X] Explanation [ ]

36. The full board should assess once a year and, where necessary, adopt an action plan to correct any deficiencies detected in respect of:

a) The quality and effectiveness of the board's actions.

b) The procedure and composition of its committees.

c) Diversity in the composition and powers of the board.

d) The performance by the chairman of the board and chief executive officer of their respective duties.

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e) The performance and contribution of each director, paying special attention to the heads of the different board committees.

The different committees should be assessed based on the reports they submit to the Board and the Board will be assessed on the basis of the report it submits to the nomination committee.

Every three years, the board will be assisted in this assessment by an external consultant, whose independence shall be checked by the nomination committee.

The business relations that the consultant or any company in its group has with the company or any company in its group should be described in the Annual Corporate Governance Report.

The process and areas assessed should also be described in the Annual Corporate Governance Report.

Complies [X] Partial compliance [ ] Explanation [ ]

37. When there is an executive committee, there should be at least two non-executive directors among the members, at least one of them being an independent director, and the secretary should be the secretary of the board.

Complies [X] Partial compliance [ ] Explanation [ ] Not applicable [ ]

38. The board should be informed at all times of the business transacted and decisions made by the executive committee and all board members should receive a copy of the minutes of executive committee meetings.

Complies [X] Partial compliance [ ] Explanation [ ] Not applicable [ ]

39. All the members of the audit committee, especially its chairman, should be appointed on account of their expertise and experience in accounting, auditing or the management of both financial and non-financial risks.

Complies [X] Partial compliance [ ] Explanation [ ]

40. Under the supervision of the audit committee, there should be an internal audit unit to see that the internal control and reporting systems work properly. This unit should report to the non-executive chairman of the board or the chairman of the audit committee.

Complies [X] Partial compliance [ ] Explanation [ ]

41. The head of the internal audit unit should submit its annual work programme to the audit committee for approval by that committee or the board, report directly on its implementation, mentioning any incidents or limitations on its scope encountered during its fulfilment, the results achieved and the extent to which its recommendations have been heeded, and submit to the committee an activity report at the end of each year.

Complies [X] Partial compliance [ ] Explanation [ ] Not applicable [ ]

42. The audit committee should have the following duties, in addition to those contemplated in law:

1. In connection with the internal control and reporting systems:

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a) Supervise and assess the preparation and integrity of the financial and non-financial reporting, control systems and management of financial and non-financial risks to which the company and, if appropriate, the group may be exposed - including operational, technological, legal, social, environmental, political and reputational risks or those related with corruption-, checking compliance with the legal requirements, adequate definition of the scope of consolidation and correct application of accounting principles.

b) Oversee the independence of the internal audit unit; propose the selection, appointment and removal of the internal audit manager; propose the budget for this unit; approve or propose approval to the board of its approach and the annual internal audit work plans, making sure its activity focuses mainly on the material risks of the company (including reputational risks); receive regular information on its activities; and check that the top management heeds the conclusions and recommendations set out in its reports.

c) Establish and supervise a mechanism through which employees, and other persons related with the company, such as directors, shareholders, suppliers, contractors or subcontractors, can report any potentially important irregularities (financial, accounting or of whatsoever nature) related with the company that they may observe within the company or its group. That mechanism should guarantee confidentiality and, in all cases, contemplate the possibility of making such communications anonymously, respecting the rights of both the reporting person and the person concerned.

d) Ensure in general that the internal control policies and systems are applied effectively in practice.

2. In connection with the external auditors:

a) Investigate the circumstances giving rise to resignation of any external auditor.

b) Ensure that the remuneration of the external auditors for their work does not jeopardise their quality or independence.

c) See that the company reports the change of auditor through the CNMV, attaching a declaration on the possible existence of disagreements with the outgoing auditor and the contents of those disagreements, if any.

d) Make sure that the external auditors hold an annual meeting with the full board to inform on the work done and the evolution of the company's risks and accounting situation.

e) Ensure that the company and external auditors respect the provisions in place on the provision of non-audit services, limits on the concentration of the auditor's business and, in general, any other provisions regarding the independence of auditors.

Complies [X]   Partial compliance [ ]   Explanation [ ]

43. The audit committee may call any employee or executive of the company into its meetings, even ordering their appearance without the presence of any other senior officer.

Complies [X]   Partial compliance [ ]   Explanation [ ]

44. The audit committee should be informed on any corporate and structural operations that the company plans to make, so that it can analyse them and submit a preliminary report to the board on the economic terms and impact on accounts, and particularly on the exchange ratio proposed, if any.

Complies [ ]   Partial compliance [ ]   Explanation [ ]   Not applicable [X]

45. The risk management and control policy should identify or determine at least:

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a) The different types of financial and non-financial risk (including operational, technological, legal, social, environmental, political and reputational, including those related with corruption) to which the company is exposed, including contingent liabilities and other off-balance-sheet risks among the financial or economic risks.

b) A risk management and control model based on different levels, including a committee specialising in risks whenever this is contemplated in the sector regulation and the company deems fit.

c) The risk level that the company considers acceptable.

d) The measures contemplated to mitigate the impact of the risks identified, should they materialise.

e) The internal control and reporting systems to be used to control and manage those risks, including contingent liabilities and other off-balance-sheet risks.

Complies [ ] Partial compliance [X] Explanation [ ]

The Company complies with all of this Recommendation except the inclusion in its risk management and control policy of risks related with corruption, contemplated in paragraph (a).

The Company has a specific policy dealing with corruption (Policy against Corruption and Bribery), which sets out and specifically and verifiably develops the principles, values and rules of action established in the Code of Conduct and implemented within the Ebro Group to fight against corruption and fraud.

This Policy provides guidelines to be followed in respect of: (i) bribery, illegal commissions, influence peddling and money laundering; (ii) acceptance and offering of gifts and courtesies; (iii) dealings with authorities, regulatory bodies and governments; and (iv) social action and/or sponsorship activities. The Policy also contains an illustrative indication of the conduct that is prohibited in these areas.

The Policy applies to all the Professionals of both Ebro Foods and the subsidiaries of the Ebro Group in all the countries in which the Group operates.

The Company considers that it complies with the principles behind this Recommendation, since the risks related with corruption and bribery: (i) form part of the corporate risk map and (ii) are analysed by the Risks Committee.

46. Under the direct supervision of the audit committee or, as the case may be, an ad hoc committee of the board, there should be an internal risk management and control role exercised by an internal unit or department of the company expressly having the following duties:

a) See that the risk management and control systems work properly and, in particular, that all the major risks affecting the company are adequately identified, managed and quantified.

b) Participate actively in the preparation of the risk strategy and in the major decisions on their management.

c) See that the risk management and control systems adequately mitigate the risks within the policy defined by the board.

Complies [X] Partial compliance [ ] Explanation [ ]

47. Companies should ensure that the members of the nomination and remuneration committee -or the nomination committee and the remuneration committee, if they are separate- have adequate experience, skills and expertise for the duties they are to perform and that the majority of those members are independent directors

Complies [X] Partial compliance [ ] Explanation [ ]

48. Companies with a high level of capitalisation should have a separate nomination committee and remuneration committee.

Complies [ ] Explanation [ ] Not applicable [X]

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49. The nomination committee should consult the chairman of the board and the chief executive of the company, especially on matters referring to the executive directors.

    And any director should be able to request the nomination committee to consider potential candidates to fill vacancies on the board, in case they were suitable in the committee's opinion.

    Complies [X]   Partial compliance [ ]   Explanation [ ]

50. The remuneration committee should perform its duties independently, having the following duties in addition to those assigned to it by law:

    a) Propose to the board the basic terms of contract of the senior executives

    b) See that the remuneration policy established by the company is observed

    c) Periodically review the remuneration policy applied to directors and senior executives, including the systems of payment with shares and their application, and ensure that their individual remuneration is in proportion to that paid to other directors and senior executives of the company

    d) Ensure that any conflicts of interest that may arise do not jeopardise the independence of the external counselling provided to the committee

    e) Check the information on the remuneration of directors and senior executives in the different corporate documents, including the annual report on directors' remuneration

    Complies [X]   Partial compliance [ ]   Explanation [ ]

51. The remuneration committee should consult the chairman of the board and the chief executive of the company, especially on matters referring to the executive directors and senior executives.

    Complies [X]   Partial compliance [ ]   Explanation [ ]

The "senior executives" include the Chief Operating Officer (COO), the Company Secretary and Secretary of the Board and the heads of the principal business units of the Ebro Foods Group, even if they are not actually considered "top management".

52. The rules of composition and procedure of the supervision and control committees should be included in the regulations of the board and be coherent with those applicable to the committees required by law according to the foregoing recommendations, including the following:

    a) The members should be exclusively non-executive directors, the majority independent directors.

    b) They should be chaired by independent directors.

    c) The board should appoint the members of these committees on account of the expertise, skills and experience of the directors and the duties of each committee, and discuss their proposals and reports; and the committees should report on their activities at the first board meeting following their meetings, answering for the work done.

    d) The committees should be able to obtain external counselling whenever they may consider it necessary to perform their duties.

    e) Minutes should be issued of their meetings and made available to all directors.

    Complies [ ]   Partial compliance [ ]   Explanation [ ]   Not applicable [X]

53. The supervision of compliance with the company's environmental, social and corporate governance policies and rules, and with the internal codes of conduct, should be assigned to one or distributed among several committees of the board, which may be the

audit committee, the nomination committee, a committee specialising in sustainability or corporate social responsibility, or any ad hoc committee that the board may decide to set up, exercising its powers of self-organisation. And that committee should be made up exclusively of non-executive directors, most of them independent, specifically having the minimum duties indicated in the following recommendation.

Complies [X] Partial compliance [ ] Explanation [ ]

54. The minimum duties mentioned in the preceding recommendation are:

a) Oversight of compliance with the company's corporate governance rules and internal codes of conduct, ensuring that the corporate culture is aligned with its mission and values.

b) Supervision of the application of the general policy on communication of the economic & financial, non-financial and corporate information and communication with shareholders, investors, proxy advisors and other stakeholders. Oversight also of how the company communicates and relates with small and medium-sized shareholders.

c) Periodical assessment and review of the company's corporate governance system and environmental and social policy to ensure that it fulfils its mission of promoting corporate interests and takes account of the legitimate interests of the other stakeholders, where appropriate.

d) Supervision that the company's environmental and social practices are aligned with the relevant strategy and policy.

e) Supervision and assessment of the processes of relations with different stakeholders.

Complies [X] Partial compliance [ ] Explanation [ ]

55. The sustainability policies on environmental and social issues should identify and define at least the following:

a) The principles, commitments, objectives and strategy regarding shareholders, employees, clients, suppliers, social issues, the environment, diversity, tax liability, respect for human rights and prevention of corruption and other unlawful conduct.

b) The methods or systems for monitoring compliance with the policies, the associated risks and management thereof.

c) The mechanisms for supervising non-financial risks, including those related with ethics and business conduct.

d) The channels for communication, participation and dialogue with stakeholders.

e) Responsible communication practices to avoid manipulation of information and protect integrity and honour.

Complies [X] Partial compliance [ ] Explanation [ ]

56. The remuneration of directors should be high enough to attract and retain directors with the desired profiles and remunerate the dedication, qualification and responsibility required by their office, but not so high as to jeopardise the independence of non-executive directors.

Complies [X] Explanation [ ]

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57. Variable remuneration linked to the company's yield and personal performance and the remuneration paid in shares, stock options, rights over shares or instruments indexed to the value of the share, and long-term savings systems such as pension plans, retirement schemes or other welfare systems, should be limited to executive directors.

The delivery of shares as remuneration to non-executive directors may be contemplated when it is conditional upon holding those shares until they retire from the board. This will not be applicable to any shares that the director may need to sell to pay the costs incurred in their acquisition.

Complies [X] Partial compliance [ ] Explanation [ ]

58. For variable remunerations, the remuneration policies should establish the limits and technical precautions required to make sure those remunerations are linked to the professional performance of their beneficiaries and do not merely derive from general trends on the markets or in the company's sector of business or other similar circumstances.

In particular, the variable components of the remuneration should:

a) Be linked to predetermined, measurable yield criteria, which consider the risk assumed to obtain a result.

b) Promote the company's sustainability and include non-financial criteria that are adequate for the creation of long-term value, such as compliance with the internal rules and procedures of the company and its policies for the control and management of risks.

c) Be based on a balance between meeting short, medium and long-term goals, permitting the remuneration of yield achieved through continuous performance over a sufficient period of time to appreciate their contribution to the sustainable creation of value, such that the elements for measuring that yield are not related only with one-off, occasional or extraordinary events.

Complies [X] Partial compliance [ ] Explanation [ ] Not applicable [ ]

The criteria and variable components of the remunerations contemplated in this Recommendation are included in the current Directors' Remuneration Policy 2022-2024.

59. Payment of the variable components of remuneration should be subject to an adequate verification that the performance or other pre-established conditions have actually been met. The companies should include in their annual reports on directors' remuneration the time and methods required to make that verification, according to the nature and characteristics of each variable component.

In addition, the companies should consider including a malus clause based on the deferral for a sufficient time of the payment of part of the variable components, whereby the entitlement to all or part of them would be lost if anything occurs before the scheduled payment date that make this advisable.

Complies [X] Partial compliance [ ] Explanation [ ] Not applicable [ ]

60. Earnings-linked remuneration should take account of any qualifications made in the report by the external auditors that may reduce those earnings.

Complies [ ] Partial compliance [ ] Explanation [ ] Not applicable [X]

61. A significant percentage of the variable remuneration of executive directors should be linked to the delivery of shares or financial instruments indexed to their value.

Complies [ ] Partial compliance [ ] Explanation [X] Not applicable [ ]

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Of the two Executive Directors, only the Chairman of the Board of Directors, Antonio Hernández Callejas, receives remuneration for his executive duties. Hercalianz Investing Group, S.L. does not receive any such remuneration, for the reasons explained elsewhere in this Report.

The variable remuneration systems of the Executive Director applied in 2022 are described in the Annual Report on Directors' Remuneration for that year and are linked to the achievement of pre-established measurable, quantifiable objectives related with financial factors that promote profitability and the creation of sustainable value in the Company and Group in the long term. The current Directors' Remuneration Policy 2022-2024 also includes, among others, the variable remuneration components recommended in the Code of Good Governance (Recommendation 58).

Although Article 22 of the Articles of Association contemplates the possibility that Directors may receive remuneration in the form of shares, stock options or any other system of remuneration indexed to the price of the shares, the Board of Directors has not so far submitted this form of remuneration to approval by the General Meeting, taking account of the fact that the Executive Director is a major shareholder and considering that the systems of variable remuneration of the Executive Director currently used are most appropriate for stimulating his motivation and personal performance, and his commitment to and relationship with the Group's interests.

The current Directors' Remuneration Policy 2022-2024 also specifies that the remuneration of the only Executive Director who currently has executive duties does not include aspects indexed to the value of the company's shares or contemplate receipt by that director of shares or any rights over shares, precisely because that executive director has the special status of reference shareholder.

62. Once the shares, stock options or financial instruments corresponding to the remuneration systems have been allotted, the executive directors may not transfer the ownership thereof or exercise them until at least three years have passed.

    This will not be applicable if, at the date of transfer or exercise, the director has a net economic exposure to the price variation of the shares with a market value equivalent to at least twice the amount of their annual fixed remuneration, through the holding of shares, stock options or other financial instruments.

    The foregoing will not be applicable to any shares that the director may need to sell to pay the costs incurred in their acquisition or, subject to the favourable opinion of the nomination and remuneration committee, to meet the costs of any extraordinary situations that may arise.

    Complies [ ]   Partial compliance [ ]   Explanation [ ]   Not applicable [X]

63. Contracts should include a clawback clause whereby the company may to claim repayment of the variable components of remuneration when the amounts paid do not correspond to fulfilment of the conditions regarding yield or when paid on the basis of data subsequently proved to be misstated.

    Complies [X]   Partial compliance [ ]   Explanation [ ]   Not applicable [ ]

64. Termination benefits should not exceed an amount equivalent to two years' total annual remuneration and should not be paid until the company has confirmed that the director has met the performance requirements established above.

    For the purpose of this recommendation, termination benefits (i.e. payments upon termination or expiry of contract) shall include any amounts that accrue or become payable as a result of or in connection with the termination or expiry of the contractual relationship between the director and the company, including any amounts not previously vested in long-term saving schemes and the sums payable under post-contract no competition clauses.

    Complies [ ]   Partial compliance [ ]   Explanation [ ]   Not applicable [X]

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H. OTHER INFORMATION OF INTEREST

1. If you consider there to be any important aspects regarding the corporate governance practices applied by your company or other companies in the group that have not been mentioned in this report, but which should be included to obtain more complete, reasoned information on the corporate governance practices and structure in the company or group, describe them below and give a brief explanation.

2. This section may be used to include any other information, clarification or qualification relating to the previous sections of the report, provided it is relevant and not repetitive.

   In particular, state whether the company is subject to any laws other than the laws of Spain on corporate governance and, if this is the case, include whatever information the company may be obliged to supply that differs from the information included in this report.

3. The company may also state whether it has voluntarily applied any international, sector-based or other codes of ethical principles or good practices. If so, it should name the code in question and the date of its accession. Particular mention shall be made of whether the company has acceded to the Code of Good Tax Practices of 20 July 2010.

EXPLANATORY NOTE ONE, REGARDING THE CHANGES ON THE BOARD OF DIRECTORS AND COMMITTEES SUBSEQUENT TO 31 DECEMBER 2023

The changes produced on the Board of Directors and Committees between 31 December 2023 (year-end 2023) and 22 March 2024 (date of approval of this report) are indicated below:

- On 10 December 2023, Fernando Castelló Clemente submitted in writing his resignation from the Board for personal reasons, with effect from 31 December 2023. See section C.1.2 of this report.

- On 31 January 2024, following the proposal and favourable report by the Nomination and Remuneration Committee, the Board of Directors resolved to appoint Elena Segura Quijada director by the procedure of cooptation, to fill the vacancy produced by the resignation of Fernando Castelló Clemente. Ms Segura Quijada is classified as an independent director. Elena Segura Quijada was also appointed member of the Audit, Control and Sustainability Committee and the Nomination and Remuneration Committee to fill the vacancies produced on each of those Committees by Mr Castelló Clemente's resignation.

- Also on 31 January 2024, following a favourable report by the Nomination and Remuneration Committee, the Board of Directors resolved to appoint Mercedes Costa García Chair of the Nomination and Remuneration Committee, as this position had been held by Fernando Castelló Clemente at the time of his resignation. Ms Costa García is classified as an independent director and has been on the Nomination and Remuneration Committee since 27 September 2017.

Following the changes indicated above, the composition of the Board of Directors, the Audit, Control and Sustainability Committee and the Nomination and Remuneration Committee at the date of approval of this report is as follows:

BOARD OF DIRECTORS:

- Antonio Hernández Callejas, Chair (Executive)
- Demetrio Carceller Arce, Vice-Chair (Proprietary)
- Belén Barreiro Pérez-Pardo (Independent)
- María Carceller Arce (Proprietary)
- José Ignacio Comenge Sánchez-Real (Proprietary)
- Corporación Financiera Alba, S.A., represented by Alejandra Olarra Icaza (Proprietary)
- Mercedes Costa García, Lead Independent Director (Independent)
- Empresas Comerciales e Industriales Valencianas, S.L., represented by Javier Gómez-Treno Vergés (Proprietary)
- Javier Fernández Alonso (Proprietary)
- Grupo Tradifín, S.L., represented by Blanca Hernández Rodríguez (Proprietary)
- Hercalianz Investing Group, S.L., represented by Félix Hernández Calleja (Executive)
- Marc Thomas Murtra Millar (Independent)
- Elena Segura Quijada (Independent)
- Jordi Xuclà Costa (Proprietary)

AUDIT, CONTROL AND SUSTAINABILITY COMMITTEE:

- Marc Thomas Murtra Millar, Chair
- Mercedes Costa García
- Grupo Tradifín, S.L., represented by Blanca Hernández Rodríguez
- Javier Fernández Alonso
- Elena Segura Quijada

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NOMINATION AND REMUNERATION COMMITTEE:

- Mercedes Costa García, Chair
- Belén Barreiro Pérez-Pardo
- Demetrio Carceller Arce
- Grupo Tradifín, S.L., represented by Blanca Hernández Rodríguez
- Elena Segura Quijada

EXPLANATORY NOTE TWO, REGARDING THE PRESENCE OF WOMEN ON THE BOARD OF DIRECTORS

At year-end 2021, there were 6 women on the Board of Directors, representing 42.86% of the Board members (14).

In March 2022, following the resignation by the director Alimentos y Aceites, S.A. (who had been represented by a woman on the Board of Directors) and the incorporation on the Board of a male director (proprietary director of Alimentos y Aceites, S.A. -SEPI-), the presence of women fell from 42.86% to 35.71% and, therefore, below the 40% target.

Following the resignation of the director Fernando Castelló Clemente with effect from 31 December 2023 and the incorporation of Elena Segura Quijada as of 31 January 2024 (see Explanatory Note One above), the number of women on the Board rose from 5 to 6, representing 42.86% of the total Board member (14). Consequently, the company has recovered the proportion of women that it had at the end of 2021 and before Alimentos y Aceites, S.A. (who had been represented by a woman) left the Board of Directors in March 2022.

EXPLANATORY NOTE THREE, REGARDING THE DETAILS OF CAPITAL AND VOTING RIGHTS

There have been no significant changes up to 22 March 2024 in the figures of capital and voting rights of significant shareholders and directors indicated in this report.

EXPLANATORY NOTE FOUR, REGARDING SECTION C.1.2

The appointment by cooptation of Jordi Xuclà Costa as proprietary director, resolved by the Board of Directors on 30 March 2022, was ratified at the Annual General Meeting held on 29 June 2022.

EXPLANATORY NOTE FIVE, REGARDING SECTION E.3

The main risks that could have a bearing on achievement of the business goals of the Ebro Foods Group, as listed in section E.3 of this Report, are explained below.

A. OPERATIONAL RISKS:

- Food safety. Owing to the nature of the Group's business, aspects regarding food safety are a critical point to which the Group pays the utmost attention, as we are bound by a large number of laws and standards in each of the countries in which the Group's products are put on the market. One point that is becoming increasingly important is the detection and use of fungicides and pesticides by producers.

- Commodity supply risk. The availability of commodities in the quantity and quality required to meet our commitments to customers and the requirements of our brands is a key factor for our business both nationally (Spanish paddy rice) and internationally (semi-processed rice for the Group subsidiaries), wheat and semolina for the production of quality pasta.

- Market risk (prices). Unexpected variations in the prices of our commodity supplies may affect the profitability of our commercial transactions, in both the industrial and brand-based segments. The main risk lies in the prices of the different rice varieties, durum wheat and potato flakes, although it extends also to other materials consumed, such as packaging material and oil derivatives and, especially so recently, sea and inland transportation.

- Customer concentration risk. The concentration of customers, which can occur in both the industrial and brand segments, may lead to less favourable commercial terms for our sales and affect our credit risk.

- Technological risk. In the sector in which the Group operates, one of the most important tools for competing with our rivals is constant technological innovation and constant adaptation to consumers' desires. Consequently, "technological lag" is considered a possible risk.

- Cybersecurity. Traditionally considered part of 'technological risk', the risks relating to the security of the IT systems and data (cybersecurity) and the threats to their continuity or of extorsion by this kind of criminals have considerably increased in recent years. This growing threat led to its consideration as a separate risk, stepping up the existing security protocols.

B. RISKS RELATED WITH THE ENVIRONMENT AND STRATEGY:

- Environmental risk. Respect for the environment is another critical point for the Group, considering our industrial activity, with a large number of plants distributed internationally. We aim to adopt a set of good practices, complying scrupulously with the law.

- Climate change. This is a cross-cutting risk that affects all the risk categories defined by the Group. Physical risks related with climate change and transition to an emission-free economy are assessed. The physical risks associated with alterations in the temperature and the availability of water resources and their impact on the harvests of crops constituting the basic commodity of the Group's operations have been considered especially important for the Group.

- Respect for Human Rights. This is a cross-cutting risk that affects compliance with both internal (established within the Group) and external (throughout the value chain and the Group's relations with external agents) standards.

- Competition risk. In general, pressure from white label brands is the main threat for maintaining the market shares of the Group's brands.

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- Reputational risk. This is the risk associated with changes of opinion resulting in a negative perception of the Group, its brands or products by customers, shareholders, suppliers, market analysts, employees, institutions, etc., as they may adversely affect the Group's ability to maintain its commercial and financial relations or its interaction with social partners.

- Exposure on social networks. This risk has been separated from the more generic "reputational risk" since 2020, in view of its enormous repercussion and diversity and the difficulties encountered in managing threats of this nature.

- Changes in lifestyle. The proliferation of low carbohydrate diets or other food habits could alter consumers' perception of our products.

- Country or market risk. Owing to the international nature of the Group's activities, political and economic circumstances in the different countries in which we operate and other market variables, such as exchange rates, interest rates, costs of production, etc. may affect our business.

- Natural disasters, fires. As an industrial group, a significant part of the assets on the Group's balance sheet corresponds to its factories, so any natural incidents (earthquakes, fires, etc.) that may affect the integrity of the Group's plants are a business risk.

- Strategic planning and assessment of strategic opportunities for investment or divestment. Risk deriving from the possibility of making a mistake in the selection of alternatives and/or assignment of resources to reach the Group's strategic goals. In the short term, this includes aligning the budget with the goals defined for the medium and long term.

C. COMPLIANCE RISKS:

- Sectoral regulatory risk. The food industry is a sector subject to numerous regulations affecting export and import quotas, customs duties, intervention prices, etc., subject to the directives laid down in the Common Agricultural Policy ("CAP"). The Group's activity may also be affected by changes in legislation in the countries in which it sources raw materials or sells its products.

- General regulatory risk. These include risks of compliance with civil, commercial, criminal and good governance provisions.

In the area of criminal risks, the Group has a Crime Prevention Model ("CPM") applicable to all the Spanish companies in the Group, monitored and controlled by the Compliance Unit, which is independent from the Risks Committee and is responsible for monitoring overall compliance by the Group, under direct supervision by the Audit, Control and Sustainability Committee. During 2020, the Compliance Unit conducted a revision and update of its criminal risk map and the mechanisms for mitigating those risks, assisted by an external expert in the matter.

In pursuance of their local laws, some of the Group subsidiaries have similar models and structures to mitigate the risk of crimes being committed within them and, ultimately, to reduce or eliminate any criminal liability of the company.

The Compliance Unit, which reports to the Audit, Control and Sustainability Committee but has autonomy and sufficient resources, is responsible for monitoring the functioning and compliance of the CPM. The Compliance Unit also conducts six-monthly monitoring of the CPM and similar systems in foreign subsidiaries to check adequate functioning of the mechanisms to mitigate the criminal risks identified.

- Tax risks. Any changes in the tax laws or the interpretation or application thereof by the competent authorities in the countries in which the Group operates could affect its earnings.

D. FINANCIAL RISK:

This category includes foreign exchange, interest rate, liquidity and credit risks. The foreign exchange risk is particularly significant because the functional currency of the Group is the euro, but a considerable part of its commodity supply transactions are in US dollars and a very large part of the Group's investments are also in that currency.

Apart from that, the current management risk map does not identify within the top 25 risks any that might be considered to derive from corruption and bribery, even though the questionnaire used for general monitoring of management risks includes questions on these possible forms of malpractice. This notwithstanding, the Group's position of total rejection of all forms of corruption and bribery is expressly included both in its Code of Conduct and Policy against Corporate Corruption and Bribery (on a global level), and in the Crime Prevention Model and other local mechanisms of the different business units, as described in greater detail in the Statement of Non-Financial Information contained in the Group's Consolidated Directors' Report.

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ETHICAL PRINCIPLES AND CODES VOLUNTARILY APPLIED BY EBRO FOODS, S.A.:

- United Nations Global Compact. 2001
- Project of the Spanish Commercial Coding Association (AECOC) against food waste, "Don't waste food, use it". 2012
- Sustainable Agriculture Initiative (SAI) Platform. 2015
- SERES Foundation. 2015
- Sustainable Rice Platform. 2016
- Sedex. 2016
- Forética. 2017

This Annual Corporate Governance Report was approved by the Board of Directors of the Company on:

22/03/2024

State whether any directors voted against approval of this Report or abstained in the corresponding vote.

[ ] Yes
[√] No

The English version of this document is purely informative.

In the event of any discrepancy between the Spanish and English versions of this document, the Spanish version will prevail.

Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

AUDIT REPORT ON THE "DISCLOSURES REGARDING THE INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR) SYSTEM" OF EBRO FOODS, S.A.

To the Board of Directors of Ebro Foods S.A.,

As per the request of the Board of Directors of EBRO FOODS, S.A. (hereinafter, the Company) and our proposal letter of February 27, 2024, we have applied certain procedures in relation to the accompanying "ICFR disclosures" of EBRO FOODS, S.A. for 2023, which summarize the Company's internal control procedures in respect of its annual reporting exercise.

The Board of Directors is responsible for taking the opportune measures to reasonably assure the implementation, maintenance and supervision of an adequate internal control system, making improvements to this system and preparing the contents of the ICFR disclosures required for the accompanying Annual Corporate Governance Report (ACGR).

Against this backdrop, it is important to note that, regardless of the quality of design and effective functioning of the ICFR system adopted by the Company in respect of is annual financial reporting effort, the system can only provide reasonable but not absolute assurance regarding the objectives pursued, due to the limitations intrinsic to any internal control system.

In the course of our financial statement audit work and in keeping with Spain's Technical Auditing Standards, the sole purpose of our assessment of the Company's internal controls was to enable us to establish the scope, nature and timing of the Company's financial statement audit procedures. Accordingly, our internal control assessment, performed in connection with the financial statement audit, was not sufficiently broad in scope to enable us to issue a specific opinion on the effectiveness of the internal controls over the annual financial disclosures that the Company is required to present.

For the purpose of issuing this report, we have only carried out the specific procedures described below, as indicated in the *Procedures for external audit reviews* of an entity's ICFR disclosures contained in the *Internal Control over Financial Reporting in Listed Companies* report published by Spain's securities market regulator, the CNMV (and available on its website), which establishes the procedures to be performed, the scope thereof and the contents of this report. Given that the product resulting from these procedures is at any rate limited in scope and substantially more limited than an audit or review of the internal control system, we do not express any opinion on the effectiveness of the system or on its design or effective functioning in respect of the Company's 2023 financial disclosures, as described in the accompanying ICFR disclosures. Consequently, had we performed additional procedures to those stipulated in the above-mentioned CNMV report or had we performed an audit or review of the internal controls over the annual financial disclosures that the Company is required to present, other matters might have come to our attention that would have been reported to you.

Furthermore, given that this special assignment neither constitutes a financial statement audit nor is subject to the Consolidated Text of Spain's Financial Statement Audit Act, we do not express an opinion in the terms provided for in that piece of legislation.

The procedures performed are itemized below:

1. Reading and understanding the information prepared by the Company in relation to the ICFR System - which is disclosed in the Management Report - and assessing whether this information meets all the minimum reporting requirements needed to fill out section F on the ICFR system in the Annual Corporate Governance Report template established in CNMV Circular No. 5/2013 (of June 12, 2013), as amended most recently by Circular No. 3/ 2021 (of September 28, 2021) (hereinafter, the CNMV Circulars).

2. Questioning of the personnel responsible for drawing up the information detailed in item 1 above: (i) to obtain an understanding of the process that goes into drawing up the information; (ii) to obtain information that permits an evaluation of whether the terminology used complies with the framework definitions; and (iii) to obtain information on whether the control procedures described are in place and functioning.

3. Reviewing the explanatory documents supporting the information detailed in item 1, including documents directly made available to those responsible for describing ICFR system. The documentation to be reviewed may include reports prepared for the Audit, Control and Sustainability Committee by internal audit, senior management and other internal and external experts in their role supporting the Audit, Control and Sustainability Committee.

4. Comparing the information detailed in item 1 above with our knowledge of the Company's ICFR System obtained through the external audit procedures applied during the annual audit.

5. Reading of the minutes taken at meetings of the board of directors, audit committee and other committees of the Company to evaluate the consistency between the ICFR business transacted and the information detailed in item 1 above.

6. Obtaining a management representation letter in connection with the work performed, signed by those responsible for preparing and formulating the information detailed in item 1 above.

The specific procedures carried out in respect of the Company's ICFR disclosures did not reveal any inconsistencies or incidents that could affect such disclosures.

This report was prepared exclusively within the framework of the requirements stipulated in article 540 of the Consolidated Text of Spain's Corporate Enterprises Act and the CNMV Circulars related to the description of the ICFR System in the Annual Corporate Governance Report.

ERNST & YOUNG, S.L.

(Signed on the original in Spanish)

Alfonso Manuel Crespo

March 21, 2024

3.4 Annual Report on Remuneration of the Directors

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ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

DETAILS OF ISSUER

Year ended: 31/12/2023

Tax Registration No.: A47412333

Name:

EBRO FOODS, S.A.

Registered office:

PASEO DE LA CASTELLANA, 20. 3RD & 4TH FLOORS, MADRID

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ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

A. COMPANY'S REMUNERATION POLICY FOR THIS YEAR

A.1.1. Explain the directors' remuneration policy in place for this year. To the extent that it is relevant, certain information may be included by reference to the remuneration policy approved by the general meeting of shareholders, provided the incorporation is clear, specific and precise.

Describe the specific criteria for this year in respect of both the remuneration of directors for their duties as such and their performance of any executive duties, applied by the board in accordance with the provisions of the contracts signed with the executive directors and the remuneration policy approved by the general meeting.

In any case, inform at least on the following aspects:

a) Description of the procedures and corporate bodies involved in determining, approving and applying the remuneration policy and conditions thereof.

b) Indicate and, where necessary, explain whether comparable companies have been taken into account to establish the company's remuneration policy.

c) Information on whether assistance was received from an external adviser and, if so, their identity.

d) Procedures contemplated in the prevailing directors' remuneration policy to apply temporary exceptions to the policy, conditions on which the company may have recourse to those exceptions and components that may be subject to exception, according to the policy.

The Directors' Remuneration Policy of the Company for this year (2024) is the Policy established for the years 2022-2024, approved at the Annual General Meeting of Shareholders held on 30 June 2021 and subsequently amended by virtue of resolutions adopted at the Annual General Meetings held on 29 June 2022 and 6 June 2023.

The Directors' Remuneration Policy 2022-2024 gives continuity to the previous policy (for the period 2019-2021), which was in force up to 31 December 2021, in respect of the principles, structure and contents of the directors' remuneration package (both for their duties as such and for the performance of executive duties), in view of the wide acceptance by shareholders (it was approved in 2018 with the favourable votes of 71.979% of the capital present and represented at the Annual General Meeting).

Based on that broad acceptance, comparable companies were not taken into account nor were any external advisers involved in drawing up the Directors' Remuneration Policy 2022-2024.

Although it was approved in 2021, the Directors' Remuneration Policy 2022-2024 included in its initial wording the new aspects introduced in the Corporate Enterprises Act ("LSC") by Act 5/2021 of 12 April ("Act 5/2021"), which amends the recast Corporate Enterprises Act approved by Legislative Royal Decree 1/2010 of 2 July and other financial provisions in respect of fostering the long-term engagement of shareholders in listed companies ("Act 5/2021"). So even though the new regulations did not enter into force until 3 November 2021 (i.e. after the date of the Company's Annual General Meeting 2021), the Remuneration Policy laid before (and approved at) the General Meeting held on 30 June 2021 was already adapted to the new requirements introduced by Act 5/2021.

In June 2022, a motion was tabled and approved at the Annual General Meeting to modify certain aspects of the Policy, particularly those indicated below:

(i) The annual fixed remuneration of the Executive Chairman was made invariable, uncoupling it from the fixed remuneration review procedure established for other Group executives, such that it would only be reviewed if and when so decided by the Board of Directors, at the proposal of the Nomination and Remuneration Committee and in view of the circumstances prevailing from time to time.

(ii) The amendments altered the financial targets to which 75% of the bonus contemplated in the Long-Term Incentive Scheme linked to the Strategic Plan 2022-2024 is tied, replacing the indicator consolidated "ROCE-A" ("ROCE") with consolidated "EBITDA-A - CAPEX" ("EBITDA – CAPEX"), while maintaining the consolidated EBITDA target, where "EBITDA – CAPEX" would have a weight of 20% and EBITDA the remaining 80%.

(iii) A new cap was established on the bonus that the Executive Chairman could receive for his participation in the Long-Term Incentive Scheme linked to the Strategic Plan 2022-2024 in the event of over-achievement of targets, which would be 100% of the corresponding bonus (not 125%, as originally established in the Policy).

(iv) Within the targets to which the Executive Chairman's annual (ordinary) bonus is tied, the consolidated ROCE was included in the Policy as a target in the budget with a weight of 20%, while maintaining the consolidated EBITDA target in the budget, with a weight of 80%, as from 2023 (the only financial target set for 2022 was the consolidated EBITDA contemplated in the 2022 budget).

In June 2023, a motion was tabled, and approved, at the General Meeting proposing a new amendment to the Policy, to cap the Executive Chairman's short-term bonus at 100% of his fixed annual remuneration, thus lowering the cap (which had been set at 150% of the fixed remuneration in the initial wording of the Policy).

The original wording of the Directors' Remuneration Policy 2022-2024 was prepared by the Nomination and Remuneration Committee at its meeting on 24 May 2021. Once that Committee had issued the corresponding specific report (pursuant to section 529.novodecies.4 of the Corporate Enterprises Act), the proposed Policy was submitted to the Board of Directors, which resolved to table a motion for its approval at the Annual General Meeting on 30 June 2021, where it was approved.

The first amendment to the Policy, in 2022, was also prepared by the Nomination and Remuneration Committee at its meeting on 25 May 2022, which issued the corresponding specific report and the Board of Directors resolved to table a motion for its approval at the Annual General Meeting on 29 June 2022, where it was approved.

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The second and final amendment to the Policy, in 2023, was also prepared by the Nomination and Remuneration Committee at its meeting on 26 April 2023, which issued the corresponding specific report and the Board of Directors resolved to table a motion for its approval at the Annual General Meeting on 6 June 2023, where it was approved.

The remaining contents of this section A.1.1 continue in section D of this Report.

A.1.2. Relative importance of the variable remuneration items in respect of the fixed remuneration (remuneration mix) and what criteria and goals have been taken into account to determine them and to guarantee an appropriate balance between the fixed and variable components of the remuneration. In particular, describe the actions taken by the company regarding the remuneration scheme to reduce excessive risk exposure and align the scheme with the long-term goals, values and interests of the company, including where appropriate a reference to measures contemplated to ensure that the remuneration policy takes into account the company's long-term results, measures adopted with respect to certain categories of employees whose professional activities have a significant impact on the company's risk profile and measures to avoid conflicts of interest.

Indicate also whether the company has established an accrual or vesting period for certain variable remuneration items payable in cash, shares or other financial instruments, a deferred payment period or the delivery of financial instruments already accrued and vested, or whether a clause has been agreed to reduce the deferred remuneration not yet vested, or for clawback of bonuses based on data which subsequently prove to be manifestly inaccurate or misstated.

In pursuance of the Directors' Remuneration Policy 2022-2024, the Chairman of the Board of Directors, as executive Director performing executive duties, is the only Director who will receive variable remuneration on similar terms to the other senior executives of the Company, according to the criteria and targets established in the Directors' Remuneration Policy 2022-2024 and explained in the previous point.

The variable remuneration of the Chairman of the Board of Directors for his executive duties includes:

- Ordinary annual variable remuneration, established in the executive Director's contract, which is proportionate to the level of achievement of the targets established in the Directors' Remuneration Policy 2022-2024 (EBITDA and ROCE set in the consolidated budget for 2024).

This remuneration, as a percentage of the fixed annual remuneration, is proportionate to achievement of the targets set, establishing a floor (below which the variable remuneration is zero) and a ceiling (above which the variable remuneration is capped at 100% of the fixed annual remuneration). This variable remuneration accrues and is paid on an annual basis, once the financial results of the year in question have been assessed. The ordinary annual variable remuneration corresponding to the Executive Chairman for the current year (2024) will thus be determined in 2025, once the financial results of 2024 are known and it is possible, therefore, to check the extent to which the relevant targets have been met.

- Deferred annual variable remuneration, tied to fulfilment of the Strategic Plan 2022-2024, applicable to the senior management of the Ebro Foods Group. The payment of bonuses is conditional upon meeting the above-mentioned targets set each year by the Remuneration Scheme (corresponding to the targets set in the Strategic Plan 2022-2024) and the beneficiary's continued employment in the Group at the date of payment established for those bonuses, except in cases of: (i) death or disability of the beneficiary or (ii) takeover in the Group or a similar corporate operation, or any other extraordinary circumstance which may, in the Board's opinion, materially affect the Scheme.

Bonuses are paid 11 months after being determined (after checking the level of achievement of the annual targets), so by the time it is paid, more than one year has passed since the end of the year to which the bonus corresponds. Accordingly, the bonus that may be payable to the Executive Chairman, the only Director with executive duties, for 2024 (the third and final year of the Directors' Remuneration Policy 2022-2024) would be paid in 2026.

The general conditions of the Scheme include an adjustment clause whereby the Board of Directors of Ebro Foods, S.A. will adopt such resolutions as may be necessary to ensure that in any event or corporate operation or other extraordinary circumstances that might affect calculation of the deferred remuneration payable, the gross remuneration will be equivalent to the remuneration that would have been payable had that circumstance not existed.

The Scheme also includes a clawback clause whereby the Board of Directors of Ebro Foods, S.A. may require the total repayment or part of any deferred bonus paid under the Scheme when it considers such amounts to have been unduly paid, either because the amounts paid under the Scheme do not correspond to the level of achievement of the required targets, or because they were calculated on the basis of data subsequently proved to be misstated.

With this Deferred Annual Variable Remuneration Scheme, the remuneration of the Executive Chairman, the only Director with executive duties, is aligned with the medium and long-term results of the Company and its Group. It should also be borne in mind for this purpose that the Executive Chairman, the only Director with executive duties, is one of the principal shareholders of the Company.

A.1.3. Amount and nature of the fixed components expected to be accrued during the year by directors for their duties as such.

The fixed remuneration of the Directors for performance of their duties as such in the current year (2024) will be set at the Annual General Meeting to be held in 2025.

As determined in the current Directors' Remuneration Policy, in the light of the circumstances and the Group's business performance during this year (2024), the Nomination and Remuneration Committee will submit a proposal that it considers appropriate to the Board of Directors, which will in turn decide on a proposal it considers appropriate to lay before the Annual General Meeting to be held in 2025. It should be borne in mind that, according to Article 22 of the Articles of Association (and the current Remuneration Policy 2022-2024): "Both the fixed annual allocation for the Board of Directors as a whole and the amount of attendance fees shall be determined by the general meeting and shall remain in force until a resolution is passed to change them." Therefore, unless otherwise decided at the Annual General Meeting 2025, the fixed remuneration of the Directors for their duties as such accrued during this year (2024) will be the same as the amount established for the reporting period (2023). In this regard, on 19 February 2024 the Nomination and Remuneration Committee resolved to propose to the Board of Directors, submitting a favourable report, that the fixed remuneration for the Board of Directors as a whole for 2023 should be the same as that established for

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2022 (i.e. 2,850,000 euros). Similarly, the Nomination and Remuneration Committee resolved to propose to the Board of Directors that the attendance fees for Board of Directors and Committee meetings be maintained, in 2024, at 1,600 euros gross for Board of Directors meetings and 800 euros for Committee meetings.

The criteria established in the current Remuneration Policy 2022-2024 (which are the same as those set in the previous policy) will be applicable for distribution among the different Board of Directors members of the global fixed remuneration of the Directors for their duties as such during the present year. Accordingly, distribution will be based on a points system, where points are assigned to each Director according to the following scale (established by the Board of Directors in 2006, following the proposal submitted by the Nomination and Remuneration Committee):

- Member of the Board of Directors: 1 point
- Chairman of the Board of Directors: 1 point
- Vice-Chairman of the Board of Directors: 0.5 points
- Member of the Executive Committee: 1 point
- Committees other than the Executive Committee:
-- Member of the Committee: 0.2 points
-- Committee Chairman: 0.05 points per meeting
-- Committee Members: 0.03 points per meeting

The Board of Directors will set the individual remuneration of each Director this year subject to a report by the Nomination and Remuneration Committee and based on the application of the above scale.

A.1.4. Amount and nature of the fixed components accrued by executive directors during the year for senior management duties.

According to the criteria for annual review of the fixed remuneration of the Executive Chairman (the only Director who performs executive duties), he will receive a fixed cash remuneration of 1,500,000 euros gross this year (2024), which is the same amount as the gross fixed cash remuneration he received in the reporting period (2023).

It should be borne in mind that although it was stated in the Directors' Remuneration Report 2021 that the Executive Chairman's remuneration for 2022 would be 1,560,000 euros (i.e. the remuneration of the previous year -2021- plus 4%, which was the percentage review of the executives' remuneration set by the Board of Directors generally for the Company's executives), after the amendment of the Remuneration Policy 2022-2024 approved at the Annual General Meeting held on 29 June 2022, the fixed remuneration of the Executive Chairman was frozen (with effect from 1 January 2022), so the 4% increase was no longer applicable in 2022 and has remained frozen since then.

In addition to that monetary remuneration, the Executive Director will also receive this year (2024), as fixed remuneration in kind, the private use of a Company car (see the following section).

The Chairman of the Board of Directors is the only executive Director performing executive duties. Although Hercalianz Investing Group, S.L. is recognised as an executive Director, it has never performed executive duties in Ebro Foods, S.A. or any subsidiary of the Group and, therefore, has received no remuneration for such duties. See the Explanatory Note Two in section D of this report regarding the classification of Hercalianz Investing Group, S.L. as an executive Director.

A.1.5. Amount and nature of any remuneration in kind that will be accrued during the year, including, but not limited to, insurance premiums paid for directors.

The Chairman of the Board of Directors, as the only executive Director performing executive duties, receives remuneration in kind to the extent of private use made of the Company car allocated to him. The value of this remuneration in kind estimated to accrue for the current year (2024) is 7,500 euros gross.

In addition, the Company has a Flexible Remuneration Scheme, through which it is possible to design the composition of remuneration of the executives included in the Scheme (including the Executive Chairman), so that they may receive part of that remuneration in the form of products and services previously selected by the Company. The value of those products and services is deducted from the gross salary of the executive, who is allocated in lieu the corresponding income in kind. These products and services include group medical insurance, housing rental, nursery, vehicle hire/lease and training. Under no circumstances do those items entail any additional remuneration to that received in cash, since the amounts paid by the Company to the corresponding service providers are deducted from the cash remuneration.

Moreover, in line with common practice in other comparable companies, the Company has taken out and maintains in force (and will continue to maintain in the current year) a liability insurance policy for its Directors and executives.

A.1.6. Amount and nature of the variable components, distinguishing between those established at short and long term. Financial and non-financial parameters -including among the latter social, environmental and climate change factors- selected to determine the variable remuneration in the current year. Explain to what extent those parameters are aligned with the performance of both the director and the company and their risk profile, and the methodology, necessary time and techniques contemplated to determine, at year-end, the effective level of achievement of the parameters used to design the variable remuneration. Explain the criteria and factors applied in respect of the time required and methods to check that the performance parameters -or any other parameters to which the accrual and vesting of each component of the variable remuneration was tied- have actually been met.

Indicate the range, in monetary terms, of the different variable components according to the level of achievement of the goals and parameters established and whether there is a maximum monetary amount in absolute terms.

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As mentioned earlier, the only Director who will receive variable remuneration this year (2024) (according to the Directors' Remuneration Policy 2022-2024) is the Chairman of the Board of Directors, as executive Director performing executive duties, and he will do so on similar terms to the other senior executives of the Company and its Group.

The variable remuneration of the Chairman of the Board of Directors for his executive duties includes:

(i) Ordinary annual variable remuneration:

According to the Directors' Remuneration Policy 2022-2024, the annual variable remuneration of the Executive Chairman is proportionate to the level of achievement of the target(s) for EBITDA (with a weight of 80%) and ROCE (with a weight of 20%) established in the consolidated budget for 2024.

The ordinary annual variable remuneration of the Executive Chairman for the performance of his executive duties accrues according to the following rules:

- If the targets are fully met (aggregate achievement of both targets -EBITDA and ROCE, with the weight corresponding to each one- equal to or greater than 100%), the annual variable remuneration is equivalent to 100% of the fixed remuneration.

- In the event of under-achievement of the targets, the ordinary annual variable remuneration will be reduced in proportion to the percentage fulfilment (under 100%) achieved, with a floor of 85%, below which no annual variable remuneration accrues. If aggregate achievement of those targets is between 100% and 85%, the annual variable remuneration will be determined proportionately.

- Strictly as an exception, considering the special dedication by the Executive Chairman to the performance of his executive duties and a temporary situation in the Company or Group, the Board of Directors may, at the proposal of the Nomination and Remuneration Committee, decide to raise the variable remuneration of the Executive Chairman to the maximum limit established of 100% of his fixed remuneration.

Accordingly, once the consolidated earnings of the Group in 2024 are known (in 2025, generally in February), the Nomination and Remuneration Committee will review the level of achievement and submit a proposal to the Board of Directors, for approval, regarding the annual variable remuneration to be received by the Executive Chairman for the current year (2024), based on the criteria indicated above.

In monetary terms and taking account of the above-mentioned rules of accrual, the annual variable remuneration of the Executive Chairman for 2024 may vary between 0 euros (if the aforesaid targets are met by less than 85%) and 1,500,000 euros gross (if targets are met by 100% or more).

(ii) Deferred annual variable remuneration:

According to the current Remuneration Policy 2022-2024, the Chairman of the Board of Directors is entitled to participate in the Deferred Annual Variable Remuneration Scheme (deferred annual bonus scheme) established for senior executives of the Ebro Foods Group, linked to fulfilment of the Strategic Plan 2022-2024. On the terms of that Policy, the deferred annual bonus that would be received by the Executive Chairman under the Scheme would be proportional to the degree of achievement of the targets set in the Policy (tied to the targets identified in the Strategic Plan 2022-2024), on the terms described in the Remunerations Policy.

The beneficiaries of the Scheme (including the Chairman of the Board of Directors as the only executive Director who performs executive duties) are only entitled to receive the deferred remuneration if they are still working in the Ebro Group at the date of payment. As an exception, the Scheme contemplates (as its precursor did) early payment in the event of: (i) termination of the employment relationship with the Company during the period of the Scheme owing to death or a final declaration of total, absolute or major disability; or (ii) takeover of the Group or any similar corporate operation.

The outlines of the future Scheme, established in the Directors' Remuneration Policy 2022-2024, are as follows:

- The targets of the Scheme for the first two years (2022, payable in 2024, and 2023, payable in 2025) are the consolidated annual EBITDA and EBITDA-CAPEX for those years established in the Strategic Plan 2022-2024, and accrual of 25% of the deferred bonus will be subject, in each of those years, to achievement of those targets.

- The level of achievement of the consolidated EBITDA will represent 80% of the deferred bonus for each year and the degree of achievement of the consolidated EBITDA-CAPEX will account for the remaining 20%.

- The targets of the Scheme for the final year (2024, payable in 2026) are: (i) the consolidated annual EBITDA and EBITDA-CAPEX for that year established in the Strategic Plan 2022-2024 (weighted at 80% and 20%, respectively), to which the accrual of 25% of the deferred bonus is tied; (ii) the aggregate sum of EBITDA of the years included in the Scheme (2022-2024) in comparison with the sum of those contemplated in the Strategic Plan 2022-2024, 12.5% of the deferred variable remuneration of the three-year period being subject to the outcome of that comparison; (iii) the global qualitative assessment by the Strategy and Investment Committee of the development of the Strategic Plan 2022-2024, making 6.25% of the deferred variable remuneration of the three-year period subject to the outcome of that assessment; and (iv) assessment by the Audit, Control and Sustainability Committee of achievement of the non-financial targets set by the Scheme from among those identified in the Strategic Plan 2022-2024, making 6.25% of the deferred variable remuneration of the three-year period subject to the outcome of that assessment. With regard to the latter two aspects, both committees will submit their respective proposals to the Nomination and Remuneration Committee.

- In the first two years of the Scheme (2022 and 2023):

a) In the event of aggregate achievement of 100% or over of the consolidated EBITDA and EBITDA-CAPEX targets established for those years in the Strategic Plan 2022-2024, the deferred annual bonus that would accrue for the Executive Director for the performance of those duties each year will be 100% of 25% (i.e. 25%) of the fixed remuneration established for the three-year period.

b) In the event of aggregate under-achievement of the aforesaid consolidated EBITDA and EBITDA-CAPEX targets established in the Strategic Plan 2022-2024 in either of the first two years of the three-year period, the deferred annual bonus that would accrue for the Executive Director for the performance of those duties in each of those two years will be reduced in proportion to the percentage of achievement (below 100%), floored at 85%, such that if the aggregate achievement of the targets is below 85%, the deferred bonus for that year will be zero.

In the third and final year of the Scheme (2024):

a) 25% of the fixed remuneration established for the three-year period will be determined according to the degree of aggregate achievement of the aforesaid consolidated EBIDTA and EBITDA-CAPEX targets established in the Strategic Plan 2022-2024 for that year. The provisions set out above for over-achievement and under-achievement will be applicable.

b) The final 25% of the fixed remuneration corresponding to the three-year period will be determined as follows, if appropriate:

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-- 50% (12.5% of the total fixed remuneration for the three-year period) according to the degree of achievement of the accumulated consolidated EBITDA target for the entire three-year period according to the Strategic Plan 2022-2024.

-- 25% (6.25% of the total fixed remuneration for the three-year period), in the percentage determined by the Board of Directors at the proposal of and subject to a report by the Nomination and Remuneration Committee, according to the assessment of the achievement of non-financial targets included in the Strategic Plan 2022-2024 and identified in the Scheme.

-- And the remaining 25% (6.25% of the total fixed remuneration for the three-year period), in the percentage determined by the Board of Directors at the proposal of and subject to a report by the Nomination and Remuneration Committee, according to the global qualitative assessment of the development of the Strategic Plan 2022-2024.

In the event of aggregate over-achievement or under-achievement of the aforesaid targets, the indications set out above for these situations will be applicable, including the 100% cap in the event of over-achievement.

- Each year (once the earnings of the preceding year are known), the Nomination and Remuneration Committee will review the level of achievement of the economic variables to which this deferred bonus is tied (EBITDA and EBITDA – CAPEX). The Nomination and Remuneration Committee will also review and validate, during the final year of the Scheme: (i) the proposed qualitative assessment of the development of the Strategic Plan 2022-2024 submitted by the Strategy and Investment Committee and (ii) the proposed assessment of the degree of achievement of the non-financial targets made by the Audit, Control and Sustainability Committee. After these verifications, the Nomination and Remuneration Committee will submit a proposal to the Board of Directors and the latter will determine the final amounts corresponding to the Executive Chairman (and the other executives included in the Scheme).

Based on the foregoing, the following should be taken into account with regard to the variable remuneration that might correspond to the Executive Chairman in 2024 within the Deferred Annual Remuneration Scheme tied to fulfilment of the Strategic Plan 2022-2024:

-- The review by the Nomination and Remuneration Committee of the degree of achievement of the targets set for that year and submission to the Board of Directors, for approval, of the annual bonus for 2024 to be received by the Executive Chairman (in 2026) will be made in 2025, once the consolidated earnings of the Group for 2024 have been determined (normally in February).

-- In monetary terms and taking account of the above-mentioned rules, the deferred annual variable remuneration of the Executive Chairman for 2024 may vary between 0 euros (if aggregate achievement of the targets is below 85%) and 2,250,000 euros gross (if aggregate achievement of the targets is 100% or more). The fixed remuneration for the three-year period is calculated based on the annual monetary fixed remuneration of the Executive Chairman in each of the years of the Scheme (which, as indicated above, is not subject to review, except in the event of extraordinary circumstances).

-- A provision will be recognised for the appropriate amount at year-end 2024 and it will be paid, if appropriate, in 2026.

-- Moreover, in the current year (2024), the Executive Chairman has received 1,125,000 euros gross as his deferred annual remuneration for 2022, the first year of the Deferred Annual Remuneration Scheme tied to fulfilment of the Strategic Plan 2022-2024. It should be noted that since this sum corresponds to the first year of the current Scheme, the deferred variable remuneration subject thereto was 25% of the variable remuneration of the three-year period.

The Scheme described above is not indexed to the value of the Company's share and the beneficiaries do not receive shares or any other rights thereover.

A.1.7. Main features of the long-term saving schemes. This information should include, inter alia, the contingencies covered by the scheme, whether it is defined-contribution or defined-benefit, the annual contribution to be made to defined-contribution schemes, the benefit to which beneficiaries are entitled under defined-benefit schemes, the conditions for the vesting of economic rights in favour of the directors and compatibility with any kind of termination benefit payable for or in connection with interruption or expiry of the contractual relationship between the company and the director.

State whether accrual or vesting of rights under any of the long-term savings schemes is subject to the achievement of certain targets or parameters related with the short and long-term performance of the director.

No contributions have been made in previous years, nor are any expected to be made this year (2024), to any pension funds or schemes for former or existing members of the Board of Directors (neither the Directors for their duties as such nor the executive Directors for the performance of executive duties) and no obligations have been contracted in this respect.

Nor have any contributions been made or obligations contracted for Directorships in other Group companies (for the Directors for their duties as such or the executive Directors for the performance of executive duties).

A.1.8. Any kind of payment or compensation for termination, early or otherwise, of the contractual relationship between the company and the director, at the initiative of the company or the director, and any arrangements agreed, such as exclusive dedication, minimum employment commitment, loyalty and no competition during and after employment.

No compensations have been arranged or paid for termination of Directors' duties (neither the Directors for their duties as such nor the executive Directors for the performance of executive duties).

A.1.9. State the terms and conditions to be respected in the contracts of executive directors performing senior management duties. Include information, inter alia, on the term, limits on severance pay and other compensations, continued service clauses, required notice, payment in lieu of notice and any other clauses relating to golden hellos, golden handshakes, golden parachutes or any other

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compensation payable on termination, early or otherwise, of the contractual relationship between the company and the executive director. Include, inter alia, details of any clauses or agreements on restraint of trade, exclusive dedication, minimum employment commitment, loyalty and no competition during and after employment, save as explained in the previous section.

Pursuant to sections 249, 529 octodecies and 529 quindecies of the Corporate Enterprise Act and Article 22 of the Articles of Association, the Board of Directors is competent to establish the terms of contracts to be signed by the Company with its executive Directors having executive duties, at the proposal of the Nomination and Remuneration Committee and within the confines of Directors' Remuneration Policy approved by the General Meeting.

According to the Directors' Remuneration Policy 2022-2024, the principal terms of contract of the Executive Chairman (the only Director with executive duties) for his executive duties (apart from his remuneration, which is explained in other sections of this report) are as follows:

- Term: indefinite
- Notice: three months
- Termination benefits: none
- Continued service or post-contract no competition clauses: none

See the Explanatory Note in section D of this Report for the reasons why Hercalianz Investing Group, S.L. is classified as an executive Director.

As regards the possible incorporation in the future of other executive Directors, the Directors' Remuneration Policy 2022-2024 provides that the current remuneration scheme for executive Directors for the performance of executive duties and other aspects relating to their contractual relationship with the Company take into account that the only executive Director who performs those duties is a reference shareholder of the Company.

For this reason, if new executive Directors with executive duties join the Board of Directors during the effective term of the Directors' Remuneration Policy 2022-2024, it might be necessary to revise some of those aspects, such as: (i) establishment of the continued service and/or no competition clauses (and the corresponding remuneration) or (ii) inclusion in the remuneration of aspects indexed to the value of the Company's share or that entail the receipt of shares or rights thereover. In this case, the Policy would be amended and the corresponding amendment would be tabled before the General Meeting for approval on the terms stipulated in law.

A.1.10. The nature and estimated amount of any other supplementary remuneration that will accrue by directors this year for services rendered in addition to those inherent in their directorship.

No supplemental remuneration is expected to be earned by directors (directors for their duties as such or executive directors for the performance of executive duties) for services rendered in addition to those inherent in their directorship and/or the performance of executive duties.

A.1.11. Any other remuneration, such as advances, loans and guarantees granted to directors by the company, and other remuneration.

The Company has not granted and does not foresee granting this year (2024) any loans, advances or guarantees to members of the Board of Directors (the Directors for their duties as such or the executive Directors for the performance of executive duties), nor has it contracted any obligations on their behalf through guarantees or bonds.

A.1.12. The nature and estimated amount of any other supplementary remuneration not included in the preceding paragraphs, paid by the company or another company in the group, that will accrue in directors' favour this year.

The Executive Chairman receives attendance fees each year as Director of Riso Scotti, S.p.A., an associate that is not part of the Ebro Group, in which Ebro Foods, S.A. has a 40% interest (it is an associate consolidated by the equity method). This year (2024), the Executive Chairman is expected to receive a similar amount in attendance fees to that received in 2023 (5,200 euros p.a. gross).

It is put on record that in January 2024 the Executive Chairman stepped down as Director of Pastificio Lucio Garofalo, S.p.A (a subsidiary of the Ebro Foods Group), so he will not receive any attendance fees from that Company this year (2024). Last year (2023), the Executive Chairman received a sum of 5,000 euros gross in attendance fees.

A.2. Explain any significant change in the remuneration policy applicable this year, deriving from:

a) A new policy or modification of the policy already approved by the general meeting.

b) Significant changes in the specific criteria established by the board for this year within the current remuneration policy in respect of those applied in the previous year.

c) Proposals that the board has agreed to submit to the general meeting at which this annual report will be presented, for application to this year.

The current Directors' Remuneration Policy 2022-2024 is not expected to be modified during this year.

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This notwithstanding, the General Meeting at which this Report is to be put to an advisory vote will have to approve, if appropriate, the Remuneration Policy 2025-2027, in pursuance with the Corporate Enterprises Act section 529 novodecies, which requires the proposals of new Directors' remuneration policies to be laid before the general meeting before the end of the last year of application of the previous policy.

A.3. Indicate the direct link to the document containing the current remuneration policy of the company, which must be available on the company's website.

https://www.ebrofoods.es/wp-content/uploads/2023/06/Consolidated-text-of-Directors-Remunerations-Policy-2022-2024.pdf

A.4. In view of the details provided in section B.4, explain how the shareholders' advisory vote at the general meeting on the annual report on remuneration of the previous year has been taken into account.

Given the large majority of the capital that voted in favour in the advisory vote on the Directors' Remuneration Report for 2022, with more than two-thirds of the capital present and represented at the General Meeting voting for the approval (74.2020%, with 12.7425% abstaining), it has not been considered necessary to take any measures in this regard.

B. OVERALL SUMMARY OF APPLICATION OF THE REMUNERATION POLICY DURING THE REPORTING PERIOD

B.1.1. Explain the process followed to apply the remuneration policy and determine the individual remunerations reflected in section C of this report. This information should include the role played by the remuneration commission, the decisions taken by the board and, if appropriate, the identity and role of the external advisers whose services were used in the process of applying the remuneration policy during the reporting period.

a) Remuneration of Directors for their duties as such.

The fixed remuneration for all the Directors for their duties as such for 2022 was paid during the reporting period (2023).

In this regard, the Nomination and Remuneration Committee resolved on 15 February 2023 to submit a proposal to the Board of Directors, to be tabled by the latter at the Annual General Meeting held that year (2023), to set the fixed remuneration of all the Directors for their duties as such for the previous year (2022) at 2,850,000 euros gross. The Nomination and Remuneration Committee further proposed maintaining the amount of attendance fees for Board of Directors meetings (1,600 euros gross per meeting) and meetings of the Board Committees (800 euros gross per meeting). On 27 February 2023, the Board of Directors resolved to table a motion with that proposal of the Nomination and Remuneration Committee at the Annual General Meeting to be held in 2023, and the motion was passed by an ample majority at that Annual General Meeting, held on 6 June 2023.

Based on the foregoing and the resolutions passed at the Board of Directors and Committee meetings held in 2022, the aggregate annual fixed remuneration of the Directors for their duties as such for 2022 (set in 2023) was distributed as follows:

- membership of the Board of Directors: a total sum of 1,891,826.90 euros gross
- membership of the Board Committees: a total sum of 958,137.00 euros gross.

The fees for attendance of Board of Directors and Committee meetings of Ebro Foods, S.A. in 2022 amounted to 328,000 euros gross.

At a meeting on 19 February 2024, the Nomination and Remuneration Committee resolved to submit a proposal to the Board of Directors (to be tabled at the Annual General Meeting in 2024) to set the aggregate fixed remuneration for all the Directors for their duties as such for the reporting period (2023) at 2,850,000 euros gross (the same amount as in 2022). It further proposed maintaining the amount of attendance fees for Board of Directors meetings (1,600 euros gross per meeting) and meetings of the Board Committees (800 euros gross per meeting).

On 29 February 2024, the Board of Directors resolved to table a motion with that proposal at the Annual General Meeting to be held in 2024.

If that amount is approved at the Annual General Meeting held in 2024, it will be distributed among the Board of Directors members in accordance with the prevailing distribution criteria (see section A.1 of this Report and its continuation in section D). Based on those criteria, the annual fixed assignment to Directors for their duties as such for 2023, considering the meetings of the Board of Directors and its Committees during that year, would be as follows:

- membership of the Board of Directors: a total sum of 1,844,852.78 euros gross
- membership of the Board Committees: a total sum of 1,005,147.17 euros gross.

The attendance fees for Board of Directors and Committee meetings of Ebro Foods, S.A. in 2023 would amount to 324,000 euros gross.

The total amount of the fixed assignment to Directors for their duties as such is distributed among the individual Directors based on the points system established in the Remuneration Policy in place from time to time (see section A.1.3 of this Report). For this purpose, in view of a report by the Nomination and Remuneration Committee, the Board of Directors approves the individual remuneration of each Director in view of the Board Committees they are on and the number of meetings held by those committees.

b) Remuneration of the Chairman of the Board of Directors as executive Director for the performance of executive duties.

In 2023, the fixed cash remuneration of the Executive Chairman (the only Director with executive duties) for the performance of his executive duties was 1,500,000 euros gross. This is the fixed remuneration established in the Directors' Remuneration Policy 2022-2024 after the amendment approved at the Annual General Meeting held on 29 June 2022.

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With regard to the annual variable remuneration for the reporting period (2023), on 19 February 2023 the Nomination and Remuneration Committee examined the degree of achievement of the consolidated EBITDA targets indicated in the budget, which are the variables taken to determine the annual bonus of the Executive Chairman in 2023, and submitted the corresponding report to the Board of Directors in respect of that annual variable remuneration. It should be recalled at this point that according to the current Directors' Remuneration Policy 2022-2024 following the amendment approved at the Annual General Meeting of 6 June 2023, the Executive Chairman's annual bonus for 2023 was capped, in the event of over-achievement of targets, to 100% of the amount thereof (i.e. 100% of his annual fixed remuneration).

Similarly, on 19 February 2024 the Nomination and Remuneration Committee reviewed the level of achievement of the quantitative and qualitative targets to which the long-term variable remuneration for 2023 is tied, according to the Deferred Annual Bonus Scheme 2022-2024. Since 2023 is the second year of the Scheme, up to 25% of the deferred variable remuneration for the three-year period corresponds to that year, depending on the aggregate achievement of the EBIDTA and EBITDA-CAPEX targets set in the Strategic Plan 2022-2024 for 2023.

Accordingly, the sums corresponding to the Chairman of the Board of Directors (the only Director with executive duties) for the performance of executive duties in the reporting period (2023), according to his contract and the Directors' Remuneration Policy 2022-2024 and after the corresponding verifications by the Nomination and Remuneration Committee, are as follows:

- Fixed remuneration: 1,508,000 euros gross (1,500,000 euros gross of fixed cash remuneration and 8,000 euros gross in kind).

- Short-term ordinary annual variable remuneration: 1,500,000 euros gross.

- Deferred annual variable remuneration: 1,125,000 euros gross. A provision for this amount has been recognised in the annual accounts at 31 December 2023, as a provisional estimate of the deferred annual bonus corresponding to the Chairman of the Board of Directors (as executive Director and for the performance of executive duties) and it will be paid in 2025, provided that the Executive Chairman is still in the Group at that time, as explained earlier. It should be borne in mind that 25% of the variable remuneration corresponding to the three-year period was determined in 2023, the second year of the Deferred Annual Bonus Scheme 2022-2024.

In addition, during the reporting period (2023), the Executive Chairman received the sum of 1,897,670.85 euros gross as deferred annual variable remuneration for 2021, paid in 2023. A provision for that amount had been recognised in the 2021 accounts. It should be borne in mind that 50% of the variable remuneration corresponding to the three-year period was determined in 2021, the final year of the Deferred Annual Bonus Scheme 2019-2021.

B.1.2. Explain any deviation during the year from the procedure established for application of the remuneration policy.

There were no deviations in 2023 from the procedure established for application of the Directors' Remuneration Policy 2022-2024.

B.1.3. State whether any temporary exception to the remuneration policy has been applied and, if so, explain the exceptional circumstances giving rise to those exceptions, the specific components of the remuneration policy that were affected and the reasons why the company considered those exceptions necessary for the long-term interests and sustainability of the company overall or to guarantee its viability. Quantify the impact that the application of those exceptions has had on the remuneration of each director during the year.

No temporary exceptions to the Directors' Remuneration Policy 2022-2024 were applied during 2023.

B.2. Explain the different actions taken by the company regarding the remuneration system and how they have contributed to reducing excessive risk exposure, and align it with the long-term goals, values, and interests of the company, indicating what measures have been adopted to ensure that remuneration has accrued in consideration of the long-term results of the company, striking an appropriate balance between the non-variable and variable components of remuneration, what measures have been taken with respect to those categories of personnel whose professional activities have a significant impact on the company's risk profile, and what measures have been taken to avoid conflicts of interest, where necessary.

The Deferred Annual Variable Remuneration Scheme in place during the reporting period (2023), i.e. the one linked to the Strategic Plan 2022-2024, makes the payment of bonuses conditional upon meeting targets set each year and the beneficiary's continued employment in the Group at the date of payment established for those bonuses, except in cases of: (i) death or disability of the beneficiary or (ii) takeover in the Group or a similar corporate operation or any other extraordinary circumstance which may, in the Board of Directors's opinion, materially affect the Scheme.

The general conditions of the Scheme include an adjustment clause whereby the Board of Directors will adopt such resolutions as may be necessary to ensure that in any event or corporate operation or other extraordinary circumstances that might affect the calculation of deferred remuneration payable, the gross remuneration will be equivalent to the remuneration that would have been payable had that circumstance not existed.

The Scheme also includes a clawback clause whereby the Board of Directors may require the total repayment or part of any deferred bonus paid under the Scheme when it considers such amounts to have been unduly paid, either because the amounts paid under the Scheme do not correspond to the degree of fulfilment of the required targets, or because they were calculated on the basis of data subsequently proved to be misstated.

Finally, as indicated earlier, the Scheme is structured in such a way that the deferred annual bonus corresponding to any of the years within the Scheme will be paid 11 months after being determined (after checking the degree of fulfilment of the targets), so by the time they are paid, a reasonable time will have passed (approx. 14 months), enabling greater certainty as to the accuracy of the information used to calculate the bonus. The remuneration corresponding to members of the Scheme in 2023 will thus be paid in 2025, provided they are still employed in the Ebro Group.

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B.3. Explain how the remuneration accrued and vested during the year complies with the provisions of the current remuneration policy and, in particular, how it contributes to the company's long-term sustainable profitability.

Describe the relationship between the remuneration received by the directors and the earnings or other short and long-term performance indicators of the company explaining, where appropriate, how any variations in the company's performance may have had a bearing on the variation in directors' remuneration, including any deferred remuneration, and how they contribute to the short and long-term results of the company.

As explained elsewhere in this Report, the remuneration of the Directors for their duties as such is set by the General Meeting of Shareholders, so the General Meeting must assess the remuneration proposed in view of the performance of the Company and its Group.

The variable remuneration (both ordinary and deferred) of the Chairman of the Board of Directors as Executive Director, for his executive duties, is tied to the development of the Group's business, being determined in view of the level of achievement of the targets set (linked to the future targets of the Group), as indicated in this Report and in the Directors' Remuneration Policy.

In the reporting year (2023), the Directors' Remuneration Policy 2022-2024 expressly contemplated both principles.

It should be noted in particular that the variable remuneration of the Executive Chairman (the only Director with executive duties) for his executive duties is tied to the achievement of quantitative and qualitative targets. This is designed to link his remuneration to the short and long-term development of the Company. So through achievement of the financial targets set for each year (either in the budget, for the annual variable remuneration, or in the Strategic Plan 2022-2024, for the remuneration received by virtue of his participation in the Deferred Annual Bonus Scheme), the remuneration of the Executive Chairman is tied to the evolution of the Group's results.

B.4. Report on the results of the advisory vote by the general meeting on the annual report on remuneration of the previous year, indicating the number of abstentions, blank votes and votes for and against.

	Number	% total
Votes cast	127,788,065	83.05

	Number	% votes cast
Votes against	16,767,619	13.12
Votes for	95,042,356	74.38
Blank votes	2,194	0.00
Abstentions	15,975,896	12.50

Comments

B.5. Explain how the fixed components accrued and vested during the year by the directors for their duties as such were determined, their relative proportion for each director and how they have varied in respect of the previous year.

As explained earlier, the fixed remuneration of the Directors for their duties as such is set by the General Meeting, following assessment and a proposal by the Nomination and Remuneration Committee and the Board of Directors.

The proposal by the Nomination and Remuneration Committee and the Board of Directors generally takes into account the economic situation of the Group and the development of its business, as well as the number of Board members (being a collective remuneration for all the Directors for their duties as such).

Accordingly, the Annual General Meeting held on 6 June 2023 resolved to set the collective remuneration of all the Directors for their duties as such for 2022 at 2,850,000 euros gross p.a..

With regard to the remuneration for 2023, the Board of Directors resolved on 29 February 2024, at the proposal of the Nomination and Remuneration Committee, to table a motion at the Annual General Meeting in June 2024 to maintain the collective fixed remuneration for the Directors for their duties as such at 2,850,000 euros gross.

That sum was distributed among the individual Directors (for 2022) and will be distributed (for 2023) on the basis of the points system explained in section A.1.3 of this Report and in the Directors' Remuneration Policy 2022-2024.

B.6. Explain how the salaries accrued and vested by each of the executive directors for their management duties was determined in the reporting period and how they have varied in respect of the previous year.

In 2023 (the reporting period), the fixed cash remuneration of the Executive Chairman (the only Director with executive duties) for the performance of executive duties is specified in his contract. As indicated in the Directors' Remuneration Policy 2022-2024, the fixed cash remuneration for 2023 was 1,500,000 euros gross.

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This is the same amount he received in the previous year (2022).

The amounts of variable remuneration in 2023 (both ordinary and deferred) are determined by the Nomination and Remuneration Committee, which checks the level of achievement of the targets to which that variable remuneration is tied and submits a proposal to the Board of Directors. In this regard, the variable remuneration corresponding to the Executive Chairman for 2023 were:

- 1,500,000 euros gross in annual variable remuneration (having applied the cap thereon for over-achievement of the applicable targets), this being the same amount that was accrued in 2022; and

- 1,125,000 euros gross in deferred annual remuneration for 2023 (the same amount as in 2022). A provision for this amount has been recognised in the annual accounts 2023 as a provisional estimate of the deferred annual bonus corresponding to the Chairman of the Board of Directors (as executive Director and for the performance of executive duties) and it will be paid in 2025. It should be borne in mind that in accordance with the Deferred Annual Bonus Scheme, 25% of the variable remuneration corresponding to the three-year period accrued in 2023 (the second year of the Scheme).

In accordance with the Deferred Annual Bonus Scheme and the collection criteria applicable to the sums accruing thereunder, in 2023 the Executive Chairman received the sum accrued in 2021 for his participation in the previous Deferred Annual Bonus Scheme 2019-2021: 1,897,670.85 euros gross. It should be remembered here that, in accordance with the previous Deferred Annual Bonus Scheme tied to the Strategic Plan 2019-2021, in 2023 he received the amount corresponding to the final year of the previous Scheme: 50% of the variable remuneration for the three-year period 2019-2021.

B.7. Explain the nature and main features of the variable components of the remuneration schemes accrued and vested during the reporting period.

In particular:

a) Identify each of the remuneration schemes that determined the variable remunerations accrued by each of the directors during the reporting period, including information on the scope, date of approval, date of implementation, vesting conditions if any, accrual and effective periods, criteria used to assess performance and the effect they had on the setting of the variable amount accrued, as well as the measurement criteria used and the time necessary to be in a position to measure adequately all the conditions and criteria stipulated. Include a detailed explanation of the criteria and factors applied with regard to the required time and the methods for checking that the performance and any other requirements on which the accrual and vesting of each component of the variable remuneration was conditional were actually met.

b) In the case of stock options and other financial instruments, the general features of each scheme shall include information on the conditions for acquiring unconditional rights (vesting) and exercising those options or financial instruments, including the price and time for exercise.

c) Each of the directors and their category (executive directors, non-executive proprietary directors, non-executive independent directors and other non-executive directors) who are beneficiaries of remuneration systems or schemes that include variable remuneration.

d) If applicable, provide information on any payment deferral periods established that have been applied and/or the periods for retaining/not disposing of shares or other financial instruments, if any.

Explain the short-term variable components of the remuneration schemes:

Variable remuneration (short and long-term) for the performance of executive duties corresponds exclusively to the Chairman of the Board of Directors, the only Director performing executive duties, on the terms set out elsewhere in this report.

The ordinary annual variable remuneration established in the executive Director's contract is proportionate to the level of achievement of the targets set for each year by the Board of Directors, based on a proposal by the Nomination and Remuneration Committee. As established in the Directors' Remuneration Policy 2022-2024, accrual of the Executive Chairman's annual bonus for the reporting year (2023) is tied to the level of achievement of the Group's targets for consolidated EBITDA (with a weight of 80%) and ROCE (with a weight of 20%) set in the 2023 budget. See in this regard section A.1.6 of this Report.

Once the results of the preceding year are available (normally in February of the following year) the Nomination and Remuneration Committee checks the level of achievement of the target, which is taken as the basis for determining the annual variable remuneration, if any, payable to the Executive Chairman.

The annual variable remuneration of the Executive Chairman is monetary.

Neither the Executive Chairman nor any Director participates in stock option schemes or similar schemes in respect of other financial instruments.

Explain the long-term variable components of the remuneration schemes:

Only the Executive Chairman, the only Director with executive duties, receives a long-term annual variable remuneration.

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That long-term variable remuneration derives from the participation of the Executive Chairman, together with the senior executives of the Group, in the Deferred Annual Bonus Scheme (which is in turn tied to the three-year Strategic Plan in place from time to time).

The payment of bonuses is conditional upon meeting the targets set each year by the Remuneration Scheme and the beneficiary's continued employment in the Group at the date of payment established for those bonuses, except in cases of: (i) death or disability of the beneficiary or (ii) takeover in the Group or a similar corporate operation, or any other extraordinary circumstance which may, in the Board's opinion, materially affect the Scheme.

The targets to which the long-term bonus is tied are those identified in the Scheme for each year of the three-year period 2022-2024. A more detailed explanation is given in section A.1.6 of this Report.

Bonuses are paid 11 months after being determined (after checking the degree of achievement of the targets), so by the time they are paid, more than one year has passed since the end of the year to which the bonus corresponds.

Once the results of the preceding year are available, the Nomination and Remuneration Committee checks the degree of achievement of the quantitative targets taken as the basis for determining the remuneration corresponding to each year of the Scheme. Regarding the qualitative aspects, to which the long-term bonus is tied, the assessment by the Nomination and Remuneration Committee is made following reports by the Strategy and Investment Committee and the Audit, Control and Sustainability Committee, on the terms indicated in this Report.

B.8. Indicate whether certain variable components accrued have been adjusted downward after deferral of the payment of non-vested amounts, or repayment has been claimed after vesting and payment of those components, in view of information subsequently found to be inaccurate. State the amounts reduced or repaid by application of the malus and clawback clauses, why these clauses were enforced and the years to which they correspond.

No such circumstances have existed.

B.9. Explain the main features of the long-term savings schemes, the amount or equivalent annual cost of which is indicated in the tables in Section C, including retirement and any other survival benefit, wholly or partially financed by the company with internal or external funds, stating the type of scheme, whether it is defined-contribution or defined-benefit, the contingencies it covers, the conditions for the vesting of economic rights in favour of the directors and the compatibility thereof with any kind of termination benefit payable upon interruption of the contractual relationship between the company and the director.

There are no such schemes.

B.10. State any compensations or other kind of payment accrued and/or received by directors during the reporting period upon termination of their contracts, at the initiative of the company or the director, early or at the end of the specified term.

No compensation has been arranged or paid for termination of Directors' duties (to Directors for their duties as such or executive Directors for their executive duties).

B.11. State whether there have been any significant modifications in the contracts of senior executives or executive directors and explain those changes, if any. Explain the main terms and conditions of the new contracts signed with executive directors during the reporting period, unless they have been explained in section A.1.

As resolved by the Board of Directors on 27 February 2023 at the proposal of the Nomination and Remuneration Committee (in response to a proposal submitted by the Executive Chairman), the annual variable remuneration of the Executive Chairman was capped at 100% of his fixed remuneration in the event of over-achievement of targets (as opposed to the 150% cap applicable prior to that), with effect from 1 January 2022 (i.e. being applicable immediately to the short-term bonus for 2022, determined in 2023).

That modification of the conditions applicable to the Executive Chairman's annual variable remuneration gave rise to the consequent amendment of the Directors' Remuneration Policy 2022-2024, which was approved at the Annual General Meeting held on 6 June 2023.

B.12. Explain any supplementary remuneration accrued by directors in consideration for services rendered other than those corresponding to their office as such.

As explained earlier, no supplementary remuneration is earned by the Directors (for their duties as such or for executive duties) in consideration for services rendered other than those corresponding to their office or, exclusively with regard to the Executive Chairman, to the performance of executive duties. However, as also mentioned earlier (see section A.1.12 of this Report), the Executive Chairman received in 2023 annual attendance fees as a Director of a Company in the Pastificio Lucio Garofalo S.p.A. Group (a position he no longer has in 2024) and Riso Scotti, S.p.A., an associate that is not part of the Group.

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B.13. Explain any remuneration deriving from advances, loans or guarantees granted, indicating the interest rate, the essential terms and conditions and the amounts repaid, if any, as well as any obligations assumed on their behalf through guarantees.

Neither the company nor any other companies in the Group have granted any loans, advances or guarantees to members of the Board of Directors (to the Directors for their duties as such or the executive Directors for the performance of executive duties) or contracted any obligations on their behalf through guarantees or bonds.

B.14. Describe the remuneration in kind accrued by directors during the year, including a brief explanation of the nature of the different remuneration components.

As explained earlier (see sections A.1.4 and A.1.5 of this Report), only the Chairman of the Board of Directors, as the only executive Director with executive duties, receives remuneration in kind, consisting of the private use made of the Company car allocated to him. The value of the remuneration in kind for the reporting year (2023), valued at 8,000 euros, is included within the fixed remuneration of the executive Director accrued in 2023.

In addition, the Company has a Flexible Remuneration Scheme, through which it is possible to design the composition of remuneration of the executives included in the Scheme (including the Chairman of the Board of Directors), so that they may receive part of that remuneration in the form of products and services previously selected by the Company. The value of those products and services is deducted from the gross salary of the executive, who is allocated in lieu the corresponding income in kind. These products and services include group medical insurance, housing rental, nursery, vehicle hire/lease and employee training.

Therefore, these items do not entail additional remuneration to that received in cash, since the amounts paid by the Company to the corresponding service providers are deducted from the beneficiary’s cash remuneration.

B.15. Explain the remuneration accrued by the director by virtue of the payments made by the listed company to a third entity to which the director renders services, when those payments are intended to remunerate said director’s services in that company.

No payments of this nature have been made.

B.16. Explain and provide details of the amounts accrued during the year in connection with any item of remuneration other than those listed above, of whatever nature and provenance within the group, including all benefits in whatsoever form, such as when it is considered a related party transaction or when it may distort the true and fair view of the total remuneration accrued by the director. The amount awarded or pending payment, the nature of the payment received and the reasons, where appropriate, why it has been considered not to form part of the director’s remuneration, for their duties as such or for executive duties, and whether or not it has been considered appropriate to include it within the amounts accrued as “other items” in section C.

As explained earlier, there are no remunerations other than those listed above, without prejudice to the fees received by the Chairman of the Board of Directors as Director of Pastificio Lucio Garofalo, S.p.A. (a subsidiary of the Ebro Foods Group), of 5,000 euros gross in 2023. As also mentioned earlier, the Chairman of the Board of Directors will no longer receive attendance fees from that subsidiary this year (2024).

It is also put on record that during 2023 the Chairman of the Board of Directors also received Directorship fees from Riso Scotti, S.p.A. in a sum of 5,200 euros gross. As indicated in Article A.1, point 12, above, Riso Scotti, S.p.A. is an associate and does not form part of the Ebro Foods Group.

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

C. DETAILS OF INDIVIDUAL REMUNERATION ACCRUED BY EACH DIRECTOR

Name	Type	Accrual period 2023
ANTONIO HERNÁNDEZ CALLEJAS	Executive Chairman	From 01/01/2023 to 31/12/2023
DEMETRIO CARCELLER ARCE	Proprietary Vice-Chairman	From 01/01/2023 to 31/12/2023
BELÉN BARREIRO PÉREZ-PARDO	Independent Director	From 01/01/2023 to 31/12/2023
MARÍA CARCELLER ARCE	Proprietary Director	From 01/01/2023 to 31/12/2023
FERNANDO CASTELLÓ CLEMENTE	Independent Director	From 01/01/2023 to 31/12/2023
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	Proprietary Director	From 01/01/2023 to 31/12/2023
CORPORACIÓN FINANCIERA ALBA, S.A.	Proprietary Director	From 01/01/2023 to 31/12/2023
MERCEDES COSTA GARCÍA	Independent Director	From 01/01/2023 to 31/12/2023
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Proprietary Director	From 01/01/2023 to 31/12/2023
JAVIER FERNÁNDEZ ALONSO	Proprietary Director	From 29/07/2023 to 31/12/2023
GRUPO TRADIFÍN, S.L.	Proprietary Director	From 01/01/2023 to 31/12/2023
HERCALIANZ INVESTING GROUP, S.L.	Executive Director	From 01/01/2023 to 31/12/2023
MARC THOMAS MURTRA MILLAR	Independent Director	From 31/01/2023 to 31/12/2023
JORDI XUCLÀ COSTA	Independent Director	From 30/03/2023 to 31/12/2023

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

C.1. Complete the following tables regarding the individual remuneration of each of the directors (including the remuneration for executive duties) accrued during the financial year.

a) Remuneration accrued in the reporting company:

i) Remuneration in cash (thousand euros)

Name	Fixed remuneration	Attendance fees	Remuneration as members of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Termination benefits	Other items	Total 2023	Total 2022
ANTONIO HERNÁNDEZ CALLEJAS	238	22	146	1,508	1,500	1,898			5,312	4,483
DEMETRIO CARCELLER ARCE	179	26	183						388	396
BELÉN BARREIRO PÉREZ-PARDO	119	22	35						176	177
MARÍA CARCELLER ARCE	119	18							137	140
FERNANDO CASTELLÓ CLEMENTE	119	30	82						231	221
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	119	19	27						165	169
CORPORACIÓN FINANCIERA ALBA, S.A.	119	18							137	140
MERCEDES COSTA GARCÍA	119	30	74						223	220
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	119	18							137	140
JAVIER FERNÁNDEZ ALONSO	119	29	186						334	333
GRUPO TRADIFÍN, S.L.	119	30	74						223	215
HERCALIANZ INVESTING GROUP, S.L.	119	19	27						165	169
MARC THOMAS MURTRA MILLAR	119	27	170						316	301
JORDI XUCLÀ COSTA	119	18							137	115

Comments

The total remuneration of the Directors in 2023 amounted to 8,079,680 euros gross, rounded off to 8,080 thousand euros. This total sum in thousands differs from the amount indicated in the table as a result of the rounding off to thousands of the individual remuneration of each Director.

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

ii) Table of changes in share-based remuneration schemes and gross earnings on the vested shares or financial instruments.

Name	Name of Scheme	Financial instruments at beginning of 2023		Financial instruments awarded during 2023		Financial instruments vested during the year				Instruments mature and not exercised	Financial instruments at end of 2023	
		No. instruments	Equivalent shares	No. instruments	Equivalent shares	No. instruments	Equivalent/ vested shares	Price of vested shares	Gross earnings on vested shares or financial instruments (€ thousand)	No. instruments	No. instruments	Equivalent shares
ANTONIO HERNÁNDEZ CALLEJAS	Scheme							0.00				
DEMETRIO CARCELLER ARCE	Scheme							0.00				
BELÉN BARREIRO PÉREZ-PARDO	Scheme							0.00				
MARÍA CARCELLER ARCE	Scheme							0.00				
FERNANDO CASTELLÓ CLEMENTE	Scheme							0.00				
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	Scheme							0.00				
CORPORACIÓN FINANCIERA ALBA, S.A.	Scheme							0.00				
MERCEDES COSTA GARCÍA	Scheme							0.00				
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Scheme							0.00				
JAVIER FERNÁNDEZ ALONSO	Scheme							0.00				

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

Name	Name of Scheme	Financial instruments at beginning of 2023		Financial instruments awarded during 2023		Financial instruments vested during the year				Instruments mature and not exercised	Financial instruments at end of 2023	
		No. instruments	Equivalent shares	No. instruments	Equivalent shares	No. instruments	Equivalent/ vested shares	Price of vested shares	Gross earnings on vested shares or financial instruments (€ thousand)	No. instruments	No. instruments	Equivalent shares
GRUPO TRADIFÍN, S.L.	Scheme							0.00				
HERCALIANZ INVESTING GROUP, S.L.	Scheme							0.00				
MARC THOMAS MURTRA MILLAR	Scheme							0.00				
JORDI XUCLÀ COSTA	Scheme							0.00				

Comments

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

iii) Long-term savings schemes

Name	Remuneration from vesting of rights in savings schemes
ANTONIO HERNÁNDEZ CALLEJAS	
DEMETRIO CARCELLER ARCE	
BELÉN BARREIRO PÉREZ-PARDO	
MARÍA CARCELLER ARCE	
FERNANDO CASTELLÓ CLEMENTE	
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	
CORPORACIÓN FINANCIERA ALBA, S.A.	
MERCEDES COSTA GARCÍA	
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	
JAVIER FERNÁNDEZ ALONSO	
GRUPO TRADIFÍN, S.L.	
HERCALIANZ INVESTING GROUP, S.L.	
MARC THOMAS MURTRA MILLAR	
JORDI XUCLÀ COSTA	

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

Name	Contribution by company during the year (€ thousand)				Accumulated amount of funds (€ thousand)			
	Savings schemes with economic rights vested		Savings schemes with economic rights not vested		Savings schemes with economic rights vested		Savings schemes with economic rights not vested	
	2023	2022	2023	2022	2023	2022	2023	2022
ANTONIO HERNÁNDEZ CALLEJAS								
DEMETRIO CARCELLER ARCE								
BELÉN BARREIRO PÉREZ-PARDO								
MARÍA CARCELLER ARCE								
FERNANDO CASTELLÓ CLEMENTE								
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL								
CORPORACIÓN FINANCIERA ALBA, S.A.								
MERCEDES COSTA GARCÍA								
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.								
JAVIER FERNÁNDEZ ALONSO								

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

Name	Contribution by company during the year (€ thousand)				Accumulated amount of funds (€ thousand)			
	Savings schemes with economic rights vested		Savings schemes with economic rights not vested		Savings schemes with economic rights vested		Savings schemes with economic rights not vested	
	2023	2022	2023	2022	2023	2022	2023	2022
GRUPO TRADIFÍN, S.L.								
HERCALIANZ INVESTING GROUP, S.L.								
MARC THOMAS MURTRA MILLAR								
JORDI XUCLÀ COSTA								

Comments

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iv) Details of other items

Name	Item	Amount
ANTONIO HERNÁNDEZ CALLEJAS	Item	
DEMETRIO CARCELLER ARCE	Item	
BELÉN BARREIRO PÉREZ-PARDO	Item	
MARÍA CARCELLER ARCE	Item	
FERNANDO CASTELLÓ CLEMENTE	Item	
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	Item	
CORPORACIÓN FINANCIERA ALBA, S.A.	Item	
MERCEDES COSTA GARCÍA	Item	
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Item	
JAVIER FERNÁNDEZ ALONSO	Item	
GRUPO TRADIFÍN, S.L.	Item	
HERCALIANZ INVESTING GROUP, S.L.	Item	
MARC THOMAS MURTRA MILLAR	Item	
JORDI XUCLÀ COSTA	Item	

Comments

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

b) Remuneration of directors of the company for directorships in other group companies:

i) Remuneration accrued in cash (€ thousand)

Name	Fixed remuneration	Attendance fees	Remuneration as members of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Termination benefits	Other items	Total 2023	Total 2022
ANTONIO HERNÁNDEZ CALLEJAS		5							5	5
DEMETRIO CARCELLER ARCE										
BELÉN BARREIRO PÉREZ-PARDO										
MARÍA CARCELLER ARCE										
FERNANDO CASTELLÓ CLEMENTE										
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL										
CORPORACIÓN FINANCIERA ALBA, S.A.										
MERCEDES COSTA GARCÍA										
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.										
JAVIER FERNÁNDEZ ALONSO										
GRUPO TRADIFÍN, S.L.										
HERCALIANZ INVESTING GROUP, S.L.										
MARC THOMAS MURTRA MILLAR										
JORDI XUCLÀ COSTA										

Comments

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

ii) Table of changes in share-based remuneration schemes and gross earnings on the shares or financial instruments vested.

Name	Name of Scheme	Financial instruments at beginning of 2023		Financial instruments awarded during 2023		Financial instruments vested during the year				Instruments mature and not exercised	Financial instruments at end of 2023	
		No. instruments	Equivalent shares	No. instruments	Equivalent shares	No. instruments	Equivalent/ vested shares	Price of vested shares	Gross earnings on shares or financial instruments vested (€ thousand)	No. instruments	No. instruments	Equivalent shares
ANTONIO HERNÁNDEZ CALLEJAS	Scheme							0.00				
DEMETRIO CARCELLER ARCE	Scheme							0.00				
BELÉN BARREIRO PÉREZ-PARDO	Scheme							0.00				
MARÍA CARCELLER ARCE	Scheme							0.00				
FERNANDO CASTELLÓ CLEMENTE	Scheme							0.00				
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	Scheme							0.00				
CORPORACIÓN FINANCIERA ALBA, S.A.	Scheme							0.00				
MERCEDES COSTA GARCÍA	Scheme							0.00				
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Scheme							0.00				
JAVIER FERNÁNDEZ ALONSO	Scheme							0.00				
GRUPO TRADIFÍN, S.L.	Scheme							0.00				
HERCALIANZ INVESTING GROUP, S.L.	Scheme							0.00				
MARC THOMAS MURTRA MILLAR	Scheme							0.00				
JORDI XUCLÀ COSTA	Scheme							0.00				

Comments

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

iii) Long-term savings schemes

Name	Remuneration from vesting of rights in savings schemes
ANTONIO HERNÁNDEZ CALLEJAS	
DEMETRIO CARCELLER ARCE	
BELÉN BARREIRO PÉREZ-PARDO	
MARÍA CARCELLER ARCE	
FERNANDO CASTELLÓ CLEMENTE	
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	
CORPORACIÓN FINANCIERA ALBA, S.A.	
MERCEDES COSTA GARCÍA	
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	
JAVIER FERNÁNDEZ ALONSO	
GRUPO TRADIFÍN, S.L.	
HERCALIANZ INVESTING GROUP, S.L.	
MARC THOMAS MURTRA MILLAR	
JORDI XUCLÀ COSTA	

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

Name	Contribution by company during the year (€ thousand				Accumulated amount of funds (€ thousand)			
	Savings schemes with economic rights vested		Savings schemes with economic rights not vested		Savings schemes with economic rights vested		Savings schemes with economic rights not vested	
	2023	2022	2023	2022	2023	2022	2023	2022
ANTONIO HERNÁNDEZ CALLEJAS								
DEMETRIO CARCELLER ARCE								
BELÉN BARREIRO PÉREZ-PARDO								
MARÍA CARCELLER ARCE								
FERNANDO CASTELLÓ CLEMENTE								
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL								
CORPORACIÓN FINANCIERA ALBA, S.A.								
MERCEDES COSTA GARCÍA								
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.								
JAVIER FERNÁNDEZ ALONSO								
GRUPO TRADIFÍN, S.L.								
HERCALIANZ INVESTING GROUP, S.L.								
MARC THOMAS MURTRA MILLAR								
JORDI XUCLÀ COSTA								

Comments

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS
OF LISTED COMPANIES

iv) Details of other items

Name	Item	Amount
ANTONIO HERNÁNDEZ CALLEJAS	Item	
DEMETRIO CARCELLER ARCE	Item	
BELÉN BARREIRO PÉREZ-PARDO	Item	
MARÍA CARCELLER ARCE	Item	
FERNANDO CASTELLÓ CLEMENTE	Item	
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	Item	
CORPORACIÓN FINANCIERA ALBA, S.A.	Item	
MERCEDES COSTA GARCÍA	Item	
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Item	
JAVIER FERNÁNDEZ ALONSO	Item	
GRUPO TRADIFÍN, S.L.	Item	
HERCALIANZ INVESTING GROUP, S.L.	Item	
MARC THOMAS MURTRA MILLAR	Item	
JORDI XUCLÀ COSTA	Item	

Comments

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c) Summary of remunerations (thousand euros):

Include in the summary the amounts corresponding to all items of remuneration included in this report that have been accrued by the directors, in thousand euros.

	Remuneration accrued in the Company					Remuneration accrued in Group companies					
Name	Total cash remuneration	Gross earnings on shares or financial instruments vested	Remuneration from savings schemes	Remuneration for other items	Total 2023 company	Total cash remuneration	Gross earnings on shares or financial instruments vested	Remuneration from savings schemes	Remuneration for other items	Total 2023 group	Total 2023 company + group
ANTONIO HERNÁNDEZ CALLEJAS	5,312				5,312	5				5	5,317
DEMETRIO CARCELLER ARCE	388				388						388
BELÉN BARREIRO PÉREZ-PARDO	176				176						176
MARÍA CARCELLER ARCE	137				137						137
FERNANDO CASTELLÓ CLEMENTE	231				231						231
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	165				165						165
CORPORACIÓN FINANCIERA ALBA, S.A.	137				137						137
MERCEDES COSTA GARCÍA	223				223						223
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	137				137						137
JAVIER FERNÁNDEZ ALONSO	334				334						334
GRUPO TRADIFÍN, S.L.	223				223						223
HERCALIANZ INVESTING GROUP, S.L.	165				165						165
MARC THOMAS MURTRA MILLAR	316				316						316
JORDI XUCLÀ COSTA	137				137						137
TOTAL	8,081				8,081	5				5	8,086

Comments

The total remuneration of Directors accrued in the Company in 2023 was 8,079,680 euros gross, rounded off to 8,080 thousand euros. This differs from the amount indicated in the table as a result of the rounding off to thousands of the individual remuneration of each Director.

The total remuneration accrued by the Directors in the Company plus the Group in 2023 was 8,084,680 euros gross, rounded off to 8,085 thousand euros. This differs from the amount indicated in the table as a result of the rounding off to thousands of the individual remuneration of each Director.

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C.2. Indicate the evolution over the past 5 years of the amount and percentage variation of the remuneration accrued by each of the directors who were directors of the listed company during the year, the consolidated earnings of the company and the average remuneration on a base equivalent to full time of the employees of the company and Group companies who are not directors of the listed company.

	Total amounts accrued and % annual variation								
	2023	% Variation 2023/2022	2022	% Variation 2022/2021	2021	% Variation 2021/2020	2020	% Variation 2020/2019	2019
Executive directors									
ANTONIO HERNÁNDEZ CALLEJAS	5,317	18.47	4,488	1.72	4,412	6.13	4,157	36.21	3,052
HERCALIANZ INVESTING GROUP, S.L.	165	-2.37	169	2.42	165	-4.07	172	1.18	170
Non-executive directors									
DEMETRIO CARCELLER ARCE	388	-2.02	396	1.80	389	-2.75	400	-0.25	401
BELÉN BARREIRO PÉREZ- PARDO	176	-0.56	177	0.57	176	-2.22	180	1.12	178
MARÍA CARCELLER ARCE	137	-2.14	140	0.72	139	-3.47	144	5.11	137
FERNANDO CASTELLÓ CLEMENTE	231	4.52	221	-1.34	224	0.00	224	-0.88	226
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	165	-2.37	169	2.42	165	-4.07	172	1.18	170
CORPORACIÓN FINANCIERA ALBA, S.A.	137	-2.14	140	0.72	139	-45.91	257	-23.28	335
MERCEDES COSTA GARCÍA	223	1.36	220	-2.65	226	0.00	226	0.44	225
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	137	-2.14	140	0.72	139	-3.47	144	5.11	137
JAVIER FERNÁNDEZ ALONSO	334	0.30	333	-0.30	334	138.57	140	-	0
GRUPO TRADIFIN, S.L.	223	3.72	215	-1.38	218	-0.91	220	-0.92	218
MARC THOMAS MURTRA MILLAR	316	4.98	301	-	0	-	0	-	0
JORDI XUCLÀ COSTA	137	19.13	115	-	0	-	0	-	0
Consolidated earnings of the company									
	186,964	53.18	122,059	-48.85	238,629	24.02	192,415	35.74	141,752
Average remuneration of employees									
	43,681	2.16	42,759	3.39	41,356	-3.71	42,948	1.63	42,261

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

Comments
See Explanatory Note in section D of this Report regarding the classification of Hercalianz Investing Group, S.L. as an executive Director.

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

D. OTHER INFORMATION OF INTEREST

If there are any material aspects relating to directors' remuneration that could not be disclosed in other sections of this report but that are necessary to provide a more comprehensive and fully reasoned picture of the remuneration structure and practices for the company's directors, describe them briefly.

CONTINUATION OF SECTION A.1.1 OF THIS REPORT

The principles behind the Directors' Remuneration Policy 2022-2024 are set out in section 3 thereof. Based on those principle, in the Directors' Remuneration Policy 2022-2024, the Directors' remuneration for this year (2024) is structured as follows:

a) All the Directors, as such, receive the fixed remuneration established each year by the General Meeting. The relevant proposal submitted by the Board of Directors to the Annual General Meeting will take account of the importance of the Company and its economic situation. Pursuant to Article 22 of the Articles of Association regarding Directors' remuneration, it is up to the General Meeting to set the annual fixed sum to be received by all the Directors, for their duties as such. Then, following a report by the Nomination and Remuneration Committee, the Board of Directors establishes the individual remuneration of each Director for their duties as such, taking into account the positions held by the Directors on the Board of Directors, their membership of Board Committees and any other objective circumstances that the Board of Directors may consider appropriate, within the framework of the Articles of Association and the Remuneration Policy. The Board of Directors will also decide on the timing of payments. For this purpose, a points system has been established in the terms described hereinbelow.

The Directors also receive, for their duties as such, fees for attending the meetings of the Board and any Board Committees they are on. The amount of those fees is also set by the General Meeting and remains in force until amended.

b) Non-executive Directors do not receive any variable remuneration based on the profits of the Company or Group.

c) The executive Directors (only the Executive Chairman for his executive duties), just like the other senior executives of the Group, also receive an annual remuneration for their executive duties according to the terms of their respective contracts. The remuneration structure of executive Directors (and other senior executives in the Group) includes the following components:

- annual fixed remuneration;
- short-term variable remuneration;
- deferred annual variable remuneration, linked to the Strategic Plan 2022-2024, as explained in this Report.

The fixed remuneration is the remuneration established in the corresponding contract signed between the Company and the Executive Committee. With regard to the variable remunerations, both short-term annual and deferred annual, the Nomination and Remuneration Committee rates each year the degree of achievement of the targets to which they are linked (established in the Remuneration Policy 2022-2024), taking account of any reports submitted by other Committees, and submits the corresponding proposal and report to the Board of Director in respect of the individual remuneration of the Executive Director in that year.

For this year (2024):

- The annual variable remuneration of the Executive Chairman (the only executive Director with executive duties) will be determined according to the level of achievement of the EBITDA (80%) and ROCE (20%) targets established in the consolidated annual budget 2024. That annual variable remuneration will be capped, in the event of over-achievement of targets, at 100% of the annual fixed remuneration.

- The deferred annual variable remuneration of the Executive Chairman will be determined according to: (i) the level of achievement of the EBITDA (80%) and EBITDA-CAPEX (20%) targets established for 2024 in the Group's consolidated Strategic Plan 2022-2024; (ii) the level of achievement of the aggregate consolidated EBITDA target for the three-year period established in the consolidated Strategic Plan 2022-2024; (iii) the level of achievement of the non-financial targets established for the three-year period; and (iv) the qualitative assessment of overall fulfilment of the Strategic Plan 2022-2024. In 2024, if the targets are achieved in the terms established in the Policy, a deferred annual bonus will accrue of up to 50% of the total remuneration subject to the Long-Term Incentive Plan, capped at 100% in the event of over-achievement of targets. The distribution of that percentage among the targets indicated is as follows:

--- Level of achievement of the EBITDA (80%) and EBITDA-CAPEX (20%) targets established for 2024 in the Group's consolidated Strategic Plan 2022-2024: 25%;

--- Level of achievement of the aggregate consolidated EBITDA target for the three-year period established in the consolidated Strategic Plan 2022-2024: 12.5%:

--- Level of achievement of the non-financial targets established for the three-year period: 6.25%: and

--- Qualitative assessment of overall fulfilment of the Strategic Plan 2022-2024: 6.25%.

The current Directors' Remuneration Policy 2022-2024 does not contemplate the application of any temporary exceptions.

EXPLANATORY NOTE REGARDING THE CLASSIFICATION OF HERCALIANZ INVESTING GROUP, S.L. AS EXECUTIVE DIRECTOR

As mentioned throughout this Report, although Hercalianz Investing Group, S.L. is classified as an Executive Director, it has never performed executive duties in Ebro Foods, S.A. or any subsidiary of the Ebro Group, so has never received and does not receive any remuneration as such.

Hercalianz Investing Group, S.L. has been classified as an Executive Director because its representative on the Board of Directors of Ebro Foods, S.A. (pursuant to section 212 bis of the Corporate Enterprises Act) is an executive and Director of several subsidiaries of the Ebro Group.

This annual remuneration report was approved by the board of directors of the company at its meeting on:

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

22/03/2024

State whether any directors voted against or abstained in connection with the approval of this Report.

[√] Yes
[] No

Name of board member (s) who did not vote for approval of this report	Reasons (against, abstention, non-attendance)	Explain the reasons
Jordi Xuclá Costa	Abstention	Jordi Xuclà Costa, proprietary director for Alimentos y Aceites, S.A. abstained in the Board of Directors vote on this Report, declaring that the vote to be cast by SEPI, as shareholder of Ebro Foods, S.A. is determined by the Board of Directors of SEPI (as controlling shareholder of Alimentos y Aceites, S.A.).

The English version of this document is purely informative.
In the event of any discrepancy between the Spanish and English versions of this document, the Spanish version will prevail.

Auditor’s Report Consolidated Annual Accounts

Building a better working world

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AUDIT REPORT ON THE CONSOLIDATED FNANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails.

To the shareholders of EBRO FOODS, S.A.:

Report on the consolidated financial statements

Opinion

We have audited the consolidated financial statements of EBRO FOODS, S.A. (the parent) and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2023, the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement, and the notes thereto, for the year then ended.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of consolidated equity and the consolidated financial position of the Group as at 31 December 2023, and of its financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union (IFRS-EU), and other provisions in the financial reporting framework applicable in Spain.

Basis of the opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report.

We are independent of the Group in accordance with the ethical requirements, including those related to independence, which are applicable to our audit of the consolidated financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned regulations.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of goodwill, other intangible assets, and property, plant and equipment.	
Description	At 31 December 2023, the Group recorded goodwill, other intangible assets (primarily brands), and property, plant and equipment for a carrying amount of 798,377 thousand euros, 425,095 thousand euros, and 854,035 thousand euros, respectively, under "Goodwill", "Intangible assets", and "Property, plant and equipment" on the consolidated statement of financial position. At least once a year, Group management analyses the recoverable amounts of each significant cash-generating unit (CGU). The goal of this analysis is to determine whether it is necessary to recognize an impairment loss against the goodwill associated with these CGUs or against any other intangible asset or PP&E belonging to them. For purposes of this analysis, Group management determines, in collaboration with an independent expert, the impairment tests using the cash flow method at a risk-free rate. Since determining the recoverable amount requires the use of complex estimates, for which Group management must make judgments to establish the assumptions underlying those estimates, and due to the significance of the amounts involved, we determined this to be a key audit matter. The information on the applicable measurement standards and key assumptions for determining the impairment loss on the abovementioned assets and the related disclosures are provided in notes 3, 15, 8, and 9 to the consolidated financial statements.
Our response	Our audit procedures related to this matter included: ► Understanding the process designed by Group management to determine whether there are indications of impairment as well as the recoverable amount of goodwill, other intangible assets, and property, plant and equipment, in addition to assessing the design and implementation of the related relevant controls. ► Reviewing the methodology used by the independent expert engaged by Group management to determine the recoverable amount, with the involvement of our valuation specialists, paying particular attention to the methodology's mathematical coherence and the reasonableness of the cash flow projections of each material CGU, discount rates, and long-term growth rates. ► Reviewing the projected financial information in each CGU's business plan by understanding and analysing historical and budgetary financial information, the CGU's business, its operating markets, and other information provided by parent company management. ► Assessing the sensibility of the analyses used to evaluate changes in the main assumptions used.

- Reviewing the disclosures made in the notes to the consolidated financial statements and assessing whether they are in conformity with the applicable financial reporting framework.

Revenue recognition – discounts and incentives	
Description	The Group recognizes revenue in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU), net of sales discounts, incentives, and rebates accrued by its customers. In certain markets, recognizing discounts and incentives for accounting purposes entails the use of estimates that may be significant, requiring Group management to make complex judgments. As a result, contractual terms that give rise to adjustments to sales may be incorrectly recorded and thus, revenue recognized in the consolidated financial statements may be incorrectly measured. Due to the variety of discounts and incentives offered, as well as the potential complexity associated with the estimates that Group management must make to record some of them at year-end, we determined this to be a key audit matter. Information on the applicable measurement standards and the disclosures for revenue are provided in notes 3 r) and 6 to the accompanying consolidated financial statements.
Our response	Our audit procedures related to this matter included: - Understanding Group management's process for recognizing revenue and assessing the design and implementation of the related relevant controls for the Group's key components. - Carrying out analytical procedures for the Group's key components, analysing the performance of revenue, discounts and incentives, cost of sales, and real margins as compared with budgeted data. - Analysing, through meetings held with Group management, the contractual terms and conditions related to discounts and incentives included in significant contracts, and assessing the reasonableness of the assumptions underlying the most relevant related estimates. - Reviewing the most relevant estimates made in connection with discounts and incentive schemes at year-end via customer confirmation letters and alternative procedures. - Performing cut-off procedures for a sample of revenue transactions carried out near the reporting date to ensure that they are correctly recorded. - Analysing other adjustments and credit notes issued after the reporting date. - Performing analytical procedures on revenue-related daily ledger entries for the Group's key components, paying special attention to accounting entries recorded near or after the year-end closing, as well as those deemed unusual due, among other reasons, to their nature, amount, date of occurrence, user, the item itself or its balancing entry. - Reviewing the disclosures made in the notes to the consolidated financial statements and assessing whether they are in conformity with the applicable financial reporting framework.

Other information: Consolidated Management Report

Other information refers exclusively to the 2023 consolidated management report, the preparation of which is the responsibility of the parent's directors and is not an integral part of the consolidated financial statements.

Our audit opinion on the consolidated financial statements does not cover the consolidated management report. Our responsibility for the consolidated management report, in conformity with prevailing audit regulations in Spain, entails:

a. Checking only that the consolidated non-financial statement and certain information included in the Corporate Governance Report and in the Board Remuneration Report, to which the Audit Law refers, was provided as stipulated by applicable regulations and, if not, disclose this fact.

b. Assessing and reporting on the consistency of the remaining information included in the consolidated management report with the consolidated financial statements, based on the knowledge of the Group obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the consolidated management report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described above, we have verified that the information referred to in a) above has been provided as stipulated by applicable regulations and that the remaining information contained in the consolidated management report is consistent with that provided in the 2023 consolidated financial statements and its content and presentation are in conformity with applicable regulations.

Responsibilities of the parent's directors and the audit committee for the consolidated financial statements

The directors of the parent are responsible for the preparation of the accompanying consolidated financial statements so that they give a true and fair view of the equity, financial position and results of the Group, in accordance with IFRS-EU and other provisions in the regulatory framework applicable to the Group in Spain, and for such internal control as they determine necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the parent's directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee of the parent is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the use by the parent's directors of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We are solely responsible for our audit opinion.

We communicate with the audit committee of the parent regarding, among other matters, the scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee of the parent with a statement that we have complied with relevant ethical requirements, including those related to independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee of the parent, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on the other legally stipulated disclosure requirements

European Single Electronic Format

We have examined the digital files of the European single electronic format (ESEF) of EBRO FOODS, S.A. and subsidiaries for the 2023 financial year, consisting of XHTML files containing the financial statements for the year and the XBRL files marked up by the entity, which will form part of the annual financial report.

The directors of Ebro Foods, S.A. are responsible for submitting the annual financial report for the 2023 financial year in accordance with the formatting and mark-up requirements established by Commission Delegated Regulation (EU) 2019/815, of 17 December 2018 (the "ESEF Regulation").

Our responsibility consists of examining the digital files prepared by the directors of the parent company, in accordance with prevailing audit regulations in Spain. These standards require that we plan and perform our audit procedures to obtain reasonable assurance about whether the contents of the consolidated financial statements included in the aforementioned digital files correspond in their entirety to those of the consolidated financial statements that we have audited, and whether the consolidated financial statements and the aforementioned files have been formatted and marked up, in all material respects, in accordance with the ESEF regulation.

In our opinion, the digital files examined correspond in their entirety to the audited consolidated financial statements, which are presented, in all material respects, in accordance with the ESEF Regulation.

Additional report for the parent's audit committee

The opinion expressed in this audit report is consistent with the additional report we issued to the parent's (EBRO FOODS, S.A.) audit committee on 5 April 2024.

Building a better working world

Term of engagement

During the Ordinary General Shareholders' Meeting held on 6 June 2023, we were appointed auditors for the year ended 31 December 2023.

Previously, we were appointed auditors by the shareholders in general meeting for three years and we have been carrying out the audit of the financial statements continuously since the year ended 31 December 2014.

ERNST & YOUNG, S.L.
(Registered in the Official Register of Auditors under No. S0530)

(Signature on the original in Spanish)

Alfonso Manuel Crespo
(Registered in the Official Register of Auditors under No. 22308)

April 5, 2024

05

Consolidated Annual Accounts

5.1 Consolidated Annual Accounts

Ebro Foods, S.A.

Consolidated statement of financial position at 31 december 2023 and 2022

(000€)	NOTE	31-12-2023	31-12-2022
NON-CURRENT ASSETS		**2,244,485**	**2,231,038**
Intangible assets	8	425,095	429,480
Property, plant and equipment	9	854,035	824,450
Right-of-use assets	10	52,624	54,639
Investment properties	11	18,334	19,382
Financial assets	12	4,011	3,986
Investments in associates	14	47,132	43,235
Deferred tax assets	21	44,877	48,794
Goodwill	15	798,377	807,072
CURRENT ASSETS		**1,627,080**	**1,669,178**
Inventories	16	775,292	911,115
Trade and other receivables	12	438,907	474,625
Current tax assets	21	26,472	19,414
Receivable from government agencies	21	38,554	66,476
Other financial assets	12	5,564	2,116
Derivatives	12	2,225	1,457
Other current assets		10,078	9,025
Cash and cash equivalents	13	329,988	184,950
Non-current assets held for sale	5 & 25	0	0
TOTAL ASSETS		**3,871,565**	**3,900,216**

(000€)	NOTE	31-12-2023	31-12-2022
EQUITY		**2,222,133**	**2,198,280**
Equity attributable to equity holders of the parent	17	**2,185,159**	**2,164,438**
Share capital		92,319	92,319
Share premium		4	4
Restricted parent company reserves		21,633	21,633
Retained earnings		1,965,060	1,912,836
Translation differences		106,143	137,646
Non-controlling interests		**36,974**	**33,842**
NON-CURRENT LIABILITIES		**457,181**	**832,066**
Deferred income	18	15,800	10,919
Provisions for pensions and similar obligations	19	22,399	25,187
Other provisions	20	15,389	15,506
Financial liabilities	12	175,108	553,164
Deferred tax liabilities	21	228,485	227,290
CURRENT LIABILITIES		**1,192,251**	**869,870**
Other financial liabilities	12	728,359	394,833
Derivatives	12	773	2,843
Trade and other payables	12	430,825	438,370
Current tax assets	21	17,680	14,364
Payable to government agencies	21	13,746	14,745
Other current liabilities		868	4,715
Liabilities of non-current assets held for sale	5 & 25	0	0
TOTAL EQUITY AND LIABILITIES		**3,871,565**	**3,900,216**

The accompanying Notes 1 to 28 are an integral part of the consolidated statement of financial position at December 31, 2023.

Ebro Foods, S.A.

Consolidated statement of profit or loss for the years ended 31 december 2023 and 2022

(000€)	NOTE	2023	2022
Revenue from contracts with customers	6	3,084,457	2,967,672
Change in inventories of finished goods and work in progress		(21,945)	38,392
Own work capitalised		871	508
Other operating income	7	17,101	19,993
Raw materials and consumables used and other external expenses	6	(1,733,630)	(1,727,697)
Employee benefits expense	7	(370,441)	(358,329)
Depreciation and amortisation	8, 9, 10 & 11	(102,874)	(101,023)
Other operating expenses	7	(597,288)	(636,945)
OPERATING PROFIT		**276,251**	**202,571**
Finance income	7	82,092	65,365
Finance costs	7	(89,877)	(84,068)
Impairment of goodwill	15	0	0
Share of profit of associates	14	5,391	1,939
PROFIT BEFORE TAX		**273,857**	**185,807**
Income tax	21	(68,846)	(50,242)
PROFIT FROM CONTINUING OPERATIONS		**205,011**	**135,565**
Profit after tax from discontinued operations	25	0	(917)
PROFIT FOR THE YEAR		**205,011**	**134,648**
Attributable to:			
Equity holders of the parent		**186,964**	**122,059**
Non-controlling interests		18,047	12,589
		205,011	**134,648**

	NOTE	2023	2022
Earnings per share (euros)	17		
From continuing operations			
Basic		1.215	0.799
Diluted		1.215	0.799
From profit for the year			
Basic		1.215	0.793
Diluted		1.215	0.793

The accompanying Notes 1 to 28 are an integral part of the consolidated statement of profit or loss for the year ended December 31, 2023.

Ebro Foods, S.A.

Consolidated statement of comprehensive income for the years ended 31 december 2023 and 2022

(000€)	NOTE	2023			2022		
		GROSS AMOUNT	TAX EFFECT	NET AMOUNT	GROSS AMOUNT	TAX EFFECT	NET AMOUNT
1. Profit for the year				**205,011**			**134,648**
2. Other comprehensive income recognised directly in equity:		**(29,402)**	**(433)**	**(29,835)**	**42,855**	**(2,562)**	**40,293**
2.1 Other comprehensive income to be reclassified to profit or loss in subsequent periods		**(31,153)**	**0**	**(31,153)**	**32,399**	**0**	**32,399**
Translation differences	17	(31,153)	0	(31,153)	32,399	0	32,399
2.2 Other comprehensive income not to be reclassified to profit or loss in subsequent periods		**1,751**	**(433)**	**1,318**	**10,456**	**(2,562)**	**7,894**
Actuarial gains and losses	19	1,751	(433)	1,318	10,456	(2,562)	7,894
1+2 Total income and expense recognised during the period	17			**175,176**			**174,941**
Attributable to:							
Equity holders of the parent	17			156,779			162,606
Non-controlling interests	17			18,397			12,335
				175,176			**174,941**

The accompanying Notes 1 to 28 are an integral part of the consolidated statement of recognized income and expense for the year ended December 31, 2023.

Ebro Foods, S.A.

Consolidated statement of changes in equity for the years ended 31 december 2023 and 2022

Equity attributable to equity holders of the parent (000€)

	EQUITY	NON-CONTROLLING INTERESTS	TOTAL	SHARE CAPITAL	SHARE PREMIUM	RESTRICTED RESERVES	RETAINED EARNINGS	PROFIT/ (LOSS)	INTERIM DIVIDEND	TRANSLATION DIFFERENCES	OWN SHARES
BALANCE AT 31 DECEMBER 2021	**2,133,190**	**31,563**	**2,101,627**	**92,319**	**4**	**21,633**	**1,644,049**	**238,629**	**0**	**104,993**	**0**
Distribution of prior-period profit	0	0	0	0	0	0	238,629	(238,629)	0	0	0
Dividend payment	(94,861)	(7,158)	(87,703)	0	0	0	(87,703)	0	0	0	0
Issue of shares	121	121	0	0	0	0	0	0	0	0	0
Costs of issuing/cancelling shares	(209)	0	(209)	0	0	0	(209)	0	0	0	0
Gain/(loss) on own share sales	(21)	0	(21)	0	0	0	(21)	0	0	0	0
Transactions with non-controlling interests	(3,314)	(3,019)	(295)	0	0	0	(295)	0	0	0	0
Other movements in equity	(11,567)	0	(11,567)	0	0	0	(11,567)	0	0	0	0
Total distribution of profit and transactions with shareholders	**(109,851)**	**(10,056)**	**(99,795)**	**0**	**0**	**0**	**138,834**	**(238,629)**	**0**	**0**	**0**
Profit for the year (as per statement of profit or loss)	134,648	12,589	122,059	0	0	0	0	122,059	0	0	0
Change in translation differences	32,399	(254)	32,653	0	0	0	0	0	0	32,653	0
Change due to actuarial gains/(losses)	10,456	0	10,456	0	0	0	10,456	0	0	0	0
Tax effect of gains/(losses) recognised in equity	(2,562)	0	(2,562)	0	0	0	(2,562)	0	0	0	0
Other movements in equity	0	0	0	0	0	0	0	0	0	0	0
Total recognised income and expense	**174,941**	**12,335**	**162,606**	**0**	**0**	**0**	**7,894**	**122,059**	**0**	**32,653**	**0**
BALANCE AT 31 DECEMBER 2022	**2,198,280**	**33,842**	**2,164,438**	**92,319**	**4**	**21,633**	**1,790,777**	**122,059**	**0**	**137,646**	**0**

Equity attributable to equity holders of the parent (000€)

	EQUITY	NON-CONTROLLING INTERESTS	TOTAL	SHARE CAPITAL	SHARE PREMIUM	RESTRICTED RESERVES	RETAINED EARNINGS	PROFIT/ (LOSS)	INTERIM DIVIDEND	TRANSLATION DIFFERENCES	OWN SHARES
Distribution of prior-period profit	0	0	0	0	0	0	122,059	(122,059)	0	0	0
Dividends paid (note 17)	(95,662)	(7,959)	(87,703)	0	0	0	(87,703)	0	0	0	0
Gain/(loss) on own share sales	9	0	9	0	0	0	9	0	0	0	0
Transactions with non-controlling interests	(8,706)	(7,306)	(1,400)	0	0	0	(1,400)	0	0	0	0
Other movements (notes 5 & 22)	(46,964)	0	(46,964)	0	0	0	(46,964)	0	0	0	0
Total distribution of profit and transactions with shareholders	**(151,323)**	**(15,265)**	**(136,058)**	**0**	**0**	**0**	**(13,999)**	**(122,059)**	**0**	**0**	**0**
Profit for the year (as per statement of profit or loss)	205,011	18,047	186,964	0	0	0	0	186,964	0	0	0
Change in translation differences	(31,153)	350	(31,503)	0	0	0	0	0	0	(31,503)	0
Change due to actuarial gains/(losses)	1,751	0	1,751	0	0	0	1,751	0	0	0	0
Tax effect of gains/(losses) recognised in equity	(433)	0	(433)	0	0	0	(433)	0	0	0	0
Other movements in equity	0	0	0	0	0	0	0	0	0	0	0
Total recognised income and expense	**175,176**	**18,397**	**156,779**	**0**	**0**	**0**	**1,318**	**186,964**	**0**	**(31,503)**	**0**
BALANCE AT 31 DECEMBER 2023	**2,222,133**	**36,974**	**2,185,159**	**92,319**	**4**	**21,633**	**1,778,096**	**186,964**	**0**	**106,143**	**0**

The accompanying Notes 1 to 28 are an integral part of the consolidated statement of changes in equity for the year ended December 31, 2023.

Ebro Foods, S.A.

Consolidated statement of cash flows for the years ended 31 december 2023 and 2022

(000€)	NOTE (*)	2023	2022
Receipts from customers		3,129,134	3,016,229
Payments to suppliers and employees		(2,630,912)	(2,961,991)
Interest paid		(11,108)	(6,575)
Interest received		3,740	1,013
Dividends received		1,317	2,319
Other operating activity receipts / payments		27,461	25,809
Income tax paid	21	(41,146)	(90,821)
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	a)	**478,486**	**(14,017)**
Purchase of fixed assets	b)	(141,670)	(118,808)
Proceeds from sale of fixed assets	c)	15,652	4,711
Purchase of financial assets (net of cash acquired)	d)	(1,628)	(48,556)
Proceeds from sale of financial assets and/or businesses	e)	0	22,700
Other investment activity proceeds / purchases		(239)	353
NET CASH FLOWS USED IN INVESTING ACTIVITIES		**(127,885)**	**(139,600)**
Acquisition of own shares		(651)	(665)
Proceeds from sale of own shares		19	13
Dividends paid to shareholders (including NCI holders)	f)	(97,345)	(96,528)
Proceeds from borrowings		480,334	541,877
Repayment of borrowings		(584,648)	(673,845)
Other financing activity proceeds / payments and grants		2,180	10,918
NET CASH FLOWS USED IN FINANCING ACTIVITIES		**(200,111)**	**(218,230)**
Translation differences arising on cash flows from foreign companies		(4,015)	4,111
NET INCREASE/(DECREASE) in cash and cash equivalents		**146,475**	**(367,736)**
Cash and cash equivalents, opening balance		184,950	539,239
Effect of year-end exchange rate on opening balance		(1,437)	13,447
CASH AND CASH EQUIVALENTS, CLOSING BALANCE	13	**329,988**	**184,950**

The accompanying Notes 1 to 28 are an integral part of the consolidated statement of cash flows for the year ended December 31, 2023.

(*) The cross-references to the corresponding Notes accompanying the consolidated financial statements are provided for qualitative purposes only; it is not always possible to provide cross-references to the precise amounts reported.

a) Cash flows from operating activities increased significantly year-on-year due to the sharp reduction in the Group's working capital requirement thanks to the reduction in farm-gate prices for most raw materials and changes in management of the value chain as a result of the new situation.

b) This balance, less the 3,230 thousand euros of differences between the cash outflows and accrual for accounting purposes of the additions to property, plant and equipment and intangible assets, explain the movements in new investments disclosed in Notes 9 and 10.

c) Corresponds basically to the amounts received from the sale of fixed assets.

d) The 2022 figure corresponds basically to the payment for the Inharvest business acquired.

e) The 2022 figure corresponds basically to the proceeds from the sale of Roland Monterrat.

f) This balance is made up of:

- Dividends paid to shareholders of the Parent in the amount of 87,703 thousand euros.
- Dividends paid to non-controlling shareholders and holders of stock options (put & call options) in the amount of 9,642 thousand euros.

Ebro Foods, S.A.

Consolidated financial statements for the year ended december 31, 2023

1. GROUP INFORMATION

Ebro Foods, S.A., a Spanish public limited company (*sociedad anónima*), hereinafter the "Parent" or the "Company", was created by the merger by absorption of Puleva S.A. into Azucarera Ebro Agrícolas S.A. on January 1, 2001. On the occasion of that transaction, Azucarera Ebro Agrícolas, S.A.'s name was changed to Ebro Puleva, S.A. Later, at the Annual General Meeting of June 1, 2010, its registered name was changed again to its current name: Ebro Foods, S.A. The Company is the Parent of the international Ebro Foods Group (hereinafter, the "Group" or the "Ebro Group").

The Company's current registered office is in Madrid (28046), at Paseo de la Castellana, 20.

The Group's corporate object is to perform the following business activities in Spanish and foreign markets:

a) The production, preparation, sale, research, export and import of all manner of food and dietary products for both human and animal consumption, in addition to energy food products, including their by-products and waste, and, in particular, rice, pasta, sauces and all manner of nutritional products.

b) The production, exploitation and sale of all manner of food and soft and alcoholic beverages.

c) The use of by-products and the provision of services or products of all types relating to the aforementioned activities, including refrigeration cabinets, ice, industrial gas, steam, cold and energy.

d) The acquisition, lease, creation, installation, development and management of industrial, farming and livestock facilities in the food, nutrition and beverage (including alcohol) industries.

e) The performance of projects and installation work and the provision of all manner of technical assistance to other companies in the aforementioned industries; the creation, development, protection and use of patents, trademarks and other assets susceptible to intellectual property protection.

f) Staff training, computer programming or management, investment and monetization of resources, advertising and image, transport, distribution and sale and marketing activities that are ancillary or complementary to the aforementioned activities.

Those activities may be carried on through the subscription or acquisition of shares or other equity interests in companies with an identical or similar corporate purpose.

The Group currently operates in Spain and internationally. The revenue breakdown by geographic market is provided with the segment reporting disclosures (Note 6).

The 2022 consolidated financial statements were approved at the Annual General Meeting held by Ebro Foods, S.A. on June 6, 2023 and duly filed with Madrid's Companies Register.

The distribution of the profit of the Parent proposed by the directors of Ebro Foods, S.A. at a meeting of the Board of Directors on December 20, 2023 for submission for ratification at the upcoming Annual General Meeting is as follows:

Amounts relating only to the Parent's separate financial statements

(000€)	AMOUNT
Basis of appropriation	
Unrestricted reserves	1,163,140
Profit for the year (as per statement of profit or loss)	33,561
	1,196,701

The profit generated by the Ebro Foods Group in 2023 makes it possible, as in prior years, to propose the payment of a cash dividend by Ebro Foods, S.A., with a charge against profit for the year and unrestricted reserves, of 0.66 euros per share, payable in the course of 2024, in a total amount of 101,551 thousand euros.

The dividend will be paid out in three equal instalments of 0.22 euros per share on April 2, June 28, and October 1, 2024.

LIMITATIONS ON THE DISTRIBUTION OF DIVIDENDS

Ebro Foods, S.A. is obliged to transfer 10% of profit for the year to a legal reserve until this reserve reaches an amount equal to at least 20% of share capital. That reserve cannot be distributed to shareholders unless it exceeds and only in the amount by which it exceeds the 20% threshold.

Once the legal and bylaw-stipulated requirements have been met, dividends may be distributed against profit for the year or freely distributable reserves, so long as the value of equity is not lower than or would not fall below share capital as a result of the distribution. Any profit recognized directly in equity may not be distributed either directly or indirectly for such purposes. If prior-year losses were to reduce the Parent's equity to below the amount of share capital, profit would have to be allocated to offset these losses.

2. BASIS OF PREPARATION AND COMPARABILITY OF THE INFORMATION INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements are presented in thousands of euros (unless expressly stated otherwise). Transactions performed in other currencies are translated into euros using the accounting policies outlined in Note 3.

A) BASIS OF PREPARATION

1. General accounting policies

The consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRSs) adopted by the European Union, in conformity with Regulation (EC) No. 1606/2002 of the European Parliament and of the Council.

These consolidated financial statements for the year ended December 31, 2023, which were authorised for issue by the Parent's directors on March 22, 2024, are pending approval by its shareholders at the Annual General Meeting; however, they are expected to be approved without modification. (Similarly, at the reporting date, the separate 2023 financial statements of Ebro Foods, S.A. and of its subsidiaries and associates had still to be ratified by their respective shareholders at the corresponding Annual General Meetings).

2. Use of estimates and assumptions

The Parent's directors are responsible for the information included in these consolidated financial statements.

In preparing the accompanying consolidated financial statements, they have relied on occasion on estimates made by the management of the various Group companies in order to measure certain of the assets, liabilities, income, expenses and commitments recognized therein. Essentially, those estimates refer to:

* The estimates related to recoverability of the carrying amounts of intangible assets and goodwill for impairment testing purposes (Notes 8 and 15).
* The assumptions used in the actuarial calculation of pension and similar liabilities and obligations (Note 19).
* The estimated useful lives of intangible assets and property, plant and equipment (Notes 8 and 9).
* The assumptions used to calculate the fair value of financial instruments and put options (Notes 12 and 22).
* The probability of occurrence and amount of liabilities of uncertain amounts and/or contingent liabilities (Note 20).
* The estimates related to the recoverability of the carrying amount of deferred tax assets (Note 21).
* The estimates made in the studies and analyses assessing the impacts of climate change (Note 24).

Although these estimates and assumptions were made on the basis of the best information available at the date of authorising these consolidated financial statements for issue regarding the facts analysed, future events, specifically including events related with the current global geopolitical situation, particularly the war in Ukraine and the conflict in the Middle East (see below), could make it necessary to revise the estimates (upwards or downwards) in coming years. Changes in accounting estimates would be applied prospectively, recognizing the effects of the changes in estimates in the related consolidated financial statements.

The current global geopolitical situation, particularly the war in Ukraine and the conflict in the Middle East: Implications for the consolidated financial statements

More than two years on from the invasion of Ukraine by the Russian Federation on February 24, 2022, global uncertainty remains high. The international community reacted swiftly to that invasion, with many countries (including the European Union and United States) imposing sanctions on Russia and its people and lending military support to Ukraine. Since October 2023, the conflict between Israel and some of the regions around it has further undermined geopolitical stability and added more uncertainty to the financial and energy markets.

The difficulty in predicting how these conflicts will end and their obvious geopolitical implications mean that it is not currently possible to reliably estimate what potential impact the denouement of the conflicts and the international response to them could have on the Group's businesses. These situations continue to affect the availability and prices of certain commodities (those in which Russia and Ukraine are leading global producers and exporters, such as wheat and sunflower oil), the price of energy and other essential products and exchange rates.

In short, the post-pandemic era has been marked by unanticipated economic developments such as global supply chain friction, energy inflation (oil, gas and electricity) and financial market and exchange rate volatility, which has ushered in a period of high inflation (which proved persistent throughout 2023 despite abating somewhat) with scope for provoking recessionary episodes in Europe and the Americas and social tension, which have in turn triggered new monetary and economic policies in an attempt to curb and resolve the inflationary cycle. As a result, it is hard to estimate how these variables will evolve in the coming months.

Despite the uncertainty and impossibility of making reliable estimates, the Parent's directors believe that the current situation and its consequences are not and should not have a material impact on the Group, underpinned primarily by the following considerations:

* The Group has no subsidiaries, branches or operations in the region affected by the armed conflict in Ukraine. The Group does not have (and has not had in the recent past) factories, customers or suppliers in Ukraine or Russia.
* Neither Russia nor Ukraine are or have been sources of wheat supply for the Group which, moreover, downsized its dry pasta business significantly in 2021 and 2020.

  As a result, its exposure to the potential impact of inflation in that commodity and its different varieties is considered low (as it should not go beyond the indirect effect that the reduction of wheat exports from Russia and Ukraine could have on the prices of wheat sourced from other markets).
* In the Middle East (Israel and surrounding regions), the Group only has very small (immaterial) sales presences.
* With respect to the global economic impact, the type of products made by the Ebro Group makes its businesses more resilient during times of crisis. As a result, the Group does not anticipate a significant decrease in customer demand, loss of suppliers or other adverse effects on its supply and distribution channels.
* As for energy costs, the measures announced by the European Union and other countries with the aim of (i) reducing dependence on oil and gas sourced from Russia; and (ii) mitigating the effect of the conflict on energy costs, should mean that those potential increases will not have a very significant impact on the Group's businesses.

On the basis of the most updated information available, in order to duly reflect the prevailing and prospective impact of the situation induced by these conflicts on the financial situation, performance and cash flows of the Ebro Group, the following specific disclosures are made:

1. To date there have been no net adverse ramifications on the Ebro Group's financial position, earnings performance or cash flows.
2. In 2023, the trend in sales was positive and akin to that observed in 2022 and 2021.
3. Despite the complexity of the current circumstances, based on the information available for recent months, these situations had a small net impact on the Ebro Group in 2023, very much in line, therefore, with that observed in 2022 and 2021.
4. The Ebro Group continues to take the steps required to tackle these situations and minimize their impact. It believes that the current situation is circumstantial and, based on its most recent estimates and its liquidity position as of the reporting date, will not compromise its ability to continue as a going concern.
5. Asset and liability measurement conventions at December 31, 2023 and additional information. As disclosed in Note 2.d below, the Group has used the same accounting policies to prepare the 2023 consolidated financial statements as it used to prepared the 2022 set.

Below is a list of the asset and liability accounts that may have been affected by these extraordinary developments in light of the consequences they have had for the Ebro Group:

* The current circumstances constitute significant extraordinary events and, therefore, under prevailing accounting standards, require the fine-tuning and possibly the expansion of the level of disclosures provided in the consolidated financial statement Notes. The Group has therefore expanded the information provided in these consolidated financial statements where necessary.
* None of the situations described above has had a significant adverse effect on the Ebro Group's direct activities; nor have they given rise to the need to recognize any impairment losses of significance.
* In terms of its financial liabilities, the Group did not encounter any problems whatsoever in relation to the refinancing of any debt, the arrangement of new financing agreements or its ability to service its financial obligations in 2023. Financial liability management unfolded exactly as anticipated, in keeping with the natural and normal maturity schedules.

* Note, in keeping with IFRS 9, in relation to the estimation of expected credit losses on our accounts receivable, that there have been no significant changes in the assumptions or judgements used to analyse the Group's accounts receivable with respect to those used at year-end 2022 (i.e., the analysis performed did not indicate the need to recognize any additional extraordinary losses on account of the current circumstances).
* As for the Group's lease contracts (IFRS 16), there have been no changes in the agreements as a result of the ongoing conflicts.
* Lastly, the Group has concluded that the prevailing extraordinary circumstances have not had any impact on the recognition of deferred tax assets or the utilization of tax credits in keeping with IAS 12, the measurement of fair value in keeping with IFRS 13 or the measurement of provisions or onerous contracts in accordance with IAS 37.

In light of the foregoing, the Parent's directors believe that these events do not imply the need to make any adjustments whatsoever to its financial statements for the year ended December 31, 2023.

3. Materiality assessment

These consolidated financial statements omit information and disclosures that do not require detailed breakdown on account of their qualitative importance and were not deemed material or relevant in accordance with the materiality or significance concept defined in the IFRS Conceptual Framework, considering the consolidated financial statements of the Ebro Group as a whole.

B) COMPARABILITY

For comparative purposes, the Group presents, in addition to the figures for the year ended December 31, 2023, for each item in the consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of cash flows, consolidated statement of changes in equity, consolidated statement of recognized income and expense and the Notes to the consolidated financial statements, the figures for the year ended December 31, 2022.

It was not necessary to restate the prior-year figures in order to make them comparable year-on-year.

C) CHANGES IN THE SCOPE OF CONSOLIDATION

Notes 4 and 5 detail the main changes affecting the consolidation scope in 2023 and 2022, outlining the corresponding consequences in terms of accounting methods used.

3. MEASUREMENT STANDARDS

The most significant accounting policies applied in the preparation of these consolidated financial statements are set out below:

A) BASIS OF CONSOLIDATION

Subsidiaries

All of the companies over which the Group has control are fully consolidated in these financial statements. Control is the power to affect an investee's returns through the ability to direct its relevant activities.

When the Group acquires a business, that business's assets, liabilities and contingent liabilities are measured at their acquisition-date fair values. The difference between the cost of the business combination and the fair value of the net assets acquired is recognized as goodwill if positive and as a gain on a bargain purchase in profit and loss if negative.

The results of companies acquired during the year are consolidated from the effective date of acquisition. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All material intra-group balances relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests

Non-controlling interests are determined at the acquisition date at their percentage interest in the fair value of the acquired business, i.e., including their share of goodwill.

Put options written over non-controlling interests (NCI)

As detailed in Notes 12.2 and 22, the Group has closed a number of business combinations in recent years in which it has acquired the majority of the target companies' voting rights and, by extension, control. When structuring those transactions it wrote certain put options over the NCI holders' shares.

Whenever the Group acquires a business without acquiring all of the voting shares, it analyses the acquisition terms from a technical standpoint. The purpose of that analysis is to determine whether: (1) the terms of the transaction substantiate the conclusion that the Group has entered into a forward-purchase contract for the NCI shares, in which case IAS 32 applies; or (2) the terms of the transaction evidence that the Group has not acquired 100% of the NCI shares, in which case IFRS 10 applies.

a) Forward-purchase contract (applying IAS 32) – the Group is obliged to acquire the percentage of shares still in the hands of the NCI holders at a fixed price. That fixed price is grossed up by the corresponding percentage interest in any profits that have not been distributed on the date of purchase of the NCI holder shares. In this instance, it is understood that the Group has deferred payment for 100% of the shares, such that the NCI shares are recognized as if they had already been acquired at the time of the business combination and any changes in the liability payable to the NCI holders are recognized in profit or loss.

b) Not a forward contract (applying IFRS 10):

  - **Acquisition-date measurement:** on the acquisition date, the Group recognizes the non-controlling interests, in keeping with paragraph 10 of IFRS 3, at their proportionate share in the fair value of the business acquired (considering, therefore, the business acquired).

  - **Subsequent measurement and classification:** IFRS does not provide specific guidance for accounting for put options written over NCI which irrevocably oblige the Group to purchase their shares. As a result, the Group, in keeping with customary practice and the interpretations by the main audit firms and experts in the field, does the following at each year-end:

    1. It determines the value at which the non-controlling interests would have been recognized, including an updated allocation of profit or loss, any changes in the consolidated statement of comprehensive income that are recognized in equity and any dividends declared during the reporting period, in accordance with IFRS 10.
    2. It then derecognizes the non-controlling interests as if they had been acquired on that date (year-end).
    3. It recognizes a financial liability at the present value of the amount payable as consideration for the NCI holders' put options in accordance with IFRS 9.
    4. The difference between the figures arrived at under items 2) and 3) above is recognized against equity.

Associates

The Group's investments in associates (companies over which it has significant influence but not control) are accounted for using the equity method. Under the equity method, an investment in an associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of the net assets of the associate since the acquisition date, adjusted for impairment charges as necessary.

The Group's share of the results of operations of its associates is recognized, net of the related tax effect, in the consolidated statement of profit or loss or the consolidated statement of other comprehensive income, as warranted.

B) FOREIGN CURRENCY TRANSLATION: RESULTS AND FINANCIAL POSITION OF FOREIGN OPERATIONS

The Group companies' separate financial statements are expressed in each company's functional currency.

On consolidation, their assets and liabilities are translated into euros using the year-end exchange rate; items of profit and loss are translated at the average exchange rate for the period; and the share capital, share premium and reserve accounts are translated using the historical exchange rate. The exchange differences arising on translation for consolidation purposes of investments in foreign subsidiaries and associates are recognized in equity under "Translation differences". The companies' cash flows are translated to euros at the average exchange rate for the reporting period.

If there are non-controlling interests in these subsidiaries, the related translation differences are recognized under "Non-controlling interests" within equity.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the reporting date.

On disposal of an investment in a foreign subsidiary or associate, the translation differences relating to that particular foreign operation, deferred in equity until the transaction date, are recognized in the consolidated statement of profit or loss.

C) FOREIGN CURRENCY TRANSACTIONS AND BALANCES

Each Group company translates its transactions in foreign currencies to its respective functional currency using the rate prevailing on the transaction date. Differences arising on settlement of these transactions or translation of monetary assets and liabilities denominated in currencies other than each Group company's functional currency are recognized in profit or loss.

D) CASH AND CASH EQUIVALENTS

Cash and cash equivalents are mainly certificates of deposit, short-term deposits, short-term marketable securities, short-term government bonds and other money market assets with a maturity of three months or less, and bank deposits with a maturity of more than three months from the date of acquisition but immediately drawable without incurring any kind of penalty. Those assets are valued at cost, which is deemed a fair approximation of their realizable amount.

E) PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Items of property, plant and equipment and investment properties are stated at the lower of:

- Acquisition (or production) cost, net of accumulated depreciation and accumulated impairment losses, if any.
- Their recoverable amount, i.e. the amount that will be recovered via the cash-generating units to which they belong or via their sale, capital appreciation or a combination of the two.

For items of property, plant and equipment and investment properties acquired in business combinations, acquisition cost equates to their fair value on the date that the Group obtained control, determined using appraisals carried out by independent experts, as detailed in section a) above.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is its carrying amount on the date of the change in use.

If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the reporting period in which they are derecognized.

In the event that management detects indications that these assets may be impaired, the corresponding impairment losses are recognized.

Borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost of the asset until such assets are commissioned. Extension, upgrade or improvement costs that represent an increase in productivity, capacity or efficiency or an extension in the useful life of assets are capitalized as an increase in the cost of the corresponding assets.

Upkeep and maintenance costs are expensed in the year they are incurred.

Items of property, plant and equipment are depreciated on a straight-line basis over their respective useful lives, taking into consideration actual depreciation sustained through operation, usage and wear and tear, as follows: The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end.

Depreciation rates

Buildings and other structures	1.0% to 3.0%
Plant and machinery	2.0% to 20%
Other fixtures, tools and furniture	8.0% to 25%
Other PP&E	5.5% to 25%

Assets acquired under finance lease agreements, i.e., when the Group assumes substantially all the risks and rewards incidental to ownership, are capitalized, recognizing the present value of the total lease liability in tandem. Lease payments are apportioned between finance charges and principal (reduction of the lease liability) so as to achieve a constant rate of interest on the remaining balance of the liability. Leased assets are depreciated on a straight-line basis over the useful life of the assets, using the rates shown above.

Operating lease payments are recognized as an operating expense in profit and loss on a straight-line basis over the lease term.

F) RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

* **Right-of-use assets:** The Group recognizes right-of-use assets at the lease commencement date (i.e., the date on which the underlying asset is made available for use).

  Right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and are adjusted for any remeasurement of the lease liability. The cost of right-of-use assets includes the amount of the lease liability at initial recognition, initial direct costs incurred and lease payments made at or before the commencement of the lease, less any lease incentives received.

  Unless the Group is reasonably certain it will obtain ownership of the leased asset at the end of the lease term, right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful life and the lease term. Right-of-use assets are subject to impairment.

* **Lease liabilities:** At the lease commencement date, the Group recognizes lease liabilities at the present value of the lease payments to be made during the lease term. Lease payments include fixed payments (including in-substance fixed lease payments) less any incentives receivable, variable lease payments that depend on an index or a rate, and the amounts expected to be payable under residual value guarantees. Lease payments also include the exercise price of a purchase option if the Group is reasonably certain to exercise that option and the payment of penalties for terminating the lease. Variable lease payments that do not depend on an index or a rate are expensed in the period in which the event or condition that triggers those payments occurs.

  To calculate the present value of its lease payments, the Group uses a discount rate equivalent to its incremental borrowing rate at the date of commencement of the lease if the interest rate implicit in the lease is not readily determinable.

  After initial recognition, the measurement of a lease liability is increased by the interest accrued and reduced by lease payments made. In addition, the carrying amount of lease liabilities is remeasured if the lease is modified, if there is a change in the assessment of the lease term, a change in in-substance fixed lease payments or a change in the assessment of an option to purchase the underlying asset.

* **Short-term and low-value leases:** The Group applies the recognition exemption allowed for short-term leases (i.e., leases that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option). It also applies the permitted recognition exemption to leases of equipment of low value (i.e., less than 5 thousand euros). Lease payments for short-term leases and leases for which the underlying asset is of low value are recognized as an expense on a straight-line basis over the lease term.

* **Significant judgements and estimates made to determine the term of leases with extension options:** The Group determines the lease term as the non-cancellable period of the lease, together with both the periods covered by an option to extend the lease if it is reasonably certain to exercise that option and the periods covered by an option to terminate the lease if it is reasonably certain not to exercise that option.

  In some of its leases, the Group has the option of extending the lease for an additional three to five years. The Group applies judgement in assessing whether it is reasonably certain to exercise those options. To do so, it considers all the relevant facts and circumstances that create an economic incentive for it to exercise the option to extend the lease.

  After first-time recognition, the Group reassesses the lease term upon the occurrence of a significant event or significant change in circumstances that is within its control and affects whether it is reasonably certain to exercise (or not exercise) the option to extend the lease (e.g., a change in sales strategy).

G) INTANGIBLE ASSETS (EXCLUDING GOODWILL AND GREENHOUSE GAS EMISSION ALLOWANCES)

Intangible assets are recognized at their acquisition or production cost, which is reviewed continually, and written down for impairment, as warranted, as described in Note 3.h) below. Intangible assets with finite lives are amortized; their residual values, amortization periods and amortization methods are reviewed annually. The assets included under this heading are the following:

* **Development costs:** The costs incurred on specific projects for the development of new projects for sale or internal use that are reasonably certain to be recovered are capitalized and amortized on a straight-line basis over the period of expected future benefit from the date of completion.

  Recovery is regarded reasonably assured when it is considered technically feasible and the Group has the ability and intention to complete the asset and use it or sell it and it is expected to generate future economic benefits.

* **Trademarks, patents and licences:** Capitalized development expenditure is recognized under this heading when the corresponding patent or similar protection is obtained. This heading also includes new trademarks or brand names acquired from third parties (recognized at their acquisition cost) and those acquired in business combinations (recognized at their fair value on the date control is obtained). Based on an analysis of all the relevant factors, the Group has determined that there is no foreseeable limit to the period of time for which its most significant trademarks will generate net cash inflows for the Group, which is why it has classified them as intangible assets with indefinite useful lives. Nevertheless, it reviews that indefinite useful life assessment every year.

  Those that are amortized are amortized over their estimated useful lives, which vary between 10 and 20 years.

* **Computer software:** Computer software includes the amounts paid for title to or the right to use computer programmes and the costs incurred to develop software in-house, to the extent that the software is expected to be used for several years. Software is amortized on a straight-line basis over its useful life, which is usually around three years.

  Software maintenance expenses are expensed in the year incurred.

H) GOODWILL

Goodwill is the excess of the consideration transferred in exchange for control of a business and the acquisition-date fair value of the share of the net assets acquired, including the portion attributable to non-controlling interests, as detailed earlier in this Note. Goodwill in respect of investments in associates is recognized in the consolidated statement of financial position within “Investments in associates”, while any corresponding impairment losses are recognized under “Share of profit of associates” in the consolidated statement of profit or loss.

When the price of a business combination includes contingent consideration, the acquisition price includes the present value of such contingent consideration.

Goodwill is not amortized but is tested for impairment annually. Any impairment of goodwill indicated by such tests is recognized immediately in profit or loss and cannot be reversed in subsequent years.

Similarly, gains from a bargain purchase are recognized in the consolidated statement of profit or loss once the Group has confirmed the fair value of the net assets acquired.

Whenever the Group disposes of a subsidiary or associate to which goodwill has been allocated, the amount of such goodwill is included in the carrying amount in order to determine the gain or loss on disposal.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill derecognized under these circumstances is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

I) IMPAIRMENT OF NON-FINANCIAL ASSETS

The Group tests its assets for impairment every year.

If its impairment tests indicate that an asset's recoverable amount is less than its carrying amount, the asset is written down to its recoverable amount by recognizing an impairment loss in the consolidated statement of profit or loss. An asset's recoverable amount is the higher of its realizable value and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discount rate.

If an asset being tested for impairment does not generate cash inflows that are largely independent of those from other assets or groups of assets, the impairment test is performed in respect of the group of assets to which it belongs (cash-generating unit or CGU).

The recoverable value of intangible assets with indefinite useful lives is reassessed annually (annual impairment test) or whenever there are indications that such assets may be impaired. The reversal of an asset impairment loss is recognized in the consolidated statement of profit or loss.

J) NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets classified as held for sale and discontinued operations are measured at the lower of their acquisition cost and fair value less costs of disposal.

Assets are classified into this category when their carrying amount is expected to be realized through a sale transaction rather than through continuing use, the asset is available for immediate sale in its present condition and the sale is expected to qualify for recognition as a completed sale within one year.

K) FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial assets

Financial assets are classified in accordance with how they are measured on the basis of the corresponding business model and the characteristics of the contractual cash flows. A financial asset is only reclassified from one category to another when there is a change in the business model used to manage the financial assets.

Financial asset acquisitions and disposals are recognized at the trade date, i.e., on the date the Group undertakes to acquire or sell the asset. Upon acquisition they are classified into one of the following categories:

a) **Financial assets at amortized cost**

These are non-derivative financial assets that are held in order to collect their contractual cash flows and those contractual cash flows represent solely payments of principal and interest. They are included in current assets, except for amounts maturing more than 12 months from the end of the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

Interest income from these financial assets is recognized in finance income and any gain or loss arising on their derecognition and any impairment losses are recognized directly in profit and loss as they arise.

b) **Financial assets at fair value through profit or loss**

These are assets that are acquired for sale in the short term. Derivatives are included in this category unless they are designated as hedging instruments. These financial assets are initially recognized and subsequently measured at fair value and any changes in fair value are recognized in profit and loss as they arise.

Equity instruments classified into this category are recognized at fair value and any gain or loss arising from changes in their fair value or as a result of their sale are similarly recognized in profit and loss as they arise.

The fair values of quoted investments are based on quoted prices (fair value hierarchy level 1). The fair value of investments in unlisted entities is established using valuation techniques, which include the use of recent arm's length transactions between knowledgeable, willing parties, reference to other instruments that are substantially the same and discounted cash flow analysis (levels 2 and 3). In the event that recent information available is insufficient to measure fair value or there is a wide range of possible fair value measurements and cost represents the best estimate within that range, such investments are recognized at cost less any impairment losses.

c) **Equity instruments at fair value through other comprehensive income (FVOCI).**
These are investments in equity instruments which the Group has opted to irrevocably designate as at fair value through other comprehensive income upon initial recognition. They are recognized at fair value and any gains or losses arising from changes in their fair value are recognized in other comprehensive income, except for the dividends received from those investments, which are recognized in profit or loss when the right to receive payment is established. Accordingly, no impairment losses are recognized on these investments. Changes in their fair value are not recycled to profit and loss when they are sold.

The fair value measurements made in the accompanying consolidated financial statements are classified using a fair value hierarchy articulated around the relevance of the inputs used to make the corresponding measurements. The hierarchy categorizes the inputs used in valuation techniques into three levels:

* **Level 1 inputs:** Fair value measurements based on quoted prices in active markets for identical instruments. These measurements are based on quoted prices at the reporting date.
* **Level 2 inputs:** Fair value measurements based on inputs that are observable for the asset or liability. The fair value of financial assets included in this category is determined by using valuation techniques. Those valuation techniques maximize the use of available observable market-based inputs and rely as little as possible on entity-specific estimates.

  If all the significant inputs required to measure fair value are observable, the instrument is included in Level 2. If one or more of the significant inputs required to measure fair value are not observable market inputs, the instrument is included in Level 3.
* **Level 3 inputs:** Measurements based on inputs that are not based on observable market data.

  Financial assets are derecognized when the contractual rights to the related cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership of the assets. If substantially all the risks and rewards have been retained, the financial asset is not derecognized; instead the Group recognizes a financial liability in the amount of any consideration received in exchange for the transfer.

  Agreements for the transfer of account receivables are considered non-recourse factoring agreements if the risks and rewards of ownership of the receivables have been transferred substantially.

  The financial asset impairment model is based on expected credit losses. The Group accounts for expected credit losses, and any changes therein, at every reporting date, to reflect changes in credit risk since the date of initial recognition, without waiting for an impairment event to occur.

  The Group applies the general expected loss approach for all its financial assets except for trade and other accounts receivable that do not contain a significant financing component; it applies the simplified approach for those qualifying assets.

  Under the general approach, the Group recognizes the expected loss from a financial asset default on either a 12-month or lifetime basis, depending on whether there has been a significant increase in credit risk since initial recognition. Under the simplified approach, the Group recognizes a loss allowance from the outset based on lifetime expected credit losses using available information about past events (such as historical customer default rates), current conditions and forward-looking estimates (macroeconomic factors such as the outlook for GDP, unemployment, inflation, interest rates, etc.) that could affect the creditworthiness of its debtors.

Financial liabilities

a) Financial liabilities at amortized cost

Borrowings are initially recognized at fair value, less any transaction costs incurred. Any difference between the amount received and the redemption value is recognized in profit and loss over the borrowing repayment term using the effective interest method. These financial liabilities are subsequently measured at amortized cost.

In the event that a modification in the contractual terms of a liability at amortized cost does not result in its derecognition (a non-substantial modification), the contractual cash flows from the refinanced debt are calculated using the original effective interest rate and any resulting modification gain or loss is recognized in profit or loss on the date of the modification.

Borrowings are classified as current liabilities unless they mature more than 12 months from the reporting date or the Group is entitled to automatically roll them over.

Trade and other current accounts payable are financial liabilities and are initially recognized at fair value; they do not explicitly accrue interest and are recognized at their face value. Non-current borrowings are those due more than 12 months from the reporting date.

b) Financial liabilities at fair value through profit or loss

These are liabilities that are incurred with the intention of repurchasing them in the short term. Derivatives are included in this category unless they are designated as hedging instruments. These financial liabilities are initially recognized and subsequently measured at fair value and any changes in fair value are recognized in profit and loss as they arise.

L) DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

The Group uses certain financial derivatives to manage its exposure to movements in exchange and interest rates. All of these derivatives are measured at fair value, regardless of whether or not they are designated as hedges, their fair value being their market value in the case of listed instruments, and valuations based on option valuation models or discounted cash flow analysis in the case of unlisted instruments. The following criteria are used for recognition purposes:

* Cash flow hedges: the gains and losses derived from the restatement to fair value at the reporting date of derivatives designated as hedges, to the extent effective, are recognized directly in equity (net of tax) until the committed or forecast transaction is realized, at which point they are reclassified to profit or loss.

  Gains and losses on ineffective hedges are recognized directly in profit or loss.

* Hedges of a net investment in a foreign operation: the gains and losses derived from the measurement at fair value of these investments in respect of the portion of the hedge deemed effective are recognized, net of tax, directly in equity under "Translation differences" and are reclassified to profit or loss when the hedged investment is disposed of. Gains and losses on ineffective hedges are recognized directly in profit or loss.

* Accounting treatment for financial derivatives not designated as hedges or not qualifying for hedge accounting: the gains and losses arising from the restatement to fair value of these financial instruments are recognized directly in the consolidated statement of profit or loss.

M) INVENTORIES

Inventories are measured at their weighted average acquisition or production cost.

The acquisition price includes the amount stated on the invoice plus all additional costs incurred until the goods are stored in the warehouse.

Production cost is determined by adding to the cost of acquiring raw materials and other consumables, manufacturing costs directly attributable to the product and the corresponding portion of indirect costs attributable to the product in question, to the extent such costs are incurred during the manufacturing period. If the selling price less estimated costs of completion and the estimated costs necessary to make the sale are less than the costs indicated above, the inventories are written down for impairment.

N) DEFERRED INCOME - GRANTS

The grants received by the Group are accounted for as follows:

a) Non-repayable grants related to assets: these grants are measured at the amount awarded and reclassified to profit and loss on a straight-line basis over a period of 10 years, which is roughly equivalent to the average period during which the assets financed by such grants are depreciated. They are presented on the liability side of the consolidated statement of financial position.

b) Grants related to income: when a grant relates to an item of expense, it is recognized as income in the period that the costs it is intended to compensate are expensed.

O) PENSION COMMITMENTS AND SIMILAR OBLIGATIONS

The Group manages several defined benefit and defined contribution pension plans. The cost of providing benefits under defined benefit plans is determined using the projected unit credit method.

The defined benefit commitment is calculated by independent actuarial experts annually for the most significant plans and regularly for the rest. The actuarial assumptions used to calculate the Group's obligations depend on each country's economic situation. The various funds may be funded through an external fund or through internal provisions.

For defined benefit plans funded externally, any deficit in the fair value of the plan assets with respect to the present value of the obligation as a result of actuarial gains or losses is recognized directly in equity net of the related tax effect, and any changes in past service costs are recognized in profit or loss. A gain is only capitalized in respect of a surplus to the extent that it represents a future economic benefit, in the form of refunds from the plan or a reduction in future contributions.

Actuarial gains and losses arise mainly as a result of changes in actuarial assumptions or differences between estimated and actual variables.

In the case of defined benefit plans, the actuarial cost charged to the consolidated statement of profit or loss is the sum of the current service cost, interest cost, the expected return on any plan assets and the past service cost, while any material actuarial gains and losses are recognized directly in retained earnings within equity.

Contributions to defined contribution plans are charged to the consolidated statement of profit or loss when they are made.

Pursuant to the prevailing collective bargaining agreement and other non-binding agreements, Ebro Foods, S.A. is obliged to pay bonuses for long service to certain of its permanent employees upon retirement at the legally-stipulated age or early retirement.

In accordance with the applicable collective bargaining agreements and other non-binding agreements, the Riviana Group (USA) and certain European Group companies are obliged to make annual supplementary payments of various kinds and other bonuses for long service and retirement, where applicable, to certain of their permanent employees upon retirement at the legally-stipulated age or early retirement.

The provision recognized represents the present value, calculated by means of actuarial studies, most of which performed by independent experts, of the future payment obligations of the companies concerned to their former and current employees in connection with the aforementioned retirement bonus obligations, net of the present value of the financial assets in which the related funds are invested. These plans are managed independently by a management committee made up of employees, executives and third parties.

In addition, some Group companies grant their employees certain voluntary retirement bonuses of undetermined amount. Those bonuses, which are scantly material, are recognized as an expense when they are paid. The other Group companies do not have similar obligations or have obligations that are scantly material.

P) OTHER PROVISIONS

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is considered probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

They are measured at the year-end estimate of the amounts (at their present value) that will be required to discharge probable or certain liabilities arising as a result of lawsuits or other outstanding obligations.

If an outflow of resources is considered possible but not probable, the Group does not recognize a provision but discloses the nature of the contingent liability in the Notes to the annual consolidated financial statements.

Restructuring provisions are recognized only when the Group has a constructive obligation, which is deemed to exist when a detailed formal plan identifies the business concerned, the locations affected, the function and number of employees who will be compensated for terminating their services, a detailed estimate of the associated costs, and when it will be implemented, and a valid expectation has been raised among those affected that the restructuring will be carried out because the plan has started to be implemented or because the main features of the plan have been announced to those affected by it. Those provisions are estimated on the basis of their economic substance and not just their legal form.

Q) INCOME TAX

Current tax expense is recognized in the consolidated statement of profit or loss, except for current income tax relating to items recognized directly in equity, the tax effect of which is recognized in equity.

Deferred tax is provided using the liability method. Under this method, deferred tax assets and liabilities are recognized on the basis of the temporary differences between the carrying amounts of the assets or liabilities and their tax bases and are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities that arise from items recognized in equity are directly credited to or charged against equity. Deferred tax assets and unused tax credits are recognized to the extent that it is probable that sufficient taxable profit will be available to allow the benefit to be utilized and they are written down if this expectation changes. Deferred tax liabilities associated with investments in subsidiaries and associates are not recognized unless the Parent has the power to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

R) REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group's core business is the sale of food products to end consumers and the supply of food-related raw materials to third parties. That business involves the sale of finished food products and food-based raw materials to customers and that is generally the only performance obligation to be satisfied. Revenue is recognized when control of the asset is transferred to the customer, which is customarily when the goods are delivered.

With respect to variable consideration (discounts), despite the fact that: (i) the types of arrangements vary widely; (ii) the volume of information required to make the corresponding estimates is considerable; and (iii) the estimation process is intrinsically subjective in nature, the Group believes it does not make judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers (as per paragraph 123 of IFRS 15), as the variable consideration (discounts) included in its contracts is realized within a relatively short period of time, the Group has ample historical experience with respect to its customers' behaviour and the subjectivity involved in the estimation required is very low.

In addition, the discount estimation process is framed by adequate preventive and supervisory controls and an appropriate level of segregation of duties and involves skilled professionals with the experience required to make the estimates in keeping with the applicable accounting rules.

The Group has two main types of customers: retailers and industrial customers. Discounts are more diverse and varied in the retail segment. Below is a description of the types of discounts given and how they are treated for accounting purposes under IFRS 15:

* Volume discounts - these are accrued by Group customers as a function of certain sales volume thresholds and are unknown at the time of executing the contracts or placing an order. Therefore, these discounts are estimated at each year-end as a function of the sales thresholds reached and those the Group deems it is probable its customers will reach at the time of estimation.

  Therefore, given that volume discounts generally depend on future events (sales volumes to be reached), they are treated as variable consideration and are recognized as a reduction of revenue in the consolidated statement of profit or loss.

* Discounts for prompt payment - in this instance, the consideration receivable by the Group in exchange for fulfilling its main performance obligation of delivering goods and services depends on whether its customers make use of this discount by paying promptly. As with the volume discounts, the Group estimates the volume it expects to be paid for at the discount, recognizing that estimate as a reduction of revenue at year-end.

* There are other discounts related with contracts with customers that may be fixed or variable and are tied to concepts such as preferential aisle positioning (slotting fees), new product promotions, anniversary discounts, etc. Such discounts are commercial and promotional in nature and commonplace in the retail sector. In general, all those discounts are treated as a reduction of revenue: in the contracts they can be identified as a service included in or intrinsic to the product delivery performance obligation, constituting a reduction in the transaction price and not, therefore, a distinct service or a cost for the customer in exchange for such services.

  These terms and conditions are negotiated with customers annually or more frequently depending on their nature and following negotiations at the behest of the latter. However, promotions entailing a related service with a cost for the customer, e.g., in-store tastings, are accounted for as a cost. They are recognized as a 'service provided by the customer'.

S) ENVIRONMENTAL DISCLOSURES

Expenditure incurred under initiatives taken or that have to be undertaken to manage the environmental effects of the Group's business operations and that deriving from environmental commitments are considered environmental expenses.

Capitalized assets acquired or produced by the Group for the purpose of long-lasting use in its business operations whose main purpose is to minimize environmental damage and/or enhance environmental protection, including assets intended to make the Group's operations less contaminating, are considered environmental capital expenditure. Those assets are accounted for using the same criteria as other items of property, plant and equipment of the same nature.

T) GREENHOUSE GAS EMISSION ALLOWANCES

The Group recognizes its greenhouse gas emission allowances as intangible assets with an infinite useful life. Allowances received for free under the various national allocation plans are measured at their fair value at the time of receipt and a deferred income balance is recognized in the same amount.

Since 2013 the Group is no longer obliged to meet allowance requirements and will therefore not be allocated additional free allowances.

U) OWN SHARES

Own equity instruments that are reacquired (own shares or treasury shares) are deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

V) NEW AND AMENDED STANDARDS AND INTERPRETATIONS

The measurement standards (accounting policies) applied in preparing the accompanying consolidated financial statements are consistent with those used to prepare the 2022 consolidated financial statements with the exception of the following new and amended standards and interpretations (none of which has been early adopted by the Ebro Group):

1) Standards and amendments published by the International Accounting Standards Board (IASB) and adopted by the European Union for application in Europe for annual periods beginning on or after January 1, 2023:

   Certain standards and standard amendments became applicable for the first time from January 1, 2023 (including the amendments to IFRS 8 and IAS 1) but did not have any impact on these consolidated financial statements.

   Amendments to IAS 12 derived from International Tax Reform - Pillar Two Model Rules

   IAS 12 has been amended in the wake of International Tax Reform - Pillar Two Model Rules. In May 2023, the IASB issued its amendments to IAS 12 Income taxes as a result of the Pillar Two global minimum tax rules published by the OECD Inclusive Framework on Base Erosion and Profit Shifting. Those amendments introduce, provisionally, a mandatory temporary exemption to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules. They also introduce additional disclosure requirements for affected entities to help users of their financial statements better understand an entity's exposure to Pillar Two income taxes. The amendments related with the mandatory temporary exemption and the related disclosure requirements already took effect in 2023.

   The Pillar Two legislation has been enacted or substantively enacted in several jurisdictions in which the Group operates. That legislation will be effective in annual periods beginning on or after January 1, 2024. The Group falls under the scope of the legislation that has been enacted or substantively enacted and has assessed its potential exposure to the Pillar Two rules in 2024 (Note 21).

2) At the date of authorising the accompanying consolidated financial statements for issue, the following new and amended standards and interpretations have been published but are either effective for reporting periods beginning after December 31, 2023 or are still pending adoption by the European Union. None of the upcoming standards has been adopted early by the Group.

   The Group intends to apply the new standards, interpretations and amendments issued by the IASB whose application is not mandatory in the European Union when they are effective, to the extent applicable to the Group. The Group is in the process of analysing their impact but estimates that their first-time application will not have a significant impact on its consolidated financial statements.

4. SUBSIDIARIES AND ASSOCIATES

Ebro Foods, S.A. has the following direct and indirect investments in subsidiaries and associates:

Subsidiaries and Associates

	OWNERSHIP INTEREST, %		PARENT COMPANY		REGISTERED OFFICE	BUSINESS
	31-12-23	31-12-22	31-12-23	31-12-22		
Dosbio 2010, S.L.	100.0%	100.0%	EF	EF	Madrid (Spain)	Flour production
Fincas e Inversiones Ebro, S.A.	100.0%	100.0%	EF	EF	Madrid (Spain)	Agricultural holdco
Arotz Foods, S.A.	100.0%	100.0%	EF	EF	Madrid (Spain)	Production of canned vegetables
Riviana Foods Inc. (Group) (Riviana)	100.0%	100.0%	EF	EF	Houston, Texas (USA)	Production and sale of rice and pasta
Ebro Foods, Gmbh. (Group) (EFG)	100.0%	100.0%	EF/Boost	EF/Boost	Hamburg (Germany)	Holdco
EF Alimentación, S. DE R. L. DE C.V.	100.0%	100.0%	EF	EF	Mexico	Sale and marketing of rice
Fundación Ebro Foods	100.0%	100.0%	EF	EF	Madrid (Spain)	Foundation
Ebro Financial Corporate Services, S.L.	100.0%	100.0%	EF	EF	Madrid (Spain)	Insurance and finance
Herba Foods, S.L.U. (HF)	100.0%	100.0%	EF	EF	Madrid (Spain)	Investment management
Herba Ricemills S.L.U. (HR)	100.0%	100.0%	EF	EF	Madrid (Spain)	Production and sale of rice
Herba Nutrición S.L.U. (HN)	100.0%	100.0%	EF	EF	Madrid (Spain)	Production and sale of rice
Semola, S.r.l. (SEM)	100.0%	100.0%	EF	EF	Naples (Italy)	Investment management
Riso Scotti, S.p.a. (Group) **(A)**	40.0%	40.0%	EF	EF	Milan (Italy)	Production and sale of rice
Geovita Functional Ingredients, S.R.L. **(B)**	52.0%	52.0%	EF	EF	Vercelli (Italy)	Production and sale of pulses
Santa Rita Harinas, S.L. **(B)**	52.0%	52.0%	EF	EF	Guadalajara (Spain)	Production and sale of flour
Ebro Frost North America, Inc.	100.0%	100.0%	Riviana	EF	Houston (USA)	Production and sale of rice and pasta
Fallera Nutrición, S.L.	100.0%	100.0%	HN	HN	Valencia (Spain)	Production and sale of rice
Tilda Limited (Tilda)	100.0%	100.0%	EF	EF	London (UK)	Production and sale of rice
Tilda International DMCC	100.0%	100.0%	Tilda	Tilda	Dubai (UAE)	Sale and marketing of rice
Tilda Rice Limited	100.0%	100.0%	Tilda	Tilda	London (UK)	Dormant
Ebro UK	100.0%	100.0%	Tilda/S&B	Tilda/S&B	London (UK)	Administration
Ebro Tilda Private Limited	100.0%	100.0%	EF	EF	New Delhi (India)	Sale and marketing of rice
Herba Germany, GmbH	100.0%	100.0%	EFG	EFG	Hamburg (Germany)	Trademark holdco
Euryza, Gmbh.	100.0%	100.0%	EFG	EFG	Hamburg (Germany)	Sale and marketing of rice
Reiskontor Handels Gmbh	100.0%	100.0%	Euryza	Euryza	Stuttgart (Germany)	Dormant
Transimpex, Gmbh **(B)**	55.0%	55.0%	EFG	EFG	Hamburg (Germany)	Sale and marketing of rice
Fentus 61, Gmbh	100.0%	100.0%	EFG	EFG	Stuttgart (Germany)	Dormant
T.A.G. Nahrungsmittel Gmbh.	100.0%	100.0%	EFG	EFG	Stuttgart (Germany)	Dormant
Bertolini Import Export Gmbh.	100.0%	100.0%	EFG	EFG	Mannheim (Germany)	Dormant

Subsidiaries and Associates

	OWNERSHIP INTEREST, %		PARENT COMPANY		REGISTERED OFFICE	BUSINESS
	31-12-23	31-12-22	31-12-23	31-12-22		
Ebro Frost Holding, Gmbh (Efrost)	55.0%	55.0%	HF	HF	Munich (Germany)	Investment management
Ebro Frost Denmark, AS.	100.0%	100.0%	Efrost	Efrost	Orbaek (Denmark)	Production and sale of rice and pasta
Ebro Frost Germany, Gmbh.	100.0%	100.0%	Efrost	Efrost	Munich (Germany)	Production and sale of rice and pasta
Ebro Frost UK, Ltd.	100.0%	100.0%	Efrost	Efrost	London (UK)	Production and sale of rice and pasta
S&B Herba Foods, Ltda. (Grupo) (S&B)	100.0%	100.0%	HF/R. Int.	HF/R. Int.	London (UK)	Production and sale of rice
Riceland Magyarorszag, KFT.	100.0%	100.0%	HF/EF	HF/EF	Budapest (Hungary)	Sale and marketing of rice
Ebro Belgium, NV (Boost)	100.0%	100.0%	HF / N.C.	HF / N.C.	Merksem (Belgium)	Production and sale of rice
Mundi Riso S.R.L.	100.0%	100.0%	HF	HF	Vercelli (Italy)	Production and sale of rice
Mundi Riz, S.A. (MR)	100.0%	100.0%	HF	HF	Larache (Morocco)	Production and sale of rice
Agromeruan, S.A.	100.0%	100.0%	MR	MR	Larache (Morocco)	Farmland concessionaire
Rivera del Arroz, S.A.	100.0%	100.0%	MR	MR	Larache (Morocco)	Rice farming
Katania Magrheb, S.A.R.L	100.0%	100.0%	MR	MR	Larache (Morocco)	Sale and marketing of rice
Arrozeíras Mundiarroz, S.A.	100.0%	100.0%	HF	HF	Lisbon (Portugal)	Production and sale of rice
Josep Heap Properties, Ltda.	100.0%	100.0%	HF	HF	Liverpool (UK)	Investment management
Risella OY	100.0%	100.0%	HF	HF	Helsinki (Finland)	Sale and marketing of rice
Herba Bangkok, S.L. (Grupo) (HB)	100.0%	100.0%	HF	HF	Bangkok (Thailand)	Production and sale of rice
Herba Cambodia CO, Ltd	100.0%	100.0%	HB	HB	Cambodia	Sale and marketing of rice
Ebro India, Ltda.	100.0%	100.0%	HF/EF	HF/EF	New Delhi (India)	Production and sale of rice
Ebrosur, S.R.L.	100.0%	100.0%	HF	HF	Argentina	Sale and marketing of rice
Ebro Rice Handling, S.A.	100.0%	100.0%	HF	HF	Merksem (Belgium)	Logistics
La Loma Alimentos, S.A.	100.0%	100.0%	HF	HF	Argentina	Production and sale of rice
Neofarms Bio, S.A.	100.0%	60.0%	HF	HF	Argentina	Sale and marketing of rice
Indo European Foods Limited	100.0%	100.0%	HF	HF	London (UK)	Production and sale of rice
Ebro Foods Netherland, B.V. (EFN)	100.0%	100.0%	HF	HF	Amsterdam (Netherlands)	Investment management
Ebro Foods Netherland Brands BV	100.0%	100.0%	EFN	EFN	Amsterdam (Netherlands)	Production and sale of rice
Lassie, B.V.	100.0%	100.0%	EFN	EFN	Amsterdam (Netherlands)	Industrial operations
Lassie Property, B.V.	100.0%	100.0%	EFN	EFN	Amsterdam (Netherlands)	Industrial operations
Rice & Cereals Consultancy BV (RCC)	100.0%	100.0%	EFN	EFN	Belgium	Holdco
Ebro Ingredients, B.V. (Grupo)(EI)	100.0%	100.0%	EFN/HF/RCC	EFN/HF/RCC	Amsterdam (Netherlands)	Holdco and sale of rice
Mediterranean Foods Label, B.V.	100.0%	100.0%	EFN	EFN	Amsterdam (Netherlands)	Production and sale of rice
Gourmet Foods and Beverages Limited	100.0%	100.0%	EFN	EFN	London (UK)	Sale and marketing of rice

Subsidiaries and Associates

	OWNERSHIP INTEREST, %		PARENT COMPANY		REGISTERED OFFICE	BUSINESS
	31-12-23	31-12-22	31-12-23	31-12-22		
Nuratri, S.L.	100.0%	100.0%	HR	HR	Madrid (Spain)	Sale and marketing of rice
Nutramas, S.L.	100.0%	100.0%	HR	HR	Madrid (Spain)	Sale and marketing of rice
Nutrial, S.L.	100.0%	100.0%	HR	HR	Madrid (Spain)	Sale and marketing of rice
Pronatur, S.L.	100.0%	100.0%	HR	HR	Madrid (Spain)	Sale and marketing of rice
Vitasan, S.L.	100.0%	100.0%	HR	HR	Madrid (Spain)	Sale and marketing of rice
Yofres, S.A.	100.0%	100.0%	HR	HR	Seville (Spain)	Sale and marketing of rice
Herba Trading, S.A.	100.0%	100.0%	HR	HR	Seville (Spain)	Sale and marketing of rice
Formalac, S.L.	100.0%	100.0%	HR	HR	Seville (Spain)	Sale and marketing of rice
Eurodairy, S.L.	100.0%	100.0%	HR	HR	Seville (Spain)	Sale and marketing of rice
Española de I+D, S.A.	100.0%	100.0%	HR	HR	Valencia (Spain)	New product development and commercialisation
Riviana International Inc. (R. Int.)	100.0%	100.0%	Riviana	Riviana	Houston (USA)	Investment management
Riviana Foods Canadá, Co.	100.0%	100.0%	Riviana	Riviana	Montreal (Canada)	Production and sale of rice
Ebro Riviana de Guatemala, S. L.	100.0%	100.0%	R. Int.	R. Int.	Guatemala	Investment management
Ebro de Costa Rica, S. L.	100.0%	100.0%	R. Int.	R. Int.	San José (Costa Rica)	Investment management
R&R Partnership **(A)**	50.0%	50.0%	Riviana	Riviana	Houston (USA)	Production and sale of rice
N&C Boost N. V. (N.C. Boost)	100.0%	100.0%	R. Int.	R. Int.	Antwerp (Belgium)	Investment management
Lustucru Premium Food, SAS (EPF)	99.8%	99.8%	EF	EF	Lyon (France)	Investment management
Lustucru Riz, SAS	99.9%	99.9%	EPF	EPF	Lyon (France)	In liquidation
Lustucru Frais, SAS	100.0%	100.0%	EPF	EPF	Lyon (France)	Production and sale of food
Panzani Developpment, S.A.	100.0%	100.0%	EPF	EPF	Lyon (France)	Investment management
S.F.C. d'Investissements, SAS	100.0%	100.0%	EPF	EPF	Marseilles (France)	Industrial operations
Bertagni, Spa. (Bertagni) **(B)**	70.0%	70.0%	LPF	LPF	Verona (Italy)	Production and sale of pasta
Bertagni USA, Inc.	70.0%	70.0%	Bertagni	Bertagni	New York (USA)	Sale and marketing of pasta
Bertagni UK, Ltd.	56.0%	56.0%	Bertagni	Bertagni	London (UK)	Sale and marketing of pasta

Subsidiaries and Associates

	OWNERSHIP INTEREST, %		PARENT COMPANY		REGISTERED OFFICE	BUSINESS
	31-12-23	31-12-22	31-12-23	31-12-22		
TBA Suntra Beheer, B.V. (TBA)	100.0%	100.0%	EI	EI	Netherlands	Production and sale of rice
SBS Commodities BV	100.0%	100.0%	TBA	TBA	Netherlands	Sale and marketing of rice
Suntra Rice BV	100.0%	100.0%	TBA	TBA	Netherlands	Sale and marketing of rice
TBA Suntra BV	100.0%	100.0%	TBA	TBA	Netherlands	Sale and marketing of rice
Ebro Ingredients Netherlands, BV	100.0%	100.0%	EI	EI	Netherlands	Industrial operations
Ebro Ingredients Belgium B, BV	100.0%	100.0%	EI	EI	Belgium	Industrial operations
Ebro Ingredients Belgium C, BV	100.0%	100.0%	EI	EI	Belgium	Industrial operations
Ebro Ingredients Belgium F, BV	100.0%	100.0%	EI	EI	Belgium	Industrial operations
International Pulse Ingredients Co.	100.0%	100.0%	EI	EI	Netherlands	Dormant
Herba Ingredients SC BV	100.0%	100.0%	EI	EI	Belgium	Dormant
Euro Rice Flour, BV	100.0%	100.0%	EI	EI	Netherlands	Dormant
Pastificio Lucio Garofalo, Spa. (GAROF) **(B)**	52.0%	52.0%	SEM	SEM	Naples (Italy)	Production and sale of pasta
Garofalo Nordic, AB.	100.0%	100.0%	GAROF	GAROF	Sweden	Sale and marketing of pasta
Garofalo USA, Inc.	100.0%	100.0%	GAROF	GAROF	New York (USA)	Sale and marketing of pasta
Garleb, SAL.	70.0%	70.0%	GAROF	GAROF	Lebanon	Sale and marketing of pasta
Garleb, DMCC	100.0%	100.0%	GAROF	GAROF	Dubai (UAE)	Sale and marketing of pasta
Garofalo France, S.A.	100.0%	100.0%	Garof/EPF	Garof/EPF	Lyon (France)	Sale and marketing of pasta and sauces
Vogan & Company Ltd.	100.0%	100.0%	S&B	S&B	London (UK)	Dormant
Riviana Food Limited	100.0%	100.0%	S&B	S&B	London (UK)	Dormant
Joseph Heap & Sons Ltd. (J Heap)	100.0%	100.0%	S&B	S&B	London (UK)	Dormant
Anglo Australian Rice Ltd.	100.0%	100.0%	S&B	S&B	London (UK)	Dormant
Heap Comet	100.0%	100.0%	S&B	S&B	London (UK)	Dormant
AW Mellish	100.0%	100.0%	S&B	S&B	London (UK)	Dormant

(A) Associates consolidated using the equity method
(B) Companies fully consolidated due to the existence of a commitment to acquire the rest of these investees' equity (for a description of those commitments, refer to Note 22).

None of the subsidiaries or associates is publicly traded. The financial statements of all of the companies consolidated by the Group correspond to the same financial year-end, namely December 31, 2023 and 2022.

5. SIGNIFICANT TRANSACTIONS (BUSINESS COMBINATIONS, DISPOSALS, ETC.) CLOSED IN 2023 AND 2022 AND IMPACT ON COMPARABILITY

5.1 BUSINESS COMBINATIONS OF ENTITIES UNDER COMMON CONTROL IN 2023

For internal management reorganisation purposes, at the end of 2023, 100% of the share capital of Ebrofrost North America, Inc. (USA), wholly owned by Ebro Foods, S.A., was sold to Riviana Foods, Inc. (likewise, a wholly-owned subsidiary). There were no other significant internal company restructuring transactions in 2023.

5.2 BUSINESS COMBINATIONS OF ENTITIES UNDER COMMON CONTROL IN 2022

There were no internal company restructuring transactions in 2022.

5.3 THIRD-PARTY BUSINESS COMBINATIONS UNDERTAKEN IN 2023 AND 2022 AND IMPACT ON COMPARABILITY. CHANGES IN CONSOLIDATION SCOPE:

TRANSACTIONS IN 2023

In 2023, the Group purchased the 40% of Neofarms Bio, S.A. it did not already own for 2,090 thousand euros. There were no other business combinations in 2023.

TRANSACTIONS IN 2022

Companies added to the consolidation scope and increases in shareholdings in 2022

COMPANY AFFECTED	SUBGROUP	%	COMMENTS
Ebro UK, Ltd. (UK)	Rice	100%	Company incorporation
InHarvest, Inc (USA)	Rice	100%	Outright acquisition of this business

Companies removed from the consolidation scope and decreases in shareholdings in 2022

COMPANY AFFECTED	SUBGROUP	%	COMMENTS
Roland Monterrat, S.A. (France)	Pasta	100%	Sale of this company

The most important transactions undertaken in 2022 were the following:

Acquisition of the InHarvest business in the US

On April 1, 2022, the Group, through its rice business, specifically its US subsidiary, Riviana Foods Inc., completed the acquisition of the assets comprising the business of InHarvest, Inc., an American company with an important presence in the industrial (B2B), food service and private label businesses, specialized in premium rice, quinoa and grains, in the US market.

The acquisition encompassed the two factories operated by InHarvest, located in Colusa and Woodland (California), strategically located in the country's western rice-growing region, where the Ebro Group did not have a manufacturing presence. The business employs approximately 140 people.

The Group's investment totalled 45.2 million euros. The acquisition was financed from own funds. The Group took effective control of this business on April 1, 2022, which was also the date of its first-time consolidation. The fair value of the net assets acquired at April 1, 2022 was as follows:

ACQUISITION OF 100% OF THE INHARVEST BUSINESS (USA)	DATE OF FIRST-TIME CONSOLIDATION. APRIL 1, 2022
	FAIR VALUE
Property, plant and equipment	19,709
Inventories	19,557
Other current assets	7,334
TOTAL ASSETS	**46,600**
Trade payables	781
Other current liabilities	617
TOTAL LIABILITIES	**1,398**
TOTAL IDENTIFIABLE NET ASSETS AT FAIR VALUE	**45,202**
Goodwill arising on acquisition	0
PURCHASE CONSIDERATION TRANSFERRED	**45,202**
Non-controlling interests	0
Financed with financial liabilities and cash	45,202
PURCHASE CONSIDERATION TRANSFERRED	**45,202**
Net cash (debt) acquired with the subsidiary	0
Revenue since the acquisition date	31,904
Net profit contribution since the acquisition date	2,486
Revenue since 1 January **(a)**	45,041
Net profit contribution since 1 January **(a)**	3,513

(a) Estimate as if the businesses had been acquired on 1 January 2022

Sale of the Monterrat business (France)

In June 2022, the Group sold Roland Monterrat, a company which made fresh prepared dishes in France (*pâté en croûte*, sandwiches and *croque-monsieur*).

The consideration comprised (i) 10 million euros for the shares sold; and (ii) 12 million euros in respect of the account receivable by the Group from the company sold; it was collected in June, which is when the business was delivered to the buyer and the sale was recognized for accounting purposes.

Since 2015, that investment had generated a loss for the Ebro Group of 49.2 million euros (after tax), of which 25.9 million euros had already been recognized in prior years so that 23.3 million euros was recognized in 2022 (3.7 million euros as an operating loss and 19.6 million euros as a non-recurring loss). That business was part of the Ebro Group's Pasta segment.

In May 2021, the Ebro Group presented a claim for damages before Roland Monterrat's former shareholders (i.e., the shareholders that sold the company to the Ebro Group in September 2015).

That legal claim remains ongoing and the experts appointed by the parties are assessing the damages for presentation before the competent court. However, as a pre-trial measure, the competent court has embargoed the assets of some of the former shareholders being sued.

At the date of publishing these consolidated financial statements, it is impossible to say with reasonable certainty when this case will be settled or how much the Group can expect to receive. Nevertheless, the Ebro Group believes it has strong chances of being handed a favourable ruling that will enable it to receive a sum close to the amount invested in this business. However, the Group has not recognized any income in relation with this matter as applicable accounting rules preclude the recognition of contingent assets.

6. SEGMENT REPORTING AND REVENUE FROM CONTRACTS WITH CUSTOMERS

The operating segments are organised and managed separately by products and services; each segment represents a strategic business unit that sells different products and services different markets. Accordingly, the Group's segment reporting disclosures are articulated around its business segments, as the Group's risks and returns are shaped primarily by differences in the products and services provided.

Against this backdrop, the Ebro Foods Group is divided into the following business segments and/or activities:

* Rice business
* Fresh and premium dry pasta business
* Other businesses and/or activities

The Group structures its segment reporting disclosures around these businesses and/or activities. The financial information relating to these business segments is presented in the table provided at the end of this Note 6.

RICE BUSINESS

Herba Group: Specialized in businesses related with rice, legumes and other grains. The Group has established itself as Europe's leading rice group and one of the world's most important players. It boasts an extensive and modern manufacturing base and an extensive sales network, doing business in more than 70 markets.

It is the leading European player in rice retailing, the food service segment and in the supply of rice, rice derivatives and ingredients for industrial purposes. It follows a multi-brand strategy underpinned by a deep portfolio of successful brands that boast strong recognition in their operating markets. These high-profile brands include: SOS, Brillante, La Fallera, La Cigala, Saludades, Lassie, Reis fit, Rix fis, Oryza, Bosto, Riceland, Risella, Peacock and Phoenix. The table below summarizes the Group's market shares in its main retail markets:

COUNTRY	BY VOLUME	BY VALUE	RANKING
Spain	24.99%	30.82%	#1
Portugal	15.94%	17.26%	#1
Belgium	22.71%	31.77%	#2
Germany	15.40%	20.80%	Joint leader
Netherlands	20.20%	28.00%	#1

Source: Nielsen or IRI

In parallel it supplies rice to Europe's leading food sector players:

* Beverage industries
* Industrial rice companies
* Baby food: cereals, baby food, etc.
* Pre-cooked dishes: non-refrigerated, dehydrated, frozen, etc.
* Animal and pet food

Riviana Rice Group: This is the unit specialized in the rice business in the US, specifically through Riviana, Inc., the largest rice company in the US, with rice processing and production facilities in Tennessee, Texas, Arkansas and California.

Riviana is the leading rice retailer in the US and boasts a variety of brands including Mahatma, Success and Minute, leaders in the traditional and instant and microwaveable rice segments.

The Group's overall market share in the US retail segment is 23.1% by volume; its footprint extends to growth segments such as aromatic and microwaveable rice and grains.

This subgroup also has an international presence in markets with long-standing trade ties with the US, several Caribbean nations and the Middle East, the latter through the Abu Bint brand, which is the leading player in the par-boiled rice segment in Saudi Arabia.

Tilda Group: Its main asset is the Tilda brand, a rice company deeply specialized in basmati with global brand recognition. It boasts a presence in several markets on all five continents and is particularly well known and well positioned in the UK, which is where it manufactures: approximately 60% of its sales stem from its home market. In the UK market it sells its products under a variety of brands and is the joint market leader by both volume (22.6%) and value (25.5%); it also commands a market share of 11.7% (by value) in Ireland.

Lustucru Premium Foods (France): This unit sells rice under two brands: Lustucru, devoted to conventional and quick-cook rice, and Taureau Ailé, specialized in select, premium-quality rice. Between the two brands, this unit is the number-one player in the French market, with a market share of 19.3% by volume and of 27.5% by value.

PREMIUM DRY PASTA AND FRESH PASTA BUSINESS

Lustucru Premium Group, fresh pasta France: This is the Group unit specialized in the fresh pasta business in France. It is the clear market leader with a share of 51.8% by volume and 44.8% by value. Thanks to its value-added customer proposition, it is the undisputed leader in the French market.

Its products are sold under the Lustucru brand and include fresh pasta, pan-fry gnocchis, snacks and ready-made dishes. It represents a growth segment and a launch pad for the Group's R&D effort.

Bertagni Group: Added to the Group in March 2018 following the acquisition of 70% of the shares of Bertagni (including an option over the remaining 30%), this business has factories in Vicenza and Alvio (Italy). Bertagni is known as the oldest filled pasta brand in Italy. An expert in the production and sale of fresh pasta in the premium fresh pasta segment, it combines the finest artisan pasta traditions with extraordinary product development and innovation capabilities.

Garofalo Group: This is the Group unit that specialises in the high-end dry pasta segment; its products enjoy protective geographic indications. Pastificio Lucio Garofalo is steeped in over two hundred years of history and marries tradition and innovation in the premium pasta business. It is based in Gragnano (at the back of the Bay of Naples), the region considered the cradle of pasta on account of its special micro-climate. It owns the Garofalo and Santa Lucia trademarks, among others.

This company has etched out a growth story in recent years, transforming from a small-sized local player into a leader in the Italian premium dry pasta segment (share of 6.6% by volume and 7.6% by value). Its brands are sold in most European markets and the US and its Santa Lucía brand is a best-selling pasta brand in eastern Africa.

Riviana Fresh Pasta Group: This subgroup includes the North American fresh pasta business, led by the Olivieri brand, which is the undisputed leader in the fresh pasta segment in Canada with a market share of 47.9% by volume and 54.5% by value (grocery stores, drug stores and mass market retailers). Olivieri makes and sells simple and filled fresh pasta products as well as a wide range of traditional and pan-fry gnocchi products.

OTHER BUSINESSES AND/OR ACTIVITIES

The most notable activity in this category:

Asset management:

This unit manages the Group's property that is not used in the core businesses (investment properties). Its purpose is to centrally control all of the Group's properties with a view to remaining abreast of their status, reducing costs and selling off those not used for industrial purposes after taking action to maximize their valuation prior to monetization.

Criteria used to allocate amounts to reportable segments

The restructuring effort and initiatives undertaken by the Group in recent years have enabled it to configure each of its main business segments separately, thereby facilitating their management, decision-making and financial control. Accordingly, the allocation of consolidated expenses, income, assets and liabilities among the segments derives from the amounts that belong directly to each.

It has not been necessary to establish criteria for allocating shared expenses and income or shared assets and liabilities among the segments other than in the French and Canadian businesses for which certain expenses were allocated on a pro rata basis (as is common practice in these kinds of situations) between the rice and fresh pasta units. Against this backdrop, although the non-financial fixed assets and liabilities and working capital structures dovetail with the needs of each business or activity, the financial structure shown by segment is determined by internal financial management criteria in keeping with appropriate and necessary centralisation and coordination at the Group level.

Inter-segment transactions

Although not material in relation to the total consolidated figures, inter-segment transactions have been eliminated for the purpose of determining the reportable segments' revenue, expenses and profits. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties. Inter-segment transactions are eliminated on consolidation.

6.1 GEOGRAPHIC INFORMATION

The geographic information is provided on the basis of the location of the Group's assets. Revenue from external customers is based on the geographic location of the customers. The detailed descriptions of each of the Group's business segment provided above indicate the geographic areas in which each operates. A summary of the businesses and/or activities carried out by the Group by geographic area is provided below:

- Spain: Herba's rice business and the Harinas de Santa Rita and Arotz businesses.
- Rest of Europe: essentially the businesses of Herba, Lustucru Premium Group (France, including Bertagni), Garofalo, Tilda, Kohinoor and Geovita.
- US & Canada: the Riviana business in the US and the Olivieri business in Canada; to a lesser extent, Bertagni, Tilda and Garofalo.
- Rest of world: essentially the rice business of Herba and some of the exports of Bertagni, Riviana and Garofalo.

The breakdown of assets and revenue provided by geographic market for continuing operations, without considering the place where the goods are produced, is provided in the next table (thousands of euros):

2022 - GEOGRAPHIC MARKET	SPAIN	EUROPE	AMERICAS	OTHER	TOTAL
Segment revenue	260,312	1,167,290	1,216,202	646,285	3,290,089
Inter-segment revenue	(31,290)	(71,217)	(179,360)	(40,550)	(322,417)
Total revenue	**229,022**	**1,096,073**	**1,036,842**	**605,735**	**2,967,672**
Intangible assets	43,080	243,890	142,312	198	429,480
Property, plant and equipment and right-of-use assets	122,310	408,369	285,112	63,298	879,089
Other assets	346,276	1,264,399	766,690	214,282	2,591,647
Total assets	**511,666**	**1,916,658**	**1,194,114**	**277,778**	**3,900,216**
Capital expenditure	**20,103**	**62,422**	**36,297**	**2,576**	**121,398**

2023 - GEOGRAPHIC MARKET	SPAIN	EUROPE	AMERICAS	OTHER	TOTAL
Segment revenue	262,767	1,190,206	1,169,666	780,843	3,403,482
Inter-segment revenue	(16,267)	(75,809)	(115,188)	(111,761)	(319,025)
Total revenue	**246,500**	**1,114,397**	**1,054,478**	**669,082**	**3,084,457**
Intangible assets	42,904	244,976	137,040	175	425,095
Property, plant and equipment and right-of-use assets	133,694	419,529	287,349	66,087	906,659
Other assets	281,198	1,254,913	795,865	207,835	2,539,811
Total assets	**457,796**	**1,919,418**	**1,220,254**	**274,097**	**3,871,565**
Capital expenditure	**18,896**	**58,172**	**65,466**	**2,366**	**144,900**

In two of the countries within the Group's markets, specifically the US and France, the revenue from contracts with customers and the unit's assets are material in comparison with those of the remaining countries (i.e., the countries other than Spain that account for over 10% of consolidated revenue and assets) and are thus broken down below (thousands of euros):

	UNITED STATES		FRANCE	
	2023	2022	2023	2022
Segment revenue	1,169,666	1,050,762	448,117	442,010
Inter-segment revenue	(115,188)	(158,466)	(59,995)	(57,148)
Total revenue	**1,054,478**	**892,296**	**388,122**	**384,862**
Intangible assets	131,221	136,398	37,820	38,036
Property, plant and equipment	262,733	263,824	122,688	116,043
Other assets	750,814	722,332	242,836	242,334
Total assets	**1,144,768**	**1,122,554**	**403,344**	**396,413**
Capital expenditure	**57,256**	**25,287**	**30,904**	**36,936**

6.2 SEGMENT INFORMATION BY BUSINESS

The following tables provide information on the revenue and earnings of continuing operations, as well as certain asset and liability disclosures for the Group's reportable segments, for the years ended December 31, 2023 and 2022.

Reportable segment disclosures - continuing operations (000€)

EBRO FOODS GROUP	TOTAL CONSOL.FIGURES		RICE BUSINESS (EXCL. NORTH AMERICA)		NORTH AMERICA RICE & FRESH PASTA		FRESH PASTA BUSINESS (EXCL. NORTH AMERICA)		EF HOLDCO		OTHER BUSINESSES & CONSOL. ADJUSTMENTS	
STATEMENT OF FINAL POSITION	**31-12-23**	**31-12-22**	**31-12-23**	**31-12-22**	**31-12-23**	**31-12-22**	**31-12-23**	**31-12-22**	**31-12-23**	**31-12-22**	**31-12-23**	**31-12-22**
Intangible assets	425,095	429,480	186,366	185,057	137,040	142,312	79,195	79,455	21,191	21,351	1.303	1.305
Property, plant and equipment	906,659	879,089	373,936	356,511	287,347	285,109	234,797	227,522	888	963	9.691	8.984
Investment properties	18,334	19,382	16,608	22,107	0	0	0	0	8,400	8,464	(6.674)	(11.189)
Financial assets	9,575	6,102	6,752	3,368	20	21	2,615	2,517	146	146	42	50
Investments in associates	47,132	43,235	1	1	58,098	52,177	5	5	1,720,505	1,726,427	(1.731.477)	(1.735.375)
Deferred tax assets	44,877	48,794	16,063	19,887	9,702	8,306	7,444	7,195	6,529	6,529	5.139	6.877
Goodwill	798,377	807,072	192,492	190,788	288,833	299,232	309,295	309,295	0	0	7.757	7.757
Accounts receivable from group companies	0	0	88,897	76,482	70,217	120,309	32,582	27,191	46,475	104,181	(238.171)	(328.163)
Other current assets	1,621,516	1,667,062	839,990	895,089	493,217	453,376	271,903	291,626	20,039	32,471	(3.633)	(5.500)
	3,871,565	**3,900,216**	**1,721,105**	**1,749,290**	**1,344,474**	**1,360,842**	**937,836**	**944,806**	**1,824,173**	**1,900,532**	**(1.956.023)**	**(2.055.254)**
Assets held for sale	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ASSETS	**3,871,565**	**3,900,216**	**1,721,105**	**1,749,290**	**1,344,474**	**1,360,842**	**937,836**	**944,806**	**1,824,173**	**1,900,532**	**(1.956.023)**	**(2.055.254)**
Total equity	2,222,133	2,198,280	1,116,126	1,037,479	1,106,948	1,111,019	341,645	354,976	1,331,272	1,379,493	(1.673.858)	(1.684.687)
Deferred income	15,800	10,919	5,954	4,769	0	0	9,823	6,150	0	0	23	0
Provisions for pensions and similar obligations	22,399	25,187	10,046	11,643	3,249	2,654	4,914	4,999	2,865	4,000	1.325	1.891
Other provisions	15,389	15,506	1,538	2,165	441	655	2,348	1,317	10,976	11,240	86	129
Non-current & current financial liabilities	903,467	947,997	104,608	169,460	29,315	33,366	364,993	354,774	376,030	364,586	28.521	25.811
Deferred tax liabilities	228,485	227,290	61,383	63,225	94,026	94,627	35,868	35,562	36,649	33,466	559	410
Borrowings from group companies	0	0	205,049	247,391	29,738	29,920	18,987	21,076	59,825	96,771	(313.599)	(395.158)
Other current liabilities	463,892	475,037	216,401	213,158	80,757	88,601	159,258	165,952	6,556	10,976	920	(3.650)
	3,871,565	**3,900,216**	**1,721,105**	**1,749,290**	**1,344,474**	**1,360,842**	**937,836**	**944,806**	**1,824,173**	**1,900,532**	**(1.956.023)**	**(2.055.254)**
Liabilities of non-current assets held for sale	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL LIABILITIES	**3,871,565**	**3,900,216**	**1,721,105**	**1,749,290**	**1,344,474**	**1,360,842**	**937,836**	**944,806**	**1,824,173**	**1,900,532**	**(1.956.023)**	**(2.055.254)**
Capital expenditure for the year	144,900	121,398	50,895	47,368	57,256	30,987	35,570	41,732	216	306		
Capital employed	2,255,729	2,228,932	1,206,839	1,123,547	664,775	687,653	362,049	357,969	22,857	34,663		
ROCE	12.6	10.5										
Leverage	30.1%	29.8%										
Average headcount for the year	6,323	6,293										
Stock market data:												
Number of shares outstanding ('000)	153,865	153,865										
Market cap. at year-end	2,388	2,256	Millions of euros									
EPS	1.22	0.79										
Dividend per share (DPS)	0.57	0.57										
Underlying carrying amount per share	14.20	14.07										

Within "North America: Rice and Fresh Pasta", the breakdown of intangible assets and property, plant and equipment between the Rice and Fresh Pasta segments is as follows (thousands of euros):

	31-12-23			31-12-22		
	RICE	PASTA	TOTAL	RICE	PASTA	TOTAL
Intangible assets		5,817	137,040	136,399	5,913	142,312
Property, plant and equipment	262,730	24,617	287,347	263,819	21,290	285,109
	393,953	**30,434**	**424,387**	**400,218**	**27,203**	**427,421**

Reportable segment disclosures - continuing operations (000€)

EBRO FOODS GROUP STATEMENT OF PROFIT OR LOSS	TOTAL CONSOL. FIGURES		RICE BUSINESS		FRESH/PREMIUM PASTA BUSINESS		EF HOLDCO		OTHER BUSINESSES & CONSOL. ADJUSTMENTS	
	31-12-23	31-12-22	31-12-23	31-12-22	31-12-23	31-12-22	31-12-23	31-12-22	31-12-23	31-12-22
External revenue	3,084,457	2,967,672	2,433,221	2,319,883	639,180	636,358	(1)	542	12,057	10,889
Inter-segment revenue			10,494	9,603	13,040	15,187	4,863	3,853	(28,397)	(28,643)
Total revenue	**3,084,457**	**2,967,672**	**2,443,715**	**2,329,486**	**652,220**	**651,545**	**4,862**	**4,395**	**(16,340**	**(17,754)**
Change in inventories	(21,945)	38,392	(20,502)	27,196	(1,341)	9,709	0	0	(102)	1,487
Own work capitalised	871	508	271	73	600	435	0	0	0	0
Other operating income	17,101	19,993	19,637	13,707	11,423	13,585	6,395	35,137	(20,354)	(42,436)
Raw materials and consumables used and other expenses	(1,733,630)	(1,727,697)	(1,436,100)	(1,400,110)	(304,656)	(336,884)	0	0	7,126	9,297
Employee benefits expense	(370,441)	(358,329)	(254,982)	(238,434)	(101,765)	(106,098)	(14,510)	(14,348)	816	551
Depreciation and amortisation	(102,874)	(101,023)	(68,035)	(67,165)	(33,174)	(32,147)	(1,402)	(1,500)	(263)	(211)
Other operating expenses	(597,288)	(636,945)	(451,007)	(451,578)	(169,751)	(196,960)	(11,418)	(11,062)	34,888	22,655
Operating profit	**276,251**	**202,571**	**232,997**	**213,175**	**53,556**	**3,185**	**(16,073)**	**12,622**	**5,771**	**(26,411)**
Finance income	82,092	65,365	78,537	68,726	6,158	4,548	7,892	209,050	(10,495)	(216,959)
Finance costs	(89,877)	(84,068)	(80,587)	(69,934)	(9,679)	(10,121)	(7,358)	(8,600)	7,747	4,587
Impairment of goodwill	0	0	0	0	0	0	0	0	0	0
Share of profit of associates	5,391	1,939	1,341	1,382	0	0	0	0	4,050	557
Consolidated profit (loss) before tax	**273,857**	**185,807**	**232,288**	**213,349**	**50,035**	**(2,388)**	**(15,539)**	**213,072**	**7,073**	**(238,226)**

6.3 REVENUE FROM CUSTOMER CONTRACTS

Disaggregated revenue disclosures. The Group's disaggregated revenue from contracts with customers:

TYPE OF GOODS OR SERVICES (000€)	31-12-23				
	RICE	PASTA	OTHER	INTER-COMPANY	TOTAL
Sale of goods	2,435,086	647,591	12,597	(20,785)	3,074,489
Rendering of services	6,118	3,572	3,820	(7,102)	6,408
Revenue from royalties *et al.*	311	1,057	1,379	(1,391)	1,356
Lease income	2,200	0	2	2	2,204
	2,443,715	**652,220**	**17,798**	**(29,276)**	**3,084,457**

TYPE OF GOODS OR SERVICES (000€)	31-12-22				
	RICE	PASTA	OTHER	INTER-COMPANY	TOTAL
Sale of goods	2,318,387	644,910	11,276	(21,955)	2,952,618
Rendering of services	9,192	4,589	3,516	(6,030)	11,267
Revenue from royalties *et al.*	170	2,046	887	(1,054)	2,049
Lease income	1,737	0	1	0	1,738
	2,329,486	**651,545**	**15,680**	**(29,039)**	**2,967,672**

The Group's core business is the sale of food products to end consumers and the supply of food-related raw materials to third parties. The Group's contracts with customers are contracts for the sale of finished food products and food-related raw materials and the delivery of those products and raw materials is generally the only performance obligation.

Revenue is recognized when control of the asset is transferred to the customer, which is customarily when the goods are delivered.

7. OTHER INCOME AND EXPENSE

7.1 OTHER OPERATING INCOME (THOUSANDS OF EUROS)

	2023		2022	
Government grants (related to income and grants)		3,030		3,006
Other operating income		10,223		15,180
Gains on disposal of fixed assets		1,867		232
Gains on disposal of investment properties		277		0
Reversal of non-current asset impairment provisions		239		204
Other income		1,465		1,371
Reversal of provisions for other lawsuits	591		680	
Other less significant items	538		691	
		17,101		**19,993**

Other income included the following less-recurring items in 2023:

* A gain of 1,867 thousand euros recognized on the sale of items of property, plant and equipment; a gain of 277 thousand euros on the sale of investment properties; and a gain of 239 thousand euros derived from the reversal of impairment allowances against items of property, plant and equipment.

* Income from the reversal of provisions of 591 thousand euros.
* The rest of other operating income related to grants and minor other operating items.

Other income included the following less-recurring items in 2022:

* A gain of 232 thousand euros recognized on the sale of items of property, plant and equipment and a gain of 204 thousand euros derived from the reversal of impairment allowances against items of property, plant and equipment.
* Income from the reversal of provisions for liabilities and pensions of 680 thousand euros.
* The rest of other operating income related to grants and minor other operating items.

7.2 OTHER OPERATING EXPENSES (THOUSANDS OF EUROS)

	2023		2022	
External services		(488,175)		(515,718)
Advertising expenditure		(86,314)		(77,161)
Research and development costs		(1,773)		(1,578)
Taxes/levies other than corporate income tax		(9,132)		(9,653)
Loss on sale, derecognition or impairment of property, plant and equipment		(1,850)		(5,358)
Losses on disposal of investees		0		(19,619)
Other provisions and charges recognised		(10,044)		(7,858)
Provisions for lawsuits and disputes	(1,327)		(1,726)	
Industrial and logistics restructuring charges	(4,650)		(4,911)	
New business and investment acquisition costs	(3,765)		(414)	
Other less significant items	(302)		(807)	
		(597,288)		**(636,945)**

The most significant less-recurring items included under other operating expenses in 2023:

* A loss of 1,850 thousand euros recognized on the derecognition, sale or restructuring of several pieces of industrial equipment and plant.
* Investment expenditure not eligible for capitalisation in the amount of 3,765 thousand euros.
* Charges for provisions and expenses for lawsuits and disputes with third parties in the amount of 1,327 thousand euros.
* Industrial restructuring charges and costs at certain centres totalling 4,650 thousand euros.

Other operating expenses included the following less-recurring items in 2022:

* A loss of 5,358 thousand euros recognized on the derecognition, sale or restructuring of several pieces of industrial equipment and plant.
* Investment expenditure not eligible for capitalisation in the amount of 414 thousand euros.
* Charges for provisions and expenses for lawsuits with third parties in the amount of 1,726 thousand euros.
* Industrial restructuring charges and costs at certain centres totalling 4,911 thousand euros.
* The loss recognized on the sale of Roland Monterrat in the amount of 19,619 thousand euros.

7.3 FINANCE COSTS AND FINANCE INCOME (THOUSANDS OF EUROS)

	2023	2022
Finance costs		
Third-party borrowings	(14,355)	(6,982)
Unwinding of discount on financial liabilities	(1,703)	(1,766)
Unwinding of discount on provisions for pensions and similar obligations	(1,169)	(1,076)
Losses on derecognition of financial assets and liabilities	(4)	(2)
Impairment provisions on other financial assets	(1,183)	(2,583)
Expenses/losses related to derivatives and financial instruments	(8,036)	(12,006)
Exchange losses	(63,427)	(59,653)
	(89,877)	**(84,068)**
Finance income		
Third-party loans	11,104	2,436
Gains on derecognition of financial assets and liabilities	0	3,524
Reversal of financial asset impairment provisions	2,673	187
Gains on derivatives and financial instruments	6,108	4,331
Exchange gains	62,207	54,887
	82,092	**65,365**
Net finance income/(cost)	**(7,785)**	**(18,703)**

7.4 EMPLOYEE BENEFITS EXPENSE

The breakdown of employee benefits expense and the average Group headcount in 2023 and 2022 and at each year-end (thousands of euros):

	2023	2022
Wages and salaries	(283,734)	(273,761)
Other benefit expense	(34,268)	(32,583)
Social security and similar costs	(42,299)	(40,384)
Cost of post-employment and similar benefits	(10,140)	(11,601)
	(370,441)	**(358,329)**

AVERAGE HEADCOUNT

Average 2023

	MEN		WOMEN		TOTAL
	FIXED	TEMPORARY	FIXED	TEMPORARY	
Executives	198	6	90	9	303
Skilled staff and middle management	614	7	267	4	892
Clerical and support staff	448	116	451	47	1,062
Production staff	2,367	673	649	311	4,000
Other staff	23	19	21	3	66
TOTAL	**3,650**	**821**	**1,478**	**374**	**6,323**

Average 2022

	MEN		WOMEN		TOTAL
	FIXED	TEMPORARY	FIXED	TEMPORARY	
Executives	201	3	87	6	297
Skilled staff and middle management	586	10	251	8	855
Clerical and support staff	399	122	464	29	1,014
Production staff	2,286	748	661	358	4,053
Other staff	24	22	24	4	74
TOTAL	**3,496**	**905**	**1,487**	**405**	**6,293**

YEAR-END HEADCOUNT

Year-end 2023

	MEN		WOMEN		TOTAL
	FIXED	TEMPORARY	FIXED	TEMPORARY	
Executives	197	5	97	7	306
Skilled staff and middle management	624	5	274	3	906
Clerical and support staff	429	108	459	37	1,033
Production staff	2,396	506	660	258	3,820
Other staff	22	20	24	4	70
TOTAL	**3,668**	**644**	**1,514**	**309**	**6,135**

Year-end 2022

	MEN		WOMEN		TOTAL
	FIXED	TEMPORARY	FIXED	TEMPORARY	
Executives	198	3	85	8	294
Skilled staff and middle management	587	12	260	6	865
Clerical and support staff	404	113	479	34	1,030
Production staff	2,324	583	703	271	3,881
Other staff	23	19	25	4	71
TOTAL	**3,536**	**730**	**1,552**	**323**	**6,141**

As required under article 260 of the Corporate Enterprises Act, it is hereby disclosed that the number of people employed by the Group in 2023 (2022) with a disability of a severity of 33% or higher averaged 54 (62) men and 28 (25) women, most of whom in the production staff categories.

8. INTANGIBLE ASSETS

The reconciliation of the carrying amount of intangible assets at the beginning and end of 2023 and 2022, detailing the amortization and impairment provisions recognized each year, is provided below (in thousands of euros):

Carrying amounts

	DEVELOPMENT COSTS	PATENTS & TRADEMARKS	COMPUTER SOFTWARE	INTANGIBLES IN PROGRESS	TOTAL
Balance at December 31, 2021	60	429,822	4,222	244	**434,348**
Balance at December 31, 2022	48	424,770	4,267	395	**429,480**
Balance at December 31, 2023	33	420,563	4,080	419	**425,095**

Gross carrying amounts

	DEVELOPMENT COSTS	PATENTS & TRADEMARKS	COMPUTER SOFTWARE	INTANGIBLES IN PROGRESS	TOTAL
Balance at December 31, 2021	**76**	**468.400**	**35.509**	**244**	**504.229**
Business combination					0
Business sales (exits)		(2,677)	(159)		(2,836)
Additions	5	38	2,071	151	2,265
Decreases		(28)	(7)		(35)
Translation differences		92	1,033		1,125
Transfers		4	(4)		0
Balance at December 31, 2022	**81**	**465,829**	**38,443**	**395**	**504,748**
Business combination					0
Business sales (exits)					0
Additions		142	1,900	24	2,066
Decreases			(86)		(86)
Translation differences		(2,245)	(662)		(2,907)
Transfers			233		233
Balance at December 31, 2023	**81**	**463,726**	**39,828**	**419**	**504,054**

Amortisation and impairment

	DEVELOPMENT COSTS	PATENTS & TRADEMARKS	COMPUTER SOFTWARE	INTANGIBLES IN PROGRESS	TOTAL
Balance at December 31, 2021	**(16)**	**(38.578)**	**(31.287)**	**0**	**(69.881)**
Business combination					0
Business sales (exits)			228		228
Additions	(17)	(2,578)	(2,044)		(4,639)
Decreases		1	3		4
Translation differences		44	(1,024)		(980)
Transfers		52	(52)		0
Balance at December 31, 2022	**(33)**	**(41,059)**	**(34,176)**	**0**	**(75,268)**
Business combination					0
Business sales (exits)					0
Additions	(16)	(2,445)	(2,175)		(4,636)
Decreases			64		64
Translation differences		342	653		995
Transfers	1	(1)	(114)		(114)
Balance at December 31, 2023	**(48)**	**(43,163)**	**(35,748)**	**0**	**(78,959)**

MOVEMENTS IN 2023

The most significant movements under this heading during the year ended December 31, 2023:

* Additions totalling 2,066 thousand euros (mainly software).
* A decrease of 1,912 thousand euros due to translation differences.
* A decrease of 4,636 thousand euros on account of amortization charges for the year.
* A decrease of 22 thousand euros due to assets derecognized.
* An increase of 119 thousand euros due to transfers.

The most significant movements under this heading during the year ended December 31, 2022:

* Additions totalling 2,265 thousand euros (mainly software).
* An increase of 145 thousand euros due to translation differences.
* A decrease of 4,639 thousand euros on account of amortization charges for the year.
* A decrease of 2,608 thousand euros due to the deconsolidation (sale) of the intangible assets of Roland Monterrat and the derecognition of other intangible assets in the amount of 31 thousand euros.

TRADEMARKS

At year-end 2023, there were four trademarks (year-end 2022: four) with an original aggregate cost of 41,829 thousand euros (year-end 2022: 42,024 thousand euros) that have been written down for impairment by 21,601 thousand euros in total (year-end 2022: 21,728 thousand euros).

SEGMENT	CASH-GENERATING UNIT: TRADEMARKS	NUMBER OF TRADEMARKS	BALANCE AT 31 DECEMBER 2023		
			GROSS	IMPAIRMENT & AMORTIS.	NET AMOUNT
Rice	Herba Germany	2	21,065	(8,653)	12,412
Rice	Risella (Finland)	1	4,000	0	4,000
Rice	SOS business	3	33,315	(2,000)	31,315
Rice	Geovita (Italy)	3	1,970	0	1,970
Rice	Ebro India	1	72	0	72
Rice	Tilda Group	2	119,671	0	119,671
Rice	Riviana (US)	4	108,743	0	108,743
Rice	Riviana (US) SOS	4	16,920	0	16,920
Rice	Riviana (US) Rice select	4	4,109	0	4,109
Rice	Indo European Foods (UK)	1	16,993	0	16,993
Pasta	Riviana (Canada)	1	16,764	(10,948)	5,816
Pasta	Ebro Premium Foods (France)	3	36,400	0	36,400
Pasta	Garofalo (Italy)	3	34,576	0	34,576
Pasta	Bertagni (Italy)	1	6,169	0	6,169
Other	Harinas (Spain)	1	1,300	0	1,300
			422,067	**(21,601)**	**400,466**
Rice	Riviana (US) Rice select		6,296	(5,404)	892
Rice	Riviana (US) Rice select - Customer portfolio		1,702	(1,702)	0
Pasta	Canada - customer portfolio		3,444	(3,444)	0
Rice	Tilda Group - customer portfolio		21,863	(6,316)	15,547
Rice	Geovita - customer portfolio		4,872	(1,949)	2,923
Other indefinite-lived trademarks and patents			3,482	(2,747)	735
			463,726	**(43,163)**	**420,563**

The trademarks and patents included within intangible assets were either acquired directly or via business combinations. Virtually all of these assets have been assessed as having an indefinite useful life and have been valued using the cost model. Their carrying amounts have been allocated to the cash-generating units (CGUs) shown in the table above (thousands of euros).

The Group tested its trademarks for impairment in 2023 and 2022; most of the tests were performed by an independent expert, namely Kroll. Those impairment tests did not indicate the need to recognize any additional impairment losses in either 2023 or 2022.

The recoverable amount of the trademarks was determined using cash flow projections that are typically derived from budgets that cover a five-year horizon and are then projected for another five years (using the relief-from-royalty method).

The growth rates used to extrapolate the cash flow projections beyond the projection horizon and the discount rates applied to the cash flow projections for the most important CGUs in 2023 (2022) were:

PRODUCT	TRADEMARK/COUNTRY OR BUSINESS	DISCOUNT RATE - PRE-TAX		DISCOUNT RATE - POST-TAX		GROWTH RATE, G	
		2023	2022	2023	2022	2023	2022
Rice	Herba Germany	9.00%	9.38%	7.13%	7.38%	2.45%	2.50%
Rice	SOS business (Spain, Netherlands and Portugal)	8.50%-11.25%	9.0%-10.38%	7%-8.75%	7.38%-9%	1.9%-2.7%	2.35%-2.8%
Rice	Geovita (Italy and France)	11.88%	11.13%	9.13%	9.13%	2.30%	2.35%
Rice	Riviana (US)	10.75%	10.50%	8.75%	8.50%	2.30%	2.50%
Rice	Riviana Abu Bint (Saudi Arabia)	13.00%	13.00%	10.25%	10.00%	1.60%	1.20%
Rice	Riviana (US) SOS	10.75%	10.50%	8.75%	8.50%	2.30%	2.50%
Rice	Tilda (UK)	11.38%	10.38%	9.13%	8.38%	2.55%	2.55%
Pasta	Riviana Canada	11.25%	10.25%	9.00%	8.00%	2.15%	2.35%
Rice and Fresh Pasta	Ebro France	9.75%	9.00%	7.88%	7.38%	2.35%	2.40%
Pasta	Garofalo (Italy and international)	11.88%	12.25%	9.13%	9.38%	2.30%	2.35%
Pasta	Garofalo (Africa and international)	10.50%	11.25%	9.63%	10.50%	2.30%	2.35%
Pasta	Bertagni (Italy)	11.88%	11.88%	9.13%	9.13%	2.30%	2.35%

The Group also performed sensitivity analysis, varying the two inputs deemed key to the valuation results: the discount rate and the growth rate (g). With respect to the assumptions used to calculate the trademarks' value in use, management believes that no reasonably-possible change in the key assumptions used would cause their carrying amounts to exceed their recoverable amounts, with the exception of those already deemed impaired.

More specifically, neither a 10% increase in the discount rates nor a 10% variation in the growth rates (g) used would trigger significant impairment charges.

9. PROPERTY, PLANT AND EQUIPMENT

The reconciliation of the carrying amount of the Group's property, plant and equipment at the beginning and end of 2023 and 2022, detailing the depreciation and impairment provisions recognized in each year, is provided below (in thousands of euros):

Carrying amounts

	LAND	BUILDINGS	PLANT AND EQUIPMENT	OTHER FIXTURES, TOOLS & FURNITURE	OTHER PP&E	PP&E IN PROGRESS	TOTAL
Balance at December 31, 2021	109,175	213,645	356,329	20,820	9,661	79,051	**788,681**
Balance at December 31, 2022	111,527	228,288	355,543	37,666	9,765	81,661	**824,450**
Balance at December 31, 2023	112,912	219,428	374,669	45,937	9,131	91,958	**854,035**

Gross carrying amounts

	LAND	BUILDINGS	PLANT AND EQUIPMENT	OTHER FIXTURES, TOOLS & FURNITURE	OTHER PP&E	PP&E IN PROGRESS	TOTAL
Balance at December 31, 2021	**117,197**	**354,538**	**884,497**	**79,997**	**24,751**	**79,051**	**1,540,031**
Business combination	3,936	11,249	4,429	36	14	45	19,709
Business sales (exits)	(1,355)	(15,205)	(21,342)	(1,165)		(1,676)	(40,743)
Additions	1,642	28,115	71,898	19,560	2,335	6,184	129,734
Decreases		(510)	(6,995)	(128)	(436)		(8,069)
Translation differences	(581)	3,544	6,236	448	(58)	(1,942)	7,647
Transfers	(1)	(36)	103	(71)		(1)	(6)
Balance at December 31, 2022	**120,838**	**381,695**	**938,826**	**98,677**	**26,606**	**81,661**	**1,648,303**
Business combination							0
Business sales (exits)							0
Additions	4,058	18,286	95,429	10,347	2,811	11,869	142,800
Decreases	(2,797)	(11,989)	(26,138)	(527)	(782)		(42,233)
Translation differences	(937)	(4,719)	(10,450)	(449)	(126)	(1,572)	(18,253)
Transfers	1,380	(1,561)	(479)	28	(1,016)		(1,648)
Balance at December 31, 2023	**122,542**	**381,712**	**997,188**	**108,076**	**27,493**	**91,958**	**1,728,969**

Depreciation and impairment

	LAND	BUILDINGS	PLANT AND EQUIPMENT	OTHER FIXTURES, TOOLS & FURNITURE	OTHER PP&E	PP&E IN PROGRESS	TOTAL
Balance at December 31, 2021	**(8,022)**	**(140,893)**	**(528,168)**	**(59,177)**	**(15,090)**	**0**	**(751,350)**
Business sales (exits)	58	6,569	11,940	472			19,039
Additions	(943)	(17,255)	(69,396)	(2,106)	(2,147)		(91,847)
Decreases		316	6,095	92	352		6,855
Translation differences	(404)	(1,437)	(4,261)	(483)	29		(6,556)
Transfers		(707)	507	191	15		6
Balance at December 31, 2022	**(9,311)**	**(153,407)**	**(583,283)**	**(61,011)**	**(16,841)**	**0**	**(823,853)**
Business combination							0
Business sales (exits)							0
Additions	(934)	(16,415)	(65,996)	(2,065)	(2,263)		(87,673)
Decreases	335	4,724	20,586	330	684		26,659
Translation differences	280	1,673	5,970	426	55		8,404
Transfers		1,141	204	181	3		1,529
Balance at December 31, 2023	**(9,630)**	**(162,284)**	**(622,519)**	**(62,139)**	**(18,362)**	**0**	**(874,934)**

The Group takes out all the insurance policies deemed necessary to cover risks that could affect these assets.

Additions under "PP&E under construction" include the amounts corresponding to projects related to the creation of new production lines and, in general, the upgrade of the quality of the Group's industrial processes, products and its assets' environmental performance.

Note that the Group obtained grants in relation to certain investments made by the various Group companies in 2023 and prior years, the amounts of which are disclosed in Note 18.

No material items of property, plant or equipment are used other than for business purposes.

MOVEMENTS IN 2023

The most significant movements under this heading during the year ended December 31, 2023:

* A decrease of 9,849 thousand euros due to translation differences.
* A decrease of 87,673 thousand euros due to depreciation charges.
* Additions of 142,800 thousand euros related to capital expenditure, essentially investments in technical upgrades and new facilities at the factories. The consolidated management report includes information about the most significant investments recognized under this heading in 2023.
* In 2023, the Group also sold or otherwise derecognized assets with a carrying amount of 15,813 thousand euros and reversed previously recognized impairment losses by 239 thousand euros.
* A decrease of 119 thousand euros due to transfers.

MOVEMENTS IN 2022

The most significant movements under this heading during the year ended December 31, 2022:

* An increase of 1,091 thousand euros due to exchange gains and of 8,162 thousand euros due to the monetary correction of the assets of La Loma Alimentos de Argentina.
* A decrease of 85,401 thousand euros due to depreciation charges and of 4,007 thousand euros due to impairment charges recognized against certain assets.
* Additions of 119,133 thousand related to capital expenditure, essentially investments in technical upgrades and new facilities at the factories.
* An increase of 19,709 thousand euros due to business combinations.
* In 2022, the Group derecognized assets with a carrying amount of 1,214 thousand euros.
* A decrease of 21,704 thousand euros due to the deconsolidation (sale) of the property, plant and equipment of Roland Monterrat.

The depreciation and impairment charges recognized on property, plant and equipment in the 2023 and 2022 consolidated financial statements break down as follows:

* In 2023: 87,673 thousand euros of depreciation charges and 239 thousand euros of impairment allowance reversals.
* In 2022: 85,401 thousand euros of depreciation charges; 4,007 thousand euros of new impairment allowances and 204 thousand euros of impairment allowance reversals.

The derecognition of items of property, plant and equipment in 2023 generated losses, on the one hand, of 1,850 thousand euros (2022: 1,351 thousand euros) and gains of 1,867 thousand euros (2022: 232 thousand euros), on the other (Note 7).

10. RIGHT-OF-USE ASSETS

Below is the breakdown of the carrying amount of the Group's right-of-use assets and lease liabilities and a reconciliation of the opening and closing balances:

(000€)	LAND	BUILDINGS	PLANT AND EQUIPMENT	OTHER FIXTURES, TOOLS & FURNITURE	OTHER PP&E	ACCUM DEPRECIATION & IMPAIRMENT	TOTAL	FINANCIAL LIABILITY (NOTE 12)
Balance at December 31, 2021	**9,141**	**61,743**	**10,380**	**1,929**	**5,455**	**(29,273)**	**59,375**	**(64,148)**
Business sales (exits)		(1)	(5,361)	(118)		4,620	(860)	361
Additions	(13)	2,235	1,524	578	1,687		6,011	(6,042)
Decreases		(1,067)	(359)	(323)	(1,288)	2,950	(87)	103
Translation differences	86	1,504	(49)	(10)	26	(388)	1,169	(1,362)
Transfers		(56)			5	49	(2)	(1)
Depreciation charges						(10,967)	(10,967)	
Finance costs								(1,766)
Lease payments								11,826
Balance at December 31, 2022	**9,214**	**64,358**	**6,135**	**2,056**	**5,885**	**(33,009)**	**54,639**	**(61,029)**
Business sales (exits) (note 5)							0	
Additions	39	6,201	1,308	601	1,542		9,691	(9,691)
Decreases		(4,359)	(740)	(741)	(1,444)	6,841	(443)	463
Translation differences	(95)	(1,122)	14	1	(44)	535	(711)	869
Transfers			15		(15)		0	
Depreciation charges						(10,552)	(10,552)	
Finance costs								(1,703)
Lease payments								11,564
Balance at 31 December 2023	**9,158**	**65,078**	**6,732**	**1,917**	**5,924**	**(36,185)**	**52,624**	**(59,527)**

The reconciliation of the opening and closing balances of accumulated depreciation and impairment allowances (thousands of euros):

Accumulated impairment and depreciation

(000€)	LAND	BUILDINGS	PLANT AND EQUIPMENT	OTHER FIXTURES, TOOLS & FURNITURE	OTHER PP&E	TOTAL
Balance at December 31, 2021	**(1,837)**	**(16,117)**	**(6,947)**	**(1,051)**	**(3,321)**	**(29,273)**
Business sales (exits)			4,502	118		4,620
Additions	(517)	(7,077)	(1,453)	(440)	(1,480)	(10,967)
Decreases		992	359	315	1,284	2,950
Translation differences	(65)	(322)	25	7	(33)	(388)
Transfers		(66)	22		93	49
Balance at December 31, 2022	**(2,419)**	**(22,590)**	**(3,492)**	**(1,051)**	**(3,457)**	**(33,009)**
Business sales (exits)						0
Additions	(515)	(6,892)	(1,356)	(505)	(1,284)	(10,552)
Decreases		3,959	732	838	1,312	6,841
Translation differences	66	462	(7)	(6)	20	535
Transfers		(112)		(32)	144	0
Balance at December 31, 2023	**(2,868)**	**(25,173)**	**(4,123)**	**(756)**	**(3,265)**	**(36,185)**

In 2023, the Group recognized depreciation charges of 10,552 thousand euros (2022: 10,967 thousand euros).

The breakdown of the Group's lease liabilities by year of maturity and currency of denomination is as follows (thousands of euros):

CURRENCY	2024	2025	2026	2027	2028	OTHER	TOTAL
EUR	3,630	2,533	2,104	1,702	1,294	6,859	18,122
USD	4,311	4,354	4,370	4,388	4,545	7,357	29,325
GBP	961	576	460	811	455	4,594	7,857
INR	53	60	60	60	67	0	300
DKK	16	0	0	0	0	0	16
HUF	28	28	28	26	0	0	110
MAD	3	168	168	168	169	2,824	3,500
THB	158	115	24	0	0	0	297
Total	**9,160**	**7,834**	**7,214**	**7,155**	**6,530**	**21,634**	**59,527**

In 2023 and 2022, the Group recognized the following expenses in connection with short-term leases and leases over low-value assets.

EXPENSE IN 2023 (000€)	2023			2022		
	SHORT-TERM CONTRACTS	LOW-VALUE CONTRACTS	TOTAL EXPENSE	SHORT-TERM CONTRACTS	LOW-VALUE CONTRACTS	TOTAL EXPENSE
Contracts not capitalised:						
Buildings and offices	443		**443**	598		**598**
Plant and machinery	0		**0**	22		**22**
Warehouses	1,773		**1,773**	1,347		**1,347**
Industrial equipment	1,417	706	**2,123**	1,720	689	**2,409**
Other non-industrial equipment	245	571	**816**	55	224	**279**
Vehicles	314		**314**	273		**273**
Total	**4,192**	**1,277**	**5,469**	**4,015**	**913**	**4,928**
Lease expense in future years						
In 2024	2,554	768	**3,322**			
Between 1 and 5 years		1,050	**1,050**			
Over 5 years		72	**72**			
	2,554	**1,890**	**4,444**			

It did not incur variable lease payments of significant amount.

11. INVESTMENT PROPERTIES

The reconciliation of the carrying amount of the Group's investment properties at the beginning and end of 2023 and 2022, detailing the depreciation and impairment allowances recognized in each year, is provided below (thousands of euros):

CARRYING AMOUNTS	LAND	BUILDINGS	TOTAL
Balance at December 31, 2021	17,758	1,640	**19,398**
Balance at December 31, 2022	17,758	1,624	**19,382**
Balance at December 31, 2023	16,776	1,558	**18,334**

	GROSS CARRYING AMOUNTS			DEPRECIATION AND IMPAIRMENT		
	LAND	BUILDINGS	TOTAL	LAND	BUILDINGS	TOTAL
Balance at December 31, 2021	**18,385**	**5,273**	**23,658**	**(627)**	**(3,633)**	**(4,260)**
Additions			0		(16)	(16)
Decreases	0	0	0	0	0	0
Balance at December 31, 2022	**18,385**	**5,273**	**23,658**	**(627)**	**(3,649)**	**(4,276)**
Additions	34	0	34	(465)	(14)	(479)
Decreases	(1,352)	(97)	(1,449)	801	45	846
Balance at December 31, 2023	**17,067**	**5,176**	**22,243**	**(291)**	**(3,618)**	**(3,909)**

The depreciation charge recognized in 2023 amounted to 14 thousand euros (2022: 16 thousand euros), while impairment charges amounted to 465 thousand euros (2022: zero).

In 2023, the Group sold two investment properties, recognizing a gain of 277 thousand euros (Note 7). There were no significant movements under this account in 2022.

There are no restrictions on the monetization of the Company's investment properties or any proceeds from their disposal.

Investment properties are initially recognized at their acquisition cost. The investment properties with the most significant fair values correspond to the sites on which dismantled factories were located and some unoccupied buildings, located mainly in Spain. These properties' fair values represent the values at which the assets can be exchanged on the date of measurement between knowledgeable, willing parties in an arm's length transaction, in keeping with the International Valuation Standards.

In determining their fair value, the properties are valued individually and separately and not as part of a portfolio of properties. In some instances, the Group used the benchmark valuations provided by independent appraisers (updated internally as warranted), while in others it used comparable valuation methodology to reflect the market paradigm and the prices at which assets with similar characteristics are being transacted, adjusting as needed for changes in economic circumstances arising since the comparable transaction dates.

That effort is coordinated by the Asset Management Unit which, as indicated in Note 6 above, is the business unit tasked with management and control of all of the properties that are not used in the Group's core business activities (investment properties), its remit being to remain abreast of their status, reduce costs and sell off those not used for industrial purposes after taking action to maximize their valuation prior to monetization.

As a result, the inputs used to determine these properties' fair value should be deemed level 3 for IFRS fair value hierarchy purposes. The fair value of the Group's investment properties at year-end 2023 was an estimated 46 million euros (year-end 2022: 48 million euros).

12. FINANCIAL INSTRUMENTS: FINANCIAL ASSETS AND FINANCIAL LIABILITIES

12.1 FINANCIAL ASSETS

The breakdown of the Group's financial assets (other than its cash equivalents, detailed in Note 13) in thousands of euros, is provided below:

	31-12-2023			31-12-2022		
	TOTAL	NON-CURRENT	CURRENT	TOTAL	NON-CURRENT	CURRENT
Classification for statement of financial position purposes						
Financial assets	**9,575**	4,011	5,564	**6,102**	3,986	2,116
Trade and other receivables	**438,907**	0	438,907	**474,625**	0	474,625
Derivatives	**2,225**	0	2,225	**1,457**	0	1,457
Total financial assets	**450,707**	**4,011**	**446,696**	**482,184**	**3,986**	**478,198**
Classification for measurement purposes						
Financial assets at amortised cost:						
Trade and other receivables	**438,907**	0	438,907	**474,625**	0	474,625
Loans to associates	**1,122**	1,122	0	**1,122**	1,122	0
Loans to third parties	**975**	752	223	**930**	687	243
Deposits and guarantees	**6,359**	1,019	5,340	**2,908**	1,035	1,873
At fair value through profit or loss						
Shares in non-Group companies	**1,119**	1,118	1	**1,142**	1,142	0
Derivatives	**2,225**	0	2,225	**1,457**	0	1,457
Total financial assets	**450,707**	**4,011**	**446,696**	**482,184**	**3,986**	**478,198**

Deposits and guarantees

The balance recognized under "Deposits and guarantees" includes the deposits posted before government agencies in multiple countries to guarantee goods import quotas. The year-on-year increase in 2023 is attributable to one-off situations related with applications for import quotas under the regulations and schedules in place in each country.

Loans to third parties

There were no significant movements in 2023 or 2022. Of the total recognized under this heading: (i) 477 thousand euros (year-end 2022: 513 thousand euros) is denominated in euros; (ii) 483 thousand euros (403 thousand euros) is denominated in US dollars; and (iii) 15 thousand euros (14 thousand euros) is denominated in Mexican pesos. The maturity schedule for these non-current loans is: (i) 223 thousand euros in 2024; and (ii) 752 thousand euros in 2025.

Trade and other receivables

The breakdown of this heading at year-end 2023 and 2022 (in thousands of euros):

ITEM	31-12-23	31-12-22
Trade receivables	432,993	469,331
Due from associates	1,952	725
Miscellaneous receivables	12,254	15,285
Provision for impairment	(8,292)	(10,716)
Total	**438,907**	**474,625**

For terms and conditions relating to related-party receivables, refer to Note 23. Trade receivables are non-interest bearing and are generally on terms of 30 to 85 days. At December 31, 2023, the ageing analysis of trade receivables is as follows (thousands of euros):

AGEING ANALYSIS	GROSS	IMPAIRMENT ALLOWANCE	NET AMOUNT
Within 3 months	422,457	(1,361)	421,096
Past due by between 3 and 6 months	5,700	(1,348)	4,352
Past due by between 6 and 12 months	2,318	(1,768)	550
Past due by between 12 and 18 months	202	(202)	0
Past due by between 18 and 24 months	350	(350)	0
Past due by > 24 months	1,966	(1,966)	0
	432,993	**(6,995)**	**425,998**

No material amounts of trade and other receivables were past due but not impaired at either year-end.

The movements recognized by the Group under the provision for the impairment of trade and other accounts receivable in 2023 (2022): (i) net reversals of impairment allowances of 1,490 thousand euros (net additions of 2,537 thousand euros); (ii) the utilization of 1,264 thousand euros (1,020 thousand euros); (iii) the net recognition of zero euros (149 thousand euros) due to business combinations; and (iv) translation losses of 330 thousand euros (gains of 14 thousand euros).

There were no other significant movements in any other financial assets since December 31, 2022.

12.2 FINANCIAL LIABILITIES

The breakdown of the Group's financial liabilities is provided below (in thousands of euros):

	31-12-2023			31-12-2022		
	TOTAL	NON-CURRENT	CURRENT	TOTAL	NON-CURRENT	CURRENT
Classification for statement of financial position purposes						
Financial liabilities	**903,467**	175,108	728,359	**947,997**	553,164	394,833
Trade and other payables	**430,825**	0	430,825	**438,370**	0	438,370
Derivatives	**773**	0	773	**2,843**	0	2,843
Total financial liabilities	**1,335,065**	**175,108**	**1,159,957**	**1,389,210**	**553,164**	**836,046**
Classification for measurement purposes						
Financial liabilities at amortised cost:						
Trade and other payables	**430,825**	0	430,825	**438,370**	0	438,370
Bank borrowings	**561,512**	91,221	470,291	**662,324**	471,719	190,605
Borrowings from other entities	**12,594**	9,775	2,819	**10,791**	7,803	2,988
Lease liabilities (note 10)	**59,527**	50,367	9,160	**61,029**	52,341	8,688
Deposits and guarantees	**501**	57	444	**676**	649	27
At fair value through profit or loss						
Financial liabilities structured as share options	**269,333**	23,688	245,645	**213,177**	20,652	192,525
Derivatives	**773**	0	773	**2,843**	0	2,843
Total financial liabilities	**1,335,065**	**175,108**	**1,159,957**	**1,389,210**	**553,164**	**836,046**

Note that the Group did not encounter any problems whatsoever in relation to the refinancing of any debt, the arrangement of new financing agreements or its ability to service its financial obligations in 2023. Financial liability management unfolded exactly as anticipated, in keeping with the natural and normal maturity schedules.

Trade and other payables

Set out below are the movements in this heading (thousands of euros):

	31-12-23	31-12-22
Trade accounts payable	341,489	359,824
Other borrowings	44,825	38,597
Employee benefits payable	44,193	39,005
Payable to associates	318	944
Total	**430,825**	**438,370**

Trade payables are non-interest bearing and are normally settled on 60-80 day terms. Other payables are also non-interest bearing and have an average term of three months; they mainly correspond to payables related to the purchase of items of property, plant and equipment, the grant of trade discounts and rebates, and advertising and marketing initiatives.

Bank borrowings

There were no significant movements in the Group's non-current bank borrowings in 2023 with respect to year-end 2022:

At December 31, 2022, Ebro Foods, S.A. recognized non-current loans in a total amount of 350 million euros. The four non-current loans comprising that balance were all arranged at the end of 2021, carry interest at an average rate of 0.45% and mature in December 2024, so that they were reclassified to current borrowings at year-end 2023. The Group plans to repay those loans at maturity, either cancelling them using existing funds or refinancing them.

To finance its new factory in La Rinconada, Herba Ricemills, S.L.U. arranged up to 45 million euros of new long-term financing with three banks in 2019, specifically six-year credit agreements with one year for drawdown, a one-year grace period and repayment over the next five years. The Group had drawn down that financing by 18 million euros at December 31, 2023 (year-end 2022: 27 million euros).

The Group's Italian subsidiary, Garofalo, has a number of non-current bank loans to finance its capital expenditure totalling 22.6 million euros, which mature between 2025 and year-end 2027 and bear interest at an average rate of 1.13%.

The Group's French subsidiary, Lustucru Premium Group, has non-current bank loans totalling 54.5 million euros, which mature between 2025 and year-end 2028 and bear interest at an average rate of Euribor plus 0.35%.

As for current borrowings, the most significant development in 2023 was the following:

* The renewal of certain short-term credit facilities of amounts that are not material on aggregate with respect to total borrowings.
* In general, the terms of credit were very similar compared to those in force at year-end 2022, and the same can be said of the collateral and covenant requirements. The spreads applied to benchmark rates were slightly higher than in 2022.

The breakdown of the Group's bank borrowings by business segment or company and the corresponding maturities (in thousands of euros):

Breakdown of bank borrowings by segment or company

	31-12-22	31-12-23	2025	2026	2027	2028	OTHER
Of Ebro Foods, S.A	349,872	0	0	0	0	0	0
Of Herba Group	20,902	13,988	12,783	636	444	125	0
Of Ebro Group France	69,500	54,600	14,900	13,900	12,900	12,900	0
Of Garofalo Group (Italy)	31,445	22,633	10,499	8,631	3,503	0	0
Of Arotz Foods, S.A.	0	0					
Non-current bank borrowings	**471,719**	**91,221**	**38,182**	**23,167**	**16,847**	**13,025**	**0**
Of Ebro Foods, S.A	14,453	375,634					
Of Herba Group	113,129	51,684					
Of Ebro Group France	21,122	14,968					
Of Garofalo Group (Italy)	41,895	28,003					
Of Tilda Group (UK)	6	2					
Current bank borrowings	**190,605**	**470,291**					
Total bank borrowings	**662,324**	**561,512**					

The breakdown of the above borrowings by currency of denomination is as follows (thousands of euros):

CURRENCY	31-12-22	31-12-23
EUR	592,638	522,477
USD	21,104	22,091
GBP	40,070	11,816
INR	187	266
THB	6,984	4,769
MAD	1,340	92
HUF	1	1
Total	**662,324**	**561,512**

As for the rest of the Group's bank borrowings, at year-end 2023, the various companies had arranged unsecured credit facilities with an aggregate limit of 381 million euros (year-end 2022: 432 million euros), of which 98 million euros (184 million euros) had been drawn down.

Some of the Garofalo group's credit facilities are secured by a mortgage over its factory and site in Italy for up to 40 million euros.

The Group also had the following reverse factoring, receivable discounting and trade finance lines and had issued the following sureties and other bank guarantees at year-end (thousands of euros):

Credit facilities arranged

AT DECEMBER 31, 2023	AMOUNT DRAWN DOWN	AMOUNT UNDRAWN	TOTAL LIMIT
Reverse factoring, receivables discounting and trade finance	8,180	88,019	96,199
Bank guarantee lines (note 22)	66,352	61,850	128,202
Consolidated Group total	**74,532**	**149,869**	**224,401**

Credit facilities arranged

AT DECEMBER 31, 2022	AMOUNT DRAWN DOWN	AMOUNT UNDRAWN	TOTAL LIMIT
Reverse factoring, receivables discounting and trade finance	0	93,595	93,595
Bank guarantee lines	66,371	72,311	138,682
Consolidated Group total	**66,371**	**165,906**	**232,277**

Some of the bank loans require compliance with a series of covenants, specifically a series of ratios calculated on the basis of the consolidated financial statements of the Ebro Group, throughout the term of the loans. Any breach of the covenants would increase the related borrowing costs and in some cases would trigger a prepayment requirement. The Group was compliant with those covenants at both year-ends.

Lease liabilities

This heading recognizes the Group's financial liabilities on account of its lease liabilities under IFRS 16, which took effect on January 1, 2019 (liability in respect of lease payment obligations). Refer to Note 10.

Financial liabilities structured as options over non-controlling interests

At December 31, 2023, the Group recognized 269,333 thousand euros of financial liabilities structured as options over non-controlling interests (year-end 2022: 213,177 thousand euros) broken down as follows (refer to Note 22 for a breakdown of those commitments).

As for the rest of the financial liabilities structured as options over non-controlling interests, the most significant movement in 2023 and 2022 related to the increase in the corresponding liabilities due to their annual restatement to fair value (unwind of discount). Refer to Note 22.

When acquiring certain companies, in addition to the investments made in exchange for the shareholdings acquired in each, the Group has granted the other shareholder(s) put or similar options over the percentage not originally acquired (exercisable from a specific date either for a specific period of time or with no maturity). The acquisition price in the event those options are exercised will be determined as a function of the targets' average earnings metrics over a series of years, as well as other terms and conditions customary in arrangements of this nature.

There were no other significant movements in any other financial liabilities in 2023.

Financial flows

Below is the information needed to enable financial statement users to evaluate the changes in liabilities arising from financing activities, distinguishing between changes that involve cash flows and those that do not (such as foreign exchange gains or losses) (thousands of euros).

Financial liabilities. Reconciliation of flows 2023

	31-12-22	CASH FLOWS	RECLASSIF. SALES/DEREC.	MOVEMENTS IN FOR. CURRENCY	CHANGES IN FAIR VALUE	NEW LEASES	BUSINESS COMBINATIONS	INTEREST ACCRUED	RECLASSIFIC. CURRENT/ NON-CURR.	31-12-23
Current borrowings	190,605	(113,858)		(5,520)				8,566	390,498	470,291
Non-current borrowings	471,719	10,000							(390,498)	91,221
Lease liabilities	61,029	(11,564)	(463)	(869)		9,691		1,703		59,527
Dividend payable	0									0
Derivatives	2,843	(400)			(1,670)					773
Guarantees and deposits received	676	(175)								501
Other financial liabilities	223,968	1,803			56,156					281,927
Total liabilities arising from financing activities	**950,840**	**(114,1949)**	**(463)**	**(6,389)**	**54,486**	**9,691**	**0**	**10,269**	**0**	**904,240**

Financial liabilities. Reconciliation of flows 2022

	31-12-21	CASH FLOWS	RECLASSIF. SALES/DEREC.	MOVEMENTS IN FOR. CURRENCY	CHANGES IN FAIR VALUE	NEW LEASES	BUSINESS COMBINATIONS	INTEREST ACCRUED	RECLASSIFIC. CURRENT/ NON-CURR.	31-12-22
Current borrowings	256,947	(126,385)		(1,295)				4,520	56,818	190,605
Non-current borrowings	523,463	5,007						67	(56,818)	471,719
Lease liabilities	64,148	(11,826)	(464)	1,363		6,042		1,766		61,029
Derivatives	1,270	(4,087)		(355)	6,015					2,843
Guarantees and deposits received	84	948		(356)						676
Other financial liabilities	199,783	7,684			16,375			126		223,968
Total liabilities arising from financing activities	**1,045,695**	**(128,659)**	**(464)**	**(643)**	**22,390**	**6,042**	**0**	**6,479**	**0**	**950,840**

Below is a schedule of the maturities of all of these financial liabilities including all expected actual cash flows, estimated as of December 31, 2023 (thousands of euros):

	STATEMENT OF FINANCIAL POSITION 31-12-23
Bank borrowings	561,512
Borrowings from other entities	12,594
Lease liabilities	59,527
Deposits and guarantees	501
Financial liabilities structured as share options	269,333
Derivatives	773
Total financial liabilities	**904,240**
Estimated future flows:	
2024	735,500
2025	72,586
2026	33,499
2027	27,620
2028	23,666
Other	29,793
Total future flows	**922,664**

12.3 RISK MANAGEMENT TARGETS AND POLICIES AND USE OF FINANCIAL INSTRUMENTS

The primary objective of the Group's risk management policy is to safeguard the value of its assets and facilitate sustainable business growth by configuring an optimal capital structure tailored for the legislation in force in the countries in which it operates. In addition, its capital management policy is designed to preserve its credit metrics and to maximize shareholder value.

Its risk management strategy factors in key business performance indicators such as consolidated earnings, leverage, capital expenditure and business strategy with a view to enabling the Group to take substantiated decisions in order to deliver the above-mentioned objectives. The attached management report and corporate governance report provide additional information on the key business risks.

Capital management

The overriding objective of the Group's capital management is to safeguard the business's sustainability and maximize shareholder value. To this end it contemplates:

- The cost of capital, in keeping with industry calculation standards, with a view to combining debt and equity to optimise this cost.
- A leverage ratio that makes it possible to obtain and maintain the targeted credit ratings and ensure short- and long-term financing for the Group's projects.

The right combination of debt and equity, in order to optimise the cost of capital and enable adequate shareholder remuneration, business continuity and growth. Note that the Group is subject to capital requirements under certain long-term loan agreements and that it is in compliance with these covenants.

In recent years, the Group has been concentrating its activities in its key businesses by means of strategic acquisitions, while keeping leverage low.

NET DEBT (000€)	2021	2022	2022/2021	2023	2023/2022
Equity	2,101,627	2,164,438	*3.0%*	2,185,159	*1.0%*
Net debt	504,723	762,635	*51.1%*	570,404	*(25.2%)*
Average net debt	865,418	645,809	*(25.4%)*	657,683	*1.8%*
Leverage	24.0%	35.2%	*46.7%*	26.1%	*(25.9%)*
Leverage (average net debt) **(1)**	41.2%	29.8%	*(27.5%)*	30.1%	*0.9%*
EBITDA-A	301,860	334,622	*10.9%*	387,171	*15.7%*
Coverage	1.67	2.28		1.47	

(1) Leverage = Ratio of average net interest-bearing debt to equity (excluding non-controlling interests)

The accompanying Group management report provides the definition and reconciliation of the alternative performance measures shown in this table (net debt and average net debt).

Group leverage (expressed as net debt over equity attributable to equity holders of the parent) increased in 2022 as a result of the significant volume of working capital needed to tackle the inflationary pressures, which gradually began to ease in the second half of 2023. These exceptional circumstances, coupled with their astute management, translated in relatively high working capital levels in recent years but also steady earnings growth. This performance is reflected in the fact that the Group's debt coverage ratio remains well under 2 times EBITDA-A (defined in the Group management report).

Financial risk management and use of financial instruments

The main financial instruments used by the Group are bank loans, bank overdraft facilities, equity instruments, derivative financial instruments, cash and short-term deposits. In addition, the Group has other financial assets and liabilities such as trade accounts receivable and payable.

These financial instruments expose the Group to market risks via variability in interest rates, in exchange rates and in the fair value of certain financial instruments. They also expose it to liquidity and credit risk.

The overriding objective of exchange rate risk management is to offset (at least partially) potential valuation losses on assets denominated in currencies other than the euro with savings, albeit smaller in magnitude, on liabilities denominated in the same currencies.

The financial instruments that are used to hedge this financial risk may or may not qualify for designation as accounting hedges (cash flow or fair value hedges, depending on the nature of the hedged item).

In order to manage the foreign currency and interest rate risks arising in the course of the Group's operations and, from time to time, potential movements in the prices of certain raw materials (gas), the Group uses derivative (mainly interest or exchange rate forward sale-purchase currency contracts and options over interest or exchange rates) and non-derivative (currency-denominated borrowings, forward currency contracts) financial instruments in order to minimize or ring-fence them.

Those hedges are arranged as a function of:

* Prevailing market conditions;
* Evolving management objectives; and
* The specific characteristics of the transactions giving rise to the financial risk being hedged.

The accounting policies used to measure those financial instruments are described in Note 3 above. The Board of Directors and senior management team review and establish the risk management policies applying to each and every one of these risks. The Board has delegated the development and oversight of the enterprise risk management system in its Audit, Control and Sustainability Committee and the Risk Committee.

Cash flow interest rate risk

This is the risk arising from borrowings, loans extended and cash and cash equivalent balances denominated in euros and/or foreign currencies and arranged at floating rates of interest, specifically the risk that the cash flows associated with interest payments/receipts will fluctuate because of changes in market interest rates.

The Group manages this risk by keeping a balanced portfolio of fixed and variable rate borrowings. The Group's policy is to minimize exposure to this risk, to which end it continually monitors market conditions with the support of external experts in order to arrange new instruments or change the terms of existing instruments in order to minimize exposure to variability in the cash flows or fair value of its financial instruments.

Management has performed sensitivity analysis with respect to the impact of 50 basis point fluctuations in interest rates on the Group's rate-sensitive financial assets and liabilities with an impact on consolidated earnings: the estimated impact on 2023 profit of such a change would be 2.4 million euros (2.7 million euros in 2022).

Average net debt was stable year-on-year but the remuneration earned on ad-hoc cash balances was higher and more constant as rates stabilised. As a result, potential rate increases were assumed to have a slightly smaller impact than the year before, considering that they would be passed through proportionately to asset positions.

The main assumptions used to perform this sensitivity analysis are as follows:

- The analysis only models the impact on financial instruments susceptible to significant changes in the event of upward or downward movements in interest rates.
- The only input varied is the rate of interest, with all other variables held constant in the model.

Effect of changes in interest rates

	2023				2022			
Income/(expense)	(0.50%)	(0.25%)	0.25%	0.50%	(0.50%)	(0.25%)	0.25%	0.50%
Profit before tax	2,422	1,220	(1,220)	(2,442)	2,736	1,368	(1,368)	(2,736)

Foreign Currency risk

This the risk arising from exposure to the impact of movements in exchange rates on assets, liabilities, net investments in foreign operations and transactions conducted in currencies other than the euro. As a result of the Group's investments in the US and UK, the carrying amounts of the Group's assets and liabilities are significantly exposed to changes in the USD / EUR and GBP / EUR exchange rates.

The Group is exposed to changes in commodity prices depending on its ability to pass price increases on to its customers. It is also exposed to fluctuations in exchange rates, particularly the US dollar (the benchmark currency for a significant portion of its business), and to movements in interest rates. The Group regularly reassesses its exposure to these risks and their potential impact on its key earnings and financial position indicators and strategy.

The US dollar depreciated by 3.48% against the euro in 2023. That had a relatively moderate impact on the consolidated financial statements in respect of the assets and business transactions not hedged, specifically generating exchange losses of around 36 million euros.

In addition, the Group has investments in the UK which could be impacted in the medium term by that country's exit from the European Union, depending on the terms of the negotiations between the two parties. This subsidiary's and the Group's risk committees are monitoring this situation continually, trying the minimize the potential impact of movements in the exchange rate by arranging an appropriate hedging strategy for its business transactions. In 2023, the pound sterling appreciated against the euro by 2.06%, generating exchange gains of around 6.7 million euros.

Britain's withdrawal from the European Union ('Brexit') sparked significant uncertainty regarding the future of relations between the UK and the European Union, including in relation to the laws and regulations applicable going forward. The trade and cooperation agreement reached is deemed provisional. It provides a framework for trade relations but leaves numerous aspects of the future relationship between the EU and the UK open.

Although the free trade agreement goes a long way to dissipating uncertainty, the Ebro Group has taken measures to ensure the performance and profitability of its agreements to the extent possible. More specifically, those measures are articulated around ensuring the supply of raw materials by increasing buffer stocks, checking contract profitability by keeping close track of margins and potential cost overruns unrelated to the business and reducing the potential impact of volatility in the pound sterling.

Nevertheless, the Group does not expect any potential future disagreements to have a material impact on its financial statements as its most significant activity in the UK market is the sale of rice and related products that are considered staples; it therefore believes that even if new tariffs are imposed on the UK by the European Union, it will be possible to source rice from other markets in which the Group has a presence; moreover, much of the rice sold in the UK market is basmati and long-grain rice sourced from India/Pakistan and the US, respectively. The Group's non-current assets in the UK (including its manufacturing facilities) account for 12.64% of the Group total, while the revenue generated in the UK market in 2023 represented around 14.07% of the Group total.

The Group is also exposed to foreign exchange rate risk on account of its transactions. That risk arises from the purchases and sales made by the business units in currencies other than the functional currency. In the case of significant transactions, the Group's policy is to use foreign exchange forward contracts to eliminate or minimize the related exchange rate risk.

Certain Group companies in the rice (Herba Spain, S&B Herba, Herba Ingredients and Herba Bangkok) and pasta segments (Lustucru, Bertagni and Garofalo) write foreign currency future contracts and/or options in order to mitigate their transaction-related exposures. Those transactions are arranged to minimize currency risk but have not been designated as hedges for accounting purposes.

The contracts outstanding at year-end:

Currency

	NOTIONAL AMOUNT (THOUSANDS)	
	2023	2022
USD	153,890	143,855
EUR	7,604	12,656
THB	343,845	14,052
GBP	200	94

Generally (for example, at year-end 2022), the Group is net long on US dollars; these contracts hedge raw material contracts benchmarked against the dollar entered into by Group subsidiaries that operate in a different local currency. At year-end 2023, in contrast, the Group was net short on US dollars. The euro positions are held by Group companies with functional currencies other than the euro which trade in euros, mainly UK companies.

Below is a sensitivity analysis, measured in terms of the impact on profit and loss, with respect to the Group's key exposures to exchange rate risk by currency and type of instrument. The instruments grouped under "Other financial instruments" are loans or cash positions denominated in the currency referenced that is different from the functional currency of the Group company that holds them and that do not qualify as accounting hedges.

The sensitivity analysis provided below should be understood as the Group's maximum exposure at a given point in time; in reality, the Group always hedges business transactions denominated in a currency to which management wants to mitigate exposure; however, those transactions do not qualify for hedge accounting on account of the complexity of matching flow timing.

The following assumptions were used to model the sensitivity of the Group's assets and liabilities to changes in exchange rates:

* The analysis only models the impact on financial instruments susceptible to significant changes in the event of fluctuations in exchange rates.
* Borrowings designated as effective hedges of net investments are excluded from this analysis.
* The only input varied is the rate of exchange, with all other variables held constant in the model.

Effect of changes in the Thai Baht relative to the euro

	2023				2022			
Due to derivatives Income/(expense)	(10.00%)	(5.00%)	5.00%	10.00%	(10.00%)	(5.00%)	5.00%	10.00%
Profit before tax	(655)	(353)	376	755	(511)	(245)	277	580

Effect of changes in the sterling relative to the euro

	2023				2022			
Due to derivatives Income/(expense)	(10.00%)	(5.00%)	5.00%	10.00%	(10.00%)	(5.00%)	5.00%	10.00%
Profit before tax	1,105	871	(871)	(1,105)	907	476	(476)	(907)
Due to other financial instruments Income/(expense)	(10.00%)	(5.00%)	5.00%	10.00%	(0.50%)	(0.25%)	0.25%	0.50%
Profit before tax	4,343	2,171	(2,171)	(4,343)	3,813	1,906	(1,906)	(3,813)

Effect of changes in the dollar relative to the euro, sterling and Baht

	2023				2022			
Due to derivatives Income/(expense)	(10.00%)	(5.00%)	5.00%	10.00%	(10.00%)	(5.00%)	5.00%	10.00%
Profit before tax	3,181	1,397	(1,659)	(3,725)	(2,518)	(1,278)	1,302	2,428
Due to other financial instruments Income/(expense)	(10.00%)	(5.00%)	5.00%	10.00%	(0.50%)	(0.25%)	0.25%	0.50%
Profit before tax	101	51	(51)	(101)	1,097	549	(549)	(1,097)

In addition to the exposure measured in terms of the impact on the consolidated statement of profit or loss, the next table illustrates the impact of movements in the EUR/USD and EUR/GBP exchange rates on the Group's net debt (excluding the derivatives shown in the table above). The position in US dollars is one of net cash so that appreciation of this currency implies a reduction in the Group's net debt. The position in pound sterling at year-end 2023 is one of net borrowings, so that the result of the sensitivity analysis is the opposite.

Impact on borrowings

	2023				2022			
Changes in the USD + Borrowings / (– Borrowings)	(10.00%)	(5.00%)	5.00%	10.00%	(10.00%)	(5.00%)	5.00%	10.00%
Borrowings as per statement of financial position	18,517	9,258	(9,258)	(18,517)	4,628	2,314	(2,314)	(4,628)
Changes in the sterling + Borrowings / (– Borrowings)	(10.00%)	(5.00%)	5.00%	10.00%	(0.50%)	(0.25%)	0.25%	0.50%
Borrowings as per statement of financial position	(4,073)	(2,036)	2,036	4,073	(3,813)	(1,906)	1,906	3,813

Price risk in respect of other financial assets and liabilities

Certain of the Group's financial assets and liabilities expose it to price risk. The most significant exposure derives from the valuation of the put-call options over the shares of a series of companies (see below).

Liquidity risk

The Group's objective is to match its cash flow generation capabilities with its debt servicing and refinancing requirements. The Group aims to maintain a balance between continuity of funding and flexibility through the use of renewable credit facilities, bank loans with scope for grace periods to align them with the returns on the underlying assets and forward purchase contracts. In addition:

* The Group maintains significant liquidity at its subsidiaries in the US, Europe and the rest of the world.
* Management analyses the availability of cash periodically in order to identify in a timely manner any shortfalls of liquidity requiring suitable financing.
* The Group also has the possibility of (i) securing financing from banks other than those it usually works with; and (ii) upsizing and extending its current financing lines beyond 12 months from the end of the reporting period.
* Lastly, the Group evaluates the concentration of its liquidity risk regularly with a view to refinancing its debt if necessary. It has concluded that its liquidity risk is not significantly concentrated.

Note 12.2 analyses the Group's borrowings at year-end 2023 by maturity.

Credit (counterparty) risk

This is the risk that a counterparty will not meet its contractual obligations, generating a financial loss for the Group. This risk is mitigated by means of (i) careful selection of transactions and counterparty banks based on credit ratings and (ii) the negotiation of sufficient guarantees to mitigate this risk.

The Group has always taken a conservative approach to business transactions; it has local risk committees that continually review limits, open positions and automated system alerts. As a result, the Group's trade credit non-performance ratio has been historically low.

In addition, the sales and collections management departments work in a coordinated manner. Counterparties are selected on the basis of the credit ratings awarded by the credit insurance providers with which the Group works, these policies ultimately serving as guarantees. Lastly, the finance department analyses expected credit risk as a function of counterparty credit scoring, as prescribed in IFRS 9.

The Group's high level of geographic diversification results in a low level of customer credit risk concentration.

12.4 FAIR VALUE OF FINANCIAL INSTRUMENTS

The table below breaks down the carrying amounts and fair values of Group's financial assets and liabilities at year-end, in thousands of euros, other than its accounts payable and receivable and its cash and cash equivalents, whose carrying amounts are deemed an approximation of their fair value (in the case of financial assets, their fair value coincides with their carrying amount).

Financial assets

	31-12-2023		31-12-2022	
	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
Loans to associates	1,122	1,122	1,122	1,122
Loans to third parties	975	975	930	930
Deposits and guarantees	6,359	6,359	2,908	2,908
Shares in non-Group companies	1,119	1,119	1,142	1,142
Derivatives	2,225	2,225	1,457	1,457
	11,800	**11,800**	**7,559**	**7,559**

Financial liabilities

	31-12-2023		31-12-2022	
	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
Borrowings	574,106	562,587	673,115	1,122
Lease liabilities	59,527	59,527	61,029	930
Deposits and guarantees	501	501	676	2,908
Financial liabilities structured as share options	269,333	269,333	213,177	1,142
Derivatives	773	773	2,843	1,457
	904,240	**892,721**	**950,840**	**930,983**

Financial assets and liabilities measured at fair value: fair value hierarchy

All of the financial instruments measured at fair value are classified into one of the following levels depending on the inputs used to value them:

* Level 1. Use of quoted prices in active markets of identical assets and liabilities (without any adjustment)
* Level 2. Use of directly or indirectly observable inputs (other than level 1 quoted prices)
* Level 3. Use of unobservable inputs

	31-12-2023	LEVEL 1	LEVEL 2	LEVEL 3
Financial assets				
Equity instruments	**1,119**	–	1,119	–
Derivatives	**2,225**	–	2,225	–
Financial liabilities				
Other financial liabilities	**269,333**	–	–	269,333
Derivatives	**773**	–	773	–

The Group does not hold any financial instruments whose fair value cannot be reliably measured. No instruments were transferred between the various fair value hierarchy levels in the course of the reporting period.

13. LIQUID ASSETS: CASH AND SHORT-TERM DEPOSITS

The breakdown of this heading at year-end 2023 and 2022 (in thousands of euros):

ITEM	31-12-23	31-12-22
Cash on hand and at banks	132,408	140,548
Short-term deposits and cash equivalents	197,580	44,402
Total	**329,988**	**184,950**

Cash at banks earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group. The deposits earn interest at the applicable stipulated rates. The fair value of the Group's cash and cash equivalents was 329,988 thousand euros at December 31, 2023 (184,950 thousand euros at year-end 2022).

Throughout the year the Group companies invested their occasional cash surpluses in repos and equivalent securities in order to generate a return on these balances. Those investments are mainly denominated in euros, with a portion denominated in US dollars. The average annual return earned on those investments was around 3.5% in 2023 (2022: 1.1%).

14. INVESTMENTS IN ASSOCIATES

The movements under this heading in 2023 and 2022 (in thousands of euros) are shown below:

Associate

	BALANCE AT 31-12-22	ADDITIONS DUE TO INVESTMENTS	DECREASES DUE TO DISPOSALS	DIVIDENDS PAID	PROFIT/ (LOSS) FOR THE YEAR	TRANSLATION DIFFERENCES	OTHER MOVEMENTS	BALANCE AT 31-12-23
Riso Scotti, S.p.a.	34,743			(400)	4,050	0	0	38,393
Associates of Riviana Foods Inc.	8,487			(786)	1,341	(308)	0	8,734
Other companies	5	0	0	0	0	0	0	5
	43,235	**0**	**0**	**(1,186)**	**5,391**	**(308)**	**0**	**47,132**

Associate

	BALANCE AT 31-12-21	ADDITIONS DUE TO INVESTMENTS	DECREASES DUE TO DISPOSALS	DIVIDENDS PAID	PROFIT/ (LOSS) FOR THE YEAR	TRANSLATION DIFFERENCES	OTHER MOVEMENTS	BALANCE AT 31-12-22
Riso Scotti, S.p.a.	35,186			(1,000)	557	0	0	34,743
Associates of Riviana Foods Inc.	7,811			(1,187)	1,382	481	0	8,487
Other companies	5	0	0	0	0	0	0	5
	43,002	**0**	**0**	**(2,187)**	**1,939**	**481**	**0**	**43,235**

There were no significant movements under this heading in 2023 or 2022.

The associates of Riviana Foods, Inc. do not have material amounts of assets, income, borrowings or employees. The Ebro Group has not extended guarantees of material amount to any of its associates.

The most significant figures for the Scotti Group, using estimated financial statements at December 31, 2023, are as follows (in thousands of euros):

(000€)	31-12-22	31-12-23
Trademarks, other intangible assets and goodwill	53,126	52,263
Property, plant and equipment	54,280	52,983
Other non-current assets	14,201	14,019
Current assets	107,354	84,281
Cash	14,959	56,712
Non-current, non-financial liabilities	(20,426)	(20,214)
Financial liabilities	(76,930)	(74,572)
Current, non-financial liabilities	(59,367)	(69,165)
Non-controlling interests	(339)	(325)
	86,858	**95,982**
Ownership interest acquired	40%	40%
	34,743	**38,393**
Revenue	310,500	326,670
Profit for the year	1,393	10,125
No. of employees	285	278

15. GOODWILL

The movements under goodwill in 2023 and 2022 (in thousands of euros) are shown below:

SEGMENT	CGU OR GROUPS OF CGUS	31-12-22	ADDITIONS	DECREASES & OTHER	IMPAIRMENT LOSSES	TRANSLATION DIFFERENCES	31-12-23
Rice	Danrice (Denmark)	14,524					14,524
Rice	Vogan (UK)	1,205				48	1,253
Rice	Riceland (Hungary)	2,184					2,184
Rice	Steve & Brotherton (UK)	1,711					1,711
Rice	Ingredients Group	11,198					11,198
Rice	SOS Business (Spain)	28,390					28,390
Rice	Ebro Frost (Germany)	14,606					14,606
Rice	Geovita (Italy)	22,894					22,894
Rice	Transimpex (Germany)	15,292					15,292
Rice	Tilda Group (UK)	80,491				1,656	82,147
Rice	Riviana Group (US)	299,231				(10,399)	288,832
Pasta	Ebro Group France	137,671					137,671
Pasta	Garofalo (Italy)	57,049					57,049
Pasta	Bertagni (Italy)	114,575					114,575
Other	Harinas Santa Rita (Spain)	6,051					6,051
		807,072	**0**	**0**	**0**	**(8,695)**	**798,377**
Total gross carrying amount		**864,007**	**0**	**0**		**(8,695)**	**855,312**
Accumulated impairment losses		**(56,935)**					**(56,935)**

SEGMENT	CGU OR GROUPS OF CGUS	31-12-21	ADDITIONS	DECREASES & OTHER	IMPAIRMENT LOSSES	TRANSLATION DIFFERENCES	31-12-22
Rice	Danrice (Denmark)	14,524					14,524
Rice	Vogan (UK)	1,336				(131)	1,205
Rice	Riceland (Hungary)	2,184					2,184
Rice	Steve & Brotherton (UK)	1,711					1,711
Rice	Ingredients Group	11,198					11,198
Rice	SOS Business (Spain)	28,390					28,390
Rice	Ebro Frost (Germany)	14,606					14,606
Rice	Geovita (Italy)	22,894					22,894
Rice	Transimpex (Germany)	15,292					15,292
Rice	Tilda Group (UK)	84,964				(4,473)	80,491
Rice	Riviana Group (US)	281,794				17,437	299,231
Pasta	Ebro Group France	152,791		(15,120)			137,671
Pasta	Garofalo (Italy)	57,049					57,049
Pasta	Bertagni (Italy)	114,575					114,575
Other	Harinas Santa Rita (Spain)	6,051					6,051
		809,359	**0**	**(15,120)**	**0**	**12,833**	**807,072**
Total gross carrying amount		**866,294**	**0**	**(15,120)**		**12,833**	**864,007**
Accumulated impairment losses		**(56,935)**					**(56,935)**

There were significant movements in both reporting periods that were attributable to exchange differences on the goodwill allocated to the Group's US and UK subsidiaries, mainly. The decrease in goodwill in 2022 was also brought about by the sale of Roland Monterrat that year.

The Ebro Group establishes its cash-generating units (CGUs) in accordance with the definition given in IAS 36 Asset impairment: "A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets".

The Group accordingly defines its cash-generating units using geographical criteria and by legal entity as, in general, the legal entities located in each country are separate and their business is basically focused on one of the activities comprising the Group's business segments, i.e., rice or pasta.

The goodwill balances were generated by business combinations. Those assets were tested for impairment at year-end 2023 and 2022 (by an independent expert, Kroll); the resulting values were allocated to the cash-generating units or groups of cash-generating units indicated in the table above.

To test the assets for impairment, the Group calculated the value in use of each cash-generating unit (CGU) by discounting the associated cash flows, generally projected for a period of five years, and their terminal value, in turn calculated by projecting the last year's cash flows by a perpetuity growth rate.

The cash flow projections were based on historical information and the best estimates of each CGU's management, underpinned by their budgets and medium-term business plans.

The resulting CGU fair values were additionally cross-checked using comparable multiples methodology. Note with respect to the projection exercise undertaken in recent years, the actual results have not yielded significant deviations necessitating material changes in the projections.

Although effectiveness of the new lease accounting standard, IFRS 16, from January 1, 2019 did not have a very significant impact on the Ebro Group, it did imply certain changes for impairment testing purposes from 2019. Specifically, it implied the following changes:

* The metrics used for cross-checking purposes were revised upwards on account of the recognition of right-of-use assets.
* The statement of profit or loss and financial position projections were also adjusted to eliminate lease expense, a concept that has been replaced by right-of-use asset depreciation and the finance cost corresponding to the new financial liability.
* The numbers factor in new cash outflows corresponding to the renewal of the lease agreements subject to the new standard and their impact during the projection time horizon and on the CGUs' terminal value.
* The discount rates used have been adjusted to reflect the new market situation, making sure that the comparable companies used use similar accounting policies.

The growth rates used to extrapolate the cash flow projections beyond the projection horizon and the pre- and after-tax discount rates applied to the cash flow projections for the most important CGUs in 2023 (2022) were:

SEGMENT	CGU	PRE-TAX RATE		POST-TAX RATE		GROWTH RATE "G"	
		2023	2022	2023	2022	2023	2022
Rice	Frozen Foods (Germany and Denmark)	8.25%	8.13%	6.38%	6.38%	2.40%	2.45%
Rice	UK Business	10.75%	10.13%	8.13%	7.75%	2.55%	2.55%
Rice	Ingredients (Belgium and Netherlands)	8.75%	7.75%	7.13%	6.38%	2.30%	2.40%
Rice	SOS Business (Spain)	9.63%	9.63%	7.75%	7.75%	2.35%	2.40%
Rice	Geovita (Italy and France)	10.38%	10.13%	8.25%	8.13%	2.30%	2.35%
Rice	Transimpex (Germany)	8.25%	8.13%	6.38%	6.38%	2.40%	2.45%
Rice	Riviana Group (US)	10.00%	9.25%	8.00%	7.50%	2.30%	2.50%
Rice	Tilda Group (UK)	10.13%	9.63%	8.13%	7.75%	2.55%	2.55%
Pasta	Ebro Group France	8.75%	7.75%	7.13%	6.38%	2.35%	2.40%
Pasta	Garofalo (Italy and international)	10.75%	10.63%	8.25%	8.25%	2.30%	2.35%
Pasta	Bertagni (Italy)	10.63%	10.25%	8.13%	8.13%	2.30%	2.35%
Other	Harinas Santa Rita (Spain)	9.63%	9.63%	7.75%	7.75%	2.35%	2.40%

The key assumptions used to value each cash-generating unit (CGU) include: (i) the average rate of sales revenue growth modelled for the projection period; (ii) the compound average annual rate of growth in the EBITDA-A margin; (iii) the trend in working capital expressed as a number of days of sales; (iv) average annual capital expenditure, modelled as a percentage of projected EBITDA-A; (v) the discount rate; and (vi) the rate of growth in perpetuity (g).

The Group did not detect any indications that its intangible assets may have become impaired in 2023 or 2022. Moreover, the results of the impairment tests were satisfactory in both reporting periods.

As for the assumptions used to calculate the recoverable amount of the various CGUs to which goodwill has been assigned, management believes that no reasonably-possible change in the key assumptions used would cause their carrying amounts to exceed their recoverable amounts. That assessment is underpinned by the sensitivity analysis performed with respect to the two inputs deemed key to the valuation results:

SEGMENT	CGU	CHANGE NECESSARY FOR THE RECOVERABLE AMOUNT TO FALL TO THE UNIT'S CARRYING AMOUNT	
		+ WACC (POINTS)	– G (POINTS)
Rice	Frozen Foods (Germany and Denmark)	a)	a)
Rice	UK Business	1.25%	(0.5%)
Rice	Ingredients (Belgium and Netherlands)	0.5%	(0.5%)
Rice	SOS Business (Spain)	0.25%	(0.5%)
Rice	Geovita (Italy and France)	0.25%	(0.25%)
Rice	Transimpex (Germany)	1.5%	(0.5%)
Rice	Riviana Group (US)	a)	a)
Rice	Tilda Group	0.25%	(0.25%)
Pasta	Ebro Group France	1.75%	(0.5%)
Pasta	Garofalo (Italy and international)	0.75%	(0.5%)
Pasta	Bertagni (Italy)	1.0%	(0.5%)
Other	Harinas Santa Rita (Spain)	1.5%	(0.5%)

a) CGUs in which it would take an increase in the WACC of over 2 percentage points and, simultaneously, a reduction in the rate of growth in perpetuity of over 0.5 percentage points (with respect to the values indicated in the table above) for their recoverable amount to decrease to their carrying amount.

16. INVENTORIES

The breakdown of inventories at year-end 2023 and 2022 (in thousands of euros):

ITEM	31-12-23	31-12-22
Goods held for resale	18,072	23,269
Raw materials	385,191	414,304
Consumables and replacement parts	16,058	17,225
Containers	36,367	43,290
Work in progress	32,998	63,593
Finished goods	241,838	285,352
By-products and waste	5,360	7,174
Prepayments to suppliers	58,021	64,452
Total gross carrying amount of inventories	**793,905**	**918,659**
Inventory impairment provision	(18,613)	(7,544)
Total carrying amount of inventories	**775,292**	**911,115**

At both reporting dates, the balance of prepayments to suppliers presented on the face of the consolidated statement of financial position mainly comprised payments made to rice growers and rice suppliers.

In addition, the Group was contractually committed to the purchase of 27,246 thousand euros of rice from rice growers and cooperatives at year-end 2023 (38,988 thousand euros at year-end 2022). The Group was also contractually committed to raw material and packaging material purchases in the US, Canada, France, Spain and Italy totalling 121,537 thousand euros (year-end 2022: 114,088 thousand euros).

The provision for the impairment of inventories increased in 2023 due to price volatility in certain raw material varieties in some international markets. The net provision for inventory impairment recognized in 2023 was 13,122 thousand euros (2022: 1,870 thousand euros), while 1,915 thousand euros of previously recognized provisions were utilized (2022: 3,155 thousand euros); no amounts were derecognized due to business disposals (2022: 571 thousand euros); and exchange gains on inventories amounted to 138 thousand euros (2022: losses of 225 thousand euros).

17. SHARE CAPITAL, RESERVES, EARNINGS PER SHARE AND DIVIDENDS

17.1 CAPITAL AND RESERVES

Share capital

The Parent's issued capital consisted of 153,865,392 fully subscribed and paid bearer shares with a par value of 0.60 euros each at both year-ends. The Company's shares are traded on the Spanish stock exchanges.

Ebro Foods, S.A. gleans the information regarding its significant shareholders and their shareholdings from the information they themselves provide directly to the Parent or the disclosures they make under applicable legislation on significant shareholdings and from information collected by it from its shareholders as part of the process of preparing its annual consolidated financial statements. Based on that information, the Parent's significant shareholders and their shareholdings at year-end are as follows:

SIGNIFICANT SHAREHOLDER	2023					2022				
	% OF VOTING RIGHTS ATTRIBUTED TO THE SHARES			% VOTING RIGHTS HELD THROUGH FINANCIAL INSTRUMENTS	% OF TOTAL VOTING RIGHTS	% OF VOTING RIGHTS ATTRIBUTED TO THE SHARES			% VOTING RIGHTS HELD THROUGH FINANCIAL INSTRUMENTS	% OF TOTAL VOTING RIGHTS
	DIRECT	INDIRECT	TOTAL			DIRECT	INDIRECT	TOTAL		
Corporación Financiera Alba, S.A.	14.522	0.000	14.522	0.000	14.522	14.522	0.000	14.522	0.000	14.522
Sociedad Anónima Damm (through Corporación Económica Delta, S.A.)	0.000	11.686	11.686	0.000	11.686	0.000	11.686	11.686	0.000	11.686
Sociedad Estatal de Participaciones Industriales (through Alimentos y Aceites, S.A.)	0.000	10.360	10.360	0.000	10.360	0.000	10.360	10.360	0.000	10.360
Hercalianz Investing Group, S.L.	9.073	0.000	9.073	0.000	9.073	9.000	0.000	9.000	0.000	9.000
Grupo Tradifín, S.L.	7.961	0.000	7.961	0.000	7.961	7.961	0.000	7.961	0.000	7.961
Empresas Comerciales e Industriales Valencianas, S.L.	7.827	0.000	7.827	0.000	7.827	7.827	0.000	7.827	0.000	7.827
José Ignacio Comenge Sánchez-Real (through Mendibea 2002, S.L.)	0.002	5.381	5.383	0.000	5.383	0.002	5.362	5.364	0.000	5.364
Artemis Investment Management, LLP	0.000	4.082	4.082	0.000	4.082	0.000	3.160	3.160	0.000	3.160

Share premium

As for the share premium, the Consolidated Text of the Spanish Corporate Enterprises Act permits the use of the share premium account balance to increase share capital and provides no specific limitation with respect to its availability.

Virtually all of the share premium account was distributed in 2009 by means of the distribution of an in-kind special dividend paid in own shares.

Restricted reserves

Spanish enterprises that generate a profit are required to earmark 10% of net profit for the year to a legal reserve until such reserve is equivalent to 20% of share capital. The legal reserve cannot be distributed except in the event of dissolution but it can be used to offset losses insofar as other reserves are not available for this purpose, and to increase capital by the amount that exceeds 10% of capital after the increase. The Parent had fully endowed its legal reserve at both year-ends.

As for the restrictions on the reserves of the Group's subsidiaries, it is worth noting the existence of legal reserves at the Spanish subsidiaries and some of the international subsidiaries totalling approximately 25.4 million euros (24.8 million euros at year-end 2022) that are subject to the same legal reserve regime detailed above. The portion of such reserves arising on consolidation is included under retained earnings.

Consolidated retained earnings includes 38,531 thousand euros (year-end 2022: 38,531 thousand euros) corresponding to Herba Foods S.L.U. In addition, certain foreign subsidiaries have retained earnings which have not been distributed since consolidation within the Ebro Group. In both instances, the distribution of such retained earnings is contingent upon payment of the corresponding income tax or withholdings. Note that the taxable event - income tax or withholdings - would accrue whenever such distribution is ratified, something not expected to occur in the short or medium term.

Translation differences - foreign exchange translation differences reserve

The foreign exchange translation differences reserve is used to recognize the exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to recognize hedges of net investments in these entities. The breakdown of translation differences at year-end by company (in thousands of euros) is provided below:

	31-12-23	31-12-22
RIVIANA Group (US)	109,065	145,048
Herba companies	(14,525)	(12,462)
Tilda Group (UK and UAE)	11,665	5,007
Ebro Alimentación Mexico	(152)	(163)
Garofalo Group (Italy) - International business	(69)	(7)
Ebro Group France - International business	159	223
Total	**106,143**	**137,646**

Own shares

In 2023, the Parent had the power to buy back and sell own shares under the scope of the authorization granted at the Annual General Meeting held on July 29, 2020 for a period of five years (and duly notified to the CNMV in keeping with prevailing legislation).

In 2023, under the scope of the employee share plan, it bought back 41,000 shares, sold 1,187 and delivered 39,813 own shares to employees. The Company did not hold any own shares at December 31, 2023.

In 2022, the Parent was likewise empowered to buy back and sell own shares under the scope of the authorization granted at the Annual General Meeting held on July 29, 2020 for a period of five years (and duly notified to the CNMV in keeping with prevailing legislation). In 2022, under the scope of the employee share plan, it bought back 42,500 shares, sold 852 and delivered 41,648 own shares to employees. The Company did not hold any own shares at December 31, 2022.

17.2 EARNINGS PER SHARE

Basic EPS amounts are calculated by dividing the profit for the year attributable to ordinary equity holders of the Parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to ordinary equity holders of the Parent (after adjusting for interest on non-cumulative redeemable and convertible preference shares, of which Ebro Foods, S.A. did not have any at either year-end) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares (Ebro Foods, S.A. did not have any dilutive potential ordinary shares at either year-end).

The following table reflects the income (thousands of euros) and share data used in the basic and diluted EPS computations:

	2023	2022
Profit from continuing operations attributable to ordinary equity holders of the parent	186,964	122,976
Profit from discontinued operations attributable to ordinary equity holders of the parent	0	(917)
Profit attributable to ordinary equity holders of the parent	186,964	122,059
Interest on non-cumulative convertible and redeemable preference shares	0	0
Profit attributable to ordinary equity holders of the parent adjusted for the effect of dilution (non-cumulative convertible and redeemable preference shares)	186,964	122,059

	2023	2022
	THOUSANDS	THOUSANDS
Weighted average number of ordinary shares for basic EPS (*)	153,865	153,865
Effects of dilution from:		
Stock options	0	0
Redeemable preference shares	0	0
Weighted average number of ordinary shares adjusted for the effect of dilution	153,865	153,865

(*) Takes into account the weighted average effect of movements in own shares during the year.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorization of these financial statements.

17.3 DIVIDENDS

Distribution of the dividends approved at the Annual General Meeting of June 6, 2023 at which the Parent's shareholders ratified the motion to pay a cash dividend with a charge against 2022 profit and unrestricted reserves of 0.57 euros per share (before withholding tax), payable in the course of 2023 for a total outlay of 87,703 thousand euros. The dividend was paid out in three equal instalments of 0.19 euros per share (before withholding tax) on April 3, June 30, and October 2, 2023.

18. DEFERRED INCOME

The heading essentially includes grants related to assets and other items of deferred income that are not individually material. The movements under this heading in 2023 and 2022 (thousands of euros):

	GOVERNMENT GRANTS		OTHER DEFERRED INCOME		TOTAL	
	31-12-23	31-12-22	31-12-23	31-12-22	31-12-23	31-12-22
Opening balance	10,448	10,306	471	20	10,919	10,326
Grants received	6,304	1,026	0	0	6,304	1,026
Additions due to GHG allowances	0	0	0	0	0	0
Other increases/decreases	444	(384)	(471)	646	(27)	262
Translation differences	1	(2)	0	0	1	(2)
Reclassified to profit or loss from continuing operations	(1,397)	(497)	0	(195)	(1,397)	(692)
Closing balance	**15,800**	**10,448**	**0**	**471**	**15,800**	**10,919**

The year-end balances mainly comprise grants relating to assets awarded to various Group companies in relation to certain fixed asset investment projects (to date these companies have satisfied all the conditions attached to their grant). The most significant increases in both years relate to grants awarded to companies in France and Italy to help fund the expansion of their factories.

The breakdown of grants by maturity is as follows (thousands of euros):

Grants relating to assets

	PENDING RECLASSIFICATION TO PROFIT OR LOSS			
	< 1 YEAR	2-5 YEARS	> 5 YEARS	TOTAL
Breakdown of closing balance by maturity	1,130	4,294	10,376	15,800

19. PROVISIONS FOR PENSIONS (POST-EMPLOYMENT BENEFITS) AND SIMILAR OBLIGATIONS

The reconciliation of the opening and closing balances under this heading (in thousands of euros) is as follows:

	31-12-23	31-12-22
	TOTAL	TOTAL
Opening Balance	**25,187**	**35,088**
Translation differences	(70)	360
Disposals	0	(538)
Amounts utilised and paid	(12,624)	(11,160)
Amounts transferred to other accounts	344	(642)
Surplus provisions and employee departures	0	(142)
Amount provided for in the year for actuarial changes	(1,751)	(10,456)
Amount provided for in the year for unwind of discount	1,169	1,076
Amount provided for in the year for employee benefits expense	10,140	11,601
Amount provided for in the year for other operating expenses	4	0
Closing balance	**22,399**	**25,187**

The breakdown by type of post-employment commitment (in thousands of euros):

	31-12-23	31-12-22
Defined benefit obligations	9,297	10,417
Retirement bonuses and similar obligations	8,934	8,957
Senior management bonus schemes (note 23)	4,168	5,813
Total	**22,399**	**25,187**

The types of commitments extended by company/CGU are summarised below:

	DEFINED CONTRIBUTION PENSION COMMITMENTS	DEFINED BENEFIT PENSION COMMITMENTS	OTHER DEFINED BENEFIT COMMITMENTS	RETIREMENT BONUSES	LONG-SERVICE BONUSES	TERMINATION OR RETIREMENT BENEFITS
Ebro Foods, S.A. (Spain)					Yes **(a)**	
Riviana Group (US & Canada)	Yes	Yes **(b)**	Yes **(b)**			
Ebro Group France				Yes **(a)**	Yes **(a)**	Yes **(a)**
Bertagni (Italy)						Yes **(a)**
Ebro Belgium (Herba) (Belgium)	Yes **(c)** 2007	Yes **(c)** 2006				Yes **(a)**
Herba Bangkok and Ebro India						Yes **(a)**
Garofalo (Italy)						Yes **(a)**
Geovita (Herba) (Italy)						Yes **(a)**
Mundiriso (Herba) (Italy)						Yes **(a)**
S&B Group (Herba) (UK)	Yes **(d)**	Yes **(d)**				
Ebro Foods, Gmbh (Germany)		Yes **(a)**		Yes **(a)**		
Euryza (Herba) (Germany)		Yes **(a)**				
Transimpex (Herba) (Germany)		Yes **(a)**				
Ebro Group Neth. (Herba) (Netherlands)	Yes **(e)**	Yes **(e)**				
Herba Ricemills (Spain)				Yes **(a)**		

(a) Obligations not externalized. Managed and provided for in-house. Except for Garofalo (Italy), which has externalized a portion of its obligations.
(b) These obligations are managed externally. The administration, management and investment decision-making with respect to these assets is performed by a committee that is independent from the company's management.
(c) These became defined contribution obligations in 2007.
(d) Obligations to current employees were switched to a defined contribution benefit arrangement in 2007, while former employees continue to receive a defined benefit scheme.
(e) These became defined contribution obligations in 2014.

The next section outlines the most significant obligations on the basis of their relative materiality with respect to the overall obligation and/or because their specific circumstances warrant their individual disclosure.

19.1 RETIREMENT BONUSES AND SIMILAR OBLIGATIONS

The breakdown by company or business is as follows (in thousands of euros):

	31-12-23	31-12-22
Ebro Group France	3,825	3,728
Herba Rice Group (Herba)	2,329	2,190
Garofalo (Italy)	383	367
Riviana American Group (Riviana)	2,192	2,431
Ebro Foods, S.A.	190	238
Other minor obligations	15	3
Total	**8,934**	**8,957**

19.1.1 Ebro Foods, S.A.

The balance at year-end 2023 in respect of Ebro Foods, S.A. totals 190 thousand euros (year-end 2022: 238 thousand euros) and corresponds to the provision for the potential obligation to provide long-service bonuses to some of its employees. The Group is not legally required to externalise this obligation. The expense recognized in this respect was 13 thousand euros in 2023 (2022: 38 thousand euros), while the payments made totalled 61 thousand euros (2022: zero).

19.1.2 Ebro France Group companies

The Ebro Group France companies have obligations to their employees, mainly in respect of (i) retirement bonuses (provisions of 3,666 and 3,574 thousand euros at year-end 2023 and 2022, respectively); and (ii) long-service bonuses (159 and 154 thousand euros at year-end 2023 and 2022, respectively).

Those provisions were recognized based on actuarial calculations performed internally. The related total net expenditure recognized in 2023 amounted to 395 thousands euros (2022: 1,116 thousand euros); note that 78 thousand euros (2022: 829 thousand euros) was charged directly in equity as actuarial losses.

These provisions are funded in-house, albeit not by specific assets. The interest rate applied in 2023 was 3.17% (3.77% in 2022).

19.1.3 Herba Group companies

The collective bargaining agreements applicable at the subsidiaries in Italy, Belgium, Thailand and India include termination benefit obligations (voluntary or otherwise) for their employees. Those provisions were recognized based on actuarial calculations performed internally in some instances and externally in others.

The related provision at year-end 2023 amounted to 2,329 thousand euros (2,193 thousand euros at year-end 2022). Expenditure in 2023 was 585 thousand euros (2022: 463 thousand euros).

In addition, some Herba Group subsidiaries (S&B Herba in the UK, Boost in Belgium, Ebro Frost in Denmark, Ebro Group Netherlands and the Ingredients Group from 2014) have defined contribution pension plans for some of their employees under which they make an annual contribution based on a percentage of qualifying employees' salaries. Expenditure in 2023 was 2,241 thousand euros (2022: 2,214 thousand euros).

Lastly, in keeping with the rice sector's collective bargaining agreement, Herba Ricemills, S.L.U. has retirement bonus obligations that have been externalized under an insurance policy; the related provision at year end 2023 stood at 2 thousand euros (zero euros at year-end 2022). Net expenditure in 2023 was 77 thousand euros (2022: 82 thousand euros).

19.1.4 Garofalo (Italy)

The applicable collective bargaining agreement includes termination benefit obligations (voluntary or otherwise) for employees. That obligation was externalized in 2008; the provision for the obligation funded internally and accrued until the date of externalisation continues to be recognized through settlement. The provision is updated annually on the basis of external actuarial calculations. The related provision at year-end 2023 amounted to 383 thousand euros (367 thousand euros at year-end 2022). The discounting of this provision implied a finance cost of 13 thousand euros in 2023 (2022: 2 thousand euros), actuarial losses charged directly to equity of 8 thousand euros (actuarial gains credited in equity of 70 thousand euros in 2022) and payments totalling 8 thousand euros (2022: 17 thousand euros). The expense recognized in 2023 in respect of the obligation externalized since 2008 amounted to 552 thousand euros (2022: 554 thousand euros).

19.1.5 Riviana Foods, Inc.

In addition to the defined benefit obligations detailed in Note 19.2 below, the Riviana Group companies offer their US employees voluntary contribution plans. Those companies match their employees' contributions. Total expenditure in connection with those plans was 2,680 thousand euros in 2023 (2022: 2,476 thousand euros).

19.2 PENSION AND OTHER DEFINED BENEFIT OBLIGATIONS

The breakdown by company:

DEFINED BENEFIT (000€)	31-12-23			31-12-22		
	PENSION COMMITMENTS	OTHER COMMITMENTS	TOTAL	PENSION COMMITMENTS	OTHER COMMITMENTS	TOTAL
Riviana Group (US & Canada)	5,244	(4,641)	603	4,241	(4,517)	(276)
Ebro Belgium (Herba) (Belgium)	75		75	198		198
S&B Group (Herba) (UK)	2,552		2,552	2,808		2,808
Ebro Germany (Germany)	1,325		1,325	1,891		1,891
Euryza (Herba) (Germany)	3,669		3,669	4,689		4,689
Transimpex (Germany)	1,073		1,073	1,107		1,107
	13,938	**(4,641)**	**9,297**	**14,934**	**(4,517)**	**10,417**

The reconciliation of the opening and closing balances included in the table above, broken down using geographic criteria, deemed the most appropriate and uniform criterion in terms of the underlying factors generating these obligations, in 2023 and 2022:

(000€)	TOTAL		EUROPE		US & CANADA	
	31-12-23	31-12-22	31-12-23	31-12-22	31-12-23	31-12-22
Provisions for pensions - obligations						
Opening balance	56,842	80,264	18,213	28,370	38,629	51,894
Charge for the year	3,590	3,773	694	648	2,896	3,125
Actuarial changes	544	(21,301)	(1,297)	(7,816)	1,841	(13,485)
Benefits paid	(3,675)	(9,976)	(764)	(2,067)	(2,911)	(7,909)
Transfers between plans	0	1,803	0	0	0	1,803
Translation differences	(1,114)	2,279	194	(922)	(1,308)	3,201
Opening balance	**56,187**	**56,842**	**17,040**	**18,213**	**39,147**	**38,629**
Provisions for pensions - plan assets						
Opening balance	(46,425)	(62,118)	(7,520)	(14,852)	(38,905)	(47,266)
Return on plan assets	(1,941)	(1,212)	(350)	(251)	(1,591)	(961)
Contributions by employer	(1,229)	(1,383)	(778)	(707)	(451)	(676)
Actuarial changes	(2,122)	12,335	(325)	5,534	(1,797)	6,801
Benefits paid	3,675	9,976	764	2,067	2,911	7,909
Transfers between plans	0	(1,803)	0	0	0	(1,803)
Translation differences	1,152	(2,220)	(137)	689	1,289	(2,909)
Closing balance	**(46,890)**	**(46,425)**	**(8,346)**	**(7,520)**	**(38,544)**	**(38,905)**
Closing balance - benefit asset	**9,297**	**10,417**	**8,694**	**10,693**	**603**	**(276)**

Net annual cost by component

	TOTAL		EUROPE		US & CANADA	
	31-12-23	31-12-22	31-12-23	31-12-22	31-12-23	31-12-22
Current service cost	1,070	1,842	37	209	1,033	1,633
Borrowing costs	2,508	1,929	657	439	1,851	1,490
Expected return on plan assets	(1,941)	(1,212)	(350)	(251)	(1,591)	(961)
	1,637	**2,559**	**344**	**397**	**1,293**	**2,162**
Actuarial changes recognised directly in consolidated equity: (gains)/losses	(1,580)	(8,967)	(1,623)	(2,282)	43	(6,685)

ACTUARIAL ASSUMPTIONS	31-12-23	31-12-22	31-12-23	31-12-22
Discount rate	3.30% - 4.60%	1.50% - 4.90%	4.90% - 5.14%	4.89% - 5.46%
Future salary increases	2.00% - 3.00%	1.50% - 3.10%	2.50% - 3.00%	2.50% - 3.00%
Expected return on plan assets	3.30% - 4.60%	1.50% - 4.90%	4.90% - 5.14%	4.89% - 5.46%

In general, the obligations relate to pension plans for most of the employees of the Riviana Group in both the US and Canada and for certain employees of the European subsidiaries. At the S&B Group, these obligations now only correspond to former employees (the obligations in respect of current employees were transferred to defined contribution arrangements on January 1, 2006).

The Riviana Group in the US has not been adding new employees to this defined benefit scheme since February 2006.

In the case of the Riviana Group, the other commitments relate to health insurance, prescription drug plans and life insurance provided to just some of their employees.

20. OTHER PROVISIONS

The movements under this heading in 2023 and 2022 (in thousands of euros) are shown below:

Movements under other provisions

	31-12-23	31-12-22
	TOTAL	TOTAL
Opening balance	**15,506**	**15,538**
Translation differences	27	(85)
Other transfers	79	(304)
Amounts utilised and payments	(2,025)	(1,605)
Additions with a charge to profit or loss	2,392	2,235
Unused amounts reversed with a credit to profit or loss	(590)	(238)
Business sales/exits	0	(35)
Closing balance	**15,389**	**15,506**

An analysis by underlying concept and company/business (in thousands of euros):

Breakdown of other provisions by concept

	31-12-23	31-12-22
Lawsuits and disputes	14,842	14,655
Modernisation and restructuring plan	441	655
Misc. other contingencies of insignificant amount	106	196
	15,389	**15,506**

	31-12-23	31-12-22
Ebro Foods, S.A.	10,976	11,240
Lustucru Group France	1,582	550
Herba Group	1,538	2,165
Riviana Group	441	655
Garofalo Group	766	767
Ebro Group Germany	47	50
Other	39	79
	15,389	**15,506**

20.1 LAWSUITS AND DISPUTES: PROVISIONS COVERING THE OUTCOME OF LAWSUITS RELATED TO THE SALE OF THE DAIRY BUSINESS

One of the provisioned items is the provision recognized to cover the outcome of lawsuits related to the sale of the dairy business (sold in 2010), specifically related to the reps and warranties extended to its buyers, as an unfavourable ruling in these lawsuits has the effect of reducing the sale-purchase price. Additions to this provision (or reversals thereof) imply an adjustment to the sale price and are accordingly recognized as a reduction (or increase) in profit in the year in which they are recognized.

These lawsuits had been substantially resolved by year-end 2013, so that the related provision stood at zero. However, in the course of 2014 a number of smaller-sized disputes came to light. Management determined it was necessary to recognize a provision in respect of certain of these cases in light of the probable outflow of resources in the future.

In relation to the resolution issued by the Spanish anti-trust authority, the CNMC for its acronym in Spanish, on February 26, 2015, imposing a fine of 10,270 thousand euros on Puleva Food, S.L., its annulment by the National High Court on October 25, 2018 and the subsequent resumption of the disciplinary proceedings by the CNMC with retroactive effect on December 21, 2018, the CNMC issued a new Disciplinary Ruling on July 11, 2019. In that new ruling, the CNMC reiterated its original opinion of the underlying facts and levied a fine in the same amount against Puleva Food, S.L.

On February 21, 2024, the National High Court notified its ruling of February 13, 2024 with respect to the appeal lodged against the Disciplinary Ruling of 2019. In that new ruling, the National High Court partially upholds the appeal presented by Puleva Food, S.L.: (i) ruling that some of the conduct attributed to the latter has prescribed, and (ii) finding that its participation in the practices at the heart of the matter was only substantiated in two out of the three practices contemplated by the CNMC in its Disciplinary Ruling of 2019. On the basis of those findings, the National High Court has asked CNMC to recalculate the fine in light of the outcome of the appeal.

Ebro Foods, S.A. is currently assessing the new situation with its legal counsel and considering what measures to take with respect to the recent National High Court ruling. Although the Company believes that the recalculation of the fine ordered by the National High Court could result in a lower amount, it has decided to continue to recognize the provision recorded in 2014 in light of the uncertainty around its amount and the timing of the CNMC's decision.

Elsewhere, in 2016, the Group recognized a provision of 2,500 thousand euros to cover the litigation risk associated with the tax assessments signed under protest in 2016 in the wake of an inspection of the Puleva Group in respect of certain years and events in relation to the reps and guarantees provided to the buyer of the Group's former dairy business; the case was pending ruling at the reporting date.

20.2 STATUS OF OTHER LAWSUITS AND DISPUTES

In addition to the lawsuits outlined in section 20.1 above, at year-end 2023, the Group had recognized provisions for other lawsuits and disputes in the amount of 4,413 thousand euros (year-end 2022: 4,266 thousand euros).

The provisions relate to court proceedings underway and other claims; in the directors' opinion, after taking appropriate legal advice from its in-house and external counsel, the outcome of these legal claims will not give rise to any significant liabilities beyond the amounts provided at year-end.

The breakdown of the maximum liability under these legal claims (items 20.1 and 20.2 above) is shown below (in thousands of euros):

	31-12-23	31-12-22
Tax and customs assessments signed under protest	1,769	1,748
Judicial review contingencies	13,042	12,436
Other lawsuits	1,242	1,646
	16,053	**15,830**

21. TAXES

Year-end balances receivable from and payable to the tax authorities (in thousands of euros):

	RECEIVABLE		PAYABLE	
	31-12-23	31-12-22	31-12-23	31-12-22
VAT and personal income tax	32,733	33,945	(9,169)	(9,990)
Social security	4	33	(4,221)	(3,513)
Grants pending collection	3,447	5,770		
Other tax authorities	2,370	26,728	(356)	(1,242)
Total receivable/payable	**38,554**	**66,476**	**(13,746)**	**(14,745)**
Income tax - tax payable/refundable	**26,472**	**19,414**	**(17,680)**	**(14,364)**

The balance receivable from other tax authorities of 26,728 thousand euros at December 31, 2022 included 25,295 thousand euros due from the French tax authorities related with payments made on account in 2022 as a result of the sale of the Panzani business in 2021. That balance was collected in full on March 1, 2023.

Certain Group companies file consolidated tax returns in keeping with applicable tax and other legislation prevailing in each country. The companies that file under a consolidated tax regime are: most of the Spanish companies (Spanish tax group), the Riviana group (US) together with its Canadian subsidiary, the Ebro France group and the Group companies resident in Germany and the Netherlands for tax purposes.

The statutory corporate income tax rates vary from one country to another, the most significant (on account of their relative materiality) being the rates prevailing in: Spain: 25%; France: 25.83%; the US: 24%; Germany: 30%; the Netherlands: 25.5%; Italy: 28%; Argentina: 25% (30% in 2022); and the UK: 23% (19% in 2022).

The table provided later on in this note presents the impact of the national rates other than 25% (benchmark Spanish rate) under the dedicated line item, "Impact of differing tax rates (taxable income)".

Income tax expense for the year ended December 31, 2023 was quantified on the basis of the best estimate of the weighted average tax rate (effective rate) expected to apply in the current annual reporting period, adjusted for application of prevailing tax provisions. The consolidated average effective tax rate (in respect of profit from continuing operations) in 2023 was 25.14% (27.04% in 2022).

The breakdown of the tax expense accrued by the Group in 2023 and 2022 (in thousands of euros) is provided below:

	31-12-23		31-12-22	
	ACCOUNTING	TAX	ACCOUNTING	TAX
Accounting profit before tax from continuing operations	**273,857**	**273,857**	**185,807**	**185,807**
Profit before tax from discontinued operations	**0**	**0**	**(1,019)**	**(1,019)**
Profit/(loss) before tax recognised in equity	**1,751**	**1,751**	**10,456**	**10,456**
	275,608	**275,608**	**195,244**	**195,244**
Permanent differences	(8,730)	(8,730)	19,249	19,249
Tax losses generated during the year	1,595	1,595	4,855	4,855
Utilisation of individual tax losses	(9,282)	(9,282)	(10,242)	(10,242)
Accounting profit adjusted for permanent differences	**259,191**	**259,191**	**209,106**	**209,106**
Temporary differences		(12,140)		(14,014)
Tax losses generated during the year		611		7,988
Utilisation of tax losses		(985)		(2,997)
Adjusted taxable profit	**259,191**	**246,677**	**209,106**	**200,083**
Impact of differing tax rates (taxable income)	(15,724)	(17,056)	(19,534)	(19,970)
Taxable income of the Group	**243,467**	**229,621**	**189,572**	**180,113**
Tax calculated at statutory rate of 25%	60,867	57,405	47,393	45,028
Tax credits utilised	(1,400)	(1,400)	0	0
Tax payable	**59,467**	**56,005**	**47,393**	**45,028**
Adjustments in respect of prior-year's income tax	(687)		(830)	
Restatement of net deferred taxes due to changes in tax rates	2,151		(2,471)	
Restatement of net deferred taxes	975		5,295	
Inspection assessments and fines	(41)	163	(356)	(336)
Equivalent tax charges	7,414	7,446	3,671	5,239
Adjustment in respect of prior year's tax payable		0		(541)
Total tax expense	**69,279**	**63,614**	**52,702**	**49,390**
Tax expense, continuing operations	**68,846**		**50,242**	
Tax expense, discontinued operations	**0**		**(102)**	
Tax expense, recognised directly in equity	**433**		**2,562**	
	69,279		**52,702**	

Statement of profit or loss - Income tax

	31-12-23	31-12-22
Current tax expense, continuing operations	56,005	45,130
Current tax expense, sale of discontinued operations	0	(102)
Total deferred tax expense	2,971	(271)
Tax expense deferred in equity	491	2,636
Restatement of prior-year's income tax	(687)	(830)
Restatement of net deferred taxes	3,126	2,824
Equivalent tax charges	7,414	3,671
Inspection assessments and fines	(41)	(356)
	69,279	**52,702**

Tax expense recognised directly in equity

	31-12-23	31-12-22
Change in fair value of financial assets	0	0
Change due to actuarial gains/(losses)	433	2,562
	433	**2,562**

Total expense for tax purposes less the withholdings and payments on account made during the year yields the amount of tax payable to / refundable by the tax authorities in respect of current income tax.

The most significant temporary differences in 2023 and 2022:

* A decrease of 1,963 thousand euros in 2023 (2022: decrease of 10,544 thousand euros) due to the tax effect of actuarial losses/gains on pension commitments, recognized directly in equity.
* A decrease of 11,736 thousand euros (2022: 11,299 thousand euros) due to the amortization for tax purposes of the goodwill arising on the acquisition of foreign companies.
* A decrease of 7,938 thousand euros (3,465 thousand euros in 2022) in relation to temporary differences at the Riviana group (USA), mainly due to the amortization for tax purposes of trademarks and other assets and the recognition in different periods for accounting versus tax purposes of items in provision and accrual accounts.
* A decrease of 3,269 thousand euros (2022: 3,479 thousand euros) in relation to temporary differences at the Herba group, mainly due to the amortization for tax purposes of trademarks and other assets, accelerated depreciation regimes in Italy and the US and the recognition in different periods for accounting versus tax purposes of items in provision accounts.
* An increase of 1,194 thousand euros (a 1,560 thousand euro decrease in 2022) in relation to temporary differences at the Ebro France group, due mainly to movements under provisions, offset by property, plant and equipment depreciation charges.
* A decrease of 4,134 thousand euros (increase of 3,575 thousand euros in 2022) in consolidation adjustments due to different accounting criteria applied in preparing the separate versus the consolidated annual financial statements.
* An increase of 170 thousand euros (2022: increase of 2,014 thousand euros), mainly in relation to other companies, due to the origination and/or utilization for tax purposes of provisions recognized and/or reversed during the year, the recognition and/or reversal of depreciation and impairment losses on non-financial assets and other contingencies cancelled and financial assets that were or were not eligible for deduction during the year.

The permanent differences correspond basically to:

* In 2022: an increase of 19,244 thousand euros due to the loss generated on the sale of Roland Monterrat, which was not deductible for tax purposes.
* The remaining 8,730 thousand euro net decrease in 2023 (2022: net increase of 5 thousand euros) relates to amounts equivalent to tax that do not compute for income tax calculation purposes, the effect of expenses that are not deductible in determining tax profit, the deductibility for tax purposes of losses on non-current financial assets, the reversal of certain provisions that were not deductible for tax purposes when they were recognized in prior years and income that is not considered taxable (in relation to certain grants and the Patent Box relief).

In 2023, the Group utilized 1,400 thousand euros of tax credits (2022: zero). The tax credits utilized in 2023 derived mainly from new product development efforts, charitable donation deductions, deductions under double taxation treaties and tax relief on the reinvestment of gains generated by asset sales (still-unused credits generated prior to 2014).

Until and including 2014, it was possible in Spain to certify deductions in respect of reinvestments; those deductions were eliminated in 2015. Between 2013 and 2006, both inclusive, the Spanish tax group reinvested qualifying proceeds totalling 33.1, 5.0, 115.3, 57.3, 1.5, 16.2, 11.2 and 76.3 million euros, respectively. These reinvestments satisfied all of the requirements for qualifying for the related tax relief.

The reconciliation of the opening and closing deferred tax balances (in thousands of euros) is provided below:

	31-12-23			31-12-22		
	ASSETS	LIABILITIES	NET AMOUNT	ASSETS	LIABILITIES	NET AMOUNT
Opening balance: continuing operations	**48,794**	**(227,290)**	**(178,496)**	**46,270**	**(222,220)**	**(175,950)**
Transfers	(3,296)	2,540	(756)	512	(373)	139
Translation differences	(361)	2,770	2,409	1,249	(3,503)	(2,254)
Disposals / derecognitions	0	0	0	(550)	3,022	2,472
Charged / credited in statement of profit or loss	1,152	(4,122)	(2,970)	1,983	(1,707)	276
Charged / credited to equity	(365)	(102)	(467)	(1,728)	(646)	(2,374)
Restatements	(1,047)	(2,281)	(3,328)	1,058	(1,863)	(805)
Closing balance	**44,877**	**(228,485)**	**(183,608)**	**48,794**	**(227,290)**	**(178,496)**

The breakdown of deferred taxes into their most significant components at year-end is provided in the next table:

	31-12-23		31-12-22	
	DEFERRED TAX		DEFERRED TAX	
	ASSETS	LIABILITIES	ASSETS	LIABILITIES
Property, plant and equipment	625	(55,245)	216	(59,677)
Investment properties	5,644	0	9,133	(25)
Goodwill	3,009	(86,655)	2,688	(82,746)
Other intangible assets	5,421	(78,092)	4,726	(76,253)
Inventories	8,391	(365)	8,881	(269)
Receivables and accruals (assets)	2,513	(934)	3,142	(1,392)
Pensions and similar obligations	4,069	(953)	6,276	(926)
Other non-current provisions	584	(526)	409	(630)
Payables and accruals (liabilities)	9,582	(364)	7,813	(156)
Unused tax credits and tax losses	5,039	0	5,510	0
Tax assessments	0	(2,972)	0	(2,972)
Accrual of tax credits	0	(2,379)	0	(2,244)
Total	**44,877**	**(228,485)**	**48,794**	**(227,290)**

The Spanish tax group has its books open to inspection from 2016 in respect of corporate income tax and from 2020 in respect of all other applicable taxes. The other Group companies have their books open to inspection in respect of the taxes and years applicable under local tax legislation insofar as not already inspected, in most instances from 2019 or 2020.

The directors believe there is no need to provide for potential additional tax liabilities that could arise from differing interpretations of tax regulations.

Annulment of Royal Decree-Law 3/2016.

In January 2024, Spain's Constitutional Court ruled that some of the measures enacted via Royal Decree-Law 3/2016, of December 2, 2016, specifically those amending the Corporate Income Tax Act in Spain, were unconstitutional.

Royal Decree-Law 3/2016 modified several aspects of Spain's corporate income tax regime by eliminating some tax credits. The Constitutional Court has since ruled that three of those modifications are unconstitutional:

- The ceiling on the utilization of tax losses by companies with annual revenue in excess of 20 million euros.
- The limit on relief for double taxation.
- The obligation to include in taxable income the amount of deductible impairment losses on equity investments in fifths over a period of five years.

Ebro Foods, S.A., as the parent of the Spanish tax group, had and has appealed its tax returns for 2016 to 2020 (both inclusive), alleging the unconstitutionality of Royal Decree-Law 3/2016, although the amounts involved in those years are not material with respect to the financial statements of the Parent and its Group as a whole, so that the Group has not recognized any impact in the consolidated financial statements for 2023.

INTERNATIONAL TAX REFORM. PILLAR TWO MODEL RULES

The Pillar Two legislation has been enacted or substantively enacted in several jurisdictions in which the Group operates. That legislation will be effective in annual periods beginning on or after January 1, 2024. The Group falls under the scope of the legislation that has been enacted or substantively enacted and has assessed its potential exposure to the Pillar Two rules in 2024.

Specifically, its assessment of its potential exposure to the Pillar Two rules is based on the most recent tax returns, country-by-country tax reports and the financial statements of the entities comprising the Group. Based on that assessment, the Group has identified its potential exposure to Pillar Two rules in respect of the earnings obtained in Thailand and the United Arab Emirates. Its potential exposure originates from the Group's two subsidiaries in those jurisdictions, in which the effective tax rate under Pillar Two rules is under 15%. The effective Pillar Two rate in those jurisdictions is below the 15% threshold on account of certain 'tax holidays' and other tax credits received by those subsidiaries. However, the earnings generated in those countries are not material with respect to total consolidated tax income; the Group estimates potential expenditure for supplementary tax of between 0.5 and 1.5 million euros in 2024, although the final amount will depend on the subsidiaries' income and expenses and on trends in the related exchange rates.

UNUSED TAX LOSSES AND TAX CREDITS

At year-end 2023, the Group companies had 102 million euros of unused tax losses, for which it has mostly not recognized the corresponding tax assets, which it can offset against taxable profit during periods ranging from four years to indefinitely, as depicted in the following schedule, which also shows the Group companies' unused tax credits (in thousands of euros):

Ebro Foods Group

TAX CREDITS BY COUNTRY (000€)	31 DEC. 23 - TAX CREDITS IN RESPECT OF:			
	UNUSED TAX LOSSES	UNUSED TAX LOSSES	UNUSED TAX CREDITS	TOTAL ASSETS
	BASE	TAX PAYABLE	TAX PAYABLE	TAX PAYABLE
US	7,859	1,651	13,232	14,883
France	11,787	3,045	168	3,213
Italy	0	0	5,105	5,105
Sweden	8,973	1,974	0	1,974
Spain	35,355	8,839	4,114	12,953
Netherlands	4,190	779	0	779
Belgium	234	59	0	59
Germany	23,057	3,497	0	3,497
UK	7,035	1,759	0	1,759
Morocco	3,167	666	0	666
Argentina	564	141	0	141
Cambodia	129	26	0	26
	102,350	**22,436**	**22,619**	**45,055**
Recognised as tax assets (capitalised)		4,958	5,157	10,115
Not recognised as tax assets		17,478	17,462	34,940
		22,436	**22,619**	**45,055**

LAWSUITS AND DISPUTES: TAX ASSESSMENTS

A tax inspection of the Spanish tax group in respect of 2008 to 2011, both inclusive, concluded in May 2014. All of the assessments were paid (using financial criteria), including those being contested (albeit not the related fines). The assessments signed under protest have been appealed.

As for these tax assessments with respect to 2008 to 2011, on September 11, 2020, the Company received word that the High Court had dismissed the Company's appeal and the Company has therefore lodged a new appeal before the Supreme Court.

Elsewhere, an inspection of the Spanish tax group for 2012 to 2015, both years included, finished in 2018; as a result, in 2018, the Company recognized 851 thousand euros of provisions in relation to preliminary assessments signed under protest. The definitive assessments for the years covered by that inspection were handed down in 2019 and the Company adjusted its provision accordingly, reducing it by 49 thousand euros. All of the assessments had already been recognized in 2018 for accounting purposes either for payment (those not contested) or as provisions (those contested). The assessments signed under protest have been appealed.

In addition, definitive assessments in the amount of 3,641 thousand euros were signed under protest in relation to a specific concept (transfer prices) with which the Ebro Group is in total disagreement. In this instance, the balance has not been provided for as the assessments have been appealed and the likelihood of winning the claim is deemed very high due to the fact that there are solid arguments and precedent following prior inspections, prompting the directors to classify the probability of an outflow of resources as remote. Rulings have so far been handed down on six of the seven lawsuits comprising this part of the assessments (friendly agreements between Spain and other countries in order to avoid double taxation) which have not given rise to significant outflows of resources for the Ebro Group.

There were no new significant developments in the lawsuits related with the other tax assessments appealed in relation to the 2012-2015 inspection in 2022 or 2023.

22. COMMITMENTS AND CONTINGENCIES

COMMITMENTS UNDER LEASES THAT HAVE NOT BEEN CAPITALIZED (EXEMPT LOW-VALUE AND SHORT-TERM LEASES) – GROUP AS LESSEE

Note 10 provides the minimum future expenses (payments) payable under leases that have not been capitalized due to qualification as low-value or short-term leases.

OPERATING LEASE COMMITMENTS - GROUP AS LESSOR

The Group has leased several properties within its investment property portfolio. Those non-cancellable leases have remaining terms of between one and five years. All leases include a clause to enable revision, generally upwards, of the rental charge on an annual basis according to prevailing market conditions.

Future minimum rentals receivable under non-cancellable operating leases at year-end (in thousands of euros) are as follows:

	31-12-23	31-12-22
Within one year	1,022	1,052
After one year but not more than five years	63	70
More than five years	49	65
Total	**1,134**	**1,187**

CAPITAL COMMITMENTS

Capital expenditure contracted for (machinery purchases and upgrades) at the end of the reporting period but not yet incurred totalled 62,147 thousand euros (54,423 thousand euros at year-end 2022).

INVENTORY COMMITMENTS

Refer to the disclosures provided in Note 16.

LEGAL CLAIMS AND DISPUTE GUARANTEES

Refer to the disclosures provided in Notes 20 and 21.

GUARANTEES

The guarantees provided in the form of bank guarantees at the end of each reporting period (in thousands of euros):

	31-12-23	31-12-22
Bank guarantees: Provided to courts and other bodies in relation to claims and tax deferrals (notes 20 & 21)	16,097	19,450
Bank guarantees: provided to Spain's Agricultural Guarantee Fund (FEGA), customs authorities and third parties to guarantee fulfilment of obligations arising in the ordinary course of business	50,255	46,921
Total	**66,352**	**66,371**

Lastly, the Garofalo group's credit facilities, with a drawdown limit of 40 million euros, are secured by a mortgage over its factory and site in Italy (Note 12).

INVESTMENT COMMITMENTS

As detailed in note 12.2, the Group has closed a number of business combinations in recent years in which it has acquired the majority of the target companies' voting rights and, by extension, control. In structuring some of those transactions it granted the NCI holders certain put options over their shares, as detailed in the table below.

BUSINESS ACQUIRED	ACQUISITION DATE	% ACQUIRED	% NCI	DESCRIPTION
Transimpex m.b.H.	01-10-2017	100%	–	Note 1
Pastificio Lucio Garofalo Spa	18-06-2014	52%	48%	Note 2
Santa Rita Harinas, S.L.	13-07-2016	52%	48%	Note 2
Geovita group	01-08-2017	52%	48%	Note 2
Bertagni 1882, S.p.A.	01-04-2018	70%	30%	Note 2

Note 1: Transimpex: the Group is obliged to acquire the NCI holdings (45%), paying a fixed price, in the event of the death, disability or abandonment of the NCI holder. That fixed price is grossed up by the corresponding percentage interest in any profits that have not been distributed on the date of purchase of the NCI holder shares. In that instance, therefore, it is understood that the Group has deferred payment for 100% of the shares, such that the NCI shares are recognized as if they had already been acquired at the time of the business combination and any changes in the recognized liability payable to the NCI holders are recognized in profit or loss.

Note 2: The price of the put options written over the NCI shares will be calculated on the basis of average earnings over a series of years. The accounting policy applied by the Group to recognize those put options, for which it has concluded that IAS 32 does not apply as the Group has not acquired the voting and dividend rights attached to 100% of the target companies' shares (including those held by NCI holders), is described in Note 3.a.

With respect to the contractual terms and conditions of the above business combinations, note that:

* They do not impose any restrictions on the NCI holders' voting rights or dividend entitlements.
* They do not entail purchased NCI call options with the same exercise date as the written NCI put options, even though the call and put option price-setting features may be similar.
* The exercise prices for the NCI holders' put options are established on the basis of average earnings reported by the companies acquired over a series of years and are not, therefore, set at a fixed amount (other than Transimpex).

In light of the above, with the exception of the Transimpex transaction, the written NCI put options are not considered contingent consideration requiring measurement under IAS 32 but rather under IFRS 10, as the options do not give the buyers present access to the returns associated with the NCI holders' shares.

The summary of the outstanding commitments assumed by entity:

* **Transimpex.** In September 2017, through its wholly-owned German subsidiary, Ebro Foods, Gmbh., the Ebro Group acquired 55% of Germany's Transimpex, mbH., also committing to acquire the outstanding 45%.

  The total investment for 100% of Transimpex amounted to 23,622 thousand euros, of which 9,361 thousand euros was paid for in 2017. The Group committed to paying the outstanding 14,261 thousand euros three years from the close, by September 30, 2020, from which date (and with no time limit but with a notice requirement of 12 months) the sellers are free to exercise their put option at the amount of the agreed deferred consideration plus 45% of retained earnings since January 1, 2018.

Transimpex has therefore been fully consolidated in light of this control arrangement; in parallel the Ebro Group has recognized the estimated cost of the option over the remaining 45% as a non-current financial liability (valued in accordance with the method described in Note 1 of the table above).

* **Garofalo group.** The Ebro Group acquired 52% of Italy's Pasta Garofalo on June 18, 2014. The Group acquired a 52% interest for 63,455 thousand euros, paying 58,255 thousand euros in 2014 and the remaining 5,200 thousand euros in 2015. The Group took effective control of the Garofalo Group on June 30, 2014, which was also the date of its first-time consolidation.

  In addition, the Group arranged two options with the other shareholder over the remaining 48%: it wrote a put option (exercisable until December 31, 2029 following an amendment of the terms in 2019) and purchased a call option (exercisable from January 1, to December 31, 2030, as amended in 2019). The acquisition price in the event the options are exercised will be determined as a function of the targets' average earnings metrics over a series of years, as well as other terms and conditions customary in arrangements of this nature.

  The fair value of the written NCI put option has been recognized as a current financial liability (measured in accordance with the method described in Note 2 of the table above).

* **Santa Rita Harinas.** The Ebro Group acquired 52% of Santa Rita Harinas, S.L. for 4,778 thousand euros in July 2016. The Group took effective control of Santa Rita Harinas, S.L. on July 13, 2016, which was also the date of its first-time consolidation.

  In addition, the Group arranged two options with the other shareholder over the remaining 48%, writing a put option (exercisable from August 2019 with no expiry date) and purchasing a call option (exercisable from August 2026 with no expiry date) over the NCI holder's shares. The acquisition price in the event the options are exercised will be determined as a function of the targets' average earnings metrics over a series of years, as well as other terms and conditions customary in arrangements of this nature. The fair value of the written NCI put option has been recognized as a current financial liability (measured in accordance with the method described in Note 2 of the table above).

* **Geovita.** In July 2017, the Ebro Group acquired a 52% interest in the Geovita group of Italy, whose parent company is Geovita Functional Ingredients, S.r.l., also undertaking to acquire the remaining 48%. It invested 16,500 thousand euros for that 52% shareholding, which it paid for in 2017. The Group took effective control of Geovita on August 1, 2017, which was also the date of its first-time consolidation.

  In addition, the Group has provided a put option over the remaining 48% (exercisable by the other shareholder over a 10-year period from July 2021). The price of this option will be determined as a function of Geovita's average earnings metrics over a series of years, as well as other terms and conditions customary in arrangements of this nature. The fair value of the written NCI put option has been recognized as a current financial liability (measured in accordance with the method described in note 2 of the table above).

* **Bertagni Group.** On March 29, 2018, the Group acquired 70% of Italy's Bertagni 1882, S.p.A ("Bertagni") through the Panzani Group and Pastificio Lucio Garofalo, S.p.A. The Group's investment totalled 96.5 million euros. The date on which the Group took effective control of this business - and the date of its first-time consolidation - was April 1, 2018.

  In addition, there is a put option over the remaining 30% (exercisable by the other shareholders over a 10-year period from April 2022). The acquisition price in the event this option is exercised will be determined as a function of the target's average earnings metrics over a series of years, as well as other terms and conditions customary in arrangements of this nature.

  The fair value of the written NCI put option has been recognized as a current financial liability (measured in accordance with the method described in "Note 2" at the start of this Note 22).

The Group's investment commitments with respect to these companies and the expected timeline of the potential future payments are summarised below:

(000€)	TOTAL	GROUP 1	GROUP 2
Commitments at January 1, 2023	**213.177**	**20.652**	**192.525**
Dividends paid in 2023	(7,717)	(1,700)	(6,017)
Share of profit/(loss) in 2023 **(a)**	12,260		12,260
Share of other income and expenses recognised in equity	(87)		(87)
Expenses/losses related to derivatives and financial instruments (note 7.3)	4,736	4,736	
Option settlement (payment)	0	0	0
Change in fair value in 2023 **(a)**	46,964		46,964
Commitments at December 31, 2023	**269,333**	**23,688**	**245,645**
Estimated payment timeline			
Potential payments in 2024	245,645		
Potential payments in 2025	23,688		
	269,333		

Group 1: Transimpex
Group 2: Garofalo group, Santa Rita Harinas, Geovita and Bertagni group
(a) The non-controlling interests' shares in these companies' earnings is recognized in the consolidated statement of profit or loss under "Group profit for the year - Attributable to non-controlling interests" and the impacts of the subsequent remeasurement of the NCI puts are recognized against retained earnings in the consolidated statement of changes in equity within "Other movements".

23. RELATED PARTY TRANSACTIONS AND RESULTING YEAR-END BALANCES

Sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. The Company has not extended or received other guarantees in respect of accounts receivable from or payable to its related parties.

The Group did not record any impairment of receivables relating to amounts owed by related parties in either reporting period. That assessment is undertaken each financial year by examining the financial situation of the related party and the market in which it operates.

23.1 TRANSACTIONS WITH SIGNIFICANT SHAREHOLDERS (OR PARTIES RELATED THERETO) OF EBRO FOODS, S.A. (EXCLUDING DIRECTORS)

Note 17 itemizes the shareholders with significant interests in Ebro Foods, S.A. (parent of the Ebro Foods Group) in 2023.

A summary of the transactions, excluding dividends, between any Ebro Group company and those significant shareholders and their related parties (unless those shareholders are directors, whose transactions are disclosed separately in Note 23.2) is provided below (in thousands of euros):

SIGNIFICANT SHAREHOLDER (AND ITS RELATED PARTY)	RELATIONSHIP BETWEEN THE SHAREHOLDER AND ITS RELATED PARTY	EBRO GROUP COMPANY	TYPE OF TRANSACTION	2023 AMOUNT	2022 AMOUNT
Sociedad Anónima DAMM (Estrella de Levante, S.A.)	Company	Herba Ricemills, SLU	Sale of goods (finished and in-progress)	2,321	1,796
Sociedad Anónima DAMM (COCEDA, S.L., formerly called Cia. Cervecera Damm, S.L.)	Company	Herba Ricemills, SLU	Sale of goods (finished and in-progress)	7,115	6,697

23.2 TRANSACTIONS WITH DIRECTORS AND EXECUTIVES (OR PARTIES RELATED THERETO) OF EBRO FOODS, S.A.

The summary of transactions, other than dividends and remuneration payments, between the Ebro Group companies and their directors and parties related to the latter, is as follows (in thousands of euros):

DIRECTOR (AND HIS RELATED PARTY)	RELATIONSHIP BETWEEN THE DIRECTOR AND HIS RELATED PARTY	EBRO GROUP COMPANY WITH WHICH THE TRANSACTION WAS PERFORMED	TYPE OF TRANSACTION	2023 AMOUNT	2022 AMOUNT
Antonio Hernández Callejas (Luis Hernández González)	Relative	Ebro Foods, S.A.	Lease (expense)	47	45
Antonio Hernández Callejas	--	Ebro Foods, S.A.	Temporary assignment of rights of use (expense)	76	0
Antonio Hernández Callejas (Imirton, S.L.)	Company	Ebro Foods, S.A.	Sale of goods (finished and in-progress)	1	0
Antonio Hernández Callejas (Hacienda las Casetas, S.L.)	Company	Herba Ricemills, S.L.U.	Sale of goods (finished and in-progress)	0	12
Demetrio Carceller Arce (Disa Energy, S.L.U.)	Company	Herba Ricemills, S.L.U.	Purchase of services	4,045	7,263
Demetrio Carceller Arce (Disa Península, S.L.U.)	Company	Herba Ricemills, S.L.U.	Purchase of services	44	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Herba Ricemills, S.L.U.	Lease (expense)	0	1
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	3,258	943
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Arrozeiras Mundiarroz, S.A.	Purchase of goods (finished and in-progress)	540	330
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Herba Ricemills, S.L.U.	Sale of goods (finished and in-progress)	260	32
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Ebro Foods Belgium, N.V.	Purchase of goods (finished and in-progress)	104	65
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Ebro Foods Belgium, N.V.	Sale of goods (finished and in-progress)	104	65
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Herba Ricemills, S.L.U.	R&D transfers and licence agreements	268	219
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Herba Ricemills, S.L.U.	Purchase of services	16	19
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Ebro Ingredients, B.V.	Purchase of goods (finished and in-progress)	185	35
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Herba Ricemills, S.L.U.	Provision of services	8	14
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	La Loma Alimentos, S.A.	Purchase of goods (finished and in-progress)	0	126

DIRECTOR (AND HIS RELATED PARTY)	RELATIONSHIP BETWEEN THE DIRECTOR AND HIS RELATED PARTY	EBRO GROUP COMPANY WITH WHICH THE TRANSACTION WAS PERFORMED	TYPE OF TRANSACTION	2023 AMOUNT	2022 AMOUNT
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Arrozeiras Mundiarroz, S.A.	Purchase of services	2	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Mundi Riso, S.R.L.	Purchase of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A.)	Company	Riceland Magyarorszag, Kft	Provision of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Fitoplacton Marino, S.L.)	Company	Arotz Foods, S.A.	Sale of goods (finished and in-progress)	1	9
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A - El Cobujon, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	0	219
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A - El Cobujon, S.L.)	Company	Herba Ricemills, S.L.U.	Sale of goods (finished and in-progress)	0	29
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A - El Cobujon, S.L.)	Company	Ebro Foods Belgium, N.V.	Purchase of goods (finished and in-progress)	0	65
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A - El Cobujon, S.L.)	Company	Ebro Foods Belgium, N.V.	Sale of goods (finished and in-progress)	0	65
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A - El Cobujon, S.L.)	Company	Ebro Ingredients, B.V.	Purchase of goods (finished and in-progress)	0	35
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A - El Cobujon, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of services	16	1
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A - El Cobujon, S.L.)	Company	Herba Ricemills, S.L.U.	Provision of services	22	13
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A - El Cobujon, S.L.)	Company	Mundi Riso, S.R.L.	Purchase of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A - El Cobujon, S.L.)	Company	Riceland Magyarorszag, Kft	Provision of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A - El Cobujon, S.L.)	Company	Ebro Ingredients, B.V.	Purchase of services	6	0

DIRECTOR (AND HIS RELATED PARTY)	RELATIONSHIP BETWEEN THE DIRECTOR AND HIS RELATED PARTY	EBRO GROUP COMPANY WITH WHICH THE TRANSACTION WAS PERFORMED	TYPE OF TRANSACTION	2023 AMOUNT	2022 AMOUNT
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Australian Commodities, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	0	86
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Australian Commodities, S.L.)	Company	Ebro Foods Belgium, N.V.	Purchase of goods (finished and in-progress)	0	10
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Australian Commodities, S.L.)	Company	Herba Ricemills, S.L.U.	Sale of goods (finished and in-progress)	0	101
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Australian Commodities, S.L.)	Company	Ebro Foods Belgium, N.V.	Sale of goods (finished and in-progress)	0	10
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Australian Commodities, S.L.)	Company	Ebro Ingredients, B.V.	Purchase of goods (finished and in-progress)	0	37
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Australian Commodities, S.L.)	Company	Herba Ricemills, S.L.U.	Provision of services	22	17
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Australian Commodities, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of services	16	1
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Australian Commodities, S.L.)	Company	Mundi Riso, S.R.L.	Purchase of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Australian Commodities, S.L.)	Company	Riceland Magyarorszag, Kft	Provision of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Australian Commodities, S.L.)	Company	Ebro Ingredients, B.V.	Purchase of services	6	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Norte, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	106	687
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Norte, S.L.)	Company	Herba Ricemills, S.L.U.	Sale of goods (finished and in-progress)	325	42
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Norte, S.L.)	Company	Ebro Foods Belgium, N.V.	Purchase of goods (finished and in-progress)	104	65

DIRECTOR (AND HIS RELATED PARTY)	RELATIONSHIP BETWEEN THE DIRECTOR AND HIS RELATED PARTY	EBRO GROUP COMPANY WITH WHICH THE TRANSACTION WAS PERFORMED	TYPE OF TRANSACTION	2023 AMOUNT	2022 AMOUNT
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Norte, S.L.)	Company	Ebro Foods Belgium, N.V.	Sale of goods (finished and in-progress)	104	65
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Norte, S.L.)	Company	Ebro Ingredients, B.V.	Purchase of goods (finished and in-progress)	185	35
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Norte, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of services	0	23
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Norte, S.L.)	Company	Herba Ricemills, S.L.U.	Lease (expense)	0	20
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Norte, S.L.)	Company	Herba Ricemills, S.L.U.	Provision of services	2	13
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Norte, S.L.)	Company	Mundi Riso, S.R.L.	Purchase of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Norte, S.L.)	Company	Riceland Magyarorszag, Kft	Provision of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Dehesa Casudis, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	32	692
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Islasur, S.A.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	83	68
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Islasur, S.A.)	Company	Ebro Foods Belgium, N.V.	Purchase of goods (finished and in-progress)	173	10
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Islasur, S.A.)	Company	Herba Ricemills, S.L.U.	Sale of goods (finished and in-progress)	226	80
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Islasur, S.A.)	Company	Ebro Foods Belgium, N.V.	Sale of goods (finished and in-progress)	172	10
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Islasur, S.A.)	Company	Ebro Ingredients, B.V.	Purchase of goods (finished and in-progress)	196	35

DIRECTOR (AND HIS RELATED PARTY)	RELATIONSHIP BETWEEN THE DIRECTOR AND HIS RELATED PARTY	EBRO GROUP COMPANY WITH WHICH THE TRANSACTION WAS PERFORMED	TYPE OF TRANSACTION	2023 AMOUNT	2022 AMOUNT
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Islasur, S.A.)	Company	Herba Ricemills, S.L.U.	Provision of services	2	16
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Islasur, S.A.)	Company	Mundi Riso, S.R.L.	Purchase of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Islasur, S.A.)	Company	Riceland Magyarorszag, Kft	Provision of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Pesquería Isla Mayor, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	84	11
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Pesquería Isla Mayor, S.L.)	Company	Ebro Foods Belgium, N.V.	Purchase of goods (finished and in-progress)	173	65
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Pesquería Isla Mayor, S.L.)	Company	Ebro Foods Belgium, N.V.	Sale of goods (finished and in-progress)	172	65
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Pesquería Isla Mayor, S.L.)	Company	Herba Ricemills, S.L.U.	Sale of goods (finished and in-progress)	260	29
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Pesquería Isla Mayor, S.L.)	Company	Ebro Ingredients, B.V.	Purchase of goods (finished and in-progress)	186	35
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Pesquería Isla Mayor, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of services	0	1
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Pesquería Isla Mayor, S.L.)	Company	Herba Ricemills, S.L.U.	Provision of services	2	13
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Pesquería Isla Mayor, S.L.)	Company	Mundi Riso, S.R.L.	Purchase of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Pesquería Isla Mayor, S.L.)	Company	Riceland Magyarorszag, Kft	Provision of services	1	0
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Hispamark Real Estate, S.L.)	Company	Herba Ricemills, S.L.U.	Lease (expense)	452	441

DIRECTOR (AND HIS RELATED PARTY)	RELATIONSHIP BETWEEN THE DIRECTOR AND HIS RELATED PARTY	EBRO GROUP COMPANY WITH WHICH THE TRANSACTION WAS PERFORMED	TYPE OF TRANSACTION	2023 AMOUNT	2022 AMOUNT
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Hispamark Real Estate, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of services	31	33
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Zudirroz, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	67	627
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Rivereta 12, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	0	76
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Hacienda Bocón, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	0	302
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Greenveta 78, S.L.)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	0	123
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Hispagrains Agro SL)	Company	Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	1,033	4,825
Grupo Tradifín S.L. and Hercalianz Investing Group, S.L. (Instituto Hispánico del Arroz, S.A. - Hispagrains Agro SL)	Company	Herba Ricemills, S.L.U.	Purchase of services	34	0
Grupo Tradifín, S.L. (Cabher 96, S.L.)	Company	Herba Ricemills, S.L.U.	Sale of goods (finished and in-progress)	0	1

23.3 OTHER TRANSACTIONS WITH SIGNIFICANT SHAREHOLDERS AND DIRECTORS/EXECUTIVES: DIVIDENDS RECEIVED FROM EBRO FOODS, S.A.

Framed by Ebro Foods, S.A.'s general dividend policy, the following amounts were paid in 2023 (2022) (expressed in thousands of euros):

* Dividends paid to significant shareholders (excluding those that were directors as at December 31, 2023): 22,721 (22,186)
* Dividends paid to directors (and persons related thereto) and officers: 40,661 (40,350)

The dividends paid to directors and officers include the dividends paid to the direct holders of the shareholdings reported as indirect by certain directors.

23.4 TRANSACTIONS UNDERTAKEN WITH OTHER EBRO GROUP COMPANIES THAT ARE NOT ELIMINATED IN THE CONSOLIDATED FINANCIAL STATEMENTS AND WHOSE PURPOSE OR TERMS FALL OUTSIDE THE GROUP'S ORDINARY COURSE OF BUSINESS OR OTHER THAN ON AN ARM'S LENGTH BASIS

There were no related-party transactions of this type in either reporting period.

23.5 TRANSACTIONS WITH OTHER RELATED PARTIES

The Note summarizes the transactions performed in 2023 and 2022 between the Ebro Group and "Other related parties" (in thousands of euros):

OTHER RELATED PARTIES	EBRO GROUP COMPANY WITH WHICH THE TRANSACTION WAS PERFORMED	TYPE OF TRANSACTION	2023 AMOUNT	2022 AMOUNT
Félix Hernández Callejas (*) (Hernández Barrera Servicios, S.A)	Herba Ricemills, SLU.	Provision of services	4	4
Félix Hernández Callejas (Hernández Barrera Servicios, S.A)	Herba Ricemills, SLU.	Sale of goods (finished and in-progress)	0	1
Félix Hernández Callejas (Hernández Barrera Servicios, S.A)	Herba Ricemills, SLU.	Purchase of services	336	319

Note that Hernández Barrera Servicios, S.A. is also a related party of the director, Grupo Tradifín, S.L. Mr. Félix Hernández Callejas and Grupo Tradifín, S.L. are directors of Hernández Barrera Servicios, S.A.

23.6 OTHER DISCLOSURES

Ebro Foods, S.A. holds a 40% shareholding in Riso Scotti S.p.A. The investment in this associate is accounted for using the equity method. Riso Scotti S.p.A. is an Italian company whose corporate purpose is analogous to that of Ebro Foods, S.A.

Mr. Antonio Hernández Callejas, Chairman of Ebro Foods, S.A., is a director of Riso Scotti, S.p.A.

The transactions performed by Ebro Foods, S.A. and its Group companies with Riso Scotti S.p.A. (an associate that is not fully consolidated by the Ebro Group) in 2023 and 2022 (amounts in thousands of euros):

EBRO GROUP COMPANY WITH WHICH THE TRANSACTION WAS PERFORMED	TYPE OF TRANSACTION	2023 AMOUNT	2022 AMOUNT
Ebro Foods, S.A.	Services rendered (income)	6	4
Ebro Foods, S.A.	Dividends received	400	1,000
Arotz Foods, S.A.U.	Purchase of goods (finished and in-progress)	13	83
Herba Ricemills, S.L.U.	Purchase of goods (finished and in-progress)	488	444
Herba Ricemills, S.L.U.	Sale of goods (finished and in-progress)	4,914	8,329
Herba Ricemills, S.L.U.	Sale of PP&E, intangible and other assets	0	121
Herba Ricemills, S.L.U.	Other expenses	0	5
Herba Ricemills, S.L.U.	Finance income	0	25
Herba Ricemills, S.L.U.	Provision of services	12	0
Herba Foods, S.L.U.	Finance cost	54	0
Transimpex	Sale of goods (finished and in-progress)	51	0
Transimpex	Purchase of goods (finished and in-progress)	931	0
Mundi Riso, S.R.L., S.R.L.	Purchase of goods (finished and in-progress)	823	1,423
Mundi Riso, S.R.L., S.R.L.	Sale of goods (finished and in-progress)	2,444	2,681
Arrozeiras Mundiarroz, S.A.	Purchase of goods (finished and in-progress)	105	139
Geovita Functional Ingredients, S.R.L.	Purchase of goods (finished and in-progress)	54	134
Geovita Functional Ingredients, S.R.L.	Sale of goods (finished and in-progress)	169	307
Herba Bangkok, S.L.	Sale of goods (finished and in-progress)	237	1,756
Ebro Ingredients, BV	Sale of goods (finished and in-progress)	604	243
Ebro Ingredients, BV	Purchase of goods (finished and in-progress)	0	63

23.7 FIDUCIARY DUTIES: CONFLICTS OF INTEREST AND NON-COMPETE DUTY

All of the directors, including in the case of the legal person directors their natural person representatives, have informed the Company that neither they nor any of their related parties found themselves party to any of the direct or indirect conflicts of interest itemised in article 229 of Spain's Corporate Enterprises Act.

In addition, the directors, and where relevant the natural persons representing them on the Parent's Board of Directors, itemised below have informed the Company of the following relationships with entities that carry on an analogous business activity to that constituting the Parent's core business:

* Grupo Tradifín, S.L. holds (i) a direct interest of 50% in Instituto Hispánico del Arroz, S.A., an entity of which it is the chief executive; and (ii) a 100% direct interest in Arrozales Los Moriscos, S.L., an entity of which it is the sole director.
* Ms. Blanca Hernández Rodríguez (the natural person who represents Grupo Tradifín, S.L. on the Board of Directors of Ebro Foods, S.A.) holds an indirect interest of 16.625% in Instituto Hispánico del Arroz, S.A. and of 33.25% in Arrozales Los Moriscos, S.L. through her direct shareholding of 33.25% in Grupo Tradifín, S.L., where she serves as chief executive officer.
* Ms. Blanca Hernández Rodríguez does not hold any positions at either Instituto Hispánico del Arroz, S.A. or Arrozales Los Moriscos S.L.
* Hercalianz Investing Group, S.L. holds a direct interest of 50% in Instituto Hispánico del Arroz, S.A., an entity of which it is the chief executive.
* Mr. Félix Hernández Callejas (the natural person who represents Hercalianz Investing Group, S.L. on the Board of Directors of Ebro Foods, S.A.) holds an indirect interest of 14.334% in Instituto Hispánico del Arroz, S.A. through his direct shareholding of 28.668% in Hercalianz Investing Group, S.L., on whose board he serves. Mr. Félix Hernández Callejas is the Vice-Chairman and CEO of Instituto Hispánico del Arroz, S.A.
* Mr. Antonio Hernández Callejas holds an indirect interest of 14.334% in Instituto Hispánico del Arroz, S.A. through the 28.668% interest he holds directly in Hercalianz Investing Group, S.L. Antonio Hernández Callejas does not hold any position at Instituto Hispánico del Arroz, S.A.

The Parent's directors (or their natural person representatives, as warranted) did not perform any transactions with the Company outside of the ordinary course of its business or other than on an arm's length basis in either reporting period.

The directors have not informed the Company of any direct or indirect potential conflicts of interest between them or their related parties and the Parent other than those disclosed in this Note.

23.8 CHANGES IN THE BOARD OF DIRECTORS

Below is a list of the changes in the composition of the Board of Directors and its committees between December 1, 2023 and March 22, 2024 (the date of authorising these consolidated financial statements for issue):

* On December 10, 2023, Mr. Fernando Castelló Clemente resigned as director, with effect from December 31, 2023. Mr. Castelló Clemente was an independent director and a member of the Audit, Control and Sustainability Committee and member and chair of the Nomination and Remuneration Committee.
* On January 31, 2024, the Board of Directors, at the recommendation of the Nomination and Remuneration Committee, agreed to use its co-option powers to appoint Ms. Elena Segura Quijada to fill the vacancy left by Mr. Fernando Castelló Clemente. Ms. Segura Quijada likewise qualifies as an independent director. Elena Segura Quijada was also appointed a member of the Audit, Control and Sustainability Committee and of the Nomination and Remuneration Committee to fill the vacancies on both committees created by the resignation of Mr. Castelló Clemente.

* Lastly, on January 31, 2024, the Board of Directors, at the recommendation of the Nomination and Remuneration Committee, agreed to appoint Ms. Mercedes Costa García as Chairwoman of the Nomination and Remuneration Committee, a position held by Mr. Fernando Castelló Clemente at the time of his resignation. Ms. Costa García is an independent director and has been a member of the Nomination and Remuneration Committee since September 27, 2017.

23.9 DIRECTOR AND OFFICER REMUNERATION

Director remuneration. The remuneration earned by the members of the Board of Directors of Ebro Foods, S.A. totalled 8,085 thousand euros in 2023 (2022: 7,249 thousand euros), broken down as follows (pre-tax amounts in thousands of euros):

DIRECTOR REMUNERATION AND OTHER BENEFITS	2023	2022
Type of remuneration		
Attendance fees	329	333
Fixed remuneration received in their capacity as directors	2,850	2,850
Total director remuneration	**3,179**	**3,183**
Wages, salaries and professional fees	4,906	4,066
Termination and other benefits	0	
Total executive director remuneration	**4,906**	**4,066**
Total remuneration	**8,085**	**7,249**
Other benefits		
Life insurance and post-employment benefits	0	0

Article 22 of the Company's Articles of Association stipulates that "*The overall remuneration received by the members of the Board of Directors in their capacity as such (i.e., in exchange for their supervisory and other non-executive duties) shall consist of: (i) a fixed annual sum; and (ii) fees for attending the meetings of the Board and its committees.*

Both the fixed annual sum assigned to the Board of Directors as a whole and the amount of the attendance fees shall be determined by the Company's shareholders in general meeting and remain in effect until such time as their modification is approved.

The Board of Directors, subject to a report by the Nomination and Remuneration Committee, shall set the individual remuneration of each director for their duties as such, taking into account the positions held by the directors on the Board, their membership of Board committees and any other objective circumstances that the Board may consider appropriate, within the confines of the Articles of Association and the Remuneration Policy. The board shall also decide on the timing of successive payments...."

With respect to the remuneration of the directors in their capacity as such, at a meeting held on February 29, 2024, the Board of Directors resolved, at the recommendation of its Nomination and Remuneration Committee:

(i) to submit a motion for the payment of the pre-tax sum of 2,850 thousand euros of fixed remuneration in respect of 2023 at the upcoming 2024 Annual General Meeting; and

(ii) to leave pre-tax attendance fees at 1,600 euros per meeting of the Board of Directors and 800 euros per meeting of its various committees.

The individual breakdown of pre-tax director remuneration for 2023 (in thousands of euros) is provided below:

DIRECTOR	FIXED REMUNERATION	ATTENDANCE FEES	FIXED REMUNERATION FOR PERFORMANCE OF EXECUTIVE DUTIES	VARIABLE REMUNERATION FOR PERFORMANCE OF EXECUTIVE DUTIES	TOTAL
Hernández Callejas, Antonio	384	27	1,508	3,398	5,317
Carceller Arce, Demetrio	362	26			388
Barreiro Pérez-Pardo, Belén	154	22			176
Carceller Arce, María	119	18			137
Castelló Clemente, Fernando (director until December 31, 2023)	201	30			231
Comenge Sánchez-Real, José Ignacio	146	19			165
Corporación Financiera Alba, S.A.	119	18			137
Costa García, Mercedes	193	30			223
Empresas Comerciales e Industriales Valencianas, S.L.	119	18			137
Fernández Alonso, Javier	305	29			334
Grupo Tradifín, S.L.	193	30			223
Hercalianz Investing Group, S.L. (*)	146	19			165
Murtra Millar, Marc Thomas	289	27			316
Xuclà Costa, Jordi	119	18			137
Total	**2,849**	**331**	**1,508**	**3,398**	**8,086(**)**

(*) Hercalianz Investing Group, S.L. did not perform either executive or management duties at Ebro Foods, S.A. or at any subsidiary and therefore did not receive any remuneration in this respect. It is categorised as an executive director based on the fact that the natural person representing this entity on the Board of Directors of Ebro Foods, S.A. is an executive and director of several Group subsidiaries.

(**) Total director remuneration in 2023 amounted to 8,084,680 euros, before tax, which, rounded to thousands of euros comes out at 8,085 thousand euros. That sum differs from the total provided in the table above as a result of the rounding, to the nearest thousandth, of each director's individual remuneration.

Note, additionally, the following with respect to director remuneration:

* The amounts shown include attendance fees earned by the Chairman of the Board of Directors of Ebro Foods, S.A., Mr. Antonio Hernández Callejas, in his capacity as director of a Group subsidiary, Pastificio Lucio Garofalo, S.p.A., in the amount of 5,000 euros (before tax) in both reporting periods.

  In addition to the amounts shown, the Chairman of the Board of Directors received the pre-tax sum of 5,200 euros (in both reporting periods) in the form of attendance fees for performance of his duties as director of the Group's associate, Riso Scotti, S.p.A.

* Of the total variable remuneration earned by the Chairman of the Board of Directors for performance of his executive duties in 2023, 1,898 thousand euros, before tax, corresponded to the Deferred Annual Bonus Scheme tied to the Group's 2019-2021 Business Plan in respect of 2021, the last year of that plan, a figure representing up to 50% of the bonuses accrued under that three-year scheme. That sum was provided for in the 2021 financial statements and paid in 2023.

* Elsewhere, in relation to the total remuneration earned by the Chairman of the Board of Directors for the performance of his executive duties in 2023, the 2023 financial statements recognize a provision of 1,125 thousand euros in respect of the provisional estimate of the amount corresponding to 2023 under the Deferred Annual Bonus Scheme tied to the Group's 2022-2024 Business Plan, which represents up to 25% of the deferred bonus entitlement expected to be accrued during the three-year period. That figure will be paid in 2025.

These bonus schemes are not tied to Ebro Foods' share price performance and do not entitle their beneficiaries to the receipt of shares or any rights over such shares.

Elsewhere, none of the members of the Board of Directors benefits from complementary life insurance or pension cover. Moreover, the Company has neither extended any form of credit or advances to the members of its Board of Directors nor assumed any obligations on their behalf under guarantees.

Officer remuneration

A total of 10 people were considered officers of Ebro Foods, S.A. at year-end 2023 (year-end 2022: 10); in 2023, those executives accrued total remuneration (fixed wages and salaries, annual bonuses and, as applicable, deferred annual bonuses) of 2,874 thousand euros (2022: 2,582 thousand euros).

Note in relation to the officer remuneration disclosures, the term "officer" refers to the Chief Operating Officer of the Ebro Group, who is the most senior executive after the Executive Chairman, and the professionals in charge of the main departments of Ebro Foods, S.A., irrespective of whether they are considered "senior management".

Elsewhere, the professionals in charge of the Ebro Group's main business units (other than the Chairman of the Board and COO of the Group) numbered five at year-end 2023 (also five at year-end 2022). Their total aggregate pre-tax remuneration in 2023 was 2,067 thousand euros, 772 thousand US dollars and 443 thousand Canadian dollars (1,884 thousand euros, 705 thousand US dollars and 358 thousand Canadian dollars in 2022), corresponding to fixed wages and salaries and annual bonuses.

Nine Ebro Group officers (other than the Chairman of the Board of Directors) were covered by the Deferred Annual Bonus Scheme tied to the Group's 2019-2021 Business Plan at December 31, 2023 (9 at year-end 2022). Total aggregate remuneration effectively collected under that scheme in 2023 (corresponding to that accrued by nine executives in 2021) amounted to 1,441 thousand euros and 286 thousand US dollars, a figure representing up to 50% of the bonuses earned during the three-year term of the 2019-2021 Scheme and which had been provided for in the 2021 financial statements.

In addition, the financial statements for the year ended December 31, 2023 recognize a provision of 731 thousand euros and 246 thousand US dollars by way of provisional estimate of the amount that will be accrued by the 10 officers covered by the Deferred Annual Bonus Scheme tied to the Group's 2022-2024 Business Plan (excluding the Chairman of the Board of Directors). The amounts provided for, which represent up to 25% of the Deferred Annual Bonus Scheme for 2022-2024, will be paid, in keeping with the plan rules, in 2025.

Note lastly for the record that Ebro Foods, S.A. has taken out director and officer liability insurance cover; those policies cover all of its subsidiaries up to an annual claims cap of 45 million euros. The policies cost 175 thousand euros in 2023 (193 thousand euros in 2022), are effective until April 30, 2024 and are currently in the process of being renewed.

24. ENVIRONMENTAL DISCLOSURES

MANAGEMENT APPROACH

The Ebro Group's main environmental commitments and targets are set down as follows in its Sustainability, Environment and Corporate Social Responsibility Policy: "Steer the company's processes, activities and decisions to protect our environment, prevent and minimize environmental impact, optimise the use of natural resources and preserve biodiversity".

In line with that pledge, the Group's environmental policy is articulated around the following lines of initiative:

1. Ensuring that its companies comply with applicable environmental legislation in carrying out their business activities by implementing in-house management systems and monitoring prevailing legislation in this arena.
2. Minimising the environmental impact of its business operations by searching for eco-efficient solutions and rolling out initiatives designed to reduce its emissions while rationalising the consumption of water, energy and packaging materials.
3. Transitioning towards a circular economy, recovering waste and encouraging its recycling and reuse and using recycled and/or environmentally-friendly raw materials whenever possible.
4. Providing environmental employee training and awareness programmes.
5. Encouraging sustainable farming techniques among its suppliers.

As for its own operations, the productive processes used at the Group's various factories, in both the rice and the pasta divisions, are simple agricultural food processes that have a low impact on the environment and entail minimum risk of accidental contamination. The most significant environmental aspects pertaining to the Group can be categorised as follows:

1. Emissions into the air: mainly particles derived from the handling of cereals and greenhouse gas (GHG) emissions originated by the consumption of fossil fuels and electricity. The fuel most widely used is natural gas.
2. Noise emissions: derived from the operation of engines, compressors, sleeve filters and other manufacturing equipment. All the factories comply with applicable environmental regulations and their noise levels are monitored regularly; mitigating measures are put in place as necessary.
3. Productive processes: essentially mechanical and hydrothermal, these processes require the use of very few chemical products, and in very small amounts. Most of these products are used to clean equipment and sanitise raw materials and are relatively safe for the environment.
4. Water consumption: the Group uses relatively little water in its manufacturing processes (most of its products are dry products), so that the volume of wastewater produced is also small. Moreover, the wastewater generated is relatively uncontaminated as the water consumed is used basically to produce vapour, as a refrigerant or as an ingredient in finished products.
5. Waste generation and management: the Group generates minimum amounts of waste, including both non-hazardous (mainly ingredient and auxiliary material packaging) and hazardous (maintenance operations) waste, which is managed by authorised handlers.

PRECAUTIONARY PRINCIPLE

The guidelines underpinning the precautionary principle are set down in the Group's Code of Conduct and its Sustainability, Environment and Corporate Social Responsibility Policy. In both documents, Ebro Foods expresses its firm commitment to respecting and protecting the environment and preserving biodiversity. Elsewhere, it ensures that the Group companies comply with the environmental regulations applicable to their business activities and any other commitments assumed voluntarily and deploys environmental sustainability programmes to address specific matters.

PROVISIONS AND GUARANTEES FOR ENVIRONMENTAL CLAIMS

All of the Group companies have arranged civil liability insurance that covers third-party damage caused by a sudden and unintentional spill. Management believes that this policy adequately covers any potential risk in this respect. To date, the Group has not been party to any material environmental-related claims; moreover, it can claim a positive record on the basis of the results of audits and inspections and the lack of any pleas in respect of its integrated environmental permit processes, etc.

ENVIRONMENTAL ASSESSMENT AND CERTIFICATION PROCESSES

One of the Ebro Group's top environmental management priorities is absolute compliance with the regulations applicable to its business activities.

Indeed, all of the Ebro Group's facilities operate under the certifications, specifications and permits pertinent to their respective geographic markets and they manage their environmental aspects accordingly.

Moreover, the following workplaces have certified their environmental management systems under the UNE-EN-ISO 14001 standard:

1. San Juan de Aznalfarache (Herba Ricemills)
2. Coria del Rio (Herba Ricemills)
3. Los Palacios (Herba Ricemills)
4. La Rinconada (Herba Ricemills)
5. Isla Mayor (Herba Ricemills)
6. Gragnano (Pastificio LucioGarofalo)

CLIMATE CHANGE: RISK MITIGATION AND REDUCTION OF THE EBRO GROUP'S CARBON FOOTPRINT

Climate change constitutes a significant risk for the Group's business activities as it impacts fundamental aspects such as the production of raw materials, the availability of critical resources (such as water) and the viability of transport, logistics and product distribution operations and implies an increase in the energy requirement associated with our productive processes, among other things. Climate variables are, therefore, a fundamental part of the environmental criteria the Ebro Group layers into its management strategy.

Against this backdrop, in 2023, the Group began to analyse the organisation's climate risks and opportunities following the framework recommended by the Task Force on Climate-related Financial Disclosures (TCFD), which furnishes guidelines for identifying, managing, reporting and monitoring the main physical and transition risks to which the Group may be exposed as a result of climate change, as well as the related potential business and development opportunities.

The scope of that analysis included both the rice and pasta (wheat) businesses, including the processing factories, the main warehouse facilities and the regions where the Group sources these raw materials in Spain and internationally.

The climate scenarios used were the RCP 8.5 (pessimistic pathway) and RCP 4.5 (stabilisation pathway) scenarios drawn up by the Intergovernmental Panel on Climate Change (IPCC), while the time horizons modelled were to 2030, 2040 and 2050, in line with the various national and international commitments in the climate change field.

The traditional scenarios used for reference were the conservative Stated Policies Scenario (STEPS) and The Net Zero Emissions Scenario (NZE), which assumes that the global energy sector achieves net zero emissions in 2050 and is consistent with limiting the rise in the global temperature to 1.5°C.

A. Strategy

The Group's exposure to physical and transition risks was assessed by analysing the probability of occurrence of the risks identified in the various climate scenarios and the exposure and vulnerability of the Group's facilities, sourcing markets and business activities. No single risk factor was classified as critical or high.

The Group's most significant physical risks are changes in precipitation and temperature patterns, although they are categorised as moderate risks for the business.

In both instances, crop yields would be affected directly, as would, therefore, producers' sales prices. Other risks relate to the fact that rice and wheat are the primary food source in some of the Group's supply markets, which, in a situation of scarcity, could lead to bans or limits on exports; this is particularly a risk in Southeast Asia.

The requirement to calculate Scope 3 emissions including the supply chain, the high costs associated with the required energy transition and potential changes in demand from end consumers are the transition risks to which the Group is most exposed, albeit in all instances categorised as non-material, as the Group is already working to the mitigate them all.

Elsewhere, climate change implies a number of associated opportunities which the Group has also analysed. The goal is to take advantage of those considered most feasible and position the Group appropriately for the disruption implied by climate change. For each opportunity the Group analysed its level of feasibility (technical and economic) and its current level of development. The main opportunities identified are:

* The development of energy efficiency plans and the addition of renewable energy generation capacity for self-consumption at the productive facilities.
* The extraction of synergies among the packaging, emissions-abatement and raw material rationalisation targets.
* The development of sustainable farming programmes with suppliers.

B. Management

Based on this first analysis and thanks to the matrices created to this end, the climate risks faced by Ebro Foods have been integrated into the Group's ERM. Moreover, the matrices are complemented by a risk map (precipitation, high temperatures, floods, drought and wildfires) associated with the supply and industrial regions assessed and by a series of heat maps, which are key to monitoring unfolding risks and timely detection of significant changes in any of the risks identified.

Quantification of the financial impact of the most significant risks identified is extremely complex as the task requires analysing a significant number of variables in addition to those that are strictly climate-related and whose isolation from the assessment is very complicated to perform.

To that end, the Group conducted a detailed bibliographical study of the main environmental variables that could affect rice and durum wheat prices, as Ebro Foods purchases agricultural commodities from suppliers all around the world.

Physical risks

A synopsis of the measures identified for mitigating the main risks and developing the most feasible opportunities is provided below.

PHYSICAL RISKS	MEASURES
The Group's most significant identified physical risks are changes in precipitation and temperature patterns; they are categorised as a moderate risk for the business.	Ebro Foods boasts the following competitive advantages: • Sufficient raw material buffer stocks for addressing ad-hoc supply shortages. • A well-diversified supply chain. • It can switch up its rice and wheat supply markets. • When raw material prices are high, the Group also has the ability to pass those prices through to its end prices.

Transition risks

As all of the identified transition risks were classified as non-material, no specific measures have had to be drawn up to mitigate their impact. Nevertheless, Ebro Foods is working on the following initiatives:

TRANSITION RISKS	MEASURES
• Potential compulsory quantification of indirect GHG emissions (supply chain) • CSRD: double materiality assessment • Scope 3: emissions associated with the supply chain	Ebro Foods has already performed its double materiality assessment and calculated its Scope 1, 2 and 3 GHG emissions. It is also part of emissions-abatement initiatives in the logistics sector such as Lean & Green and will have completed its registration with the SBTi by year-end 2024.
High costs associated with the transition to low-emissions technology	The nature of Ebro Foods' business activities means that the organisation is not highly dependent on fossil fuels. At present all of the dryers across Ebro Foods's facilities are fuelled using natural gas, and the production of instant rice products in the US also uses this fuel source. As for the electricity it consumes, the Ebro Foods Group is already partially self-sufficient at some of its factories and approximately 7% of the energy it purchases is certified renewable power.
Changes in end consumer conduct and preferences (demand for locally produced/zero emissions / ecological / more sustainably made products)	• The Ebro Group sells products with these attributes under all of its trademarks. This is not currently considered a risk of particular significance as a number of specific studies looking at rice and pasta consumer trends suggest demand for products with these attributes is not growing substantially. Permanent state of alert in order to anticipate changes in consumer conduct. • Strategic commitment to differentiation and value creation at the brand level by leveraging innovation.

OPPORTUNITIES	MEASURES
Development of energy efficiency plans at the productive facilities	The Group companies invest periodically in boosting their energy efficiency. In the last three years, capital expenditure on energy efficiency totalled 2.2 million euros and the Group plans to extend this investment thrust going forward.
Adding renewable energy generation capacity (solar, biomass, CHP) at its productive facilities depending on the conditions prevailing in each country, while continuing to purchase certified green energy.	In 2023, a little over 4% of the energy consumed directly by the Group was generated at the photovoltaic solar and CHP facilities located in the following productive facilities: **Photovoltaic:** • Arotz: Navaleno • Bertagni: Avio and Vicenza • Ebro Frost Germany: Offingen • Ebro India: Taraori • Garofalo: Gragnano • Geovita: Bruno • Herba Bangkok: Nong Khae • Herba Ricemills: Rinconada and Algemesí • Mundiriso: Vercelli • Riviana Foods: Colusa • Transimpex: Lambsheim **CHP (combined heat and power)** • Bertagni: Avio and Vicenza • Ebro Frost Germany: Offingen • Garofalo: Gragnano • Geovita: Vilanova Monferrato This investment thrust is also expected to continue in the coming years. Over 7% of the electricity purchased (indirect consumption) in 2023 came with renewable energy certifications.

OPPORTUNITIES	MEASURES
Generation of synergies across the packaging, emissions-abatement and raw material rationalisation targets.	The Group has articulated its Sustainability Plan, HEADING FOR 2030, around the following packaging-related targets: • Increased use of recyclable and reusable materials. • Reduced volume of packaging materials. • Use of paper and board sourced from sustainably managed forests (FSC / PFSC). • Use of recycled board. • Decreased use of single-use plastics. • Search for plant-based alternatives to plastic.
• Development of sustainable farming programmes in the Group's key supply markets. • Promotion of sustainable farming standards.	The Ebro Group is working actively to foster and research environmentally sustainable farming practices in a number of rice and wheat producing regions in order to contribute to environmental preservation, protect biodiversity and mitigate the effects of climate change. This task involves standalone initiatives as well as ad-hoc partnerships with stakeholders, as well as membership of the two most important international platforms in this area: SAI Platform (SAI-P) and Sustainable Rice Platform (SRP).

3. Metrics and objectives

At the date of authorising these consolidated financial statements for issue, this phase of the projects was still in progress and is slated for completion during the second quarter of 2024.

SCOPE 1, 2 AND 3 GHG EMISSIONS MEASUREMENT

To measure the Scope 1 and 2 GHG emissions components of the Group's carbon footprint (figures it has been tracking since 2021), the Group has an ISO 14064-1:2019-certified GHG inventorying system which encompasses all Ebro Group companies. Those emissions are calculated using activity data extracted for each company/ factory and emissions factors taken from official sources which are then applied to all of the Group's factories. All greenhouse gases (CO_2, CH_4, N_2O, HFC, PFC, SF_6 and NF_3) are included in that calculation.

In 2023, the Group completed its first measurement of its Scope 3 emissions, following the calculation and reporting criteria established in the GHG Protocol, and had that measurement externally verified.

To do so, it started from an initial analysis of the applicability and relevance of the various categories of Scope 3 emissions defined in the GHG Protocol (screening), which then served as the basis for performing the detailed calculations for the various companies comprising the Group.

Thanks to that initial analysis, the Group was able to perform more detailed calculations for the categories that were determined to be more material in scale in relation to the Group's total carbon footprint and to define and apply decarbonisation levers.

As a result, the Group's Scope 3 emissions calculation is based on analysis performed using activity data for the various Group companies and primary information provided directly by its suppliers.

That measurement revealed that Scope 3 emissions represent 96% of the Group's overall carbon footprint.

GHG EMISSIONS	2023	
Scope 1 emissions	168,777	3%
Scope 2 emissions	84,619	1%
Scope 3 emissions	5,417,308	96%
Total emissions (MT of CO_2eq)	**5,670,705**	

Note: more detailed information is available in chapter 10 (Environmental commitment) of the Group's non-financial statement

Next steps: Having completed measurement of its Scope 3 emissions, in 2024, the Group plans to, firstly, define its SBTi emissions-reduction targets for the Group as a whole and, secondly, develop its first Decarbonisation Plan, with an initial boundary of Spain.

Scope 1 and 2 decarbonisation drivers

The Group has already embarked on a number of initiatives designed to reduced its Scope 1 and 2 emissions. Those initiatives are:

1. The installation of photovoltaic plants for self-consumption.
2. The installation of combustion plants fuelled by renewable biomass (rice husks, charcoal and wood chips) to generate heat energy.
3. The installation of CHP plants.
4. The purchase of certified green electricity.

In 2023, the Group commissioned four new photovoltaic power facilities at Bertagni, Herba Bangkok, Herba Ricemills and Riviana Foods.

List of the Ebro Group's photovoltaic, biomass and CHP facilities

COMPANY	FACTORY	PV	BIOMASS	CHP
Arotz	Navaleno	x		
Bertagni	**Avio**	**x**		x
	Vicenza	x		x
Ebro Frost Denmark	Orbaek		x	
Ebro Frost Germany	Offingen	x		x
Ebro Frost UK	Beckley			
Ebro India	Taraori	x	x	
Garofalo	Gragnano	x		x
Geovita	Bruno	x		
	Villanova Monferrato			x
Herba Bangkok	**Nong Khae**	**x**		
Herba Ricemills	**Algemesí**	**x**		
	Rinconada	x		
	San Juan		x	
Mundi Riso	Vercelli	x		
Riviana Foods	**Colusa**	**x**		
S&B	Fullbourn			
	Regent			
Tilda	Classic			
	Jazz			
Transimpex	Lambsheim	x		

In 2023, an increase of 25% in the purchase of certified green electricity, self-generation using solar power and the use of renewable fuels meant that the Group forewent 13,170 metric tonnes of carbon dioxide equivalent, 41% more than in 2022.

ACTIVITY	2023	2023	2022	2022
	MWH	EMISSIONS FOREGONE	MWH	EMISSIONS FOREGONE
Certified green electricity	23,871	5,103	21,290	4,117
PV self-generation	5,420	2,497	1,767	685
Biomass	27,551	5,570	22,493	4,547
Total (MT of CO_2eq)	**56,843**	**13,170**	**45,550**	**9,350**

Scope 3 decarbonisation drivers

Having calculated its Scope 3 emissions and identified the most important categories and decarbonisation drivers for the Group, as outlined above, in 2024, the Group will set specific targets for reducing emissions in one or more of the following categories:

- Purchase of goods and services
- Upstream and downstream transportation
- End of useful life
- Waste

Notwithstanding that effort, the Group has already embarked on a clear and defined pathway articulated around measures and initiatives designed to reduce its Scope 3 emissions.

KEY MEASURES UNDERWAY FOR REDUCING SCOPE 3 EMISSIONS

Purchase of goods and services (Category 1)

In this specific category, the Group has significant expertise championing and researching environmentally sustainable rice-farming practices applicable across its main supply markets.

The main objectives of these programmes are to take better care of the environment, foster biodiversity and mitigate the effects of climate change.

This work is taking the form of in-house initiatives and ad-hoc collaborations with stakeholders and sector associations, such as the SAI Platform (SAI-P) and the Sustainable Rice Platform (SRP).

The flagship projects in this effort in 2023:

<table>
<tr><th>COMPANY</th><th>CROP</th><th>COUNTRY</th><th>PROJECT NAME</th><th>METRICS</th></tr>
<tr><td rowspan="3">Herba Ricemills</td><td rowspan="3">Rice</td><td rowspan="2">Spain</td><td>Origins</td><td>• Training on best practices
• Rationalisation of resources
• Engaging women and youths in farming practices</td></tr>
<tr><td>Oryzonte</td><td>• Reduced use of water via AWD
• Reduction in GHG emissions: - 60% in 255 hectares via AWD
• Enhanced biodiversity
• SRP verification</td></tr>
<tr><td>Pakistan</td><td>SRP verification</td><td>• SRP verification
• Certified seeds
• Laser levelling
• Intermittent watering (AWD)
• Reduced water consumption</td></tr>
</table>

<table>
<tr><th>COMPANY</th><th>CROP</th><th>COUNTRY</th><th>PROJECT NAME</th><th>METRICS</th></tr>
<tr><td rowspan="4">Ebro India</td><td rowspan="4">Rice</td><td rowspan="4">India</td><td>Organic farming</td><td>• Organic certification
• Fair Trade certification</td></tr>
<tr><td>Control farming & EKTA</td><td rowspan="2">• Training on best practices
• Reduced use of pesticides
• Certified seeds
• Laser levelling
• Intermittent watering (AWD)
• Reduced water consumption
• Biological pest control
• Reduced GHG emissions</td></tr>
<tr><td>Best practices</td></tr>
<tr><td>Stop Stubble Burning</td><td>• Use of fungi to produce bio-enzymes developed by the Indian Agricultural Research Institute (IARI), which can decompose straw stubble in around 25 days, so preparing the soil for the next crop.
• Reduction of around 20-25% in the use of fertilisers</td></tr>
<tr><td>Mundi Riso</td><td>Rice</td><td>Italy</td><td>FSA verification</td><td>• FSA verification</td></tr>
<tr><td>Herba Bangkok</td><td>Rice</td><td>Thailand</td><td>SARI-T</td><td>• Training on best practices
• Water productivity gains
• Increased number of women in farming
• Biological pest control
• Reduced GHG emissions
• SRP verification</td></tr>
<tr><td>Herba Bangkok</td><td>Rice</td><td>Thailand</td><td>Green Climate Fund</td><td>• Reduced GHG emissions
• Climate-smart technology and practices
• Carbon credits by way of additional income</td></tr>
<tr><td>La Loma/ Neofarms</td><td>Rice</td><td>Argentina</td><td>Organic farming</td><td>• Organic rice verification</td></tr>
<tr><td>Riviana Foods</td><td>Rice</td><td>US</td><td>Regenerative farming</td><td>• Reduction in water usage of 3-7%
• Reduced GHG emissions: methane emissions cut by 32-80%, depending on the number of drying episodes (AWD)
• FSA verification</td></tr>
<tr><td>Garofalo</td><td>Durum wheat</td><td>Italy</td><td>Sustainable durum wheat</td><td>Use of climate-smart technology to:
• Rationalise the use of fertilisers
• Rationalise the use of pesticides
• Rationalise the use of water</td></tr>
</table>

The Sustainable Aromatic Rice Initiative - Thailand (SARI-T), developed in order to improve the livelihood of 1,200 rice growers in the province of Roi Et and to produce sustainable, high-quality fragrant rice (Hom Mali) concluded after six years. The work performed and farmers included in this project will continue their efforts under a new project, called “Strengthening Climate-Smart Rice Farming, Green Climate Fund”, which is slated to begin in 2024.

Upstream and downstream transportation (Categories 4 & 9)

The work to reduce emissions in this category is being tackled from the ground and sea logistics standpoints.

* Emissions associated with ground transportation in Spain. Under the scope of the Group’s membership of Lean & Green, in 2023 it continued to work to reduce its logistics carbon footprint. Having defined the base year as 2019 and the key performance indicator as total MT of CO2e/MT of products transported for sale, the progress has been very remarkable:

  2020: reduction of 6.06%.

  2021: reduction of 0.14% (recalculated upon receipt of new data from suppliers).

  2022: reduction of 35.83%.

  2023: calculation in progress.

* As for the emissions associated with shipping logistics, the Group has received primary data from its logistics supplier, Ecco-freight, which has devised a calculation tool, Eccoprint, which includes transportation (rail and/or road) from the source factory to the port of departure and from the port of destination to the Group's factories.

  In 2023, an increase of 25% in the purchase of certified green electricity, self-generation using solar power and the use of renewable fuels meant that the Group forewent 13,170 metric tonnes of carbon dioxide equivalent, 41% more than in 2022.

  Thanks to the choice of more environmentally-efficient routes over alternative routes with higher carbon footprints, the Group forewent the emission of 24,764 MT of CO2e.

End-of-life treatment of products sold (Category 12)

The main steps taken to reduce emissions in this category relate to changes in the materials used to package the Group's products. Framed by the Group's commitment to making all its packaging fully recyclable by 2030, the dry rice products sold under the Arroz SOS, SOS specialty rice, La Fallera, Sabroz and La Cigala brands in Spain, the Risella trademark in Finland, and one of the Group's best-selling formats, its Brillante rice pots, are already 100% recyclable.

As part of this same commitment, the Group worked on another three important packaging recyclability projects in 2023.

1. Group subsidiary Pastificio Lucio Garofalo developed a new packaging line made using recycled plastic (content: 30%) obtained via chemical recycling, which differs from mechanical recycling and opens up unprecedented scope for recycling waste fractions that are currently hard to recycle, such as plastic obtained from domestic garbage collection.

   In fact, chemical recycling breaks up the molecules that comprise the polymers that form the various types of plastic used in packaging, turning them into a raw material equivalent to a virgin material that can be used to make new plastic.

   Initially, this new packaging is being used for five products: spaghetti, penne, fusilli, farfalle and elicoidale, the brand's goal being to gradually increase the number of products packaged using this new product, as well as the percentage of recycled plastic content.

   As part of this programme, Garofalo joined the LifeGate Zero Impact project articulated around three concepts: calculating, reducing and offsetting. Participation in this initiative will allow Garofalo to offset all of the carbon emissions generated by making and selling its products' primary packaging for sale in the Italian market.

   Those emissions will be offset by purchasing carbon credits for the Rimba Raya Reserve development project (Indonesia), which is working to conserve the tropical peat swamp forest, a region of major importance for biodiversity as it is a habitat for 94 threatened species itemised on the IUCN Red List, including the Bornean orangutan, the Sunda pangolin and the clouded leopard.

2. In Ebro Benelux began work on the Sustainable Boil in the Bag Solution, the goal of which is to replace the material currently used in this product category (HDPE, fossil based) with a bioplastic (PLA), made from corn starch. This initiative will also have a positive impact on the emissions-reduction effort as bioplastics have the unique property of neutralising CO2.

3. In 2023, the Group continued to conduct tests and search for alternative materials for its pouches to guarantee the current food conservation properties offered by the triplex bases currently in use: polyester/polyamide/polypropylene (PET/PA/PP) and polyester/high barrier polyester/polypropylene (PET/PET HB/PP), and also for the compact 1 kg and 0.5 kg polypropylene formats.

In terms of compliance with the packaging and packaging waste reduction, recycling and recovery objectives laid down in Spanish Law 11/97, of April 24, 1997, the Group's Spanish subsidiary Herba is a member of Ecoembalajes España, S.A. (Ecoembes), whose mission is to design and develop systems oriented towards collecting, sorting and recovering used packaging and packaging waste. Ecoembes uses the concept known as the Green Dot (the symbol featured on the packaging) to certify that the product's packager has paid a certain amount of money for each item of packaging it places on the market.

In tandem, both the European rice subsidiaries and Ebro Foods' head offices have entered into agreements with entities akin to Ecoembes for the destruction of paper and other materials. Those agreements allow them not only to comply with data protection legislation but also to guarantee the sustainable management of this documentation through shredding and recycling commitments.

Waste (Category 5)

Here the focus is on increasing the volume of waste that is recovered and reducing food waste in our operations.

At the Group level, in 2023, the volume of waste eliminated decreased by 34% from 2022, while the volume recovered increased by 18%.

It is worth highlighting the significant change in how Herba Ricemills (Spain) manages its waste. Indeed, in 2023, 95% of the waste generated by this company was managed via recovery operations.

As for food surplus (understood as products apt for consumption that, for a variety of reasons such as packaging defects, proximity to expiry dates, etc., are not apt for sale to consumers), the main in-house management policy within the Group is to donate to food banks.

The Ebro Group also participates actively in the initiative run by the Spanish association of food manufacturers and retailers, AECOC, to prevent food waste under the slogan, 'Food is not for wasting'.

That project has three main goals:

* Establishing prevention and efficiency practices all along the food chain so as to reduce waste.
* Making the most of food waste generated at the various stages of the value chain (redistribution, reuse and recycling).
* Raising awareness in society about this issue and the need to reduce food waste.

The initiative is supported by over 600 FMCG manufacturers and distributors, logistics and transportation players, business associations, consumer organisations and other institutions and is coordinated by AECOC.

The programme aims to create visibility around what companies are doing to avoid food waste and promote best practices in order to mitigate the problem. Every year in Spain, 7.7 million tonnes of food go to waste. This initiative therefore aims to increase consumer awareness of the problem implied by food waste globally and engage citizens in the effort so that every individual plays their part in reducing waste.

Unquestionably, stringent regulatory requirements in the short and medium term, as embodied by i) Law 7/2021 on Climate Change and Energy Transition in Spain; ii) the new Corporate Sustainability Reporting Directive (CSRD); and iii) the Commission's proposal for a Corporate Sustainability Due Diligence Directive (CSDDD) will provide impetus to the Group's efforts and targets around climate change between now and 2025, driving the design of a climate action plan aligned with the Paris Agreement to ensure that the Group's business model and strategy are compatible with the transition towards a sustainable economy.

To tackle these issues and monitor the latest trends and regulatory developments in this area, the Group has gone into active listening mode, ensuring its presence in the most important forums, including dedicated taskforces set up under the umbrella of the United Nations Global Compact and the Climate Change Cluster championed by Forética (www.foretica.org).

Within that last cluster, a group of large enterprises is working together to lead the strategic positioning of climate change within organisational management, debate and exchange opinions and good practices, participate in the global debate and provide input for the decisions taken at the government level.

The results of the Group's assessment of its environmental and climate change risks, and other risks it deems relevant, are included in the business plans, budgets and projections used to analyse the return on its assets. To date, the Group has not detected any potential material impact on their measurement or useful lives. Likewise, the environmental and carbon footprint reduction commitments outlined in this note do not have a significant impact on the measurement of the Group's assets or their useful lives. However, although that assessment was made using the best information available at the reporting date, its complexity implies the need for constant monitoring, which could lead to the modification of these estimates in the future.

As of the date of authorising these consolidated financial statements for issue, the Group is not aware of any obligations of an environmental nature that could give rise to a material liability in its consolidated financial statements.

25. NON-CURRENT ASSETS HELD FOR SALE AND PROFIT/(LOSS) AFTER TAX FROM DISCONTINUED OPERATIONS

The Group had no assets classified as held for sale or discontinued operations at December 31, 2023 or 2022.

26. FEES PAID TO AUDITORS

External services in the consolidated statement of profit or loss include the fees paid to the auditors of the consolidated financial statements. The fees paid for account auditing and other services to the Company's auditor, Ernst & Young, S.L., and entities related to the latter by means of control, joint ownership or joint management, in 2023 and 2022 were as follows (in thousands of euros):

- The fees corresponding to auditing services provided in 2023 amounted to 2,224 (2022: 2,089) thousand euros; those corresponding to other assurance services amounted to 120 thousand euros (2022: 92 thousand euros).
- The fees for other services totalled 196 thousand euros (2022: 254 thousand euros).

27. OTHER DISCLOSURES

DISCLOSURES REQUIRED UNDER ARTICLE 42 BIS OF REGULATION 1065/2007 OF JULY 27, 2017

For the purposes of compliance with the obligation stipulated in article 42 bis of Regulation 1065/2007, of July 27, 2007, enacting the general regulations governing tax management and inspections and establishing common procedural rules in respect of tax matters, and in keeping with the terms of article 4.b of the said article, there follows a list of the accounts with foreign financial institutions held by non-resident subsidiaries:

Disclosures for Ebro Foods, S.A.

COMPANY	A/C ID CODE	BIC CODE	ACCOUNT CODE	BANK	BRANCH	COUNTRY OF LOCATION OF BANK	DATE OPENED	BALANCE AT 31-12-2023 (€)	AVERAGE BALANCE 4Q23 (€)	% INTEREST	CURRENCY
Semola s.r.l.	IBAN	BCABIT21XXX	IT39D0350003205000000037267	CREDITO EMILIANO SPA	Naples	Italy	April-21	18,274.21	200,376.59	100%	EUR
	IBAN	CITIITMXXXX	IT31V0356601600000136084453	CITIBANK	Milan	Italy	December-23	0.00	0.00	100%	EUR
Ebro Costa Rica S.L.	IBAN	BSNJCRSJXXX	CR11010200009024954723	BAC San Jose	San José	Costa Rica	August-06	16,795.22	22,328.42	100%	USD
Ebro Riviana Guatemala SL	Other	CITIGTGCXXX	0002058006	CITIBANK	Guatemala City	Guatemala	March-21	30,952.51	57,472.39	100%	GTQ
EF Alimentación, S de R.L de CV.	CLABE	BCMRMXMM	187408390	BBVA BANCOMER, S.A.	Mexico City	Mexico	August-11	2,397.55	2,604.17	100%	MXP
	CLABE	BCMRMXMM	187409842	BBVA BANCOMER, S.A.	Mexico City	Mexico	August-11	0.00	0.00	100%	USD
Mundiriz	Other	BMCEMAMCXXX	0117350000032100060709.08	BANK OF AFRICA	Larache	Morocco	2001	1,086,858.71	756,367.98	100%	MAD
	Other	BCMAMAMCXXX	007 640 0013709000000131 39	Attijariwafa Bank	TANGIER	Morocco	2002	22,391.14	35,937.20	100%	MAD
	Other	BMCEMAMCXXX	011 735 0000 03 66600 60709 24	BANK OF AFRICA	Larache	Morocco	2009	716.43	716.43	100%	MAD
	Other	BMCEMAMCXXX	011 735 000 503 66500 12519 27	BANK OF AFRICA	Larache	Morocco	2015	145,818.31	147,725.34	100%	EUR
	Other	CDMAMAMCXXX	021 735 0000 080 030 167465 07	Crédit du Maroc	Larache	Morocco	March-18	65,657.47	44,549.56	100%	MAD
	Other	CAIXAMAMCXXX	003 640 64000000011 70167 55	CaixaBank - Tanger	TANGIER	Morocco	September-21	6,412.67	6,449.53	100%	MAD
Agromeruan	Other	BMCEMAMCXXX	0117350000032100006819.76	BANK OF AFRICA	Larache	Morocco	2007	7,893.92	39,488.44	100%	MAD
	Other	CDMAMAMCXXX	021 735 0000 080 030 183549 61	Crédit du Maroc	Larache	Morocco	October-21	2,464.32	5,300.45	100%	MAD
	Other	CAIXAMAMCXXX	003 640 64000000011 70268 43	CaixaBank - Tanger	TANGIER	Morocco	September-21	(92,140.99)	(91,775.62)	100%	MAD
Rivera del Arroz, S.A.	Other	BMCEMAMCXXX	0117350000032100060728.48	BANK OF AFRICA	Larache	Morocco	2002	1,963.46	3,934.86	100%	MAD
Katania	Other	BMCEMAMCXXX	011 735 0000 03 210 00 13562 23	BANK OF AFRICA	Larache	Morocco	febrero-17	69,753.80	69,753.80	100%	MAD

Disclosures for other Group companies

Refer to the Appendix following Note 28.

AVERAGE PAYMENT PERIOD

As required under the Spanish Corporate Enterprises Act, it is hereby noted that the average payment period of the companies domiciled in Spain was 35.7 days in 2023 and 32.7 days in 2022. Calculations made in accordance with the ICAC (Spanish Accounting and Audit Institute) Resolution.

(000€)	2023		2022	
	% OF TOTAL		% OF TOTAL	
Payments made		**487,801.1**		**501,532.5**
Payments made within deadline	96%	**467,976**	97%	**488,681**
No. of invoices settled within deadline	95%	**39,447**	96%	**37,537**
Days				
Average payment period	35.7		32.7	
Paid transactions ratio	35.7		32.7	
Outstanding transactions ratio	36.9		39.7	

28. EVENTS AFTER THE REPORTING PERIOD

Other than the developments with respect to the CNMC Disciplinary Ruling, as outlined in Note 20, there have been no significant events or developments between the end of the reporting period and the date of authorising the accompanying consolidated financial statements for issue.

APPENDIX: DISCLOSURES REQUIRED UNDER ARTICLE 42 BIS OF REGULATION 1065/2007 OF JULY 27, 2017 (EXTENSION OF NOTE 27)

COMPANY	A/C ID CODE	BIC CODE	ACCOUNT CODE	BANK	BRANCH	COUNTRY OF LOCATION OF BANK	DATE OPENED	BALANCE AT 31-12-2023 (€)	AVERAGE BALANCE LAST QUARTER (€)	% INTEREST	CURR.
Herba Ricemills, S.L.U.	IBAN	CITIGB2L	GB42 CITI 1850 0811 2932 65	CITIBANK NA	London	UK	12-5-06	0.00	0.00	100%	GBP
	IBAN	CITIGB2L	GB20 CITI 1850 0811 2932 73	CITIBANK NA	London	UK	12-5-06	0.00	0.00	100%	USD
Herba Foods	IBAN	CITIGB2L	GB26 CITI 1850 0811 2301 15	CITIBANK NA	London	UK	18-5-06	(35,190,639.09)	(19,546,165.01)	100%	GBP
	IBAN	CITIGB2L	GB04 CITI 1850 0811 2301 23	CITIBANK NA	London	UK	18-5-06	12,457,798.09	10,170,760.62	100%	USD
	IBAN	CITIGB2L	GB48 CITI 1850 0811 2301 07	CITIBANK NA	London	UK	18-5-06	26,018,343.57	10,337,036.87	100%	EUR
Agromeruan	Other	BMCEMAMCXXX	0117350000032100006819.76	BANK OF AFRICA	Larache	Morocco	2007	7,893.92	39,488.44	100%	MAD
	Other	CDMAMAMCXXX	021 735 0000 080 030 183549 61	Crédit du Maroc	Larache	Morocco	1-10-21	2,464.32	5,300.45	100%	MAD
	Other	CAIXAMAMCXXX	003 640 64000000011 70268 43	CaixaBank - Tanger	TANGIER	Morocco	1-9-21	(92,140.99)	(91,775.62)	100%	MAD
Anglo Australian Rice LTD	IBAN	BARCGB22	GB93BARC20510130115193	BARCLAYS BANK	Liverpool	UK	1-11-86	14,716.00	14,716.00	100%	GBP
	IBAN	BARCGB22	GB54BARC20510159121999	BARCLAYS BANK	Liverpool	UK	1-8-01	0.00	0.00	100%	EUR
Arrozeiras Mundiarroz, S.A.	IBAN	CITIPTPX	PT50016900010003181600936	CITIBANK Internacional, plc	Lisbon	Portugal	24-7-06	0.00	0.00	100%	EUR
	IBAN	CITIGB2L	GB88CITI18500811257226	CITIBANK NA	London	UK	26-7-06	0.00	0.00	100%	USD
	IBAN	CITIGB2L	GB40CITI18500811247905	CITIBANK NA	London	UK	26-7-06	0.00	0.00	100%	EUR
	IBAN	BESCPTPL	PT50000702450011754000839	NovoBanco	Coruche	Portugal	14-2-94	31,887.64	91,067.45	100%	EUR
	IBAN	BESCPTPL	PT50000702450011754110158	NovoBanco	Coruche	Portugal	15-12-97	0.00	0.00	100%	USD
	IBAN	BBVAPTPL	PT50001900000020004690004	BBVA (Portugal)	Lisbon	Portugal	18-2-92	596.73	711.73	100%	EUR
	IBAN	BBVAPTPL	PT50001900000024000185188	BBVA (Portugal)	Lisbon	Portugal	8-2-94	0.00	0.00	100%	USD
Bertolini Import und E., GMBH	IBAN	COBADEFF	DE63 2004 0000 0623 7036 00	Commerzbank AG	Hamburg	Germany	1-1-13	276,354.95	119,202.33	100%	EUR
Ebro Foods Belgium, N.V.	IBAN	CITIBEBX	BE53570128815553	CITIBANK NA	Brussels	Belgium	15-6-06	0.00	0.00	100%	EUR
	IBAN	CITIGB2L	GB72CITI18500811229966	CITIBANK NA	London	UK	14-6-06	0.00	0.00	100%	USD
	IBAN	GKCCBEBB	BE73552273580060	Belfius Bank	Antwerp	Belgium	2-5-96	281,980.31	319,441.81	100%	EUR
	IBAN	GKCCBEBB	BE73552273580060 USD	Belfius Bank	Antwerp	Belgium	2-5-96	0.00	0.00	100%	USD
	IBAN	KREDBEBB	BE15734074042230	KBC	Brussels	Belgium	28-11-23	2,485.54	2,485.54	100%	EUR

COMPANY	A/C ID CODE	BIC CODE	ACCOUNT CODE	BANK	BRANCH	COUNTRY OF LOCATION OF BANK	DATE OPENED	BALANCE AT 31-12-2023 (€)	AVERAGE BALANCE LAST QUARTER (€)	% INTEREST	CURR.
Ebro Foods GMBH	IBAN	COBADEFF	DE05200400000623709300	Commerzbank	Hamburg	Germany	1-7-11	88,698.25	2,599,098.41	100%	EUR
Ebro Rice Handling, BVBA	IBAN	CITIBEBX	BE75570130425551	CITIBANK NA	Brussels	Belgium	14-4-08	0.00	0.00	100%	EUR
EF Alimentación, S de RL de CV	CLABE	BCMRMXMM	187408390	BBVA BANCOMER, S.A.	Mexico City	Mexico	7 Aug. 2011	2,397,55	2,604,17	100%	MXP
	CLABE	BCMRMXMM	187409842	BBVA BANCOMER, S.A.	Mexico City	Mexico	7 Aug. 2011	0,00	0,00	100%	USD
Ebro Foods Nederland Holding, B.V.	IBAN	KREDNL2X	NL62KRED0633029009	KBC Bank NV Nederland	Rotterdam	Netherlands	1-11-23	33,798.04	33,798.04	100%	EUR
Ebrofrost Denmark A/S (formerly, Danrice)	IBAN	CITIGB2L	GB79CITI18500811230034	CITIBANK NA	London	UK	26-7-06	215,365.83	(36,641,59)	100%	EUR
	IBAN	CITIGB2L	GB79CITI18500813428915	CITIBANK NA	London	UK	23-4-13	44,458.22	41,617,78	100%	USD
	IBAN	JYBADKKK	DK5650600001063204	Jyske Bank A/S	Odense	Denmark	1-1-14	457,281.52	460,34	100%	DKK
	IBAN	JYBADKKK	DK50601180222	Jyske Bank A/S	Odense	Denmark	1-6-23	2,193.93	1,849,68	100%	USD
	IBAN	JYBADKKK	DK3450600001063212	Jyske Bank A/S	Odense	Denmark	1-1-14	1,040,980.00	1,607,00	100%	EUR
Ebrofrost Germany, GmbH (antigua Keck Spezialitäten)	IBAN	BYLADEM1GZK	DE83720518400000161315	Sparkasse Günzburg/ Krumbach	Günzburg	Germany	1 June 2023	1,084,137.30	1,914,963,98	100%	EUR
	IBAN	COBADEFFXXX	DE11720400460110102100	Commerzbank	Frankfurt	Germany	26-6-23	744,984.56	372,492,28	100%	EUR
	IBAN	CITIDEFFXXX	DE28502109000221094662	Citibank	Frankfurt	Germany	27-10-23	0.00	0.00	100%	EUR
Ebrofrost Holding GmbH	IBAN	BYLADEM1GZK	DE49720518400040319345	Sparkasse Günzburg/ Krumbach	Günzburg	Germany	1-6-13	78,103.17	259,039.66	100%	EUR
	IBAN	CITIDEFFXXX	DE74502109000221095677	Citibank	Frankfurt	Germany	20-10-23	0.00	0.00	100%	EUR
Ebrofrost UK Limited	IBAN	BYLADEM1GZK	DE27720518400040428187	Sparkasse Günzburg/ Krumbach	Günzburg	Germany	16-10-15	152,130.62	257,194.98	100%	EUR
	IBAN	CITIGB2L	GB44CITI18500818166455	Citibank NA	London	UK	13-9-17	(1,499,686.95)	(1,551,254.03)	100%	GBP
Ebro Foods Nederland Brands, B.V.	IBAN	CITINL2X	NL37CITI0266064566	Citibank	Amsterdam,	Netherlands	18-1-12	82.25	(1,264.91)	100%	EUR
	IBAN	CITIGB2L	GB83CITI18500814059840	Citibank	London	UK	31-12-14	0.00	0.00	100%	USD
	IBAN	RABONL2U	NL25RABO0310990335	Rabobank	Utrecht	Netherlands	11-7-16	943.32	979.24	100%	EUR

COMPANY	A/C ID CODE	BIC CODE	ACCOUNT CODE	BANK	BRANCH	COUNTRY OF LOCATION OF BANK	DATE OPENED	BALANCE AT 31-12-2023 (€)	AVERAGE BALANCE LAST QUARTER (€)	% INTEREST	CURR.
Ebro India Private Limited	IBAN	HDFCINBB	50200001041939 (Bank deposit)	HDFC Bank LTd	TARAORI	India	24-5-13	1,154.00	0.00	100%	INR
	IBAN	CITIINBX	521059001	Citibank	New Delhi	India	18-9-13	40.00	7,923.00	100%	INR
	IBAN	BOFA0ND6216	24871013	Bank of America	New Delhi	India	24-8-14	176.00	398.00	100%	INR
	IBAN	CITIINBX	refer PCFC Loan Sheet	Citibank	New Delhi	India	15-3-15	366.00	0.00	100%	INR
	IBAN	INDB0000073	259996544504	IndusInd Bank	Karnal	India	14-3-17	4,407.00	0.00	100%	INR
	IBAN	INDB0000073	259996544504	IndusInd Bank	Karnal	India	14-3-17	1.00	4.00	100%	INR
	IBAN	UCBA0002323	23230210001110	UCO Bank	Karnal	India	6-5-17	0.00	1.00	100%	INR
	IBAN	HSBC0110005	054708284001	HSBC	New Delhi	India	20-11-18	8,123.00	0.00	100%	INR
	Other	HDFCINBB	50200001041939	HDFC Bank LTd	TARAORI	India	24-5-13	484.20	1,495.38	100%	INR
	Other	CRLY0000002	02006017100000	Credit Agricole	New Delhi	India	21-12-19	1.00	135.00	100%	INR
	Other	CHAS0INBX02	5622411725	JP Morgan	New Delhi	India	26-6-20	291.00	627.00	100%	INR
	Other	CRLY0000002	refer PCFC Loan Sheet	Credit Agricole	New Delhi	India	2-1-20	233.00	0.00	100%	INR
	Other	CRLY0000002	refer PCFC Loan Sheet	Credit Agricole	New Delhi	India	2-11-20	3,285.00	0.00	100%	INR
	Other	CHAS0INBX02	refer PCFC Loan Sheet	JP Morgan	New Delhi	India	23-7-20	275.00	0.00	100%	INR
	Other	CHAS0INBX02	refer PCFC Loan Sheet	JP Morgan	New Delhi	India	29-7-20	2,110.00	0.00	100%	INR
	Other	CHAS0INBX02	Refer PCFC Loan Sheet	JP Morgan	New Delhi	India	29-7-20	0.00	0.00	100%	INR
	Other	HSBC0110005	Refer PCFC Loan Sheet	HSBC	New Delhi	India	20-11-18	0.00	0.00	100%	INR
	Other	BOFA0ND6216	Refer PCFC Loan Sheet	Bank of America	New Delhi	India	24-8-14	172.00	0.00	100%	INR
	Other	CRLY0000002	2006017100000	Credit Agricole	New Delhi	India	21-12-19	3,591.00	0.00	100%	INR
	Other	BOFA0ND6216	refer PCFC Loan Sheet	Bank of America	New Delhi	India	24-8-14	870.00	0.00	100%	INR
	Other	HSBC0110005	refer PCFC Loan Sheet	HSBC	New Delhi	India	20-11-18	134.00	1,288.00	100%	INR
	Other	HSBC0110005	refer PCFC Loan Sheet	HSBC	New Delhi	India	20-11-18	335.00	0.00	100%	INR
	Other	MHCBINBBXXX	H10-792-104288	Mizuho	New Delhi	India	26-5-20	5.00	16.00	100%	INR
	Other	HSBC0400002	019051887002	ICICI Prudential	New Delhi	India	21-11-13	2,176.00	0.00	100%	INR
	Other	CRLY0000002	refer PCFC Loan Sheet	Credit Agricole	New Delhi	India	2-11-20	116.00	0.00	100%	INR
Ebrosur, SRL	CBU	BSCHARBA	034753/2	Banco Santander Rio SA	Buenos Aires	Argentina	15-6-16	0.00	0.00	100%	ARG
	CBU	BSCHARBA	034754/9	Banco Santander Rio SA	Buenos Aires	Argentina	15-6-16	0.00	0.00	100%	USD

COMPANY	A/C ID CODE	BIC CODE	ACCOUNT CODE	BANK	BRANCH	COUNTRY OF LOCATION OF BANK	DATE OPENED	BALANCE AT 31-12-2023 (€)	AVERAGE BALANCE LAST QUARTER (€)	% INTEREST	CURR.
Euryza GMBH	IBAN	COBADEHHXXX	DE04200400000621702000	Commerzbank AG	Hamburg	Germany	2000	14,699.44	187,571.14	100%	EUR
	IBAN	CITIDEFFXXX	DE83502109000214587009	Citigroup	Frankfurt	Germany	1-2-07	(34,315,48)	0.00	100%	EUR
Euro Rice Flour, B.V.	IBAN	ABNANL2A	NL15ABNA0240369394	ABN AMRO Bank NV	Amsterdam,	Netherlands	11-3-10	10,350.74	9,888.63	100%	EUR
Fentus 61 GmbH	IBAN	COBADEFFXXX	DE47 2004 0000 0626 0509 00	Commerzbank AG	Hamburg	Germany	1-2-17	14,854.07	6,363.90	100%	EUR
Herba Bangkok, S.L.	Other	CITITHBX	126385-5-015	CITIBANK NA	Bangkok	Thailand	11-6-08	168,430.57	1,495,449.29	100%	THB
	Other	CITITHBX	126385-0-005	CITIBANK NA	Bangkok	Thailand	11-6-08	0.00	0.00	100%	THB
	Other	CITITHBX	5-126385-104 USD	CITIBANK NA	Bangkok	Thailand	25-9-15	5,019,403.44	3,726,697.74	100%	USD
	Other	CITITHBX	N/A	CITIBANK NA	Bangkok	Thailand	11-6-08	4,741,250.95	1,580,416.98	100%	THB
	Other	BNPATHBK	00010 000632 040 83	BNP Paribas Bank	Bangkok	Thailand	2-10-06	47,117.56	35,308.01	100%	THB
	Other	BNPATHBK	00010 000632 000 09	BNP Paribas Bank	Bangkok	Thailand	2-10-06	1,309.74	1,309.74	100%	THB
	Other	BNPATHBK	00010 000632 040 83 USD	BNP Paribas Bank	Bangkok	Thailand	25-6-13	0.00	0.00	100%	USD
	Other	BNPATHBK	N/A	BNP Paribas Bank	Bangkok	Thailand	2-10-06	0.00	0.00	100%	THB
	Other	BOFATH2X	33243 017	Bank of America	Bangkok	Thailand	3-8-16	16,326.77	560,011.14	100%	THB
	Other	BOFATH2X	33243 025 USD	Bank of America	Bangkok	Thailand	3-8-16	945,182.39	683,331.78	100%	USD
	Other	BOFATH2X	N/A	Bank of America	Bangkok	Thailand	3-8-16	0.00	0.00	100%	THB
	Other	KRTHTHBK	092-0-03203-6	Krungthai Bank PCL.	MEA Ploenchit	Thailand	25-8-06	100,339.68	77,908.99	100%	THB
Herba Cambodia Co, Ltd	Other	ABAAKHPP	000206556	Advanced Bank Of Asia Ltd	Phnom Penh	Cambodia	11-7-16	189,894.91	350,694.87	100%	USD
	Other	ABAAKHPP	000373587	Advanced Bank Of Asia Ltd	Phnom Penh	Cambodia	2-2-18	5,181.40	5,177.27	100%	KHR
Herba Germany GMBH	IBAN	COBADEFFXXX	DE96 2004 0000 0622 0057 00	Commerzbank AG	Hamburg	Germany	2005	(19.31)	177.05	100%	EUR
	IBAN	CITIDEFFXXX	DE60502109000214588005	Citigroup	Frankfurt	Germany	1-12-06	0.00	0.00	100%	EUR
Herba Ingredients Belgium B, BV	IBAN	KREDBEBB	BE29735042745864	KBC Bank NV	Brussels	Belgium	6-4-16	584,321.74	298,344.97	100%	EUR
Herba Ingredients Belgium C, BV	IBAN	KREDBEBB	BE11 7380 1830 6548	KBC Bank NV	Brussels	Belgium	30-6-06	12,251.68	74,002.70	100%	EUR
Herba Ingredients Belgium F, BV	IBAN	KREDBEBB	BE55736064832844	KBC Bank NV	Brussels	Belgium	2-12-19	36,069.75	55,832.45	100%	EUR

COMPANY	A/C ID CODE	BIC CODE	ACCOUNT CODE	BANK	BRANCH	COUNTRY OF LOCATION OF BANK	DATE OPENED	BALANCE AT 31-12-2023 (€)	AVERAGE BALANCE LAST QUARTER (€)	% INTEREST	CURR.
Herba Ingredients, B.V.	IBAN	CITINL2X	NL08CITI0266059171	CITIBANK NA	Amsterdam,	Netherlands	10-1-13	32,107.52	(266,032.56)	100%	EUR
	IBAN	CITIGB2L	GB84CITI18500813594416	CITIBANK NA	London	UK	10-1-13	0.00	(18,872.82)	100%	USD
	IBAN	CITIGB2L	GB82CITI18500810232335	CITIBANK NA	London	UK	13-12-18	0.00	0.00	100%	GBP
	IBAN	KREDBEBB	BE19731041645812	KBC Bank NV	Brussels	Belgium	22-1-16	17,786.88	16,673.81	100%	EUR
	IBAN	DEGRBEBB	BE05676528001375	Degroof Petercam	Brussels	Belgium	11-5-21	0.00	0.00	100%	EUR
Herba Ingredients SC, BV	IBAN	KREDBEBB	BE56 7380 0432 3188	KBC Bank NV	Brussels	Belgium	19-10-01	225,764.02	109,968.58	100%	EUR
Herba Ingredients Netherlands, BV	IBAN	CITIGB2L	NL45CITI0266065295	CITIBANK NA	Amsterdam,	Netherlands	14-2-12	0.00	8,969.04	100%	EUR
Indo European Foods Limited	Other	203909	44044299	Barclays Bank	Leicestershire	UK	12-8-21	(9.06)	0.11	100%	EUR
	IBAN	203909	GB42BARC20390965944844	Barclays Bank	Leicestershire	UK	31-5-19	(39.24)	117,117.58	100%	EUR
	IBAN	203909	GB19BARC20390943390527	Barclays Bank	Leicestershire	UK	22-2-17	159,912.08	682,599.01	100%	GBP
	Other	203909	80119482	Barclays Bank	Leicestershire	UK	12-8-21	249,711.32	287,486.92	100%	GBP
	Other	203909	43804211	Barclays Bank	Leicestershire	UK	20-8-19	11.74	937,840.13	100%	USD
	Other	600	14249046	Citibank	London	UK	May 2022	0.00			GBP
	Other	401279	GB93HBUK40127690427760	HSBC	Birmingham B1 1HQ	UK	May 2023	242,906.48	106,294.95	100%	EUR
	Other	402715	GB67HBUK40271525633524	HSBC	West Yorkshire LS1 1LD	UK	May 2023	672,893.24	684,558.38	100%	GBP
	Other	402715	GB89HBUK40271525633516	HSBC	West Yorkshire LS1 1LD	UK	May 2023		41,989.79	100%	GBP
	Other	401776	GB40HBUK40127690427744	HSBC	Birmingham B1 1HQ	UK	May 2023	14,322.46	379,724.05	100%	USD
	IBAN	203909	GB94BARC20390988126644	Barclays Bank	Leicestershire	UK	31-5-19	18.52	525,053.55	100%	USD
International Pulse Ingred. Co. BV	IBAN	ABNANL2A	NL37ABNA0240369386	ABN AMRO Bank NV	Amsterdam,	Netherlands	11-3-10	10,897.86	10,698.43	100%	EUR
Joseph Heap Property	IBAN	BARCGB22	GB52BARC20510170619930	BARCLAYS BANK	Liverpool	UK	1-2-04	0.00	0.00	100%	GBP
Joseph Heap&Sons, LTD	IBAN	BARCGB22	GB41BARC20510170416428	BARCLAYS BANK	Liverpool	UK	1-11-86	0.00	0.00	100%	GBP

COMPANY	A/C ID CODE	BIC CODE	ACCOUNT CODE	BANK	BRANCH	COUNTRY OF LOCATION OF BANK	DATE OPENED	BALANCE AT 31-12-2023 (€)	AVERAGE BALANCE LAST QUARTER (€)	% INTEREST	CURR.
Katania Magrheb, SARL	Other	BMCEMAMCXXX	011 735 0000 03 210 00 13562 23	BANK OF AFRICA	Larache	Morocco	1-2-17	69,753.80	69,753.80	100%	MAD
La Loma Alimentos, S.A.	CBU	SCBLUS33XXX	000 - 000336637	Banco Santander Rio SA	Buenos Aires	Argentina	23 July 2013	(51.80)	0.91	100%	ARG
	CBU	BSCHARBA	000-00035161/0	Banco Santander Rio SA	Buenos Aires	Argentina	20 Jan. 2017	55.80	47.62	100%	ARG
	CBU	BSCHARBA	000-036430/6	Banco Santander Rio SA	Buenos Aires	Argentina	3 May 2018	0.00	0.00	100%	USD
	CBU	BSCHARBA	000-036429/0	Banco Santander Rio SA	Buenos Aires	Argentina	3-5-18	0.00	0.00	100%	USD
	CBU	BERAARBAXXX	42006614643	Nuevo Banco de Entre Ríos	Concordia	Argentina	22 May 2002	1,879.63	2,904.67	100%	ARG
	CBU	BFRPARBAXXX	068-000848/6	BBVA Banco Francés S.A.	Concordia	Argentina	24-10-18	965.71	1,396.21	100%	USD
	CBU	BFRPARBAXXX	068/0314544/9	BBVA Banco Francés S.A.	Concordia	Argentina	24-10-18	21,045.15	179,152.00	100%	ARG
	CBU	BFRPARBAXXX	068/314545/6	BBVA Banco Francés S.A.	Concordia	Argentina	24-10-18	0.21	0.42	100%	ARG
	Securities deposit	BFRPARBAXXX	068/0314544/9	BBVA Banco Francés S.A.	Concordia	Argentina	24-10-18	37,716.93	79,959.87	100%	ARG
	IBAN	BBVAESMM	ES3801826204582012463035	BANCO FRANCES	Seville	Spain	13-11-19	38,221.89	34,138.17	100%	USD
	CBU	BFRPARBAXXX	068-322072/2	BBVA Banco Francés S.A.	Concordia	Argentina	1-5-23	1.18	2.28	100%	ARG
	CBU	NACNARBACON	15602120124490	BNA	Concordia	Argentina	1-9-23	29.67	79.21	100%	ARG
	IBAN	BBVAESMM	ES1301826204590201548417	BANCO FRANCES - Spanish A/C	Seville (SUC 6204)	Spain	1-11-23	0.00	763.58	100%	EUROS
	CBU	BFRPARBAXXX	068-000003/6	BBVA Banco Francés S.A.	Concordia	Argentina	24-10-18	353.82	395.02	100%	EUROS
	PRE-FINANCING	BBVAESMM	ES3801826204582012463035	BBVA Spain	Seville	Spain	13-11-19	(4,474,263.88)	(5,897,791.47)	100%	USD
Mediterranean Food Labels, BV	IBAN	CITINL2X	NL59CITI0266064558	Citibank	Amsterdam,	Netherlands	17-1-12	0,00	0,00	100%	EUR

COMPANY	A/C ID CODE	BIC CODE	ACCOUNT CODE	BANK	BRANCH	COUNTRY OF LOCATION OF BANK	DATE OPENED	BALANCE AT 31-12-2023 (€)	AVERAGE BALANCE LAST QUARTER (€)	% INTEREST	CURR.
Mundi Riso, S.R.L.	IBAN	CITIITMX	IT12D0356601600000122474011	CITIBANK NA	Milan	Italy	27-6-06	0.00	0.00	100%	EUR
	IBAN	CITIGB2L	GB22CITI18500811257250	CITIBANK NA	London	UK	14-6-06	0.00	0.00	100%	USD
	IBAN	BAPPIT21I87	IT32Q0503410000000000005783	BANCO BPM S.P.A.	Vercelli	Italy	27-3-96	20,182.39	146,080.66	100%	EUR
	IBAN	BAPPIT21I87	IT76U0503410000USD100003375	BANCO BPM S.P.A.	Vercelli	Italy	26-1-17	25.92	26.57	100%	USD
Mundi Riz, S.A.	Other	BMCEMAMCXXX	011735000003210006 0709.08	BANK OF AFRICA	Larache	Morocco	2001	1,086,858.71	756,367.98	100%	MAD
	Other	BCMAMAMCXXX	007 640 0013709000000131 39	Attijariwafa Bank	TANGIER	Morocco	2002	22,391.14	35,937.20	100%	MAD
	Other	BMCEMAMCXXX	011 735 0000 03 66600 60709 24	BANK OF AFRICA	Larache	Morocco	2009	716.43	716.43	100%	MAD
	Other	BMCEMAMCXXX	011 735 000 503 66500 12519 27	BANK OF AFRICA	Larache	Morocco	2015	145,818.31	147,725.34	100%	EUR
	Other	CDMAMAMCXXX	021 735 0000 080 030 167465 07	Crédit du Maroc	Larache	Morocco	1-3-18	65,657.47	44,549.56	100%	MAD
	Other	CAIXAMAMCXXX	003 640 64000000011 70167 55	CaixaBank - Tanger	TANGIER	Morocco	1-9-21	6,412.67	6,449.53	100%	MAD
Neofarms Bio, S.A.	CBU	BFRPARBAXXX	0170068826000000084796	BBVA Banco Francés S.A.	Concordia	Argentina	24 Oct. 2018	73.41	257.93	100%	USD
	CBU	BFRPARBAXXX	0170068820000031454182	BBVA Banco Francés S.A.	Concordia	Argentina	24 Oct. 2018	24,564.93	131,375.57	100%	ARG
	CBU	BFRPARBAXXX	0170068820000031454250	BBVA Banco Francés S.A.	Concordia	Argentina	24 Oct. 2018	0.45	0.91	100%	ARG
	CBU	BFRPARBAXXX	0170068821000000000296	BBVA Banco Francés S.A.	Concordia	Argentina	14-1-19	1,317.19	1,470.56	100%	EUROS
			Securities deposit	BBVA Banco Francés S.A.	Concordia	Argentina		6,149.72	5,577.60	100%	ARG
		BBVAESMM	ES5701826204542012468030	BANCO FRANCES	Seville	Spain	24-3-20	199,197.70	579,150.43	100%	USD
	CBU	BFRPARBAXXX	0170068820000032207396	BBVA Banco Francés S.A.	Concordia	Argentina	1-5-23	1.18	2.28	100%	ARG
		BBVAESMM	ES8801826204560201546244	BANCO FRANCES	Seville	Spain	24-3-20	5.07	5.66	100%	EUROS
N&C Boost, NV	IBAN	GKCCBEBB	BE49552273940071	Belfius Bank	Antwerp	Belgium	2-5-96	1,124,845.17	1,136,291.96	100%	EUR
	IBAN	GKCCBEBB	BE12055950094292	Belfius Bank	Antwerp	Belgium	2-5-96	0.00	0.00	100%	EUR
Reiskontor Handels, GMBH	IBAN	COBADEFFXXX	DE70200400000621701200	Commerzbank AG	Hamburg	Germany	1-7-01	28,711.27	20,352.47	100%	EUR
Rice&Cereals Consultancy, BV	IBAN	KREDBEBB	BE28738107281820	KBC Bank NV	Brussels	Belgium		317,259.87	292,114.24	100%	EUR

COMPANY	A/C ID CODE	BIC CODE	ACCOUNT CODE	BANK	BRANCH	COUNTRY OF LOCATION OF BANK	DATE OPENED	BALANCE AT 31-12-2023 (€)	AVERAGE BALANCE LAST QUARTER (€)	% INTEREST	CURR.
Riceland Magyarorszag	IBAN	CITIHUHX	HU96 10800007 54873009	Citibank	Budapest	Hungary	13-4-06	485,592.65	350,707.71	100%	HUF
	IBAN	CITIHUHX	HU09 10800007 64873017	Citibank	Budapest	Hungary	13-4-06	0.00	0.00	100%	EUR
Risella OY	IBAN	CITIFIHX	FI9571307001700049	Citibank Int. Plc Finland	Helsinki	Finland	23-5-06	0.00	0.00	100%	EUR
Rivera del Arroz, S.A.	Other	BMCEMAMCXXX	011735000003210006072 8.48	BANK OF AFRICA	Larache	Morocco	2002	1,963.46	3,934.86	100%	MAD
SBS Commodities, BV	IBAN	ABNANL2A	NL34ABNA0240369440	ABN AMRO Bank NV	Amsterdam,	Netherlands	11-3-10	9,740.32	9,129.57	100%	EUR
Suntra Rice BV	IBAN	ABNANL2A	NL56ABNA0240369432	ABN AMRO Bank NV	Amsterdam,	Netherlands	11-3-10	10,198.58	9,690.19	100%	EUR
S&B Herba Foods, Ltd.	IBAN	CITIGB2L	GB04CITI18500811230026	CITIBANK NA	London	UK	6-2-06	0.00	0.00	100%	GBP
	IBAN	CITIGB2L	GB06CITI18500811229990	CITIBANK NA	London	UK	6-6-12	0.00	0.00	100%	EUR
	IBAN	CITIGB2L	GB18CITI18500811247913	CITIBANK NA	London	UK	6-2-06	0.00	0.00	100%	USD
	IBAN	BARCGB22	GB66BARC20000020118044	BARCLAYS BANK	London	UK	1-4-92	541,336.00	186,487.00	100%	GBP
	IBAN	BARCGB22	GB42BARC20000085332255	BARCLAYS BANK	London	UK	1-10-98	0.00	0.00	100%	EUR
	IBAN	BARCGB22	GB19BARC20000086447199	BARCLAYS BANK	London	UK	1-4-92	0.00	0.00	100%	USD
TAG Nahrungsmittel, GMBH	IBAN	COBADEFFXXX	DE12200400000623705100	Commerzbank	Hamburg	Germany	1-8-11	14,996.08	7,094.53	100%	EUR
TBA Suntra Beheer B.V.	IBAN	ABNANL2A	NL25ABNA0240369408	ABN AMRO Bank NV	Amsterdam,	Netherlands	11-3-10	1,188.68	1,209.14	100%	EUR
TBA Suntra B.V.	IBAN	ABNANL2A	NL59ABNA0240369378	ABN AMRO Bank NV	Amsterdam,	Netherlands	11-3-10	3,488.41	3,603.67	100%	EUR
	IBAN	ABNANL2A	NL11ABNA0242125360	ABN AMRO Bank NV	Amsterdam,	Netherlands	1-4-11	5,358.02	5,358.02	100%	USD
	IBAN	CITINL2X	NL62CITI0266064698	CITIBANK NA	Amsterdam,	Netherlands	21-2-12	0.00	0.00	100%	EUR
	IBAN	CITIGB2L	GB88CITI18500813090817	CITIBANK NA	London	UK	21-2-12	0.00	0.00	100%	USD
Transimpex Warenhandelsgesell-Schaft, GmbH	IBAN	COBADEFFXXX	DE70 5454 0033 0703 0075 00	Commerzbank AG	Ludwigshafen	Germany	1-10-17	2,908,564.86	3,118,632.89	100%	EUR
	IBAN	SOLDAES1HDB	DE47 6725 0020 0009 1217 22	Sparkasse	Heidelberg	Germany	1-7-08	652,014.85	1,912,242.38	100%	EUR
	IBAN	COBADEFF545	DE14 5454 0033 0209 9901 00	Comerzbank AG	Ludwigshafen	Germany	1-3-06	2,978,946.35	1,073,071.96	100%	EUR
	IBAN	GENODE61MA2	DE11 6709 0000 0015 1800 05	VR Bank Rhein-Neckar eG	Mannheim	Germany	1-3-96	14,331.02	16,808.59	100%	EUR
	IBAN	HYVEDEMM489	DE40 6702 0190 0007 0683 28	Hypo Vereinsbank	Mannheim	Germany	1-6-99	732,649.28	2,278,794.61	100%	EUR
	IBAN	HYVEDEMMXXX	DE03 7002 0270 0874 3304 42	Hypo Vereinsbank	Mannheim	Germany	1-10-99	510,515.79	264,499.60	100%	USD
	IBAN	HYVEDEMM489	DE90 6702 0190 0030215605	Hypo Vereinsbank	Mannheim	Germany	1-4-21	3,341.66	3,341.66	100%	GBP
Vogan, LTD	IBAN	BARCGB22	GB23BARC20748190929786	BARCLAYS BANK	Sandy	UK	1-6-87	0.00	0.00	100%	GBP

5.2
Management Report

Ebro Foods, S.A.

Management report for the year ended December 31, 2023

MANAGEMENT INFORMATION AND BUSINESS PERFORMANCE

1. COMPANY SITUATION

ORGANISATIONAL STRUCTURE AND BUSINESS MODEL

The Ebro Foods Group ("Ebro Foods", the "Group" or the "Ebro Group") is Spain's largest food group, the world's largest rice company and a globally well-positioned producer of premium and fresh pasta, with leadership positions in its operating markets. Through its network of more than 34 subsidiaries, it has a commanding presence in the main rice and pasta markets in Europe, North America and Southeast Asia, as well as a growing presence in other countries.

The Ebro Group's core mission is to research, create, produce and market value-adding food products that, in addition to satisfying its customers' nutritional needs, enhance their well-being and health, all of which framed by a transparent, efficient and sustainable business model.

The Group's model is multi-company, multi-country and multi-brand. Its culture is accordingly characterised by decentralisation, giving each subsidiary autonomy in certain managerial areas such as sales and marketing, logistics, procurement, human resources and environmental management; each company's business focus is nuanced by country specifics in terms of idiosyncratic customs, culture, legislative context, etc. At the helm is the Parent, Ebro Foods, S.A., which is endowed with a light and dynamic structure and tasked with defining overall Group structure and management guidelines. Decision-making is spearheaded by the Parent's Board of Directors.

The Ebro Foods Group structures its management around business areas that combine business activities and their geographic location. The core business areas are:

a. Rice business: the production and distribution of rice and its culinary derivatives and accompaniments. It consists of industrial and branding activities; the Group pursues a multi-brand model. Its geographic footprint extends to (i) Europe, the Mediterranean basin, the Gulf of Guinea, the Southern Cone and Southeast Asia, via the Herba Group companies and Lustucru Riz; and (ii) and North and Central America, the Caribbean and Middle East (via the Riviana Group).
b. The premium and fresh pasta business: includes the production and sale of fresh pasta and high-end dry pasta. The fresh pasta business is carried on by Ebro Lustucru Premium Group in France and Benelux, the Bertagni Group in multiple markets and the Riviana Group, through the Olivieri brand, in North America. The premium dry pasta business is led by Garofalo (Italy and the rest of the world).

In both businesses, framed by the Group's commitment to using food to promote good health, nearly all of the brands' portfolios include healthy, bio and organic ranges.

As noted above, decision-making is spearheaded by the Board of Directors of the Group Parent (Ebro Foods, S.A.), which is ultimately responsible for defining the Group's general strategy and management guidelines.

The Board of Directors delegates certain tasks in its Executive Committee, including, notably, oversight of delivery of the strategic and corporate development guidelines.

The Management Committees of the subsidiaries (on which the heads of the various business areas and the CEO and COO sit) are tasked with monitoring and preparing the managerial decisions taken by the various business areas. The Annual Corporate Governance Report contains detailed information about the Group's governance structure.

Production of the products sold by the Group relies heavily on the use of rice and durum wheat, although new grains such as potato flakes, pulses, quinoa and other 'ancient grains' are gradually being added to the mix.

Rice is the most widely-eaten grain in the world; however, as some of the world's largest producers consume more of this grain than they produce (China, Philippines and Indonesia), the global rice trade is smaller than that of other grains and cereals. The sources of the rice sold by Ebro vary depending on the type of grain and quality/abundance of rice harvests. Supply sources can be grouped into four major regions which produce different varieties of rice: the US, south of Europe, Southeast Asia and Argentina, the latter used to reduce seasonality in the procurement of certain European varieties and generate a significant source of organic rice.

Premium pasta is produced from a type of wheat that is high in protein called durum wheat. Durum wheat is produced in a far smaller geographic expanse and has a much smaller market than other varieties of wheat, essentially those used to make flour. Ebro mainly sources its durum wheat in the US, Canada and southern Europe (France, Spain and Italy).

It purchases this raw material from farmers, cooperatives and milling companies. Then at the Group's facilities it is milled and/or transformed as necessary. The productive processes differ depending on the product's end use and range from cleaning, milling, polishing and basic extrusion to more complex processes such as pre-cooking, cooking and freezing.

The Group's direct customers are: (i) the leading food retailers; (ii) the major food multinationals (which use our products as the basis for their prepared products); and (iii) a plethora of hospitality businesses. Despite the fact that they are not usually direct customers, consumers nevertheless play a prominent role in how the Group positions its business.

The Ebro Group operates a portfolio of 81 brands which it sells in 63 countries. It has a manufacturing and sales presence in 16 of those markets. In the remaining 47 it has a sales presence only. Its manufacturing operations encompass a total of 80 facilities, including factories, offices and warehouses.

List of countries with a sales and manufacturing presence

Germany	Denmark	Argentina	Italy
Belgium	Spain	France	Morocco
Cambodia	US	Netherlands	Portugal
Canada	Thailand	India	UK

List of countries with a sales presence only

Angola	Costa Rica	Hungary	Libya	Saint Martin
Saudi Arabia	Cuba	Ireland	Lithuania	South Africa
Algeria	Curacao	Iceland	Mozambique	Sweden
Austria	Egypt	US Virgin Islands	Oman	Switzerland
Bahamas	United Arab Emirates	Israel	Panama	Togo
Bahrain	Estonia	Jamaica	Peru	Yemen
Bermuda	Finland	Japan	Puerto Rico	Yemen
Brazil	Ghana	Jordan	Qatar	
Chile	Greece	Kuwait	Czech Republic	
Colombia	Haiti	Lebanon	Romania	

Note 6 of the accompanying annual consolidated financial statements (*Segment reporting*) overviews the key activities, brands and market shares of each business area.

STRATEGY AND VALUE CREATION

The Group's strategic objective is to be a benchmark player in the rice, fresh pasta, premium dry pasta and healthy grains markets and in other cross-cutting segments with convenience in common. Framed by this strategy, the Group's strategic objectives include:

* Building strong positioning in its core markets, keeping the door open to the introduction of complementary products.
* Cementing its position as a benchmark business group across its various businesses, leading the markets in which the Group sees potential.
* Spearheading innovation in the geographies in which it is present.
* Positioning the Group as a responsible firm committed to social well-being, environmental equilibrium and economic progress.

In order to execute and fine-tune its strategy, the Group is pursuing a series of general lines of initiative and leveraging growth drivers in order to add value to the business and further the organisation's commitment to sustainable development.

Governing principles

* Fostering ethical management based on good governance practices and fair play.
* Complying with prevailing legislation, at all times taking a preventive approach. We strive to minimize risks, not only economic risks but also legal, social and environmental risks, including tax risks.
* Generating returns on our investments while guaranteeing the operational and financial solidity of our business activities. Nurturing our profitability as one of the tenets for the ongoing sustainability of the organisation and the multiple stakeholders that engage directly and indirectly with it.
* Generating a labour relations framework that is propitious to learning and personal and professional development, respects the equal opportunities principle and promotes diversity and a safe and healthy workplace.
* Rejecting any form of abuse or violation of the fundamental and universal rights, in keeping with international law and practices.
* Promoting a mutually beneficial relationship with the communities in which the Group is present, which means being sensitive to their culture, context and needs.

* Satisfying and anticipating the needs of our customers and of our end consumers by offering a broad portfolio of products under the premise of healthy and differentiated food options.
* Articulating the organisation's processes, activities and decisions not only around profit generation but also environmental and community protection, responsible use of our natural resources and the preservation of biodiversity.
* Communicating responsibly, accurately and transparently with our stakeholders by establishing stable communication channels and providing them with thorough, accurate and relevant information about the Group's activities in a timely and transparent manner.

To achieve its strategic growth and sustainable leadership objectives and ensure compliance with the above guiding principles, the Group pursues the following lines of initiative:

1. Searching for organic and M&A-led growth in markets with high consumption levels and/or high growth potential.
    * Identifying and developing new markets and product categories with a strategic focus on new fresh products, convenience products and new and more value-added ingredient ranges.
    * Developing products that offer a fuller culinary experience by adding new formats, flavours and meal solutions.
    * Leading in mature markets by focusing strategically on product and service quality-based differentiation. Expanding and spearheading the premium category by leveraging the huge potential implicit in our flagship brands.
    * Expanding our geographic footprint and rounding out of the product/country matrix:
        - Searching for business opportunities in mature markets with business profiles similar to that of Spain and in niche markets that enable the Group take a qualitative step forward in its strategy of shifting away from its generalist positioning to positioning as a multi-specialist (individual solutions).
        - Expanding its presence in new business segments in existing markets and in high-growth markets.

2. Product differentiation and innovation. The product development strategy is structured around two articulating lines of initiative:
    * Research and development (R&D): proprietary R&D centres. The organisation's investment policy is designed to foster the crystallisation of new ideas and consumer needs into tangible solutions for its customers and end consumers.
    * The Group aims to have the leading brands in their respective segments, underpinned by the required advertising budgets.

3. Low risk exposure. The Ebro Group's attitude towards shifts in its consumer and financial markets is marked by a strong commitment to continuous adaptation and long-term sustainability.

    To this end it seeks: (i) balanced sources of recurring income (markets, currencies); (ii) low leverage in order to withstand episodes of financial turbulence; (iii) new sources of supply; and (iv) long-term relationships with its stakeholders (customers, suppliers, governments, employees, society).

4. Implementation of sustainability criteria throughout the entire supply chain ('from the fields to the table'). Framed by our commitment to managing the business sustainably and responsibly, we are working to integrate sustainability criteria into all of our operations and strategic decisions. To that end, the Group's Sustainability Plan, HEADING TOWARDS 2030, guides our actions all along the value chain, from production to the consumer experience. HEADING TOWARDS 2030 focuses on three main lines of initiative:

* **People.** We are implementing plans specifically designed to foster our professionals' well-being at work by committing strategically to continuous learning and career development in order to retain talent, while seeking out novel ways of achieving work-life balance, flexibility, equality, inclusion, diversity and occupational health and safety. Within this line of action, the Group is also backing a number of programmes and initiatives designed to foster respect for human rights, social well-being, equal opportunities, education and socio-economic progress in its business communities.
* **Health and well-being.** Our commitment to the promotion of healthy materialises in a broad range of healthy, natural and differentiated products that help consumers follow healthy diets and lifestyles, while enjoying what they eat. The R&D Department's work is guided by these aims and the brands' various communication channels focus their messaging on healthy habits and creative ways of eating by means of recipes, blogs and advertising campaigns.
* **Our planet.** In order to preserve and protect the environment, we are working actively to minimize our impact by addressing our own productive processes as well as our logistics and supply operations. Specifically, we are collaborating with different stakeholders on sustainable farming programmes, paying particular attention to mitigating and adapting for the effects of climate change and we are going to lengths to reduce our carbon footprint, by fostering energy efficiency measures, embracing clean energy and pursuing a number of initiatives designed to ensure the Group's transition to a circular economy model, such as making our packaging recyclable, replacing plastics, actively managing food waste and recovering waste.

2. BUSINESS PERFORMANCE AND RESULTS

GENERAL BACKDROP

The economy performed better than initially expected in 2023. Growth did slow and there are still significant spots of inflation but the global economy avoided the dreaded stagflation and proved more resilient than anticipated. Existing geopolitical tensions (war in Ukraine) continued and were joined by new conflicts in the Middle East. Nevertheless, the job markets held up better than expected and the last savings buffers set aside by consumers during the pandemic, coupled with elimination of the bottlenecks created by the latter, gave global GDP growth a small boost.

The global economy is estimated to have expanded by 2.6% in 2023, performing unevenly from one economy to the next. The US beat all forecasts, delivering growth of 2.5%, compared to 1.9% in 2022, whereas growth in the European Union fell to 0.4% (2022: 3.4%), dragged down by the German economy, which contracted by 0.3%.

The slowdown in growth qualified as the sought-after "soft landing", having controlled the worst of the surge in inflation in 2022. The main central banks, led by the Fed, persisted in raising rates until the summer, at which point they decided to pause their tightening for fear of provoking a recession.

The indicators out so far for 2024 suggest that the advanced economies continue to move at different speeds: production data, consumer confidence and employment point to hesitation in the eurozone, in contrast with strong momentum in the US, in line with the trend observed towards the end of 2023.

CONSUMER TRENDS

With the pandemic behind us, some of the consumer trends it sparked (surge in e-commerce) remain with us, although the pace of transformation is slowing. Nevertheless, new events continued to shake the market - war in Ukraine, rampant inflation, the crisis in the Middle East - creating a sense of instability.

Inflation gave the hard discounters and private label brands a bigger share of the retail pie, marked by a growing number of sales outlets and increasing market share. This trend makes it virtually impossible to aspire to a presence at 100% of the retailers and current market sentiment makes it hard to defend prices.

Hospitality consumption has fully recovered. Despite inflation, the need to socialise, a hedonistic spirit and a taste for convenience continue to surmount budget restrictions.

The general trends pivot around:

Personalisation of the consumer experience, sustainability, health, pleasure and price

Consumer decision-making power has increased. Consumers have more information at their fingertips, more comparison tools and they are willing to pay to feel identified with products that satisfy their desires.

A number of desires are coming into play when shopping: products need to be healthy but also convenient and high quality. In parallel, demand for sustainable products is growing, little by little.

Social changes

Although we are seeing many changes, price remains the key driver of spending decisions.

a. Demographic changes. The older generations have more power. The ‘baby boomers’ have transformed this segment of the population, which currently has greater purchasing power and different aspirations and needs (exercise and health) from those traditionally associated with this age group. At the same time, the younger generations (Gen Z) feed themselves very differently than their elders.
b. Reduction in the number of household members and constant growth in single-person households; new formats and product and service personalisation.
c. The new generations are paying more attention to their surroundings, sustainability and the environment, but they are not willing to pay a lot more for those attributes.
d. Increased mobility and migration in many developed countries, which is introducing new tastes and ways of cooking.

New channels and services

a. Online shopping and connectivity (possibility of shopping with traditional players that can offer user-friendly service, short delivery times, etc.).
b. Growth in the use of neighbourhood supermarkets, where consumers shop more frequently, and specifically the use of convenience stores (24-7, alliances with petrol stations and other places of transit).
c. Consolidation of virtual players such as Amazon and the emergence of new players in the retail market driven by the latest trends in consumption and the use of technology.
d. New ways of cooking and eating (ordering in, vending machines, snacking instead of sitting down to eat, etc.).

All these changes imply challenges for the retail sector and food producers: it is vital to elevate the point of sale, whether physical or digital, to the heart of strategy. Correct visibility and assortment are key success factors.

The technology revolution has radically changed how brands are communicated. From the message to the medium. The emergence of influencers as a channel and of recommendations as a strategy have also changed how brands are managed. Advertising budgets are moving online, currently accounting for more than 50% of the Group's campaigns. Lastly, the advent of artificial intelligence is set to imply a new revolution across the board.

GEOPOLITICAL SITUATION: CONFLICT IN THE MIDDLE EAST AND WAR IN UKRAINE

More than two years on from the invasion of Ukraine by the Russian Federation on February 24, 2022, global uncertainty remains high. Since October 2023, the conflict between Israel and some of the regions around it has further undermined geopolitical stability and added more uncertainty to the financial and energy markets.

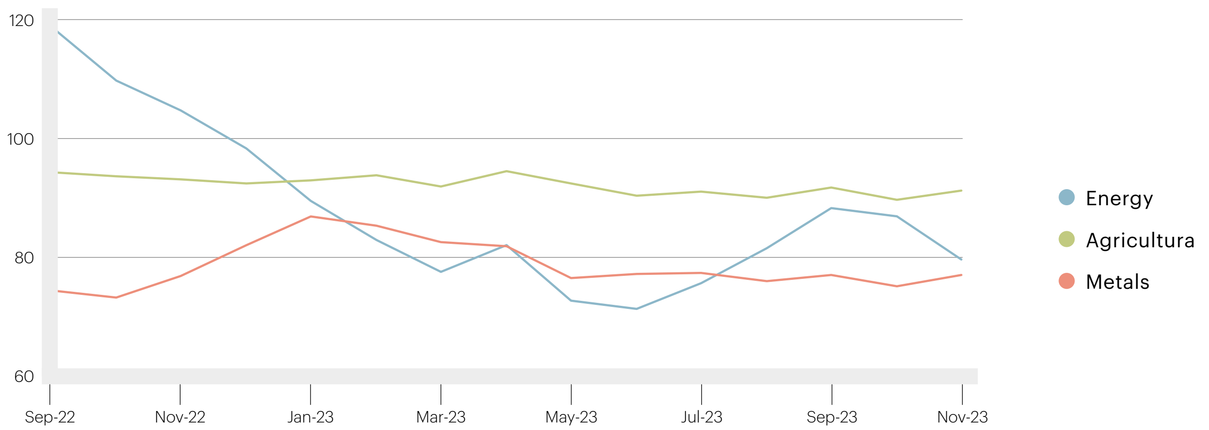
The difficulty in predicting how these conflicts will play out and their obvious geopolitical implications mean that it is not currently possible to reliably estimate what potential impact the denouement of the conflicts and the international response to them could have on the Group's businesses. These situations continue to affect the availability and prices of certain commodities (those in which Russia and Ukraine are leading global producers and exporters, such as wheat and sunflower oil), the price of energy and other essential products and exchange rates.

It is worth pointing out that the Ebro Group has proven particularly resilient in the face of such dramatic events. Thanks to the characteristics of the products it makes and sells and its geographic footprint, neither the value of its assets nor its ability to generate free cash flow suffered a material impact beyond the effects of the general economic situation.

COMMODITY MARKETS AND TRANSPORTATION

Despite the geopolitical conflicts commented on above, the prices of the main commodities continued to trend lower in 2023 due to a drop in demand, albeit remaining above pre-pandemic levels.

Commodity prices. Rebased 100 = February 2022



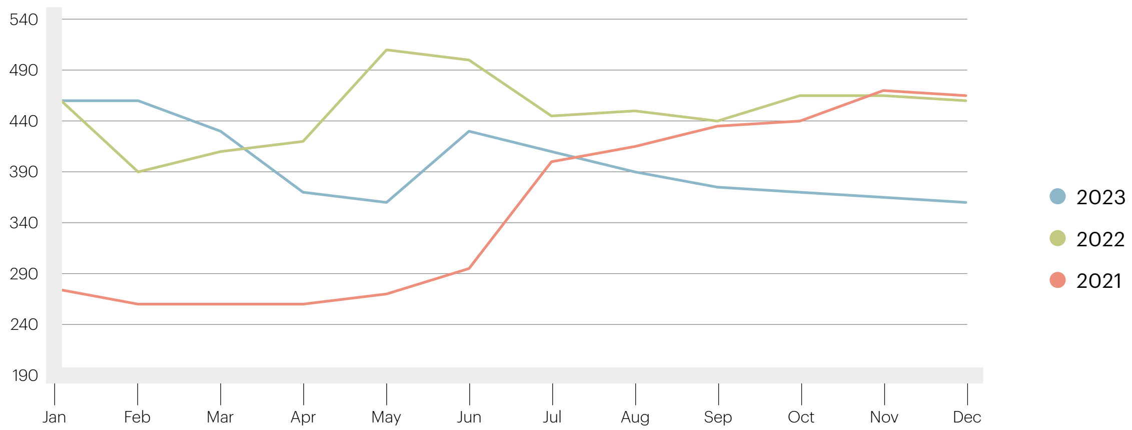
Source: World Bank

Energy prices, particularly oil prices, corrected considerably as demand in the main developed economies and China slumped on the back of lower growth. As a result, those economies were able to keep their gas reserves at over 90% of capacity. From the second half of the year on, oil prices were highly volatile as a result of announced production cuts by OPEC+ and the tensions unleashed in the Middle East.

Agricultural commodity prices trended lower in general, easing 9% for the year thanks to strong harvests and a modicum of stability around the conflict in Ukraine, which involves some of the world's largest producers. That downward trend contributed to a slight let-up in the food price index, although prices remained at historically high levels. Inflation, and the efforts made to curb it, triggered conflicts among the main market players (producers, industry and retailers) and governments, concerned about the higher cost of food staples.

Following an abundant and good quality 2022/23 harvest, durum wheat prices trended lower in 2023, ticking slightly higher for a time at the start of the 2023/24 out of fear of a poor harvest in Canada (the world's top exporter). Weakness across the main producer countries was partially offset by an abundant crop in Turkey, which has emerged as the world's second-largest exporter of durum wheat. Nevertheless, prices remain significantly above the average for the last 10 years and carryover stocks remain at record lows.

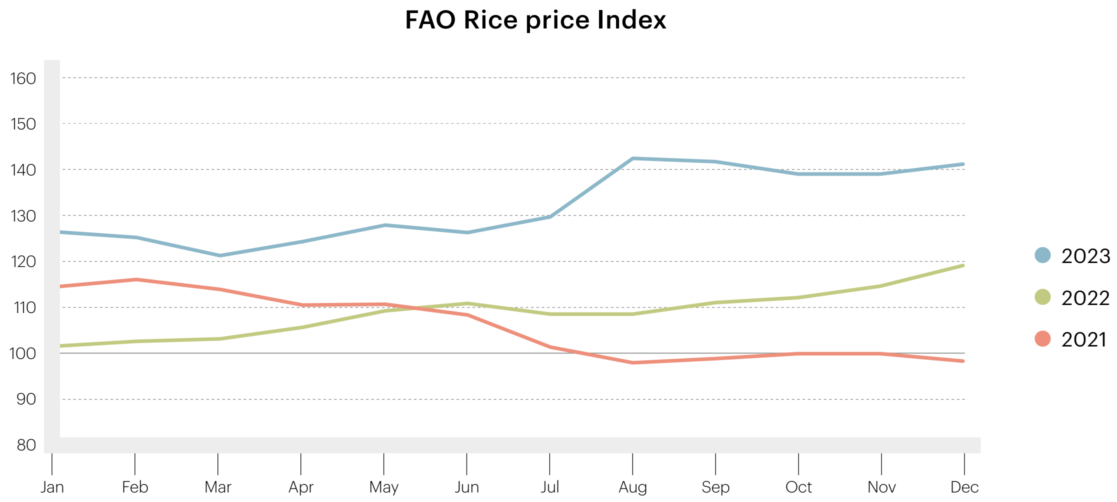
Durum wheat prices, €/MT



Source: Terre.net and Ebro data

In contrast to the generalised downtrend in the prices of the agricultural commodities of greatest importance to global trade, and specifically within the grains category, rice prices increased by an average of 21% in 2023, even though the global harvest was as strong as in recent years. The main catalyst for the price increases were the restrictions placed on exports by certain producers in Southeast Asia driven by: i) fears about the effects of El Niño on the new harvests; ii) inflationary pressures on inputs; and iii) the alarm caused by the growth in the prices of staple foods in less developed economies.

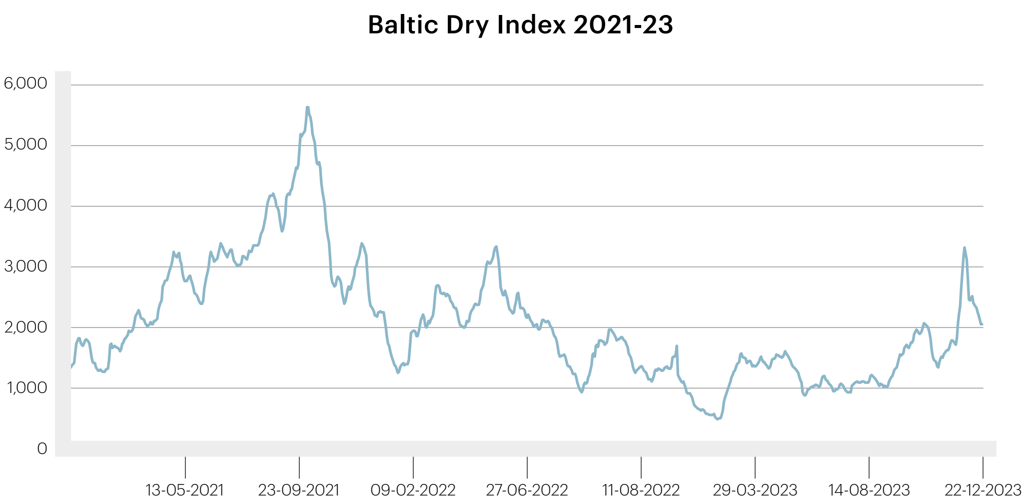
The chart below depicts the trend in the FAO international farm-gate rice price index for the last three years, showing an average for the most popular varieties of this grain.



Source: FAO

The 2022/23 rice harvest was strong once again. According to data published by the Food and Agriculture Organisation (FAO), production was an estimated 521 million tonnes of white rice equivalent, slightly below the previous harvest (526 million tonnes). The forecast for 2023/24 is for a further increase to 525 million tonnes but prices remain tight, albeit varying by variety: Indica rice prices have been trending higher and fragrant and long-grain American rice prices have been trending lower in recent months.

Lastly, shipping costs, which have a significant impact on the cost of rice sourced from Southeast Asia, were pretty volatile, having hit lows in early 2023 (refer to the chart below), as a result of two developments: i) the drought affecting the area around the Panama Canal, forcing a reduction in traffic via this route; and ii) conflict in the Persian Gulf, forcing route changes at the end of the year.



Source: Baltic Dry Index

GROUP EARNINGS PERFORMANCE

The Group's key financial indicators are presented below:

STATEMENT OF PROFIT OR LOSS (000€)		2021	2022	2022/2021	2023	2023/2022	CAGR 2021-2023
Revenue		2,427,068	2,967,672	*22.3%*	3,084,457	*3.9%*	***12.7%***
Advertising		(75,474)	(77,161)	*(2.2%)*	(86,314)	*11.9%*	***6.9%***
	As a % of revenue	*(3.1%)*	*(2.6%)*	*(2.2%)*	*(2.8%)*		
EBITDA-A		301,860	334,622	*10.9%*	387,171	*15.7%*	***13.3%***
	As a % of revenue	*12.4%*	*11.3%*		*12.6%*		
EBIT-A		207,295	233,599	*12.7%*	284,297	*21.7%*	***17.1%***
	As a % of revenue	*8.5%*	*7.9%*		*9.2%*		
Profit before tax		198,731	185,807	*(6.5%)*	273,857	*47.4%*	***17.4%***
	As a % of revenue	*8.2%*	*6.3%*		*8.9%*		
Income tax		(53,512)	(50,242)	*6.1%*	(68,846)	*37.0%*	***13.4%***
	As a % of revenue	*(2.2%)*	*(1.7%)*		*(2.2%)*		
Profit for the year from continuing operations		145,219	135,565	*(6.6%)*	205,011	*51.2%*	***18.8%***
	As a % of revenue	*6.0%*	*4.6%*		*6.6%*		
Profit after tax from discontinued operations		105,027	(917)	*(100.9%)*		*(100.0%)*	***(100.0%)***
	As a % of revenue	*4.3%*	*0.0%*				
Profit attributable to equity holders of parent		238,629	122,059	*(48.8%)*	186,964	*53.2%*	***(11.5%)***
	As a % of revenue	*9.8%*	*4.1%*		*6.1%*		

STATEMENT OF FINANCIAL POSITION (000€)	31-12-21	31-12-22	2022/2021	31-12-23	2023/2022
Equity	2,101,627	2,164,438	*3.0%*	2,185,159	*1.0%*
Net debt	504,723	762,635	*(51.1%)*	570,404	*25.2%*
Average net debt	865,418	645,809	*25.4%*	657,683	*(1.8%)*
Leverage **(3)**	*41.2%*	*29.8%*		*30.1%*	
Total assets	3,938,622	3,900,216	*(1.0%)*	3,871,565	*(0.7%)*

	12-12121	31-12-22	2022/2021	31-12-23	2023/2022
Average working capital	662,058	925,501	*(39.8%)*	942,499	*(1.8%)*
Average capital employed	2,060,319	2,228,932	*(8.2%)*	2,255,729	*(1.2%)*
ROCE **(1)**	10.1	10.5		12.6	
Capex **(2)**	120,035	118,808	*(1.0%)*	141,670	*19.2%*
Average headcount	6,440	6,293	*(2.3%)*	6,323	*0.5%*

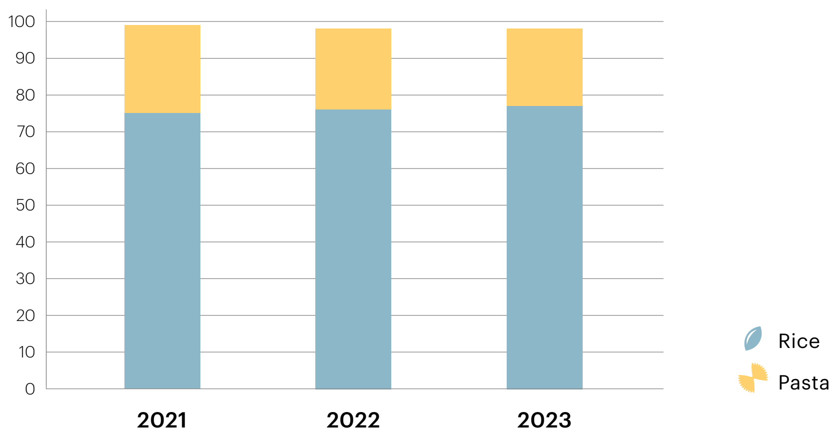
(1) ROCE-A = Average profit after D&A but before tax for the last 12 months excluding extraordinary/non-recurring items) divided by average capital employed
(2) Capex: cash outflows for investment purposes, of which 11 (2021) million correspond to discontinued operations
(3) Leverage = Ratio of average net interest-bearing debt to equity (excluding non-controlling interests)

In keeping with the International Financial Reporting Standards, the results of the dry pasta business in France until the sale of that business closed in 2021 and the net gain recognized on that sale were presented within discontinued activities on the consolidated statement of profit or loss for that year and the prior reporting period. The information provided in this management report reflects that circumstance, unless expressly stated otherwise.

Group **revenue** increased by 3.9% from 2022, implying average annual growth over the last three years of 12.7%. That growth was driven mainly by the gradual price increases pushed through in 2022 in response to the increased cost of the Group's main raw materials. The new prices, subject to slight adjustments in the form of promotions and discounts, benefitted revenue for all of 2023. The sale of Roland Monterrat in June 2022 reduced revenue by approximately 28 million euros, while exchange rate trends reduced the topline by 30 million euros.

The breakdown of revenue and the year-on-year trend by business line is as follows:

Business segments



The split by business segment was stable. The rice business accounted for 77% of the total. By destination, approximately 34% of sales were generated in North America with the UK and Italy commanding growing shares thanks to momentum around the Tilda (rice) and Garofalo (pasta) brands.

EBITDA-A increased by 15.7% in 2023 (average annual growth of 13.3%) and the margin recovered on the back of the price increases. EBITDA-A includes 4.7 million euros of negative exchange rate effects.

Earnings momentum was very positive across all line items, clearly outperforming recent years. 2023 marked a year of record earnings in all business lines on a like-for-like basis (without considering the net profits of discontinued operations).

That earnings record came despite the run-up in the price of rice and other relevant materials such as potato flakes and dairy derivatives (mitigated in part by the easing in durum wheat prices) and in other major cost categories, including energy and logistics.

Profit before tax registered annual growth of 47.4%. 2022 earnings were negatively affected by the sale of Roland Monterrat (refer to note 5 of the accompanying consolidated financial statements) and exchange losses.

Profit after tax from discontinued operations includes the net profit of the activities classified as discontinued and the gains recognized (in 2021) on the sale of the dry pasta businesses in North America and France.

ROCE-A (not restated) improved from prior years thanks to the growth in earnings. The reduction in the working capital requirement sustained in the second half of 2023 has still to fully impact the averages used in this calculation.

STATEMENT OF FINANCIAL POSITION, NET DEBT AND CAPITAL EMPLOYED METRICS

The movements in debt (for the definitions, refer to the end of the management report) are mainly attributable to:

a. Strong cash generation in 2023, thanks to record earnings and a reduced working capital requirement in the second half of the year.
b. The impact of inflation on the working capital requirement in 2022.
c. The sale of the dry pasta businesses in North America and France in 2021 and the payment of an extraordinary dividend that year.

As for working capital and capital employed, the main factors shaping the trend in these indicators were the high inflation and logistics problems encountered in 2021 and 2022, which increased both magnitudes considerably until things returned to normal in the second half of 2023.

In order to properly understand the Group's working capital requirement and how it is funded, it is important to analyse the factor with the biggest impact on these headings: the volume and measurement of Group inventories. Inventory volumes are sharply cyclical, moving in tandem with rice and wheat harvests (particularly the rice harvest for which the inventory cycle is longest). More specifically, inventory volumes are at their lowest at the end of the rice season (end of summer) and at their highest at the end of each year and start of the next, after the various purchase contracts have been arranged for the new season.

That cyclicality makes it advisable to use 13-month moving averages to calculate certain alternative performance measures (APMs). Note that neither these APMs nor the ROCE have been corrected retrospectively for the Group's exit from certain business segments in 2021.

RICE BUSINESS

STATEMENT OF PROFIT OR LOSS (000€)		2021	2022	2022/2021	2023	2023/2022	CAGR 2021-2023
Revenue (*)		1,858,919	2,329,486	*25.3%*	2,443,719	*4.9%*	***14.7%***
Advertising (*)		(43,789)	(53,898)	*(23.1%)*	(56,890)	*5.6%*	***14.0%***
	As a % of revenue	*(2.4%)*	*(2.3%)*		*(2.3%)*		
EBITDA-A (*)		247,680	289,830	*17.0%*	310,988	*7.3%*	***12.1%***
	As a % of revenue	*13.3%*	*12.4%*		*12.7%*		
EBIT-A (*)		189,087	222,664	*17.8%*	242,950	*9.1%*	***13.4%***
	As a % of revenue	*10.2%*	*9.6%*		*9.9%*		
Capex (*)		74,246	71,152	*(4.2%)*	100,122	*40.7%*	***16.1%***

(*) Having sold the dry pasta business in France, the operations and earnings of the rice business in that country, which had been included under the pasta segment until 2021, have been reclassified to the rice business for all reporting periods covered.

Despite the fact that the rice harvest remained generous, the prices of the Indica varieties increased successively due to the export restrictions imposed by India, which in recent years has been the largest exporter of rice. Those restrictions, which remain in place, affect non-basmati white and broken rice. India also levied a minimum price on basmati rice exports to prevent a loophole around the restrictions on the other varieties.

Spanish production continued to be affected by the drought and watering restrictions on rice-growing in the Guadalquivir basin, which the Group circumvented by increasing procurement from other parts of Spain and other international rice markets, very notably from Argentina.

In the US, the trend shifted, with the planted acreage increasing after years of shrinkage. That increase was particularly noteworthy in Arkansas and California (where the Group has a presence since it acquired InHarvest), where production increased by 30% and 101%, respectively, from 2022.

US harvest prices

$/CWT	23/24 (*)	22/23	21/22	20/21	19/20
Average price	17.8	19.2	16.1	14.4	13.6
Long grain	16	16.7	13.6	12.6	12
Medium grain	23.3	29.4	24.8	20.1	17.8

(*) Estimade
August-July
(Source: USDA)

Revenue from sales increased by 4.9%, thanks to the full-year effect of the price increases, which have since been adjusted slightly in some products where farm-gate prices have eased. Volumes were flat, losing a small amount of share to private-label brands in the less sophisticated products. The healthy trend in sales volumes reflects an astute pricing policy as a result of individual product / customer analysis.

Elsewhere, the Group continues to focus strategically on the products that are leading the market's growth: quality fragrant varieties and quick-to-prepare formats, by: i) adding production capacity in the US and Europe; ii) constant product and recipe innovation; and iii) service excellence.

EBITDA-A increased by 7.3% from 2022, despite negative exchange rate effects of 4.1 million euros. That growth came about despite a significant increase in advertising and channel marketing expenditure designed to fine-tune the price increases.

In addition to the pass-through of higher rice costs to end sales prices, profits also benefitted from a more favourable trend in other inputs, including energy and logistics costs, the latter of growing importance with respect to a considerable portion of the volume of rice sold.

The business's higher contribution to EBITDA-A was concentrated, in order, in the US, UK, Spain and the rest of the EU, although the weight of developing markets is growing.

Capex increased, reflecting: (i) the strategic commitment to higher-growth business lines (microwaveable rice in the US and Spain); (ii) productivity gains in packaging; and (iii) the commitment to using renewable sources of energy (new photovoltaic plants) and alternative sources of supply (expansion of the Argentine facilities).

PASTA BUSINESS

STATEMENT OF PROFIT OR LOSS (000€)		2021	2022	2022/2021	2023	2023/2022	CAGR 2021-2023
Revenue **(*)**		590,781	651,545	*10.3%*	652,220	*0.1%*	***5.1%***
Advertising **(*)**		(33,181)	(24,904)	*24.9%*	(31,521)	*26.6%*	***(2.5%)***
	As a % of revenue	*(5.6%)*	*(3.8%)*		*(4.8%)*		
EBITDA-A **(*)**		68,825	58,478	*(15.0%)*	90,435	*54.6%*	***14.6%***
	As a % of revenue	*11.6%*	*9.0%*		*13.9%*		
EBIT-A **(*)**		34,447	26,330	*(23.6%)*	57,261	*117.5%*	***28.9%***
	As a % of revenue	*5.8%*	*4.0%*		*8.8%*		
Capex **(*)**		45,266	46,222	*2.1%*	40,416	*(12.6%)*	***(5.5%)***

(*) Having sold the dry pasta business in France, the operations and earnings of the rice business in that country, which had been included under the pasta segment until 2021, have been reclassified to the rice business for all reporting periods covered for enhanced comparability.

Durum wheat prices trended lower all year long, shaped by a better 2022/23 harvest. The improvement in the cost of this business's main raw material (which remains at the high end of the historic range) contrasts with the increase in the cost of the other two materials of growing importance in this business: (i) potato flakes, which are used to make gnocchi; and (ii) dairy derivatives, used in the production of filled fresh pasta.

In 2023, **revenue** increased by just 0.1%. Note, however, that in 2022, the business sold by the Group that year, Roland Monterrat, contributed 28 million euros to the pasta business's topline. Prices were kept flat in 2023, having priced in the impact of higher costs in 2022, enabling the Group to defend its business volumes and restore the margins lost the year before.

By market:

a. In France, the fresh pasta market grew by 5.0% by volume and 13.9% by value. The Group's brands increased their market share to 51.8% by volume (Nielsen 52-week tracker). The pan-fry gnocchi range, in which the Group commands a clear leadership position, remains the key market growth driver, with business volumes increasing by 10% from 2022.

b. Growth continued at Bertagni: +7% by value and +4% by volume year-on-year. Prices were adjusted definitively at the start of the year, which had a small negative impact in the first half, which was made up for in the second half of the year.

c. In Canada, the market contracted by 5.6% by volume but grew by 2.1% by value, buoyed by the sharp increase in prices since 2022. Olivieri held onto its leadership grip with a market share of 54.5% by value (Nielsen FDM 52-week tracker). Pan-fry gnocchis continued to spearhead the growth (sales volumes have tripled in four years) so that the Group continued to add new capacity in this product category.

d. The Italian dry pasta market was flat in terms of volumes in 2023, expanding by 8.5% by value. The Garofalo brand followed the market, defending its share of 6.6% by volume (Nielsen 52-week tracker), withstanding a complex price scenario.

EBITDA-A jumped by 54.6%. A marked return to profitability. Cost stabilisation meant that the price adjustments made in 2022 restored the profitability lost. Note that profitability improved in both the fresh and dry pasta segments.

Capex (not restated, with 11 million euros corresponding to discontinued operations in 2021) was relatively stable, with the investment thrust concentrated on the expansion of capacity at the gnocchi factories and improvements in packaging and energy efficiency.

2. LIQUIDITY AND FINANCING

The Group's finance department strives to configure a capital structure that permits credit ratio stability while providing business flexibility in the short and long term.

Generally, the finance structure is articulated around long-term borrowings that fund the major investments. The rest of the Group's financing is arranged on a short-term basis and takes the form of credit facilities that cover shifting working capital requirements. All that financing is arranged in accordance with the Group's short- and long-term growth plans, which are crystallised in its annual budgets, budget revisions and multi-year business plans. At year-end 2023, a significant portion of the Group's bank borrowings, which fall due at the end of 2024, were reclassified to current borrowings. Nevertheless, the Parent believes that its ability to generate cash and the solidity of its capital structure will allow it to successfully refinance.

The breakdown of the Group's financial liabilities and the capital requirements embedded in certain long-term loan agreements are detailed in Note 12 of the accompanying consolidated financial statements.

INVESTMENTS / DISPOSALS

M&A activity

The Group did not acquire any businesses in 2023. Its last major disposals took place in 2021 when it exited the dry pasta business in North America and the fresh pasta business in France.

Organic growth

The Group underpins its pursuit of growth and innovation with a capex policy that in the last three years has entailed the overhaul and expansion of its productive capacity in the following segments: (i) ready-to-serve rice (pots and pouches); (ii) filled fresh pasta; and (iii) pan-fry gnochhi. Capex (cash outflows) during the past three years:

YEAR	AMOUNT (000€)
2021	120,035
2022	118,808
2023	141,670

In 2011, 11 million euros corresponded to discontinued operations. In 2024, the Group will virtually finish expansion of its ready-to-serve rice facilities in the US and Spain.

FINANCIAL POSITION

The Group's borrowings decreased considerably in 2023 thanks to stabilisation of the inflation unleashed in 2022. Price stabilisation enabled the Group to relax its procurement strategies and release a significant portion of the money tied up in working capital in the second half of 2023. The debt coverage ratio reflects the reduction in borrowings and the increase in cash generation, leaving the Group in a healthy financial position.

NET DEBT (000€)	2021	2022	*2022/2021*	2023	*2023/2022*
Equity	2,101,627	2,164,438	*3.0%*	2,185,159	*1.0%*
Net debt	504,723	762,635	*51.1%*	570,404	*(25.2%)*
Average net debt	865,418	645,809	*(25.4%)*	657,683	*1.8%*
Leverage	24.0%	35.2%	*46.7%*	26.1%	*(25.9%)*
Leverage (average net debt) **(1)**	41.2%	29.8%	*(27.5%)*	30.1%	*0.9%*
EBITDA-A	301,860	334,622	*10.9%*	387,171	*15.7%*
Coverage	1.67	2.28		1.47	

(1) Leverage = Ratio of average net interest-bearing debt to equity (excluding non-controlling interests)

Note that 269 million euros of borrowings at December 31, 2023 (213 million euros at year-end 2022 and 197 million euros at year-end 2021) relate to the recognition for accounting purposes of the put options over the outstanding interests in the Bertagni Group, Garofalo, Geovita, Santa Rita Harinas and Transimpex. For accounting purposes, those unexercised options are recognized as an increase in Group borrowings. The main changes in borrowings (without factoring in the net debt assumed pursuant to acquisitions, that recognized in the process of accounting for the above put options, changes in the fair value of certain financial assets/liabilities and the impact of exchange rate movements) were shaped by the following sources and uses of cash:

FREE CASH FLOW (000€)	2021	2022	*2022/2021*	2023	*2023/2022*
Cash flows from/(used in) operating activities	17,483	(14,017)	(180.2%)	478,486	(3513.6%)
Cash flows from/(used in) investing activities	609,712	(139,600)	(22.9%)	(127,885)	(8.4%)
Cash used in share-based transactions	(186,337)	(97,180)	(47.8%)	(97,977)	0.8%
Free cash flow	**440,858**	**(250,797)**		**252,624**	

Cash flows from operating activities revisited healthy levels in 2023. The biggest factor behind the movements observed in the last two years is the investment in working capital (essentially inventories) as a result of constant growth in raw and auxiliary material prices and, subsequently, the release of that incremental working capital from June 2023.

The other major movements correspond to:

* **Investing activities.** The movement in capex (as already outlined above). In 2021, the Group collected the proceeds from the sale of its dry pasta assets in North America and France and in 2022 it collected the proceeds from the sale of Roland Monterrat and paid for the acquisition of the InHarvest business.
* **Share-based transactions.** Payment of dividends. Includes that paid to non-controlling shareholders. In 2021, this heading included the payment of an extraordinary dividend in the amount of 87.7 million euros. No extraordinary dividends have been paid out since then.

3. RISK MANAGEMENT TARGETS AND POLICIES AND USE OF FINANCIAL INSTRUMENTS

The Risk Control and Management Policy is a core component of the corporate policies approved by the Board of Directors. It establishes the basic principles and general framework governing control and management of the business risks, including tax-related risks and the framework for internal control over financial reporting, faced by the Parent and its Group companies.

That general framework materialises in a standardised enterprise risk control and management system which is inspired by the conceptual framework embodied in the Internal Control Integrated Framework of the Committee of Sponsoring Organisations of the Treadway Commission ("COSO"); it is, accordingly, based on a business risk mapping process designed to identify, assess and score the Group's ability to manage its various risks, prioritising them in terms of impact and probability of occurrence. The universe of risks is categorised into four main groups: compliance, operational, strategic and financial/reporting.

The risk categorisation process assesses, dynamically, both inherent risks and residual risk after application of the internal controls and protocols put in place to mitigate them.

Within those controls, it is worth highlighting the existence of preventative measures, the adequate segregation of duties, well-defined clearance limits and specific policies and procedures.

The enterprise risk model is qualitative and quantitative: the impact of the identified risks on the Group's results can be measured, based on defined risk tolerance thresholds at the corporate level. A description of the risk management model and the risks that materialised during the reporting period can be found in the Annual Corporate Governance Report, which is an integral part of this management report.

In 2023, the Group continued to focus on aspects related with the supply chain and inflation in raw material prices, which remain at record levels. Other important, and related, aspects were the impact of pricing by competitors and consumer behaviour. The Group also prioritised cybersecurity and the increasingly sophisticated attempts at fraud related with systems and identity theft. Lastly, the Group identified the matters related with climate change and tightening regulations around this issue as a relevant risk and started to work specifically on their mitigation.

The main risks addressed in the model are:

OPERATIONAL RISKS

* **Food safety.** Given the nature of its business, food safety matters are a critical issue to which the Group pays the utmost attention; those issues are governed by a host of regulations and laws in the numerous countries in which its products are made and sold.

  The Group's policy is underpinned by compliance with prevailing legislation and a pledge to upholding stringent food quality and safety standards.

  The food safety programmes are based on oversight of protocols designed to ensure identification of certain critical points (called Hazard Analysis and Critical Control Points or HACCP) in order to minimize residual risk.

  The main control points are grouped as follows:

  - Physical points: controls to detect alien materials or the presence of metals.
  - Chemical points: detection of chemical substances or the presence of allergens.
  - Biological points: detection of the presence of salmonella and other pathogens.

  Most of our food handling processes are certified under either the IFS (International Food Safety), SQF (Safe Quality Food) or the BRC (British Retail Consortium) food safety standards recognized by the Global Food Safety Initiative. The Group also has other local or product-specific standards (e.g., Kosher, Halal or gluten-free food). The Group companies have also defined, developed and implemented a quality, environmental and food safety model which has been certified in accordance with the UNE-EN-ISO 9001 (food safety management systems), UNE-EN-ISO 14001 (environmental management) and ISO 22000 (food safety management) standards.

  Those controls must encompass the entire supply chain, so that the prevention effort extends back to the point of origin and means of transportation thanks to meticulous selection of suppliers and service providers in third countries, framed by the Group's internal food safety protocols.

* **Raw material supply risk.** The availability of raw materials in sufficient quantities and of the quality needed to satisfy the Group's commitments to its customers and continue to underpin brand positioning is a key business success factor.

  To mitigate that risk, the Group has opted to strategically diversify and lock in supply sources by: (i) reaching agreements from season to season with some of the leading raw material suppliers (of rice and wheat durum); (ii) opening subsidiaries or sales offices in some of the main rice exporting nations (e.g. India, Pakistan, Thailand and Cambodia) and countercyclical markets (Argentina); and (iii) seeking out excellence in the logistics chain in order to procure products that meet all of its quality requirements so as to be able to offer unbeatable service.

* Risk associated with commodity price volatility. Unexpected changes in raw material supply prices can have a material adverse impact on the profitability of the Group's business via its manufacturing operations and it brand retailing efforts. This risk is concentrated in the prices of the various varieties of rice and durum wheat, although the Group is also exposed to variability in the prices of other raw materials, such as potato flakes and dairy derivatives, as well as auxiliary materials, transport and energy.

  This risk is managed via:

  a. Early identification of potential supply problems or gluts in certain grains or varieties which could expose stocks to price variability. The buyer departments track the markets continually and issue alerts to the managers of the various businesses to enable them to manage the related risks.

  b. The Group locks in volumes at fixed medium-term prices when the market is propitious to these kinds of agreements and transactions can be negotiated that will generate stable margins throughout the corresponding periods.

  c. Supply chain management from purchase to receipt of the merchandise. Enabling the changes needed in market sources and means of transport to ensure quality and on-time deliveries.

  d. The Group also attempts to reduce the number of intermediaries in the markets for local or exotic varieties, compressing the value chain.

  e. Lastly, the Group strategically differentiates its finished products and this helps it pass volatility in raw material costs efficiently through to the end consumer.

A sizeable share of the financial success reaped in 2023 is attributable to astute management of this risk, with the Group anticipating developments and adapting to the market reality.

* **Customer concentration risk.** This risk factor affects both the industrial and retail segments. Although in the retail segment the end consumers of the products made by the Group are the individuals who eat its foods, the retailers are concentrating - boosting their purchase bargaining power - year after year.

  This concentration phenomenon can result in less favourable sales terms and conditions, heightened credit risk and even the loss of certain sales.

  The Group's geographic diversification and brand strength help to mitigate this risk factor as its customers vary by country and for now the retailers' attempts at international expansion have met with limited success.

  In parallel, each subgroup has a sales risk committee which allocates risk tolerance thresholds and defines a strategy for enforcing these thresholds. These levels in turn reflect the overall business strategy.

* **The risk of falling behind on technology development.** One of the Group's most important tools when it comes to tackling the competition is to differentiate and update its products, a strategy underpinned by constant technological innovation and an unwavering effort to adapt its range to consumer demands and wishes. As described further on in this report, the Group's R&D strategy is a cornerstone of its business strategy. Its R&D departments work in close collaboration with the sales & marketing departments to mitigate this risk.

* **Cybersecurity.** The exponential growth in internet access exposes enterprises and users to attacks of different kinds: identify theft, malware, website attacks, zero-day attacks etc. The Group has an action plan which includes: (i) the provision of continuous staff training on these threats; (ii) the definition of appropriate network infrastructure (firewalls, WiFi access controls, network electronics, browsing permissions and the design of connected industrial networks); (iii) the correct definition of user points (anti-virus, mobile device management systems, permissions, updates); and (iv) data management and safekeeping programmes (back-ups, use of the cloud, shared information, etc.).

RISKS RELATED TO THE ENVIRONMENT AND STRATEGY:

* **Environmental and natural risks.** The Ebro Group's environmental commitment is set down in its Sustainability, Environment and Corporate Social Responsibility Policy: Its own processes have a low impact on the environment and the risks of accidental contamination are likewise very low. Nevertheless, the facilities operate under the scope of civil liability policies that cover damages to third parties caused by sudden and unintentional accidental contamination. In addition, all of the Ebro Group's facilities operate under the certifications, specifications and permits pertinent to their respective geographic markets and they manage their environmental aspects accordingly. Moreover, certain workplaces have certified their environmental management systems under the UNE-EN-ISO 14001 standard.

  The effects of potential natural catastrophes in the rice- and wheat-growing countries from which the Group sources its raw materials can cause availability issues and price volatility. These natural risks can also affect consumers in affected areas and could even affect the Group's assets in these markets. Once again, the key to mitigating these risks is to diversify raw material sourcing, as well as the markets the Group's products are targeted at. In addition, the Group has articulated a flexible manufacturing structure with facilities on four continents, minimising the impact of potential local problems.

* **Climate change.** Climate change encompasses a range of risks with growing impacts in the short, medium and long term that could have a direct impact on performance of our business activities.

  Within its sustainability strategy, the Group is completing the work needed to calculate its carbon footprint (Scope 3), revise its Scope 1 and 2 emissions, define emissions-reduction targets in line with the SBTi and measure the financial impacts of the main climate change risks to which it is exposed.

  Specifically, it has assessed a total of 13 physical and transition risks as having a potentially greater impact on the Group's financial statements. The risks related with farming the main raw materials used by the Group and the possibility that changes in temperatures and/or rain cycles could imply restrictions on the supply of those products and, as a result, increase the prices at which they can be acquired, have been classified as 'moderate', as the Group has a mitigation strategy based on diversifying its supply sources, locating its productive assets in multiple locations and enhancing management of its value chain, which puts it in a privileged position in the sector.

  Moreover, the impact of a potential increase in farm-gate prices on the Group's earnings depends on its ability to pass those price increases through to end customers, which in turn is boosted by brand and product differentiation and product and service quality and innovation.

* **Competition risk.** The Group does most of its business in developed and mature markets in which it competes with other multinational enterprises and a good number of local players. In addition, in these markets the retailers have developed their own private label brands which exert extra pressure on the Group's products.

  Management of this risk factor takes the form of measures designed to lead the various product categories or market segments:

  a. Comprehensive analysis of competitor moves and the fine-tuning of pricing and promotional policy in response to the prevailing market situation.

  b. Product differentiation by innovating in formats, range and quality, all with a clear-cut customer focus.

  c. Repositioning in high growth potential categories by means of organic business development or acquisitions that fit with the Group's strategy.

* **Reputation risk.** The risk associated with a potential shift in opinion crystallising in a negative perception of the Group, its brands or its products by customers, shareholders, suppliers, market analysts, the social media or other stakeholders with a potential adverse effect on the Group's ability to maintain its customary relations (commercial, financial, labour, etc.) with these stakeholders.

To tackle this risk, the Group has established an internal Code of Conduct designed to guarantee ethical and responsible conduct throughout the organisation by all its staff and the professionals or institutions it engages with in the course of its business activities.

Its brands, along with its people, constitute the Group's most valuable intangible asset, and are accordingly subjected to constant assessment in which different management, marketing, food health and safety, compliance and intellectual and industrial property protection considerations converge.

* **Shifting lifestyles.** New diets such as low-carb diets and other food habits could change how consumers perceive our products.

  The mitigating initiatives pursued entail assessment of consumer patterns, fine-tuning of the Group's product range in response to market trends, as well as active participation in forums propitious to disseminating the health virtues of its products.

* **Country or market risk.** The international nature of the Group's activities exposes its business operations to the political and economic circumstances prevailing in the various territories in which it does business, as well as other market variables, such as exchange rates, interest rates, production costs, etc. The fallout from the UK's withdrawal from the European Union (Brexit) falls under this category (refer to note 12 of the consolidated financial statements), as do risks from potential geopolitical crises such as the conflicts in Ukraine and the Middle East.

* **Strategic planning and the assessment of strategic investment/divestment opportunities.** This is the risk of making a mistake when selecting among alternatives and/or allocating resources to projects aimed at delivering the Group's strategic objectives. In the short term, this risk includes the need to align budgets with the medium- and long-term objectives set by the Group. This risk is mitigated by requiring transactions above certain thresholds to be approved at the Board level, in addition to the customary due diligence performed when the Group makes significant acquisitions, all of which involving the coordinated intervention of senior executives and risk officers.

COMPLIANCE RISK

* **Sector regulations.** The food manufacturing industry is subject to multiple regulations, which affect export and import quotas and tariffs, intervention prices, etc., all framed by the European Common Agricultural Policy (CAP). In addition, the Group's activities could be affected by regulatory changes in the countries from which it sources its raw materials or to which it sells its products.

  To address this risk, the Group is represented in, voices its views in and follows a number of legal and regulatory forums via a team of prestigious professionals who work to ensure enforcement and compliance.

  Within this category, an area of growing relevance, and one that is related with other operational risks such as supply and food safety, relates to the increasingly stringent rules on the use of fungicides and pesticides on the crops which lie at the heart of the food industry. These rules are of particular importance to rice growing activities.

  To mitigate this risk, the Group has stepped up its quality and fungicide/pesticide detection controls by: (i) working on selecting trustworthy suppliers that are asked to embrace sustainability criteria; (ii) championing educational drives to encourage farmers to search for natural alternatives to these chemical products; and (iii) reinforcing at-source product controls.

* **General regulations.** This category encompasses compliance risk with respect to civil law, company law, criminal law and good governance regulations and recommendations. In terms of the risk of white collar crime, the Group's Spanish companies have a crime prevention model which is monitored and controlled by the Compliance Department. That Department likewise monitors the compliance models in place at other overseas subsidiaries, adjusted for local legislation.

An important aspect within this category is the need to observe, uphold and enforce human rights and suitable standards of ethics, as is enshrined in the Group's Sustainability Plan, HEADING FOR 2030, and its Code of Conduct.

* **Tax risk.** Potential changes in tax legislation or its interpretation or application by the competent authorities across the Group's business markets could have an adverse effect on its performance.

  To mitigate this risk, the Group, through its tax managers and Risk Committee, monitors regulatory developments and potential interpretations thereof, asking tax experts for reports in support of the positions it takes, at all times framed by the principle of prudence. For example, in 2023, it embarked on an analysis of the Group's exposure to the new Pillar Two rules in 2024, which is when the new minimum global tax legislation will take effect.

FINANCIAL RISK

In the course of its ordinary business operations, the Group is exposed to certain financial risks associated with its financial assets and liabilities, particularly its bank loans, overdrafts, equity instruments, cash and cash equivalents. In addition, the Group has other financial assets and liabilities such as trade accounts receivable and payable.

These financial instruments expose it to market risk as a result of movements in interest rates (instruments carrying floating rates), exchange rates (those denominated in currencies other than the euro), changes in their fair value, liquidity risk (the inability to monetise assets within reasonable timeframes or at reasonable amounts) and credit risk (counterparty risk).

A description of these risks and the mitigating measures taken is provided in Note 12 of the accompanying consolidated financial statements.

4. EVENTS AFTER THE REPORTING PERIOD

Other than the developments with respect to the CNMC Disciplinary Ruling, as outlined in Note 20, there have been no significant events or developments between the end of the reporting period and the date of authorising the accompanying consolidated financial statements for issue.

5. GROUP OUTLOOK

As already noted in the section on the general economic environment, the outlook for the global economy in 2024 is for weak growth for the third year in a row.

Within the developed economies we are seeing two speeds: economic momentum in the US is strong but the European Union economies are trying to avoid stagnation.

Inflation appears to be under control but the geopolitical situation makes it impossible to rule out fresh outbreaks in 2024, prompting the central banks to push back plans to ease monetary policy and cut interest rates in order to reactivate the most depressed economies until the second half of the year.

Despite that stabilisation, food prices remain historically high. Consumers have demonstrated their concern over high prices, particularly food prices: they are buying less at higher prices and that has prompted many consumers to rethink their shopping habits. 2023 was marked by growth for the private-label brands and growing interest in products on promotion. To the extent that this situation continues, 2024 will imply another challenge for the industry.

International long-grain rice prices remain above the average for the last two years and are showing no signs of weakness so far in 2024. Only basmati prices have corrected, despite the minimum prices imposed on exports from India.

Durum wheat prices are likewise at historically high levels but are currently fairly stable pending news about the new harvest.

RICE BUSINESS

The rice market continues to grow. Current demographic and, in general, food habit trends are propitious and the number of consumers is growing. The Group aspires to lead that growth, investing strategically in segments that are expanding and that offer consumers value in terms of quality and convenience.

With inflation under control, this year presents an opportunity to: (i) defend sales volumes across the classic product categories with a solid contribution; and (ii) expand the range of products with greater chances of market share growth, like microwaveable rice products.

The Group is strategically committed to: (i) developing a centre of excellence in the production of plant-protein based ingredients in Benelux; (ii) expanding distribution of the Tilda brand as the international benchmark in fragrant and exotic rice varieties; (iii) completing the addition of productive capacity in ready-to-serve products in the US; and (iv) developing new recipes in microwaveable rice products tied with pleasure and convenience.

PASTA BUSINESS

The Group is present in the growth categories of the pasta business: fresh pasta and premium dry pasta. The general increase in prices has weighed on sales of these products for which demand is more elastic. In 2023, price stability allowed the Group to fully replenish its margins and 2024 looks like a year of growth in the customer base.

The main targets for 2024 are:

- Working to build the Garofalo brand into a benchmark premium Italian brand so that it transcends dry pasta labels. Expanding the categories it operates in and the distribution of its products.
- Continuing to record double-digit growth in the gnocchi segment. Deepening the product base through innovation and capacity additions and expanding the concept to more markets.
- Enhancing productivity and factory capacity in fresh products.

6. HEADCOUNT AND ENVIRONMENTAL DISCLOSURES

This information is provided in the Non-Financial Statement, which is part of this management report, and in Note 24 of the accompanying consolidated financial statements.

7. R&D ACTIVITY

The Ebro Foods Group has always been a front-runner in terms of new consumer trends and an international benchmark in the research and development of products applied to the food sector. Aware that R&D is essential to the Group's quality and differentiation strategy, it remained unwaveringly committed to innovation in 2023.

In total, R&D expenditure in continuing operations totalled 4.3 million euros in 2023 (2.5 million euros of which funded internally and 1.8 million euros, externally).

Investment in R&D totalled 37.6 million in 2023 and mostly corresponded to: (i) expansion of the microwaveable product factory in the US; (ii) finalisation of the complex processes at the San José de la Rinconada factory; and (iii) new filled fresh pasta and gnocchi processes in France, Italy and Canada.

The Group has articulated its R&D engine around research centres located in France, the US, the Netherlands, Italy and Spain. These centres and their main projects in 2023 were:

1. The R&D centre located in Lyon. Research focused on the development of fresh pasta, gnocchi, rice, pulse and other grain categories. Last year's work focused on: (i) patented technology for pan-fry gnocchi; (ii) improvements in fresh pasta manufacturing productivity and processes; (iii) expansion of the microwaveable and pan-fry product ranges; and (iv) revamping of the filled fresh pasta product ranges.
2. Bertagni R&D Center in Arcugnano. Work continued to (i) expand the range using the double-filling technology patented by Bertagni; (ii) develop new batching processes; and (iii) improvements in the productivity of and control over key processes.
3. United States. The US Research Department focuses on developing new products, processes and technologies and adapting them for the idiosyncrasies of the US market. Its work focused on developing (i) a broad range of microwaveable products; (ii) developing and adapting heating processes; (iii) studying product life cycles and expiry; and (iv) testing products and assessing rice varieties suitable for the new productive processes.
4. Centres associated with the Herba Group in Moncada (Valencia), the San Juan de Aznalfarache plant, the ingredients facility in Wormer (Netherlands) and the Bruno plant (Italy), devoted to (i) the development of new and/or improved products and technologies; (ii) the provision of technical assistance with rice and derivative product technology; and (iii) the development of ingredients with cereal or pulse bases. The most important projects under development at those centres are: (i) studies around vaporising processes for new rice varieties; (ii) development and implementation of industrial processes to eliminate nematodes from rice seeds; (iii) research into and development of new packaging materials to replace plastic and prolong the useful life of products; and (iv) work around fragrant varieties and the volatile organic compounds associated with their organoleptic properties.

8. OWN SHARE TRANSACTIONS

In 2023, the Parent had the power to buy back and sell own shares under the scope of the authorization granted at the Annual General Meeting held on July 29, 2020 for a period of five years (and duly notified to the CNMV in keeping with prevailing legislation). In 2023, under the scope of the employee share plan, it bought back 41,000 shares, sold 1,187 and delivered 39,813 own shares to employees. At December 31, 2023, the Parent did not hold any own shares as treasury stock; nor did any subsidiaries hold any shares in the Parent.

9. OTHER RELEVANT DISCLOSURES

AVERAGE PAYMENT PERIOD

As required under the Spanish Corporate Enterprises Act, it is hereby noted that the average payment period of the companies domiciled in Spain was 35.7 days in 2023 and 32.7 in 2022. Calculations made in accordance with the ICAC (Spanish Accounting and Audit Institute) Resolution.

(000€)	2023		2022	
	% OF TOTAL		% OF TOTAL	
Payments made		**487,801.1**		**501,532.5**
Payments made within deadline	96%	**467,976**	97%	**488,681**
No. of invoices settled within deadline	95%	**39,447**	96%	**37,537**
Days				
Average payment period	35.7		32.7	
Paid transactions ratio	35.7		32.7	
Outstanding transactions ratio	36.9		39.7	

SHARE PRICE PERFORMANCE

The Parent's share price performed well in the first half of 2023 but gave up those gains in the second half to end the year roughly where it began. It performed in the opposite way to other shares considered high-growth stocks associated with emerging technologies.

That would suggest that the market views the Parent's shares as a defensive investment with below average volatility. The sector's performance tends to lag when the stock market is very bullish, somewhat irrespective of the players' earnings performance.

DIVIDEND DISTRIBUTIONS

At the Annual General Meeting held on June 6, 2023, the Company's shareholders ratified the motion to pay a cash dividend against 2022 profits and unrestricted reserves of 0.57 euros per share (before withholding tax), payable in the course of 2023 for a total outlay of 87,703 thousand euros. The dividend was paid out in three equal instalments of 0.19 euros per share (before withholding tax) on April 3, June 30, and October 2, 2023.

ALTERNATIVE PERFORMANCE MEASURES

In keeping with the guidelines provided by the European Securities and Markets Authority (ESMA), there follows a description of the main alternative performance measures used in this management report.

These measures are used frequently and consistently by the Group to explain its business performance and their definitions have not changed.

EBITDA-A. Adjusted EBITDA. Earnings before interest, tax, depreciation and amortization and before earnings not related with the operations that generate the regular cash flows associated with the core business (essentially gains or losses deriving from transactions involving the Group's fixed assets, industrial restructuring charges, provisions for or settlements from lawsuits, etc.).

The reconciliation of EBITDA-A and operating profit is provided below:

	2021	2022	2022/2021	2023	2023/2022
EBITDA-A	**301,860**	**334,622**	**32,762**	**387,171**	**52,549**
Depreciation and amortization	(94,565)	(101,023)	(6,458)	(102,874)	(1,851)
EBIT-A	**207,295**	**233,599**	**26,304**	**284,297**	**50,698**
Non-recurring income	9,454	1,807	(7,647)	3,848	2,041
Non-recurring expenses	(13,691)	(32,835)	(19,144)	(11,894)	20,941
Operating profit	**203,058**	**202,571**	**(487)**	**276,251**	**73,680**

EBIT-A. Adjusted EBIT, calculated by subtracting depreciation and amortization from EBITDA-A.

Net debt. Interest-bearing financial liabilities, financial derivatives at fair value, the amount of shareholdings subject to put/call options qualifying as financial liabilities and dividends accrued and pending payment, if any, less cash and cash equivalents.

	31-12-21	31-12-22	31-12-23
(+) Non-current financial liabilities	598,509	553,164	175,108
(–) Other current financial liabilities	445,916	394,833	728,359
(+) Available-for-sale financial liabilities	0	0	0
(+) Loans to associates	(1,122)	(1,122)	(1,122)
(–) Deposits payable	(84)	(676)	(501)
(–) Cash and cash equivalents	(539,239)	(184,950)	(329,988)
(–) Derivatives – assets	(527)	(1,457)	(2,225)
(+) Derivatives – liabilities	1,270	2,843	773
Total Net Debt	**504,723**	**762,635**	**570,404**

Average net debt. Net debt, as above, calculated on a 13-month moving average basis.

Capex. Payments for investments in productive fixed assets. Refer to the consolidated statement of cash flows.

ROCE-A. A measure of the return on assets calculated as average earnings before interest, tax and non-recurring items for a given period divided by average capital employed during that period, that average in turn defined as the moving average for the prior 13 months. This metric was calculated in the same manner as in prior years.

Capital employed (average). The sum of intangible assets, property plant and equipment and working capital on a moving 13-month moving average basis. It is accordingly not a simple arithmetic average or a calculation based solely on the financial information presented in the consolidated financial statements. It is not therefore possible to provide a direct reconciliation with headings, sub-totals or totals presented in the financial statements.

Working capital (average). The sum of inventories and trade and other receivables less trade and other payables on a 13-month moving average basis. As with capital employed, this metric not a simple arithmetic average or a calculation based solely on the financial information presented in the consolidated financial statements. It is not therefore possible to provide a direct reconciliation with headings, sub-totals or totals presented in the financial statements.

Leverage. A measure of creditworthiness calculated as the ratio of average net debt to equity.

Debt coverage ratio. A measure of the Group's ability to service its net debt from earnings measured as the ratio of net debt to EBITDA-A.

5.3
Non-Financial Statement

Annexes

1. About this Report

This report (the **"Report"**) contains the Non-Financial Statement of Ebro Foods, S.A. (the **"Company"**) and is part of the Management Report in the Consolidated Annual Accounts of the Company, as parent of the Ebro multinational group (the **"Ebro Group"** or the **"Group"**).

REPORTING PERIOD

2023

REPORTING FRAMEWORK

In this statement we report on the social, environmental and/or economic aspects that are important for the Ebro Group. The report has been prepared, in all material aspects, in accordance with the stipulations of prevailing commercial law and following the criteria of the selected GRI standards, as well as other criteria described according to the relevant provisions in the *"Index of contents required by Act 11/2018 of 28 December on non-financial information and diversity"*.

SCOPE AND COVERAGE OF THE REPORT

The report presents on a consolidated level the non-financial indicators of all the companies operating the core businesses of the Ebro Group and their respective industrial sites (see Annex 1).

Eight of the sixteen offices leased by the Ebro Group are excluded from the environmental report, as we do not have consistent quantitative data. Those offices are the three offices leased by Ebro Foods in Spain (Madrid, Granada and Barcelona), the office of Ebro India in Nueva Delhi (India), the office of Herba Bangkok in Thailand, the office of Riviana Foods in Houston (USA), the office of Riviana Foods Canada Corporation in Toronto (Canada) and the commercial office of Riceland in Hungary.

CHANGES IN THE REPORTING PERIMETER

During 2023 the Group concluded its divestment from the Woodland industrial plant owned by Riviana Foods, so its non-financial indicators have been excluded from this Report.

CONTACT POINT FOR ISSUES REGARDING THE REPORT OR ITS CONTENTS

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2. Business model

The Ebro Foods Group is the leading food group in Spain, global leader in the rice sector and has a prominent global position in the categories of premium and fresh pasta, leader in the countries in which it operates. Through a network of 34 subsidiaries, it operates in the principal rice and pasta markets in Europe, North America and Southeast Asia, with a growing presence in other countries.

The main mission of the Ebro Group is to research, create, produce and put on the market high value-added foods that satisfy people's nutritional needs while improving their health and well-being, endeavouring at the same time to secure a transparent, efficient, sustainable business model.

The Group has a multi-company, multi-country and multi-brand business model. It has a decentralised culture in each of its subsidiaries for certain management areas, such as Commercial and Marketing, Logistics, Procurements, Human Resources and Environment, with a clear focus on an adequate business for each country, taking account of the specific local idiosyncrasies, culture, laws, etc. At a higher level, the parent company (Ebro Foods, S.A.), with a light, dynamic structure, is responsible for defining the Group's overall strategy and management guidelines. Decision-making is prompted by the parent's board of directors.

The Ebro Foods Group is managed by business areas that combine the type of activity they perform and their geographical location. Our core business areas are:

a. **Rice:** This covers the production and distribution of different rice varieties and their by-products and culinary supplements. The industrial and brand business follows a multi-brand model. It is present throughout Europe, the Mediterranean Arc, Southern Cone and Southeast Asia through companies in the Herba Group, and in North and Central America, the Caribbean and the Middle East through the Riviana Group.

b. **Fresh and premium pasta:** This includes the production and marketing of premium dry pasta and fresh pasta. The fresh pasta business is conducted through the Ebro Premium Foods Group in France and Benelux, the Bertagni Group in a large number of countries and the Riviana Group with the Olivieri brand in North America. The business in the premium dry pasta segment is conducted through Garofalo (Italy and rest of world).

In both businesses, in keeping with the Group's undertaking to promote healthy eating, practically all our brands include a range of products in the health, bio and organic categories.

GLOBAL PRESENCE

The Ebro Group operates through a portfolio of 81 brands in 63 countries, with industrial and commercial facilities in 16 of them. In the remaining 47 countries, we only engage in commercial activity. Our industrial park comprises some 80 sites, including production plants, offices and warehouses.

List of countries with commercial and industrial presence

Argentina	Denmark	Italy	Spain
Belgium	France	Morocco	Thailand
Cambodia	Germany	Netherlands	United Kingdom
Canada	India	Portugal	United States

List of countries with only commercial presence

Algeria	Cuba	Iceland	Mozambique	Sweden
Angola	Curaçao	Ireland	Oman	Switzerland
Austria	Czech Republic	Israel	Panama	Togo
Bahamas	Egypt	Jamaica	Peru	Tunisia
Bahrain	Estonia	Japan	Puerto Rico	United Arab Emirates
Bermuda	Finland	Jordan	Qatar	US Virgin Islands
Brazil	Ghana	Kuwait	Romania	Yemen
Chile	Greece	Lebanon	Saint Martin	
Colombia	Haiti	Libya	Saudi Arabia	
Costa Rica	Hungary	Lithuania	South Africa	

FINANCIAL METRICS

In 2023, the Group's net turnover was EUR 3,084.5 million up 3.9% on 2022. Our Adjusted EBITDA was EUR 387.1 million, a 15.7% year-on-year growth. Net profit was up 53.2% on 2022 at EUR 187 million, while net debt stood at EUR 570.4 million, EUR 192.9 million less than at year-end 2022.

The company had a market capitalisation at 31 December 2023 of EUR 2,387.9 million

ENVIRONMENT AND TRENDS

The economy performed surprisingly well in 2023. Economic growth stopped with several major spikes in inflation, but the dreaded stagnation was avoided and the global economy responded with greater resilience than had been expected. Existing geopolitical tensions (Ukraine war) persisted and new conflicts appeared in the Middle East, but the labour markets responded better than anticipated and the last safety cushions reserved by consumers during the pandemic and the elimination of the last bottlenecks related with it added a few decimals to the growth of the global GDP.

The global GDP was estimated to have risen by 2.6% in 2023, with uneven growth of the different economies. The United States defied all odds with a 2.5% growth, improving on the 1.9% of the previous year, while the European Union grew by only 0.4% (3.4% in 2022), hampered by the German economy, which contracted by 0.3%.

The slowdown in growth was due to the desired "soft landing" of the economy after controlling the worst of the inflation spike in 2022. The principal central banks, led by the FED, persisted in raising interest rates until the summer, when they decided to curb the upward trend in fear of going too far and triggering a recession.

The first figures on economic activity in 2024 reveal advanced economies moving at different speeds in production, consumer confidence and employment, with uncertainty in the eurozone and a high momentum in the USA, in line with the final months of 2023.

From the point of view of consumption, after overcoming the pandemic some consumption patterns that had intensified during the pandemic (such as e-commerce) continued after it had ended, although at a slower pace of transformations. Even so, new events shook the market: the Ukraine war, rampant inflation and the crisis in the Middle East have fuelled the sense of instability.

Owing to inflation, hard discount and private label brands are gaining weight within distribution, with growing numbers of outlets and market shares. This trend makes it almost impossible to secure our presence in all distributors and the market sentiment makes it difficult to maintain prices.

Consumption in the hospitality sector has fully recovered. Despite inflation, people's need to socialise, their hedonistic spirit and appreciation of convenient solutions is stronger than their budget restrictions.

The general trends are towards:

INCREASED PERSONAL CONSUMER EXPERIENCE, SUSTAINABILITY, HEALTH, PLEASURE AND PRICE

Consumers now have greater decision-making capacity, more information and more shopping tools, and they are willing to pay more for products they can relate to and that meet their desires.

Their desires overlap when choosing their shopping baskets: products must be healthy, but at the same time incorporate convenience and quality. Meanwhile the demand for sustainability products is creeping in.

SOCIAL CHANGES

Although several changes can be seen, price is still the main driver of consumption.

a. Population changes. Increased power of older generations. The baby boomers have transformed this segment of the population: their purchasing power has increased and their aspirations and needs (activity and health) differ from those traditionally associated with this social group. At the same time, young people (generation Z) have very different food consumption patterns from the older generation.
b. Smaller families, with a constant growth in the number of single-member households; new formats and customised goods and services.
c. The younger generations are more concerned about social and environmental issues and sustainability, but they are not prepared to pay a significantly higher price for them.
d. The increased mobility and immigration in many developed countries brings in new tastes and new ways of preparing food.

NEW CHANNELS AND SERVICES

a. On-line shopping and connectivity (possibility of shopping through traditional operators, who offer easy use, fast delivery, ...).

b. Growth of local supermarkets, with more frequent shopping and increased availability (24-hour opening, alliances with filling stations or other high-traffic points).

c. Consolidation of virtual stores, such as Amazon, and appearance of other new players in the distribution market along with the new consumer trends and the use of technology.

d. New ways of cooking or consuming food (by order, through vending machines, snacks as meal substitutes, ...).

All these changes have brought new challenges for distributors and producers, making it essential to convert both physical and digital points of sale into strategic centres. Adequate visibility and variety is key to success.

The technological revolution has brought radical change in how brands communicate in respect of both the message and the means. The appearance of influencers as a channel and recommendation as a strategy have also changed how brands act. Investments in advertising are shifting towards digital media, which currently account for over 50% of the Group's publicity actions. Finally, Artificial Intelligence is going to bring a new cross-cutting revolution.

STRATEGY AND VALUE CREATION

The Group's strategy focuses on becoming a major player in the rice, fresh pasta, premium dry pasta and healthy grains markets, and in other cross categories within the convenience segment. Within that strategy, the Group has the following goals:

- Reach a global position in our most important markets, open to the incorporation of local products.
- Consolidate our status as a benchmark business group in our different business areas, leading in markets where the Group finds potential.
- Lead innovation in the geographical areas in which we are present.
- And establish ourselves as a responsible enterprise, committed to social well-being, environmental balance and economic progress.

To refine our strategy, the Group is underpinned by general principles of conduct and growth levers that are considered vital to raise the value of our business and step up our firm commitment to sustainable development.

PRINCIPLES OF CONDUCT

- Foster ethical management based on good governance practices and fair competition.
- Comply with the laws in place, acting at all times with a view to preventing and minimising not only economic risks, including tax risks, but also legal, social and environmental risks.
- Seek a return on investment while guaranteeing the operational and financial soundness of our business activities. Uphold business profit as one of the bases for the future sustainability of the company and the large groups of agents directly and indirectly related with it.
- Generate a framework of labour relations that favours training and personal and professional development, respects the principles of equal opportunities and diversity and promotes a safe, healthy working environment.

- Reject any form of abuse or violation of the fundamental and universal rights, in accordance with international law and practice.
- Promote a relationship of mutual benefit with the communities in which the Group is present, proving ourselves sensitive to their cultures, contexts and needs.
- Satisfy and anticipate the needs of our customers and end consumers, offering a broad array of products and healthy, differentiated food.
- Steer the processes, activities and decisions of our company not only to generate profits, but also to protect the environment, prevent and minimise environmental impact, optimise the use of natural resources and preserve biodiversity.
- Develop a framework of responsible, true, transparent dialogue and communication with stakeholders, establishing stable communication channels and providing stakeholders regularly and transparently with rigorous, accurate, important information on the Group's activities.

TO ACHIEVE THE STRATEGIC GOALS SET FOR GROWTH AND SUSTAINABLE LEADERSHIP AND ENSURE THAT WE COMPLY WITH OUR PRINCIPLES OF CONDUCT, THE GROUP APPLIES THE FOLLOWING GUIDELINES:

1. Search for organic and inorganic growth in countries with high levels of consumption and/or high growth potential.
   - Locate and develop new territories or categories, paying special attention to new fresh products, convenience foods and new ranges of ingredients with greater value added.
   - Develop products that offer a complete culinary experience, extending our catalogue with new formats, flavours and ready-to-serve meals.
   - Achieve leadership in mature markets, opting for differentiation based on product and service quality. Expand and lead the premium category by developing the enormous potential of our flagship brands.
   - Broaden our geographical presence and complete our product/country matrix:
     - Seek business opportunities in mature markets with a business profile similar to ours and in specialist market niches that allow us to shift our strategy from a generalist position to that of a multi-specialist (individual solutions).
     - Expand into new business segments within markets in which we are already present or markets with considerable potential for growth.

2. Differentiation and innovation. We invest in our products from two standpoints:
   - Research, development (R&D) and innovation through our own research, development and innovation centres and an investment policy that enables us to convert new ideas and needs into reality for our customers and end consumers.
   - Focus on leading brands in their respective segments, together with a commitment to invest in advertising to promote their development.

3. Low risk exposure. The Ebro Group deals with change in the consumer and financial markets and social change with a firm vocation to adaptation and permanence.

   To achieve this, we endeavour to secure: (i) balanced sources of recurring income (markets, currencies), (ii) low leverage so that we can grow without exposure to "financial turmoil", (iii) new supply channels and (iv) long-term relations with our stakeholders (customers, suppliers, authorities, employees and society).

4. Implementation of sustainability throughout the entire value chain ("from the farm to the table"). In our commitment to sustainable and responsible business management, we work with the aim of integrating sustainability in all our strategic decisions and operations. The Sustainability Plan RUMBO A 2030 ["Heading towards 2030"] guides our actions throughout the entire value chain, from production to consumer experience. HEADING TOWARDS 2030 focuses on three main pillars of action:

   * **People.** We implement specific plans to promote the well-being of our professionals at work, fostering continuous training and professional development to retain talent, seeking formulas to enhance their work-life balance, flexibility, equality, inclusion and diversity, and health and safety at work. Within this area, the Group also promotes different programmes and initiatives designed to foster respect for Human Rights, social welfare, equal opportunities, education and social and economic progress in the communities in which we operate.

   * **Health and well-being.** Through our commitment to health we offer a broad array of natural, healthy, differentiated food products that help consumers maintain a healthy diet and lifestyle and provide pleasure. The R&D and innovation department works with these premises and the different communication channels of our brands focus their message on encouraging healthy eating habits and creative ways of eating through recipes, blogs and advertising campaigns.

   * **Our planet.** With the aim of preserving and protecting the environment, we work actively to minimise the impact of both our production processes and our logistics and sourcing operations. In this regard, we collaborate with different stakeholders in sustainable agriculture programmes, paying special attention to mitigating and adapting to the effects of climate change, and we make a considerable effort to reduce our carbon footprint, promoting energy efficiency measures and the use of green energies, and developing different initiatives aimed at securing the Group's transition towards a circular economy model, such as recycling packaging materials, replacing plastics, management of surplus food stocks and reusing and recycling waste.

3. Corporate Social Responsibility and Sustainability model

DEFINITION OF THE 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 typical economic variables.

In this context, the Ebro Group views its Corporate Social Responsibility (CSR) as 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. 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. Interaction 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.
4. Materiality analysis: In 2022, following the guidelines of the new Corporate Sustainability Reporting Directive (CSRD), we worked with KREAB Spain on making a double materiality assessment. Our present materiality matrix contemplates the most important sustainability issues from the perspective of business continuity (financial materiality) and the most important issues by virtue of their environmental, economic or social impact on the Group's stakeholders or the natural environment (impact materiality).

DOUBLE MATERIALITY ASSESSMENT

This assessment was based on the areas of action and impacts of Ebro Foods grouped by topics and indicators, with reference to the following standards and legislation: (i) Act 11/2018 Spain, (ii) RS Global Reporting Initiative (GRI), (iii) Dow Jones Sustainability Index (DJSI), (iv) MSCI and (v) SASB Materiality Map – Sustainability Accounting Standards Board Food and Beverages.

Following a study of the catalogue of impacts, the different indicators have been grouped into 18 material topics, in turn grouped into 4 major categories of topics encompassing the different themes: Working Capital, Governance and Organisation, Human Capital and Environmental Capital.

CATALOGUE OF POTENTIAL MATERIAL TOPICS

Topics that stakeholders have been asked about in the different consultations

1. WORKING CAPITAL	
1	Food quality and safety
2	Consumer satisfaction
3	Innovation
4	Responsible supply chain
2. GOVERNANCE AND ORGANISATION	
5	Goog governance
6	Tax contribution and institutions
3. HUMAN CAPITAL	
7	Health and safety of professionals
8	Human Rights
9	Social impact and local communities
10	Talent attraction and retention
11	Diversity and inclusion
12	Development of human capital
4. ENVIRONMENTAL CAPITAL	
13	Circular economy and use of resources
14	Mitigation and adaptation to climate change
15	Food waste
16	Pollution control and prevention
17	Biodiversity and ecosystems
18	Water and marine resources

Seven countries were consulted for the assessment (Spain, United Kingdom, United States, Italy, Netherlands, India and Thailand), selected according to three essential criteria:

1. Importance for business
2. Interest in sustainability matters
3. Combination of developed and developing countries

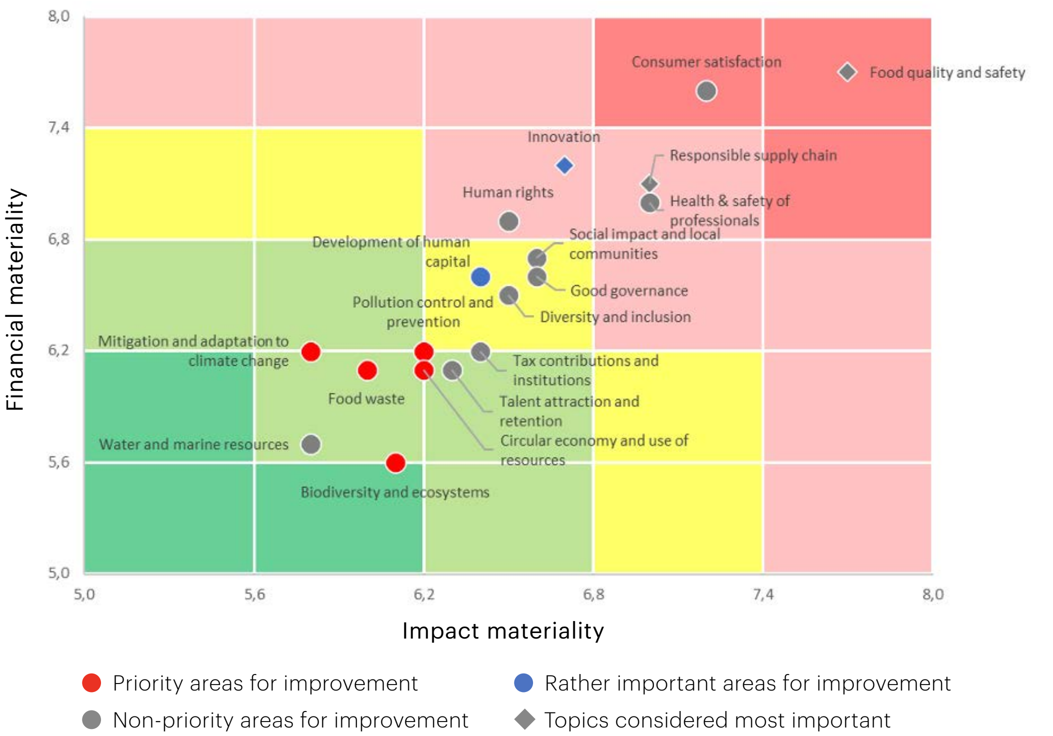
Seven stakeholders were also consulted, as priority communities for the company:

* Internal: employees and executives
* External: customers, suppliers, third sector, media and investors

Four variables were analysed:

1. Impact materiality: the matters of greatest importance for the different communities, from the point of view of the impact generated on the environment or society by the Group's management of them.
2. Financial materiality: a concept contemplated by EFRAG only for executives, and assessed with the following question: How could management of the following elements affect the company's operations (revenue, costs, liquidity, debt or asset value)?
3. Most important topics: those considered most important by the different segments of their stakeholders. (This would be equivalent to the former materiality.)
4. Priority areas for improvement: identification of the principal areas for improvement in which Ebro Foods should make progress.

Based on the foregoing, the resulting double materiality matrix and the principal topics to be managed are shown below:



Principal topics to be managed

The principal topics to be managed by Ebro Foods, on the grounds that they are financially improtant, materially important or both, are, from a global, aggregated perspective:

1. Food quality and safety
2. Consumer satisfaction
3. Responsible supply chain
4. Health and safety of professionals
5. Innovation
6. Human Rights
7. Social impact and local communities

WORKING AREAS IN CSR AND SUSTAINABILITY

The conclusions of the double materiality assessment confirmed that the five strategic focal points identified by the Group coincide with the expectations of the different stakeholders: **Our Team**, **Our Community**, **Our Public**, **Our Shareholders and Our Environment**, and the corresponding 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.

To make these 13 priorities effective, our Global Sustainability Plan (GSP) RUMBO A 2030 ["HEADING TOWARDS 2030"] lays down the guidelines and action plans that the Ebro Group will implement up to 2030 to grow sustainably, complying with the stipulations established in the regulatory framework of the EU and the different countries in which we operate, meeting the demands and expectations of our stakeholders, contributing towards achievement of the 2030 Agenda and minimising 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 TOWARDS 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 balance work and home life and ensuring equal opportunities, diversity and health and safety at work. It also continues to implement actions that contribute towards social and economic development and equal opportunities of the most vulnerable groups 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 guarantee 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 and the society at large, the Plan focuses on supplying a broad array of safe, healthy products, overseeing the quality and food safety of those products and actively promoting healthy eating habits and lifestyles.

A specific microsite has been set up as an information and monitoring tool for the Plan, on the domain caringforyouandtheplanet.com, the Group's motto in CSR and Sustainability.

GOVERNANCE OF SUSTAINABILITY

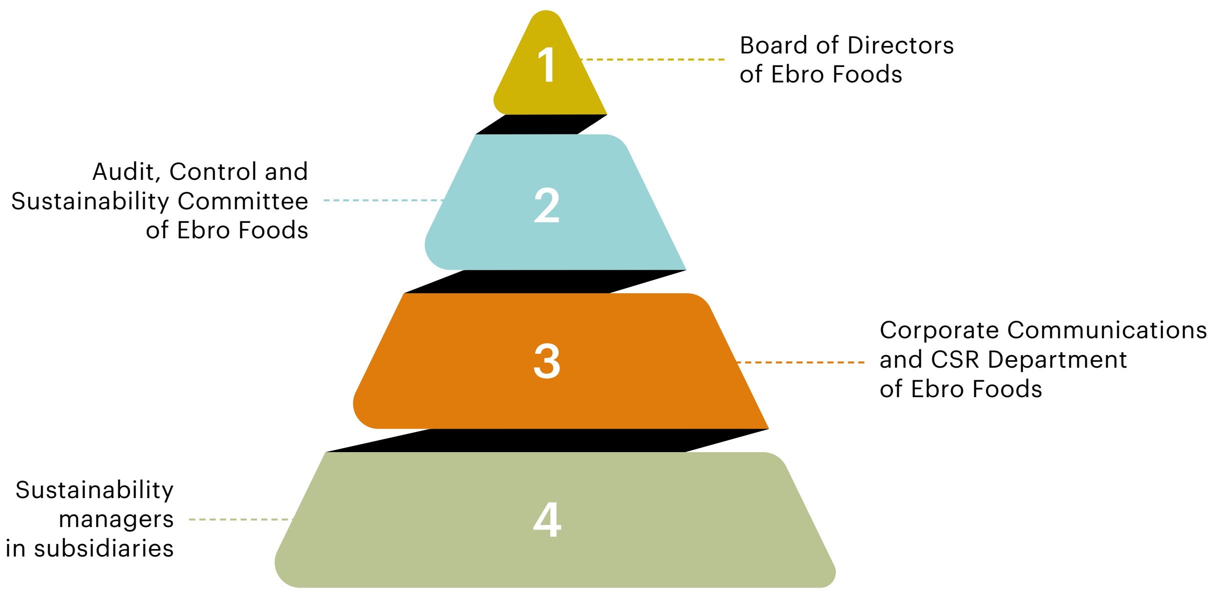
LEGAL FRAMEWORK

In order to define the general guidelines of the Group and its associates and the integration of ESG criteria in our business model, the Group is governed by the following policies and principles of conduct approved by the Board of Directors:

1. Code of Conduct of the Ebro Group
2. Supplier Code of Conduct
3. Sustainability, Environment and Corporate Social Responsibility Policy
4. Social Policy
5. Risk Control and Management Policy
6. Corporate Governance Policy
7. Corruption and Bribery Policy
8. Internal Code of Market Conduct
9. Policy for the Selection and Diversity of Directors
10. Senior Executive Remuneration Policy
11. Dividend Policy
12. Investment and Financing Policy
13. Treasury Stock Policy
14. Policy on Communication and Relations with Shareholders, Institutional Investors and Proxy Advisors
15. Policy on Communication of Financial, Non-Financial and Corporate Information
16. Policy regarding the Internal Reporting System and Whistleblower Protection

This legal framework is subject to continuous review to ensure its timely adaptation to the new regulatory directives and incorporate the best indications and practices in the matter.

STRATEGIC COORDINATION AND SUPERVISION OF SUSTAINABILITY IN EBRO FOODS



The Board of Directors of the Group's parent establishes the general strategic principles and criteria in the area of ESG, approving the general policies and action plans applicable on a Group level.

Based on those strategic principles and criteria, the Corporate Communications and Social Responsibility Department of the parent is responsible for designing and executing the strategy and the action plans to be developed. This department coordinates and holds regular meetings with the people in the Group companies responsible for sustainability, to inform them of the actions to be taken in respect of the targets established in the plans approved by the parent's Board of Directors. The plan currently in place is the Sustainability Plan HEADING TOWARDS 2030.

The strategy and actions taken in the area of Social Responsibility and Sustainability of the Group and the Non-Financial Statements and Sustainability Reports are supervised and monitored by the Audit, Control and Sustainability Committee of Ebro Foods, which in turn reports to the Board of Directors of the Company on the most important aspects.

ALIGNMENT OF THE MODEL WITH THE SUSTAINABLE DEVELOPMENT GOALS (SDGS)

All the actions taken by the Ebro Group within its Social Responsibility and Sustainability framework are related directly or indirectly with the 17 SDGs, but we have singled out the ones to which we make the greatest contribution by virtue of our business activities.

So based on our Sustainability Plan HEADING FOR 2030, we have defined the following priority SDGs: 1 (No poverty), 2 (Zero hunger), 8 (Decent work and economic growth), 10 (Reduced inequalities), 12 (Responsible consumption and production), 13 (Climate action) and 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 the three key areas of sustainability: social, environmental and governance. Through their active participation in these organisations they are able to give greater scope to the actions developed within their CSR strategy and be immersed in a process of continuous learning and improvement. Some of the important organisations are:

	Signatory of the United Nations Global Compact www.pactomundial.org
	Member 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/
	Sustainable Agriculture Initiative (SAI) Platform http://www.saiplatform.org/
	Sustainable Rice Platform (SRP) http://www.sustainablerice.org/

SUSTAINABILITY RATINGS

Inclusion of the Ebro Group in sustainability ratings reflects our commitment to transparency and the development of responsible business practices. These ratings not only show our performance in social, environmental and governance aspects, but also validate our efforts and continuous improvement to attain high standards in sustainability, demonstrating our positive contribution to a more sustainable and ethical future.

SUSTAINABILITY INDEXES IN WHICH WE ARE INCLUDED

1. Vigeo Eiris ESG
2. FTSE Russell ESG
3. The EthiFinance ESG (Gaïa Research)
4. S&P Global Corporate Sustainability Assessment
5. Morgan Stanley Capital International (MSCI)
6. Standard Ethics Spanix Index
7. IBEX Gender Equality Index to promote gender equality
8. Carbon Disclosure Project (Climate Change)

4. Risk Management

As one of the corporate policies approved by the board of directors, the Risk Control and Management Policy lays down the basic principles and general framework for control and management of the business risks to which the Company and other Group companies are exposed.

The structure of the Risk Management and Control System is explained below:

* The **Board of Directors**, as the body ultimately responsible, determines the risk control and management policy, including tax risks and control of financial reporting.
* The **Audit, Control and Sustainability Committee**, through the Risks Committee, supervises and monitors the financial reporting and risk control systems, regularly informing the Board of any material aspects occurring in these areas. It is also responsible for supervising and overseeing internal control of the Group and the Risk Management Systems, and for proposing to the Board the risk control and management policy and any measures for enhancing these areas.
* The **Risks Committee**, based on the policy established by the Board and supervised by and answering to the Audit Committee, is specifically responsible for coordinating and monitoring the risk control and management system, including the Group's financial reporting and tax risks. The analysis and assessment of risks associated with new investments also falls within the remit of the Risks Committee.
* The **Management Committees** of the different units, on which the Chairman of the Board and the Chief Operating Officer (COO) sit, assess the risks and determine the measures to be implemented.
* **Risk officers in the different units**. The Risks Committee appoints officers in the major subsidiaries to monitor the Risk Control and Management System, including tax risks and financial information, and reporting to the Committee.
* **Internal Audit Department**. Within the internal audits made of the different subsidiaries, the company's Internal Audit Department checks that the financial reporting and risk management testing and control have been conducted adequately, complying with the indications of the Risks Committee.

The Risk Control and Management System is dynamic, so the risks to be considered vary with the circumstances in which the Group operates.

Within this general framework, the integral, homogenous Risk Control and Management System is based on the preparation of a business risk map, where risks are identified and assessed and risk management capacity is graded to obtain a ranking of risks from greater to lesser impact for the Group and their probability of occurrence. The risk map also identifies the measures to mitigate or neutralise the risks identified.

In the process of classifying risks, a dynamic assessment is made of both inherent risk and the residual risk after applying the internal controls and protocols established to mitigate them. Those controls include preventive measures: an adequate segregation of duties, clear levels of authorisation and the definition of policies and procedures. These controls can in turn be grouped into manual and automatic, the latter being implemented by computer applications.

This model is both qualitative and quantitative and can be measured in the Group's earnings, so the risk level is considered acceptable or tolerable on a corporate level.

The risk universe is grouped into four main groups: compliance, operational, strategic and financial. The first three groups also include the principal non-financial risks related with the company's business. We describe these non-financial risks below:

COMPLIANCE RISKS

1. **Sector regulation.** The agro-industrial sector is subject to numerous regulations affecting export and import quotas, customs duties, intervention prices, etc., subject to the guidelines set down by the Common Agricultural Policy (CAP). The Group's activity may also be affected by changes in legislation in the countries where the Group sources raw material or sells its products.

   The Group deals with this risk by participating in or echoing the different legal and/or regulatory forums through a number of prestigious professionals who endeavour to secure adequacy and compliance.

   Within this group, the increasingly strict laws on the use of fungicides and pesticides on the basic crops for this industry, especially rice, are becoming more and more important and linked to other operational risks such as supply and food safety.

   To mitigate this risk, the Group has stepped up its quality controls and checks to detect this type of product, working on a selection of trusted suppliers, who are going to be asked to incorporate sustainability criteria in their policies, and providing more education for growers to seek natural alternatives for these products.

2. **General regulation.** This includes compliance risks concerning civil, mercantile, criminal and governance laws and regulations. To help deal with criminal risks, the Group has a Crime Prevention Model, which covers our Spanish companies. Our principal subsidiaries have similar structures, adapted to their respective local laws and regulations. The Compliance Unit monitors and controls them all.

   One specific part concerns respect for and compliance with Human Rights in accordance with the ethical standards promoted in the Group's Code of Conduct. To prevent and mitigate this risk, the Group has different SMETA audits made every year on its supply chain and implements internal awareness and training plans. In accordance with the EU 'Proposal for a Directive on corporate sustainability due diligence' published on 23 February 2022, the company has set itself the goal for 2023-2025 of developing a Due Diligence System inside and outside the perimeter. The first steps towards that goal were taken in 2023, as reported in Chapter 5 of this Report.

3. **Tax laws.** Any change in the tax laws or their interpretation or application by the competent authorities in the countries in which the Group operates could affect our earnings.

   To mitigate this risk, the Group, directed by those responsible for taxation, monitors the tax laws and possible interpretations thereof, requesting specific reports from specialists to support its stand, guided at all times by a principle of prudence in this matter.

OPERATIONAL RISKS

1. **Food safety.** Given the nature of the business, aspects regarding food safety are a critical point to which the Group pays special attention, being bound by a large number of laws and standards in each of the countries in which our products are produced and sold.

   The Group's policy is based on the principles of compliance with the laws in force from time to time and guaranteeing food safety and quality.

   The food safety programmes are based on following protocols to identify and control certain critical points (Hazard Analysis and Critical Control Points –HACCP-), so that the residual risk is minimal.

   The main control points are grouped into:

   - **Physical points:** controls to detect foreign bodies or the presence of metals
   - **Chemical points:** detection of chemical elements or the presence of allergens
   - **Biological points:** presence of elements such as salmonella or any other kind of pathogens.

   Most of our handling processes have obtained IFS (International Food Safety), SQF (Safe Quality Food) and/or BRC (British Retail Consortium) certificates, recognised by the Global Food Safety Initiative (GFSI) as food product certification standards, as well as local and special product certificates (Kosher, gluten-free or Halal foods).

   The Group has also defined, developed and implemented a quality, environment and food safety management system compliant with the requirements of the standards UNE-EN-ISO 9001 (Quality management), UNE-EN-ISO 14001 (Environmental management) and ISO 22000 (Food safety management).

2. **Technological (trailing behind) risk**. One of the most important tools for standing up to competition is differentiation and product alignment, which is based on constant technological innovation and the endeavour to adapt to consumer desires. The R&D and innovation strategy is a fundamental part of the Group's general strategy. The R&D and innovation departments, in close collaboration with the Commercial and Marketing departments, work on reducing this risk.

3. **Cybersecurity.** The exponential growth of internet access exposes companies and users to different types of attack: identity theft, malware, attacks on websites, zero-day attacks, etc. The Group has an action plan contemplating: (i) the ongoing training of personnel on these threats, (ii) the definition of an adequate network infrastructure (firewalls, Wi-Fi access, network electronics, browsing possibilities and design of connected industrial networks), (iii) the correct definition of user points (antivirus, mobile device management systems, permissions, updates) and (iv) a programme for data preservation and management (back-ups, use of the cloud, shared information).

ENVIRONMENTAL AND STRATEGICAL RISKS

1. **Environment and natural risks.** These include risks associated with natural disasters and climate change. Drought and flooding in the commodity-producing countries can cause problems of availability and price instability. These natural risks can also affect consumers in the affected regions or even the Group's assets in those locations.

   The best way of mitigating this type of risks is to diversify both the sourcing of raw materials and the countries in which our products are sold. The Group also makes sure it has flexible production capacity with plants in four continents, which minimises possible local problems. In addition, the Group has taken out insurance policies covering all its plants and sites, which would mitigate any disaster that could jeopardise their value.

* **Climate change.** Climate variables are a fundamental part of the environmental criteria that the Ebro Group contemplates in its management strategy. In this regard, in 2023 we analysed the climate risks and opportunities under the reference framework of the Task Force on Climate-related Financial Disclosures (TCFD), which provides guidelines for identifying, managing, reporting and monitoring the principal physical and transition risks to which the Organisation may be exposed as a result of climate change, as well as potential business and development opportunities.

  We covered the rice and wheat sectors in this analysis, including processing plants, the principal warehouses and the sourcing areas of these commodities in Spain and worldwide.

  We selected RCP 8.5 (pessimistic scenario) and RCP 4.5 (intermediate scenario), developed by the International Panel of Experts on Climate Change (IPCC), as reference climate scenarios and took the years 2030, 2040 and 2050 as time horizons, in line with national and international climate-related commitments.

  The transitional scenarios taken as reference were the conservative scenario STEPS (*The Stated Policies Scenario*) and the NZE (*The Net Zero Emissions Scenario*), which assumes that the global energy sector will reach zero net emissions by 2050 and is consistent with limiting the global rise in temperature to 1.5°C.

A. STRATEGY

The analysis of physical and transition risks was made through an analysis of the probability of occurrence of the hazards identified for different climate scenarios and the exposure and vulnerability of our facilities, sourcing areas and different sectors of operations. No risks were classified as critical or high.

The variations in rainfall and temperature patterns are the most significant physical risks, but even so their risk level for our business is moderate.

Crop performance would be directly affected by both risks, so also the producers' selling prices and other possible factors deriving from the fact of being the main source of nutrition in part of the sourcing regions, which could lead to an export ban or limitation in the event of a situation of shortage, especially in Southeast Asia.

Of all the transition risks assessed, those most affecting our business are the obligation to calculate scope 3 emissions including sourcing areas and suppliers, the high costs associated with the energy transition required and possible changes in demand by end consumers. Nonetheless, these risks are still classified as "immaterial" because we are working on all of them.

Ebro Foods has also analysed a number of opportunities associated with climate change. We aim to take advantage of the more feasible opportunities and position ourselves adequately to face the major disruption of climate change. For each opportunity we have analysed its feasibility (technical and economic) and current development level. The most important opportunities are:

- Develop energy efficiency plans and increase the number of renewable energy facilities for self-supply at our production plants.
- Establish synergies to reach targets set for packaging, reducing emissions and reducing commodity consumption.
- Develop sustainable agriculture programmes with suppliers.

B. MANAGEMENT

Based on this initial analysis and the matrices developed for this purpose, the climate-related risks to which Ebro Foods is exposed have been included in the Group's Risk Management System. The matrices are supplemented with a risk map (rainfall, high temperatures, flooding, drought and wildfires) associated with our sourcing and industrial areas assessed and the heat maps developed, which are a key element in risk monitoring and the early detection of significant changes in any of the identified risks.

Quantification of the financial impact of the most important risks identified is extremely complex as it involves a large number of variables apart from climate variables, which are very difficult to isolate in the assessment. We have therefore made a detailed bibliographic study of the principal environmental variables that might affect the purchase prices of rice and durum wheat, since Ebro Foods buys agricultural raw materials from suppliers all over the world.

We indicate below the measures identified to mitigate the principal risks and develop the opportunities considered most important.

PHYSICAL RISK	MEASURES
Variations in rainfall and temperature patterns are the most significant risks identified for Ebro Foods, with a moderate risk level for our business	Ebro Foods has the following competitive advantages: • Sufficient stock, and stock forecast, of raw materials to solve one-off supply crises. • Well diversified supply chain. • It is able to change its rice and wheat sourcing areas. • When prices rise, one possible measure for mitigation is to pass on the increased cost in the final price of our products.

Since all transition risks have been classified as "immaterial", it is not considered necessary to develop specific measures to reduce their impact. Nevertheless, Ebro Foods is developing the following initiatives.

TRANSITION RISK	MEASURES
• Potential obligation to quantify indirect GHG emissions (sourcing areas and suppliers) • CSRD: double materiality • Scope 3: emissions related with sourcing areas and suppliers	Ebro Foods has already made a double materiality assessment and calculated its scope 1, 2 & 3 emissions. We also participate in initiatives to reduce emissions in the logistics sector, such as Lean & Green, and before the end of 2024 we will have completed our adherence to the Science Based Targets initiative (SBTi).
High costs associated with the transition to low-emission technologies	Owing to the nature of our activity, Ebro Foods is not strongly dependent on fossil fuels. At present, all the dryers in the Ebro Foods plants work on natural gas, which is also used for the instant rice plants in the USA. As regards electricity consumed, the Ebro Foods Group uses partly self-supplied energy at some of its processing plants and approximately 7% of the energy acquired has Guarantee of Origin of renewable sources.
Changes in end consumers' behaviour and demand (local products (zero emissions) / ecological / more sustainable products)	• The Ebro Group currently has products that meet these business assumptions in all its brands. It is not considered a particularly important risk because several specific studies of rice and pas-ta consumer trends indicate that there has not been a significant increase in the demand for these products. We maintain a state of permanent alert to anticipate any changes in consumer behaviour. • We strive to achieve differentiation and value creation for our brands through Innovation.

<table>
<tr><th>OPPORTUNITIES</th><th>MEASURES</th></tr>
<tr><td>Development of energy efficiency plans at produc-tion plants</td><td>The Group companies regularly invest in measures to in-crease their energy efficiency. Over the past three years they have invested a total of €2.2 million and the Company aims to continue developing actions in this respect.</td></tr>
<tr><td>Increase in renewable energy facilities (solar, biomass, cogeneration) at our production plants, according to the conditions of each country, and green energy purchases (certified as renewable energy)</td><td>In 2023, over 4% of the energy directly consumed by the Group was self-generated at our pho-tovoltaic and cogeneration facilities at the following production plants:
Photovoltaic facilities
• Arotz: Navaleno
• Bertagni: Avio and Vicenza
• Ebro Frost Germany: Offingen
• Ebro India: Taraori
• Garofalo: Gragnano
• Geovita: Bruno
• Herba Bangkok: Nong Khae
• Herba Ricemills: Rinconada and Algemesí
• Mundiriso: Vercelli
• Riviana Foods: Colusa
• Transimpex: Lambsheim
Cogeneration facilities
• Bertagni: Avio and Vicenza
• Ebro Frost Germany: Offingen
• Garofalo: Gragnano
• Geovita: Vilanova Monferrato
This investment is expected to continue increasing over the next few years.
More than 7% of the electricity purchased (indirect consumption) is guaranteed as generated from renewable sources.</td></tr>
<tr><td>Generation of synergies with targets for packaging: reduction of emissions and raw material consumption</td><td>The Group has defined the following targets for packaging in its Sustainability Plan RUMBO A 2030:
• Increase in the use of recyclable and reusable materials
• Reduction of the quantity of packaging materials
• Use of paper and cardboard obtained from FSC / PFSC managed forests
• Use of recycled cardboard
• Reduction of the use of non-reusable plastics
• Search for alternatives to plant-based plastic</td></tr>
<tr><td>Development of Sustainable Agriculture programmes in our principal sourcing areas
Promotion of sustainable growing standards</td><td>Ebro is actively involved in the promotion and research of environmentally sustainable for rice and wheat crops in different growing areas, to contribute towards greater conservation of the environment, promote biodiversity and mitigation of the effects of climate change.
This work is done through own initiatives and specific collaborations with stakeholders, as well as through our membership of the two principal international platforms in this matter: SAI Plat-form (SAI-P) y Sustainable Rice Platform (SRP).</td></tr>
</table>

C. METRICS AND GOALS

At the date of closing this Report, this work is still at the development stage. It is expected to be completed in the second quarter of 2024.

2. **Reputational risk.** This risk is associated with possible changes of opinion, giving rise to a negative perception of the Group, its brands or products by customers, shareholders, suppliers, market analysts, etc., which could have an adverse effect on the Group's ability to maintain relations (commercial, financial, labour, etc.) with its environment.

   To deal with this risk, the Group has approved a Code of Conduct to guarantee ethical, responsible conduct by the organisation, its employees and all persons and institutions with which it interacts in the course of its business activities.

   In this context, we have included as a significant risk unfounded negative comments or opinions that can so easily be posted in the social networks, owing to the very limited possibilities of controlling them other than close monitoring and specific communication actions to reverse their impact.

   The Group's brands and employees are our most valuable intangible assets, so they are submitted to continuous assessment, considering different aspects, such as management, marketing, health and food safety, compliance and legal defence of intellectual property.

3. **Changes in lifestyle.** The proliferation of low carbohydrate diets and other food trends can have a bearing on consumers' perception of our products.

   These risks can be mitigated by assessing consumption patterns and adapting the offer of products to the alternatives on the market, while participating actively in social forums to encourage healthy habits that are compatible with our products.

NB: *Further information on the description of risks and risk control and management system is available in section 4 of the Management Report and section E of the Annual Corporate Governance Report, both available on the corporate website.*

5. Human Rights in the value chain

HUMAN RIGHTS PRINCIPLES IN EBRO FOODS

Article 9.7 of the Code of Conduct of the Ebro Foods Group

"The Group respects and promotes Human Rights and acknowledges that they are fundamental, universal rights and should be construed and recognised in accordance with international laws and practice, particularly the United Nations Universal Declaration of Human Rights and the principles proclaimed by the International Labour Organization (ILO)."

EMPLOYEES

The Group promotes and upholds the principle of equal treatment and equal opportunities for all Professionals, regardless of their race, colour, nationality, ethnic origin, religion, sex, political or sexual inclination, civil status, age, disability or family responsibilities, as a principle behind all Human Resources policies and applicable in the recruitment of Professionals, training, career opportunities, pay levels and all other aspects of relationships with Professionals.

SUPPLIERS

The Group promotes the assessment and selection of its suppliers based on social, ethical and environmental criteria, with a view to selecting those which, apart from offering the best bargaining terms, share the principles and commitments to Human Rights described in the Company's Code of Conduct.

CUSTOMERS

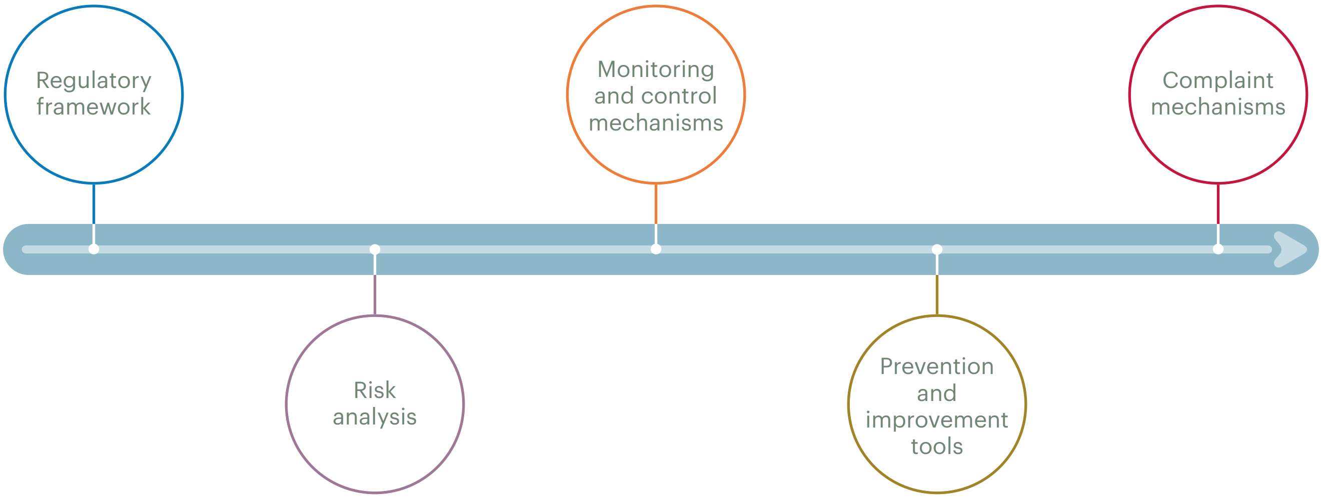
The Group undertakes to offer top quality services and products according to the quality requirements and standards established in law and its Food Safety and Quality Policy.

LOCAL COMMUNITIES

The Group is committed to making a positive contribution to human rights in the communities in which we operate, through the development of initiatives that contribute positively towards equal opportunities, reduction of inequalities and welfare of the people who live there.

Ensuring respect for Human Rights throughout our supply chain is one of the Group's priorities in Social Responsibility. With a view to reinforcing the achievement of this goal, in 2023 the Group's parent started working on the design and implementation of a due diligence system to detect, prevent and remedy, where necessary, any existing or potential impacts on Human Rights produced by or as a result of our operations.

This system contemplates the development of an action plan that will be supplemented over the coming three years, the progress and results of which will be reported annually through this Report and our corporate website. The plan includes the following actions: (i) a regulatory framework, (ii) evaluation and diagnosis systems, (iii) monitoring and control mechanisms that check compliance with our policies, (iv) implementation of tools for prevention, (v) complaint mechanisms, and (vi) fostering of good practices.



Although the groundwork was done in 2023 for an orderly, structured development of this work, the Group has already been performing a substantial part of the actions contemplated in the due diligence system for years. In this context, we explain below the work done so far in each of each of these aspects.

1. REGULATORY FRAMEWORK

Based, among others, 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), the Ebro Foods Group's commitment is set out in: (i) our Code of Conduct, which establishes the principles and values that must underlie the actions of all people and companies in the Ebro Foods Group, (ii) our Supplier 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, and (iii) our Sustainability, Environment and Corporate Social Responsibility Policy, which establishes the basic principles and general framework for actions undertaken by the Company and the Group in respect of sustainability, environment and corporate social responsibility.

The Group's commitment to Human Rights is set out in Section IV, points 9, 11, 12, 13, 14 and 15 of our Code of Conduct in respect of our professionals. Specifically in points 9.1, 9.3, 9.4, 9.5 and 9.6 it lays down the guidelines for eliminating discrimination in employment and occupation, eliminating forced or compulsory labour, effectively abolishing child labour and exercising the rights of freedom of association, to join unions and collective bargaining, in accordance with the laws currently in place. In points 11-15 it sets out our commitment to personal and professional development, occupational health and safety, the right to fair remuneration and privacy and data protection.

The Supplier Code of Conduct sets out the same commitments in respect of the workers in our supply chain in point 3 and the Sustainability, Environment and Corporate Social Responsibility Policy reinforces all the commitments acquired by the Group in respect of its stakeholders in points 5.3-5.9.

Those Codes and Policy can be consulted on the Ebro Foods corporate website (https://www.ebrofoods.es/en/csr/csr-in-ebro/codes-and-policy/).

The Company intends to draw up a specific policy on Human Rights during 2024.

2. RISK ANALYSIS

The assessment of risks and impacts requires the involvement of different areas of the Group, from the Sustainability departments to Human Resources and Procurement.

A Due Diligence questionnaire on Governance, Human Rights and Environment is being sent out by the Corporate Communications and Social Responsibility Department to the general managements of the different subsidiaries to make an internal analysis and diagnosis. These questionnaires must be completed jointly with the respective management teams to define, identify, assess and measure risks, generate opportunities for subsequent verification and control and adopt the necessary, proportionate measures to mitigate, reduce or remedy those risks, as the case may be. We anticipate completing this work in the first half of 2024.

With regard to the supply chain, the suppliers of the Ebro Group are classified into four categories:

1. Suppliers of rice and durum wheat
2. Suppliers of other commodities
3. Packaging suppliers
4. Service providers

As the Group has decentralised certain management areas, such as the Procurements Area, to its respective companies, each subsidiary has traditionally 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 establishing 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 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 HEADING TOWARDS 2030, that 100% of our suppliers and service providers will have signed the Group's Supplier Code of Conduct (COC) or incorporated ESG criteria in their policies.

In 2023 we mapped our global supply chain, with the following proportions per continent:

CONTINENT	% SUPPLIERS 2023	% SUPPLIERS 2022
Europe	69%	68%
Africa	10%	10%
Asia	10%	8%
North America	8%	8%
South America	3%	6%

NB: *The % of suppliers in Africa out of the global total gives a distorted view of the percentage weight this continent really has in the Group's supply chain because of the- large number of small suppliers of the agricultural commodity rice (some 564). If we take the amount of rice supplied in relation to the global supply of rice for the Group, it only accounts for 1%.*

According to our goal of 100% of our suppliers signing the Ebro Group's Supplier Code of Conduct, we continued making progress in 2023, as shown in the following table:

CONTINENT	2023	2022
Europe	17%	11%
Asia	54%	54%
North America	22%	8%
South America	37%	17%

Another of the tasks performed within the due diligence of our supply chain was to identify the risk levels of the principal commodity sourcing regions of the Ebro Group in order to prioritise our work. To do this we used the online tool https://www.countryrisk.io/ - an international risk assessment platform that is constantly updated using the parameters provided by different international databases, combining qualitative and quantitative information.

Countryrisk.io offers different risk rankings, each specialising in different matters. We concentrated on two of them for the risk assessment in our Group:

- **ESG RANKING** → classifies countries according to their will and ability to meet their public debt obligations (foreign currency), explicitly taking into account social and environmental indicators.
- **SUPPLY CHAIN RANKING** → enables an oversight of the Social, Environmental and Governance laws in place in the different countries, covering some 250 countries.

Based on the outcome of this country risk analysis and the volume of purchases from each country as a proportion of the Group's global supplies, we will focus our efforts in 2024 on stepping up the due diligence procedure with the suppliers who have the most critical scores.

3. MONITORING AND CONTROL MECHANISM

As a tool to strengthen the monitoring and control of respect for Human Rights, both within and outside the Group perimeter, we use the Sedex Members Ethical Trade Audit (SMETA) protocol to assess our internal manufacturing sites against a common set of corporate social responsibility standards developed for the consumer goods industry.

In the specific case of the supply chain, in addition to our corporate account on the Sedex Platform, where all the Group companies are already registered and their respective suppliers are in the process, we continue improving our due diligence systems in Human Rights by developing internal capacities, frequent meetings and visits by the Procurement Department to their suppliers to check first hand that they comply with the Group's ESG standards and incorporate good practices.

AUDITS MADE ON PLANTS OF THE EBRO GROUP

We made 17 SMETA audits on Group plants in 2023.

COMPANY	COUNTRY	PLANT	DATE	TYPE OF AUDIT	AUDITORS
Herba Ricemills	Spain	San Juan	07-02-2023	SMETA	Intertek Spain
	Spain	Algemesi	03-07-2023	SMETA	
	Spain	Los Palacios	28-06-2023	SMETA	
Bertagni 1882	Italy	Avio	14-03-2023	SMETA	Bureau Veritas Certification
	Italy	Arcugnano	29-03-2023	SMETA	
Ebro India	India	Taraori	03-11-2023	SMETA	DNV
Herba Bangkok	Thailand	Nong Khae	03-10-2023	SMETA	SGS
Herba Cambodia	Cambodia	Phnom Phen	24-04-2023	SMETA	UL Responsible Sourcing
Ebro Foods Netherlands	Netherlands	Wormer	10-05-2023	SMETA	SGS CBE Belgium
Ebro Ingredients	Netherlands	Plant D	10-05-2023	SMETA	
	Belgium	Schoten	01-07-2023	SMETA	
Ebro Foods Belgium	Belgium	Merksem (Plant A)	01-07-2023	SMETA	
Mundi Risol	Italy	Vercelli	24-10-2023	SMETA	SGS Italy
S&B Herba	UK	Fulbourn (Cambridge)	16-11-2023	SMETA	Bureau Veritas Certification
Pastificio Lucio Garofalo	Italy	Gragnano	22-02-2023	SA8000	DNV
			19-01-2023	Customer audit	Arche Advisors
			27-09-2023	Customer audit	Bureau Veritas

13 ethics audits were made at Group workplaces during 2022.

COMPANY	COUNTRY	PLANT	DATE	TYPE OF AUDIT	AUDITORS
Ebro India	India	Taraori	06-10-2022	SMETA	DNV
Herba Cambodia	Cambodia	Phonm Phen	25-04-2022	SMETA	ELEVATE
Herba Ricemills	Spain	San Juan	21-03-2022	SMETA	Intertek Spain
Pastificio Lucio Garofalo	Italy	Gragnano	05-07-2022	SA8000	DNV
Riviana Foods	USA	Brinkley	01-02-2022	SMETA	Accordia Global Compliance Group
		Memphis	05-05-2022	BSCI	
		Carlisle	02-02-2022	SMETA	
		Clearbrook	18-01-2022	SMETA	
		Alvin	08-03-2022	SMETA	
		Colusa	13-01-2022	SMETA	Control Union
S&B Herba Foods	UK	Regent mill	12-01-2022	SMETA	Bureau Veritas Certification
			18-05-2022	SMETA	
Herba Bangkok	Thailand	Nong Khae	26-10-2022	SMETA	SGS

AUDITS MADE ON OUR SUPPLY CHAIN

62 SMETA audits were made on suppliers in 2023.

COUNTRY	DATE OF AUDIT	AUDITORS
Argentina	26-06-2023	Intertek Argentina Uruguay and Paraguay
	11-07-2023	Bureau Veritas Certification
	12-07-2023	
	12-07-2023	
Austria	06-11-2023	Bureau Veritas Certification
France	27-06-2023	Intertek France
	01-06-2023	
	15-02-2023	SGS France
	23-01-2023	
	26-06-2023	
	13-12-2023	DNV
	30-03-2023	Bureau Veritas Certification
Germany	14-04-2023	Intertek Germany
	21-02-2023	SGS Germany
Greece	24-07-2023	Intertek Bulgaria
India	14-04-2023	DQS India
	15-06-2023	DQS CFS GmbH
	28-03-2023	Intertek India
Ireland	18-08-2023	SGS_UK
	16-08-2023	
Italy	09-08-2023	Intertek Italy
	12-01-2023	
	01-01-2023	
	27-04-2023	
	14-11-2023	
	16-01-2023	BUREAU VERITAS CPS - EMEA
Mexico	17-05-2023	Intertek Mexico
Netherlands	04-05-2023	SGS CBE Belgium
	13-06-2023	
Pakistan	22-08-2023	ELEVATE
	19-06-2023	Eurofins South Asia
	14-02-2023	SGS Pakistan
	30-05-2023	SGS Pakistan
	21-11-2023	ALGI Pakistan
	26-12-2023	GSCS International Ltd
Peru	03-10-2023	Intertek Peru
	25-04-2023	SGS DEL PERU S.A.C.
	10-03-2023	SIPAS CR-PERU
	04-09-2023	
	23-11-2023	
Portugal	29-06-2023	SGS Portugal

COUNTRY	DATE OF AUDIT	AUDITORS
Spain	26-04-2023	Bureau Veritas Certification
	30-10-2023	Intertek Spain
Switzerland	08-03-2023	Intertek Germany
Thailand	24-07-2023	SGS Thailand
	17-05-2023	
	07-08-2023	
	10-10-2023	
	07-08-2023	
Turkey	14-02-2023	ELEVATE
	19-06-2023	
UK	27-03-2023	BSI Group
	24-08-2023	SGS_UK
	27-03-2023	
	31-07-2023	
	06-12-2023	
	21-11-2023	
	27-11-2023	
	29-08-2023	
	04-10-2023	BUREAU VERITAS CPS - EMEA
USA	08-02-2023	Intertek Peru
	21-04-2023	

54 SMETA audits were made on suppliers in 2022, 6 of them follow-up audits.

COUNTRY	DATE OF AUDIT	AUDITORS
Argentina	13-07-2022	Bureau Veritas Certification
	14-07-2022	
	16-07-2022	
Belgium	19-09-2022	Intertek France
	25-01-2022	SGS CBE Belgium
Cambodia	19-08-2022	SGS (Cambodia) Limited
France	05-04-2022	SGS France
	17-05-2022	
	19-10-2022	
	03-02-2022	Bureau Veritas Certification
	21-07-2022	
	27-07-2022	
	15-06-2022	BUREAU VERITAS CPS - EMEA
	01-12-2022	
	05-09-2022	DNV
Germany	21-04-2022	Intertek Germany
	19-04-2022	
	05-05-2022	Bureau Veritas Certification
	12-08-2022	
	14-07-2022	TUV NORD CERT GmbH

COUNTRY	DATE OF AUDIT	AUDITORS
Greece	07-07-2022	Intertek Bulgaria
	31-05-2022	SGS_UK
Hungary	01-07-2022	Bureau Veritas Certification
India	26-05-2022	Bureau Veritas Certification
	20-07-2022	SGS ASIA
	07-11-2022	
	18-03-2022	Intertek India
Italy	22-06-2022	Intertek Italy
	14-04-2022	
	06-06-2022	SGS Italy
	25-05-2022	
	23-11-2022	BUREAU VERITAS CPS - EMEA
Mexico	08-06-2022	DNV
Netherlands	25-08-2022	Bureau Veritas Certification
Pakistan	04-10-2022	ALGI Pakistan
	29-09-2022	ELEVATE
	16-07-2022	ALGI Pakistan
Peru	10-08-2022	SIPAS CR-PERU
Poland	03-11-2022	SGS Poland
Portugal	14-10-2022	Intertek Portugal
Thailand	02-09-2022	SGS Thailand
	02-11-2022	
	17-03-2022	
	19-09-2022	
	25-05-2022	
Turkey	14-02-2022	Intertek Turkey
	24-05-2022	
UK	22-02-2022	SGS_UK
	28-09-2022	Verisio
	01-08-2022	Intertek UK
	08-08-2022	Verner Wheelock (incorporating KSSA)
	21-11-2022	
USA	18-01-2022	Accordia Global Compliance Group (Home Office)
	23-02-2022	Intertek Peru

4. PREVENTION AND IMPROVEMENT TOOLS

TRAINING

In an effort to prevent and facilitate identification of possible negative impacts within and outside the Group perimeter, towards the end of 2022 the parent launched a compulsory training course on Human Rights for all the company's professionals. This has now been done in most of the Group companies and will be completed within the first half of 2024.

This Training Plan, the content of which has been tailored to different professional categories, is being implemented through the SAP Litmos e-learning platform for professionals who have a corporate e-mail account, and in person for factory workers.

GOOD PRACTICES

Another of the fundamental tools used by the Group in the area of prevention is to encourage good practices, both within the Company and in the rest of our value chain.

Within the Group we highlight the certification of Ebro India as a 'Great Place to Work', in recognition of its excellent team management, its positive labour culture and its outstanding work in social responsibility. Another highlight was the certification of our subsidiary Tilda as B Corp, a recognition that encompasses all the operations of a company and guarantees high standards of social and environmental performance.

We have also developed several training and collaboration actions with our agricultural commodity suppliers, such as:

- **Pakistan (Herba Ricemills):** Together with Pakistan Basmati Heritage Foundation (PBHF) and Rice Exporter Association Pakistan (REAP), the Procurements and Exports team of Herba Ricemills participated in several work seminars with their suppliers in the Punjab area, which is very important for the Ebro Group's purchases of Basmati rice. The underlying goal was to train growers, exporters and other interested parties in our value chain and make them aware of the importance of sustainable production.
- **Morocco (Mundiriz):** Our company in Morocco holds an annual meeting with its rice suppliers in the Gharb region to boost its relations with suppliers, fostering coexistence and sharing good practices among them all to enable a sustainable, efficient management of the Mundiriz supply chain.
- **India (Ebro India):** This company has implemented several initiatives with both direct and indirect suppliers. Through the EKTA programme, the company provides training focused on sustainable agricultural practices, thus forestalling adverse impacts by its agricultural suppliers. The training contemplates aspects of modern farming techniques, ways of optimising the use of water in planting and production processes, and providing free biocontrol products to ensure a rational use of pesticides. Ebro India also has a team of graduate farmers who provide free counselling to its suppliers on ethics and compliance. Their support embraces issues such as Human Rights, the protection and safety of workers, the provision of free safety kits and even topics such as government legislation, the Land Law, etc.

In the area of agricultural raw materials, more specifically in rice production, Ebro India, Herba Bangkok, Herba Ricemills, La Loma Alimentos, Mundiriso and Riviana are, together with their agricultural suppliers, developing different sustainability programmes to assess and verify the sustainability of the crop using the FSA standard of the Sustainable Agriculture Initiative Platform (SAI Platform) and the SRP standard of the Sustainable Rice Platform, as well as the Ecological Agriculture Platform and Fair Trade. All these programmes together have produced a positive impact on approximately 10,500 growers who supply the Ebro Group.

At this point, we also highlight the sustainable agriculture projects we are developing in some of our principal sourcing areas, the main goals of which are: (i) improve growers' revenues, (ii) optimise their agricultural returns, (iii) mitigate climate change by reducing the use of water, (iv) cut emissions and (v) encourage the use of biological means to combat pests. Our global investment in all these projects was EUR 4.7 million.

The details of these programmes can be consulted in Chapter 10 of this Report, Commitment to the Environment.

In this regard, the start-up of all these projects has contributed towards the fact that no negative environmental or social impacts have been identified in our supply chain.

5. GRIEVANCE MECHANISM

During 2023, in pursuance of Act 2/2023 transposing the EU Whistleblowing Directive into national law, the Ebro Group established an Internal Reporting System (IRS) guaranteeing protection of whistleblowers who act in good faith and integrating all the complaint channels existing within the Group.

Within the structure of the IRS, a new Corporate Whistleblowing Channel has been created for the entire Group, through which anyone can inform Ebro Foods, S.A., as parent of the Group, of any possible irregularities detected in any of the Group companies. This Channel does not replace the complaints channels that some of our companies have established in pursuance of their local laws, but supplements them and the parent has also implemented it alongside its own complaints channel.

The Corporate Whistleblowing Channel is available for all stakeholders on the Group's corporate website, in the section "Contact" https://www.ebrofoods.es/en/contact/ and on the websites of the different subsidiaries. In companies that do not have a website, it is advertised through other channels, such as within the signatures on e-mails, on notice boards, etc.

In Ebro Foods it is also possible to access the Canal from its intranet, where we have created a tab called "Internal Reporting System of the Ebro Group" and included the link to the channel within that tab: Access to the Corporate Whistleblowing Channel of the Ebro Foods Group.

As a result of the foregoing, we updated the Code of Conduct of the Ebro Foods Group. The new version of the Code introduces two changes in respect of the previous version: (i) it includes regulation of the new Corporate Whistleblowing Channel created within the structure of the Internal Reporting System of the Ebro Foods Group; and (ii) it includes the current name of the Audit, Control and Sustainability Committee of Ebro Foods, S.A., previously called "Audit and Compliance Committee".

It should also be noted that in addition to the Corporate Whistleblowing Channel, the Human Resources Departments of the different Group companies have also enabled channels to process, investigate and resolve any incidents that may occur within the respective companies.

In this context, seven Human Rights grievances were reported during 2023 in the Human Rights Department of Riviana Foods, two of which had been resolved by the closing date of this Report. The same company received one complaint through the Corporate Whistleblowing Channel. In 2022, a total of 11 grievances were received in four Group companies.

COMPANY	2023			2022		
	No. OF GRIEVANCES LODGED	No. OF GRIEVANCES PROCESSED	No. OF GRIEVANCES RESOLVED	No. OF GRIEVANCES LODGED	No. OF GRIEVANCES PROCESSED	No. OF GRIEVANCES RESOLVED
Riviana Foods	7	6	2	6	6	1
La Loma Alimentos	–	–	–	1	1	1
S&B Herba Foods	–	–	–	2	2	2
Tilda	–	–	–	2	2	2
Total grievances	**7**	**6**	**2**	**11**	**11**	**6**

6. Anti-corruption and bribery measures

CORRUPTION AND BRIBERY

The Ebro Group has a global Code of Conduct, known to and binding on not only its workers and professionals, but also its customers, suppliers, shareholders and other stakeholders.

The Code of Conduct establishes the principal values that must underlie the Group's conduct, including those of transparency, honesty and strict compliance with the laws and regulations in place.

The Code of Conduct dedicates a specific section (29) to anti-corruption, bribery, illegal commissions, influence peddling and money laundering. It establishes the following general principles: (i) the obligation undertaken by the Group to eradicate any form of corruption and (ii) the absolute prohibition of any form of corruption or bribery. These principles are accompanied by specific rules of conduct designed to guarantee compliance with them.

All the Group's workers and professionals are obliged to be familiar with and accept the Code of Conduct. They receive a copy of it when they join the Group (or after any amendment) and formally acknowledge receipt, knowledge thereof and their obligation to comply. This is backed up with a grievance channel through which any interested person may confidentially inform the parent company of any potential infringement of the Code.

The general regulation set out in the Code of Conduct is supplemented on a corporate level with the Policy against Corruption and Bribery approved by the parent's board of directors in April 2019. All the principles, values and rules for action established in the Code of Conduct for combating corruption and fraud are developed in the specific, verifiable terms of that Policy.

In 2023, in pursuance of Act 2/2023 of 20 February regulating the protection of people reporting breaches of law and infringements of anti-corruption regulations, transposing EU Directive 2019/1937 on the protection of persons who report breaches of Union law (known as the Whistleblowing Directive) into Spanish law, Ebro Foods, S.A., as parent of the Ebro Group, defined and implemented its Internal Reporting System, establishing a Corporate Whistleblowing Channel applicable throughout the Group (while the local complaints channels and breach control structures continue to exist in the countries where they are required) and different procedures for handling reports received through that channel. The Internal Reporting System is fully implemented and training actions are currently being defined to instruct on its existence, structure and functioning.

In addition, the global regulation of the Code of Conduct, the principles set out in the Policy against Corruption and Bribery and the structure of the Group's Internal Reporting System are backed up locally in the different regions in which the Group operates. In this regard:

* In the principal Spanish companies, the Ebro Group also has a crime prevention model that identifies the potential criminal risks deriving from its activities and the mitigation measures established to try to eliminate (or minimise as far as possible) the risk of committing criminal offences, which include corruption and bribery. The crime prevention model identifies the measures implemented to mitigate the risk of committing offences of corruption, bribery, influence peddling and money laundering. Its effectiveness and application are monitored and checked regularly by the Compliance Unit, within the reporting system of the current crime prevention model. During 2020 the Group revised and updated its criminal risk map and crime prevention model, with counselling from external specialists. Along with the revision and updating and with counselling from the same external specialists, the Group has started to design an employee training plan in this area.
* In pursuance of local legislation (Legislative Decree of 8 June 2001) on companies' liability for certain types of offence (including corruption), the Italian companies in the Group have established organisation and management models that include measures to preclude the risk of committing those offences. Although the degree of implementation and functioning of those organisation models varies among the different subsidiaries, it is operative in all of them.
* The Group's North American subsidiaries have specific policies and measures to control and mitigate the risk of committing this type of offence. All the employees of Riviana Foods Inc. and Riviana Foods Canada Corporation (jointly "Riviana") receive and are obliged to sign a copy of the Ebro Foods Group Code of Conduct as confirmation of having been informed of the requirements established in that Code and their strict adherence to the principles of the Code that are applicable to the company and its employees under North American laws and regulations. In particular, and in pursuance of the special requirements under local laws, the North American companies have an Anti-Bribery Compliance Officer, who is responsible for ensuring compliance with the law and making sure that all workers and executives are aware of and comply with it. Training and refresher courses are provided regularly for this purpose.
* The Group's Indian subsidiary has a Vigil Mechanism/Whistleblower Policy, adapted to the applicable local laws (section 177(9) of the Companies Act and Rule 7 of the Companies Rules), through which a communication channel is made available to all employees to report to the company any conduct that infringes the Code of Conduct (in addition to the Group's reporting channel). Through that channel, any possible indication of unlawful conduct (including, therefore, any that may be considered acts of corruption) must be reported to the Vigilance and Ethics Officer of the company for investigation and adoption of whatever measures may be necessary. All new hires in the Group's Indian subsidiary receive specific information within their inception training on combating corruption, including the general rules established in the Code of Conduct, the specific rules of the Vigil Mechanism and the hierarchical structure for reporting suspicious conduct.
* In France, apart from incorporating the Corporate Whistleblowing Channel of the Ebro Group's Internal Reporting System, Lustucru Premium Group (parent of the business in that country) has drawn up its own risk map and established its own Code of Conduct applicable to the company and its subsidiaries.

The following table shows the companies that provided anti-corruption training for their employees in 2023. That ongoing training is included in regular training plans, thus ensuring that employee knowledge on the matter is constantly refreshed.

COMPANY	2023			2022		
	No. EMPLOYEES	No. EMPLOYEES RECEIVING TRAINING	% EMPLOYEES RECEIVING TRAINING	No. EMPLOYEES	No. EMPLOYEES RECEIVING TRAINING	% EMPLOYEES RECEIVING TRAINING
Bertagni	–	–	–	417	417	100.00%
Ebro India	214	44	20.56%	179	23	12.85%
Herba Bangkok	206	206	100.00%	194	194	100%
Herba Cambodia	32	32	100.00%	20	9	45.00%
Herba Ricemills	803	33	4.11%	–	–	–
Lustucru Frais	544	137	25.18%	–	–	–
Riviana Foods	1,040	1,040	100.00%	1,043	1,043	100.00%
Riviana Foods Canada	240	240	100.00%	237	237	100.00%

No cases of corruption have been reported in any companies of the Ebro Group. Nor have any of the Group's business partners reported any cases of this nature. No cases were reported in 2022 either.

MONEY LAUNDERING

The Ebro Group has established: (i) payment and collection processes and (ii) a structure of attorneys for bank transactions, through whom it guarantees adequate control and monitoring of money movements in all its transactions.

The Ebro Group uses bank transfers and nominative payment instruments for payments made and received as they guarantee full traceability of any money movement. It also has strict rules for cash management, which allow the different companies to hold only negligible amounts of cash and regulate in detail any drawings against the cash balances, requiring in all cases justification of cash requests and proof of use of those funds.

The reimbursement of expenses incurred by employees in the course of their work is also strictly controlled, requiring proof of the expense and the reason and justification for it prior to any reimbursement. Drawings made using a company bank card (by employees who have a card, by virtue of their category) are subject to the same requirements of proof and justification of use, such that if any use of the card is not justified and proved, the corresponding sums are withheld from payments to be made by the relevant company to the employee.

According to the Group's power of attorney structure, in order to draw funds from bank accounts, a prior decision by must be adopted by the competent corporate body and, as a rule, joint signatures are required, except for negligible amounts compared to the volume of transactions of the company in question.

7. 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.

SOCIAL CASH FLOW

(000€)	2023	2022
Economic value generated		
Net proceeds from operations	865,294	419,351
Sale of assets and businesses	15,652	27,411
Dividends received from third parties	1,317	2,319
	882,263	**449,081**
Economic value distributed		
Payments to or on behalf of employees	(332,694)	(334,371)
Corporate income tax	(41,146)	(90,821)
Contribution to not-for-profit entities and support for sustain-able agriculture	(6,917)	(4,933)
Interest income/expenses	(7,368)	(5,562)
Business acquisitions	(1,628)	(48,556)
CAPEX	(141,670)	(118,808)
Dividends paid **(*)**	(97,345)	(96,528)
	(628,768)	**(699,579)**
Economic value retained	**253,495**	**(250,498)**

(*) Dividends paid in the corresponding year

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 2023, the Ebro Group directly paid more than EUR 47.56 million to the tax authorities in the different countries in which it operates, compared to EUR 97.2 million in the previous year.

BREAKDOWN OF TAX PAYMENTS

(000€)	2023	2022
Income tax paid	41,146	90,821

TAXES PAID BY GEOGRAPHIC AREAS	2023		2022	
	NET IT	OTHER TAXES	NET IT	OTHER TAXES
Spain	(21,006)	524	36,615	613
Rest of Europe	25,947	2,273	24,426	2,492
America	32,825	3,618	29,067	3,304
Asia	1,954	0	170	0
Africa	1,426	0	543	0
Total	**41,146**	**6,415**	**90,821**	**6,409**

MOST SIGNIFICANT COUNTRIES	2023		2022	
	NET IT	OTHER TAXES	NET IT	OTHER TAXES
Spain	(21,006)	524	36,615	613
France	5,730	1,994	6,245	2,226
Italy	6,800	279	5,133	208
United States	32,991	3,503	11,690	3,196
United Kingdom	6,199	0	5,879	0

PRE-TAX PROFIT, BY COUNTRIES

(000€)	PRE-TAX PROFIT	
	2023	2022
Spain	20,369	(315)
Rest of Europe	126,768	74,130
America	113,783	89,668
Asia	9,849	18,353
Africa	3,088	3,971
Total	**273,857**	**185,807**

MOST SIGNIFICANT COUNTRIES	PRE-TAX PROFIT	
	2023	2022
Spain	20,369	(315)
France	22,769	(3,627)
Italy	48,279	28,468
United States	106,756	87,087
United Kingdom	27,700	32,665

PUBLIC GRANTS RECEIVED

(000€)	2023	2022
Capital grants received	6,304	1,026
Operating grants received	1,633	2,509

COMMITMENT TO THE DEVELOPMENT OF LOCAL COMMUNITIES

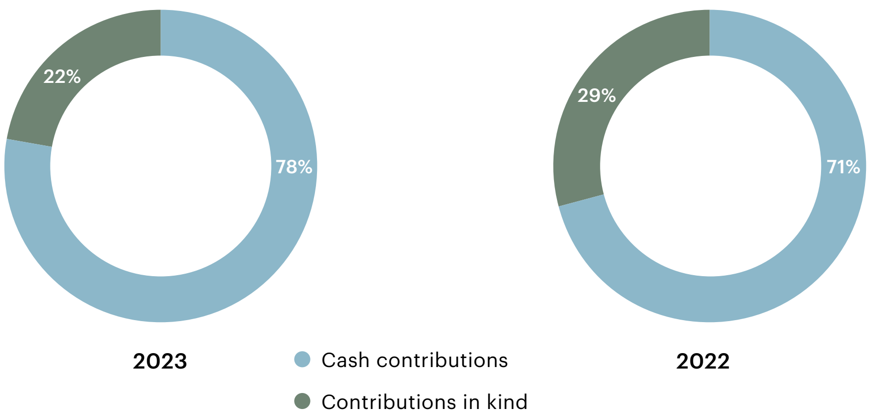
One of the main pillars of social responsibility action within the Ebro Group is ensuring the well-being and socio-economic development of the local communities directly related with our business activities.

During 2023, 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 2023 was EUR 6.9 million, compared to EUR 4.9 million in 2022.

SOCIAL ACTION	2023	2022
Food donations subsidiaries	1,529,646.26	1,415,232.06
Ebro Foundation activities	699,907.99	601,459.37
Sustainable Agriculture	4,687,526.00	2,916,070.00
Total amount (€)	**6,917,080.25**	**4,932,761.43**

Types of contribution

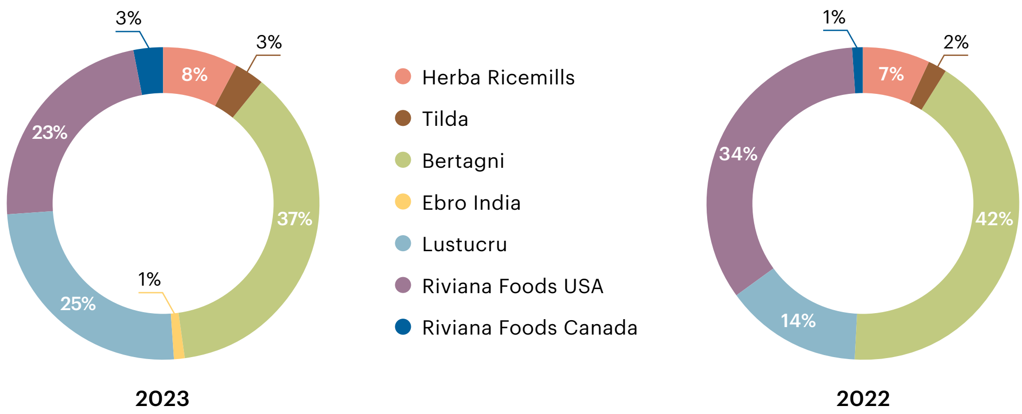


FOOD DONATIONS

During 2023, Group companies in Spain, United Kingdom, Italy, France, India, United States and Canada made food donations for an aggregate value of EUR 1.5 million, delivering 606,742 kilogrammes of food. Donations in 2022 amounted to EUR 1.4 million and 600 thousand kilogrammes of food.

COMPANY	2023	2022
Herba Ricemills	124,408.31	98,104.62
Tilda	48,479.00	31,552.60
Bertagni	562,713.85	600,732.00
Herba Bangkok	–	1,493.15
Ebro India	7,294.00	2,832.49
Lustucru	389,201.00	190,379.00
Riviana Foods USA	355,059.10	479,026.95
Riviana Foods Canada	42,491.00	11,111.25
Total amount (€)	**1,529,646.26**	**1,415,232.06**

Food donations by company



SOCIAL AND ENVIRONMENTAL INITIATIVES

Apart from the food donations and in their determination to contribute to sustainable development of the communities in which we operate, the Ebro Group and the Foundation continued working in 2023 to set up different social and environmental initiatives.

The Foundation worked in three major areas during 2023:

1. **Food and health:** This includes aid given to neighbourhood associations, soup kitchens, fraternities and sororities, humanitarian disasters, etc., as well as participation in projects that encourage healthy lifestyles through food and sport.

   The total investment made in this area in 2023 was EUR 141,218.09, up from EUR 58,070.57 in 2022.

2. **Social welfare:** This working area 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.

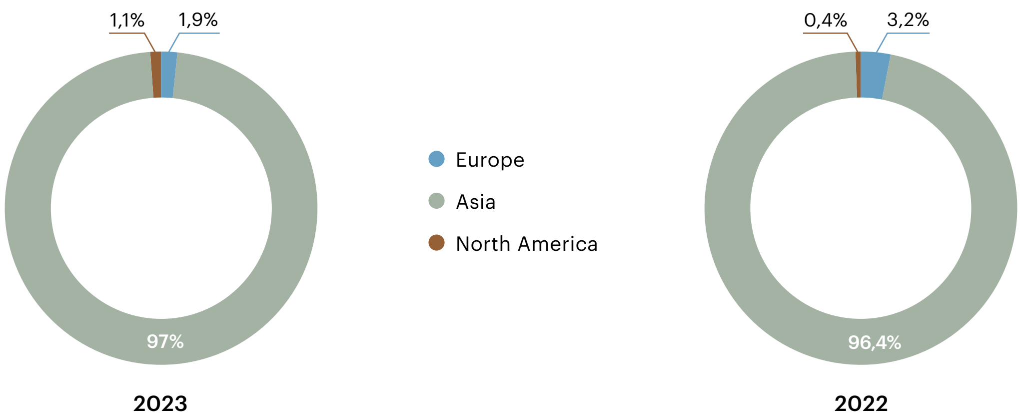
   The total investment made in this area in 2023 was EUR 498,689.90, compared to EUR 379,011.80 in 2022.

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 TOWARS 2030. The Foundation invested EUR 60,000 in these awards in 2023, compared to EUR 81,334 in the previous year.

   In addition, different Group companies invested EUR 4,687.526 (EUR 2,916,070 in 2022) in the launching of sustainable agriculture programmes in our principal sourcing areas, and the payment of a premium fee to growers with a view to improving not only their agricultural yields but also their revenues.

Details of actions by the Ebro Foundation

Investment in Sustainable Agriculture Projects



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

To conclude this chapter, it should be mentioned that the Ebro Group did not receive any complaints or claims regarding possible adverse impacts on the local communities in which we operate in 2023 or 2022.

8. Our professionals

People, their personal well-being and their professional development, are among the prime targets of the Ebro Group in Social Responsibility.

SCOPE OF THE REPORTING PERIMETER

Information on all the companies currently engaged in the Ebro Group's core businesses and their respective industrial facilities is included on a consolidated level (see Annex 1).

MANAGEMENT FOCUS

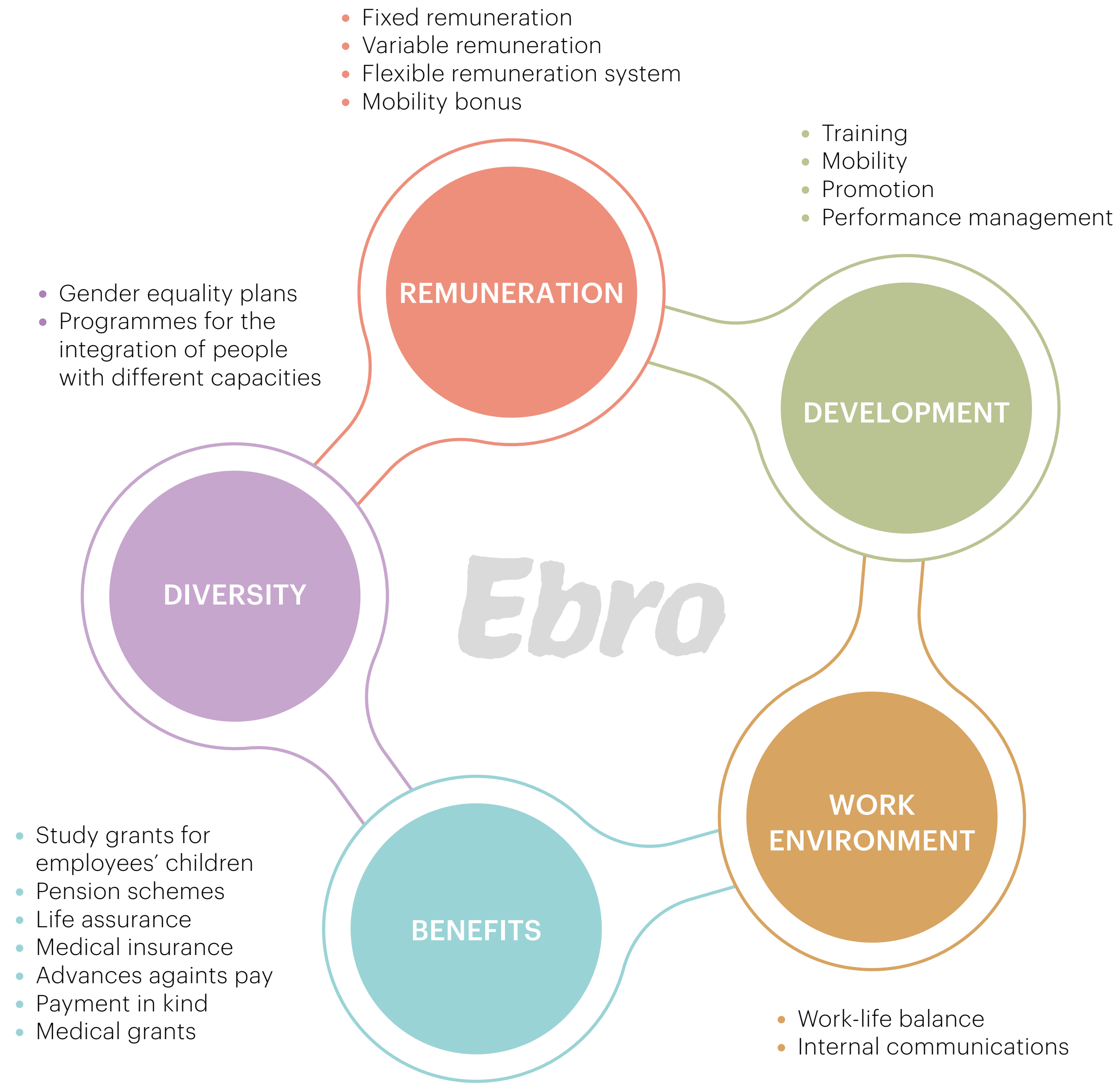
The most valuable asset of the Ebro Group is its **6,457 professionals, of whom 5,496 are employed directly by the company and 961 are contracted** through different external agencies. A very close-knit team of professionals with enormous talent potential aligned with the organisation's strategy. Through 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 each one (in addition to the provisions of labour laws), taking account of the specific features of the countries in which they operate. These policies also include general guidelines regulating company/employee relationships, specific guidelines on Occupational Health & Safety, 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, which not only secures ethical, responsible conduct by the professionals in all the subsidiaries of the Ebro Group 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. Occupational health and safety
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. Right to form and join unions
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.



A. EMPLOYMENT

TOTAL NUMBER AND DISTRIBUTION OF EMPLOYEES BY GENDER

	2023		2022	
	No. EMPLOYEES	% TOTAL EMPLOYEES	No. EMPLOYEES	% TOTAL EMPLOYEES
Men	3,906	71.07%	3,848	71.10%
Women	1,590	28.93%	1,564	28.90%
Total Employees	**5,496**		**5,412**	

NB: *The gap between men and women is largely due to the nature of the Group, which is predominantly factory-based, as factory work has traditionally been done by men. 71% of the personnel employed within the Ebro Group overall are men, 67% of whom are factory employees.*

BREAKDOWN OF EMPLOYEES BY AGE GROUP

RANGO DE EDAD	2023		2022	
	No. EMPLOYEES	% TOTAL EMPLOYEES	No. EMPLOYEES	% TOTAL EMPLOYEES
<=30	767	13.96%	861	15.91%
30 - 50	2,854	51.93%	2,764	51.07%
>= 50	1,875	34.12%	1,787	33.02%
Total employees	**5,496**		**5,412**	

BREAKDOWN OF EMPLOYEES BY COUNTRY

PAÍS	2023		2022	
	No. EMPLOYEES	% TOTAL EMPLOYEES	No. EMPLOYEES	% TOTAL EMPLOYEES
Argentina	194	3.53%	170	3.14%
Belgium	201	3.66%	220	4.07%
Cambodia	32	0.58%	15	0.28%
Canada	240	4.37%	237	4.38%
Denmark	69	1.26%	61	1.13%
France	588	10.70%	571	10.55%
Germany	166	3.02%	167	3.09%
Hungary	5	0.09%	5	0.09%
India	214	3.89%	179	3.31%
Italy	786	14.30%	780	14.41%
Morocco	254	4.62%	254	4.69%
Netherlands	85	1.55%	80	1.48%
Portugal	70	1.27%	72	1.33%
Spain	917	16.68%	934	17.26%
Thailand	206	3.75%	194	3.58%
United Kingdom	429	7.81%	430	7.95%
United States	1,040	18.92%	1,043	19.27%
Total employees	**5,496**		**5,412**	

BREAKDOWN OF EMPLOYEES BY PROFESSIONAL CATEGORY

PROFESSIONAL CATEGORY	2023		2022	
	No. EMPLOYEES	% TOTAL EMPLOYEES	No. EMPLOYEES	% TOTAL EMPLOYEES
Executives	302	5.49%	317	5.86%
Technical staff & middle management	939	17.09%	852	15.74%
Administrative & auxiliary staff	815	14.83%	835	15.43%
Factory employees	3,370	61.32%	3,346	61.83%
Others	70	1.27%	62	1.15%
Total employees	**5,496**		**5,412**	

TOTAL NUMBER OF EMPLOYMENT CONTRACTS AND BREAKDOWN BY TYPE

This table shows the total number of contracts at 31 December 2023.

TYPE OF CONTRACT	2023	2022
Permanent	3,859	3,750
At Will	1,234	1,258
Temporary	305	356
Total number of contracts	**5,398**	**5,364**

NB: *The At-Will contracts are the form of employment contract most commonly used in the USA and Canada, and corresponds to our companies Riviana Foods Inc. and Riviana Foods Canada Corporation.*

ANNUAL AVERAGE CONTRACTS BY GENDER

The At-Will contracts are included in permanent contracts, and the average number of part-time contracts is included in the average number of permanent and temporary contracts.

AVERAGE CONTRACTS	2023			2022		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Permanent	3,592	1,468	5,060	3,502	1,438	4,941
Temporary	294	124	418	328	140	468
Part-time	60	86	146	90	107	197

ANNUAL AVERAGE CONTRACTS BY AGE GROUP

The At-Will contracts are included in permanent contracts, and the average number of part-time contracts is included in the average number of permanent and temporary contracts.

AVERAGE CONTRACTS	2023				2022			
	<= 30	30-50	>= 50	TOTAL	<= 30	30-50	>= 50	TOTAL
Permanent	619	2,646	1,796	5,060	681	2,549	1,711	4,941
Temporary	152	200	65	418	173	215	80	468
Part-time	24	50	72	146	36	69	92	197

NB: *2023 saw the greatest transfer of temporary employees to permanent contracts and the hiring of part-time employees was reduced because of the reduced activity in the Company's plants, due to the absence or reduction of harvests in the wake of the negative impact of weather conditions (droughts and flooding).*

ANNUAL AVERAGE CONTRACTS BY PROFESSIONAL CATEGORY

Average full-time and part-time permanent contracts

PROFESSIONAL CATEGORY	2023	2022
Executives	294	301
Technical staff & middle management	908	849
Administrative & auxiliary staff	746	803
Factory employees	3,047	2,934
Others	65	54
Average permanent contracts	**5,060**	**4,941**

NB: *At-will contracts are included in permanent contracts*

Average full-time and part-time temporary contracts

PROFESSIONAL CATEGORY	2023	2022
Executives	12	14
Technical staff & middle management	11	14
Administrative & auxiliary staff	60	60
Factory employees	329	376
Others	7	5
Average temporary contracts	**418**	**468**

Average part-time permanent and temporary contracts

PROFESSIONAL CATEGORY	2023	2022
Executives	5	6
Technical staff & middle management	20	19
Administrative & auxiliary staff	54	70
Factory employees	59	89
Others	9	13
Average part-time contracts	**146**	**197**

NUMBER OF DISMISSALS BY GENDER, AGE AND PROFESSIONAL CATEGORY

PROFESSIONAL CATEGORY	2023							2022						
	MEN			WOMEN			TOTAL	MEN			WOMEN			TOTAL
	<= 30	30-50	>= 50	<= 30	30-50	>= 50		<= 30	30-50	>= 50	<= 30	30-50	>= 50	
Executives	0	2	0	1	1	2	**6**	1	1	8	3	2	1	**16**
Technical staff & middle management	2	11	11	1	6	0	**31**	4	9	9	6	9	8	**45**
Administrative & auxiliary staff	0	0	0	4	4	2	**10**	8	3	1	4	3	7	**26**
Factory employees	38	58	23	13	31	13	**176**	66	110	34	22	59	21	**312**
Others	0	3	0	0	0	0	**3**	0	0	0	0	0	0	**0**
Number of dismissals	**40**	**74**	**34**	**19**	**42**	**17**	**226**	**79**	**123**	**52**	**35**	**73**	**37**	**399**

NB: *The variation in the global number of dismissals in 2023 compared to 2022 is due to an erroneously high figure reported in 2022, originating in an incorrect interpretation of the concept by one of the subsidiaries.*

B. ORGANISATION OF WORK

ORGANISATION OF WORKING TIME

The organisation of working time varies in the different countries in which the Group companies operate. Working hours may thus vary between 35 and 48 hours a week, distributed over 5 or 6 days a week. The total weeks worked a year ranges between 44 and 52, depending on the production facilities.

ABSENTEEISM

The employees of Group companies were absent for a total 389,220 hours in 2023, which is similar to the previous year, when absenteeism totalled 378,123 hours.

This includes absenteeism due to illness, injury, occupational disease, commuting incidents and unjustified leave.

WELFARE BENEFITS FOR EMPLOYEES

The following table shows, by company, the benefits provided for employees:

COMPANY	WELFARE BENEFITS	TYPE OF EMPLOYEE
Agromeruan	Parental leave	All employees
	Disability/invalidity cover	
	Medical insurance	Full-time employees
Arrozeiras Mundiarroz	Parental leave	All employees
	Disability/invalidity cover	
	Medical insurance	Full-time employees
Bertagni	Parental leave	All employees
	Disability/invalidity cover	
	Fuel cards	
	Life insurance	
	Medical insurance	
Ebro Foods	Parental leave	All employees
	Disability/invalidity cover	
	Education grant for children	
Ebro Foods Belgium	Parental leave	All employees
	Pension fund	
	Life insurance	
	Medical insurance	
Ebro Foods Netherlands	ASR / Felison insurance	All employees
	Parental leave	
	Disability/invalidity cover	
	Pension fund	
Ebro India	Parental leave	All employees
	Pension fund	
	Life insurance	
	Medical insurance	
Ebro Ingredients	Parental leave	All employees
	Disability/invalidity cover	
	Pension fund	
	Life insurance	
	Medical insurance	
Geovita	Food Healthcare Fund	All employees

COMPANY	WELFARE BENEFITS	TYPE OF EMPLOYEE
Herba Bangkok	Parental leave	All employees
	Disability/invalidity cover	Full-time employees
	Pension fund	
	Social welfare	
	Life insurance	
	Medical insurance	
Herba Ricemills	Shares	All employees
	Parental leave	
	Disability/invalidity cover	
	Life insurance	
	Medical insurance	
Indo European	Parental leave	All employees
	Medical insurance	
La Loma Alimentos	Parental leave	All employees
	Disability/invalidity cover	
	Pension fund	
	Life insurance	
	Medical insurance	
Lustucru Frais	Parental leave	All employees
	Disability/invalidity cover	
	Pension fund	
	Life insurance	
	Medical insurance	
Mundi Riso	Parental leave	All employees
	Disability/invalidity cover	
	Pension fund	
	Life insurance	
	Medical insurance	
	Welfare Bit	
Mundi Riz	Parental leave	All employees
	Disability/invalidity cover	
	Medical insurance	Full-time employees
Pastificio Lucio Garofalo	Parental leave	All employees
	Disability/invalidity cover	
	Pension fund	
	Life insurance	
	Medical insurance	
Riceland Magyarorzag	Medical insurance	Full-time employees
Riviana Foods	Parental leave	Full-time employees
	Disability/invalidity cover	
	Pension fund	All employees
	Life insurance	Full-time employees
	Medical insurance	

COMPANY	WELFARE BENEFITS	TYPE OF EMPLOYEE
Riviana Foods Canada	Parental leave	Full-time employees
	Disability/invalidity cover	
	Pension fund	
	Life insurance	
	Medical insurance	
S&B Herba Foods	Parental leave	All employees
	Disability/invalidity cover	
	Pension fund	
	Life insurance	
	Medical insurance	Full-time employees
Tilda	Annual flu jab	All employees
	Parental leave	
	Meal vouchers	
	Vouchers for eye specialist	
	Medical grants	
	Life insurance	
	Medical insurance	

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

WORK-LIFE BALANCE

The Group continues working on the implementation of measures that give our professionals greater flexibility to cope with different times and circumstances in their lives, such as parenthood, childcare, care of elderly relatives, personal concerns related with volunteer activities, furthering their training, etc.

One of the company's most prominent flexibility measures is homeworking, which in some cases follows a regulated procedure and in others it forms part of the flexibility offered by the different companies to work remotely on specific days when the professionals need to be at home. In the same context, most of the businesses have introduced flexi-time to enable their employees to strike a better balance between their personal and professional lives.

Moreover, within its commitment to employees' work-life balance, the parent of the Group has established a protocol for digital disconnection so that its employees do not work outside their stipulated working times. This protocol will be reviewed and updated regularly in the event of any change in the organisation and/or activity of the company and in response to any suggestions or proposals for improvement received from our professionals.

Apart from the parent, Bertagni and Lustucru Premium Groupe also have digital disconnection protocols. Moreover, in Ebro Foods Belgium, Ebro Ingredients and Herba Bangkok, disconnection from work outside working hours is recognised in their national laws.

EMPLOYEES HOMEWORKING WITH A REGULATED PROCEDURE

PROFESSIONAL CATEGORY	2023			2022		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Executives	87	67	**154**	92	68	**160**
Technical staff & middle man-agement	85	65	**150**	61	55	**116**
Administrative & auxiliary staff	46	98	**144**	46	87	**133**
Factory employees	1	0	**1**	2	3	**5**
Others	0	0	**0**	1	0	**1**
Total employees homeworking	**219**	**230**	**449**	**202**	**213**	**415**

PARENTAL LEAVE

	2023			2022		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Employees who took leave / employees entitled to leave (%)	96.34%	100.00%	98.10%	97.78%	100.00%	98.77%

C. HEALTH AND SAFETY

All the Group companies and their respective production plants have an Occupational Hazard Prevention and Management System in place. This system is implemented using both internal resources and external firms. In addition, 87.35% of the workforce is represented on the Health and Safety Committees in the different companies (85.83% in 2022).

HEALTH AND SAFETY ASPECTS COVERED IN FORMAL AGREEMENTS WITH UNIONS

The health and safety aspects covered by formal agreements with unions are:

* **Global agreements:** in accordance with ILO principles, organisational structures for problem-solving, commitments regarding target performance or the level of practice to apply.
* **Local agreements:** personal protection equipment, mixed health and safety committees, participation of workers' representatives in health and safety audits, inspections and investigations, training and education and right to refuse unsafe work.

The production plants associated with Herba Ricemills in Spain and Pastificio Lucio Garofalo in Italy obtained ISO 45001 certification in occupational Health and Safety in 2023.

Other Group companies such as Lustucru Frais, Riviana Foods and Ebro India have risk prevention policies and agreements to provide a safe and healthy work environment, identifying and rectifying potential occupational risks at their workplaces.

WORKPLACE SAFETY

All our employees are covered for Occupational Hazard Prevention.

The following figures correspond to employees on the Group's payroll:

	2023		2022	
	MEN	**WOMEN**	**MEN**	**WOMEN**
No. lost-day injuries	122	54	137	47
Frequency rate	16.58	19.61	21.21	18.05
Severity rate	0.51	0.42	0.88	0.81
No. employees with occupational disease	0	2	1	2

NB:

(i) *The rates were calculated using the following formulas:*
– Frequency rate = (total no. lost time injuries/total no. hours worked) x1000000
– Severity rate = (no. lost days due to injury/total no. hours worked) x1000

(ii) *Occupational disease is work-related ill health.*

(iii) *The number of injuries includes lost-day commuting incidents.*

One fatal accident occurred in the company La Loma Alimentos (Argentina) during 2023. The same company also recorded one fatal accident in 2022.

There are no jobs within the Group with a high risk of work-related ill health among employees.

D. LABOUR RELATIONS

EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS

66.93% of the employees of the Ebro Group are covered by the collective bargaining agreements of their respective business areas or another kind of collective agreement, compared with 63.58% in the previous year.

The remainder are top executives of the Group, the professionals of the North American and Anglo Saxon companies (as such agreements have not been used there for over 20 years), those of Herba Cambodia, Mundiriz, Agromeruan and Ebro India (where this type of agreement is not used either) and those of Riceland Magyarorzag, since it has fewer employees than the number required by local law for these collective agreements. 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 Ebro Group's Code of Conduct. Furthermore, external ethical audits are conducted regularly in some of them.

% Employees covered by collective bargaining or other agreements

COUNTRY	2023	2022
Argentina	73.20%	78.24%
Belgium	100%	100.00%
Cambodia	0%	0%
Canada	67.50%	74.26%
Denmark	100%	100%
France	100%	100%
Germany	0%	0%
Hungary	0%	0%
India	0%	0%
Italy	100%	100%
Morocco	0%	0%
Netherlands	100%	100%
Portugal	100%	100%
Spain	100%	100%
Thailand	100%	0%
United Kingdom	5.78%	5.58%
United States	40.29%	37.39%

E. TRAINING

One of the main goals of the Ebro Group in respect of human resources is to foster the training of our employees to ensure both successful performance of their duties and their professional promotion. This training is tailored in most cases to the profiles and levels existing within the company to try to achieve a progressive improvement in their level of qualification and favour their professional growth.

This commitment is set out in section IV, point 11 of the Group's Code of Conduct.

The training may be internal, with the training of teams designed and conducted by personnel within the company, or external, through collaboration with external training institutions.

During 2023, 134,601 hours of training were given, against 136,230 hours in the previous year, with the participation of 81.88% of our employees.

TOTAL HOURS TRAINING OF OUR EMPLOYEES BY PROFESSIONAL CATEGORY

	2023			2022		
PROFESSIONAL CATEGORY	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Executives	1,275	367	**1,642**	2,343	1,441	**3,784**
Technical staff & middle management	9,851	3,411	**13,262**	9,344	3,072	**12,417**
Administrative & auxiliary staff	2,847	3,849	**6,696**	3,231	3,580	**6,812**
Factory employees	83,514	29,388	**112,902**	82,856	29,497	**112,353**
Others	53	46	**99**	618	248	**866**
Total hours training	**97,539**	**37,061**	**134,601**	**98,392**	**37,838**	**136,230**

NB: *The difference in hours in the Executives category between 2022 and 2023 is due to the shaping of new executive teams in Lustucru Frais during 2022 following the exit of the Panzani Group from the consolidated group.*

F. DIVERSITY AND EQUAL OPPORTUNITIES

The Ebro Foods Code of Conduct specifies in section IV, point 9.5 that the Group promotes and upholds the principle of equal treatment and equal opportunities for all its professionals, regardless of their race, colour, nationality, ethnic origin, religion, gender, political or sexual inclination, civil status, age, disability or family responsibilities, as a principle behind all human resources policies and applicable in the recruitment of professionals, training, career opportunities, pay levels and all other aspects of relationships with professionals.

With the aim of strengthening this commitment, some of the Group companies have drawn up additional policies that specifically build on the guidelines established in the corporate Code of Conduct. For example, the subsidiaries Riviana Foods, S&B Herba Foods and Lustucru Frais have a Policy for Equal Opportunities in Employment; Ebro India and Riviana Foods have an Anti-Discrimination and Anti-Harassment Policy; and in 2022 the parent, Ebro Foods, finished preparing an Equality Plan defining the framework for adequate action to promote effective gender equality. The Plan has been sent to the competent State Labour Authority for registration, filing and publication and at the date hereof we are pending completion of that formality by the Authority. In the same context, the Negotiating Committee for the Ebro Foods, S.A. Equality Plan also drew up the Ebro Foods Protocol for Sexual and Gender-Based Harassment, which was approved by Company Management on 9 January 2023. This Plan has also been supplemented with training in the matter for all the Company's professionals.

We also have the Ebro Foods Policy on the Selection of Directors and Diversity in the Composition of the Board of Directors, which lays down specifically and verifiably the basic principles and criteria that must be followed in the selection of candidates to sit on the company's Board of Directors and to ensure diversity in the composition of the Board.

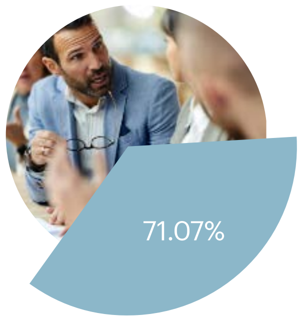
DIVERSITY IN GOVERNING BODIES AND WORKFORCE

BOARD OF DIRECTORS	2023		2022	
	NUMBER	% OF TOTAL	NUMBER	% OF TOTAL
Men	9	64.29%	9	64.29%
Women	5	35.71%	5	35.71%

	2023		2022	
	No. EMPLOYEES	% TOTAL EMPLOYEES	No. EMPLOYEES	% TOTAL EMPLOYEES
Men	3,906	71.07%	3,848	71.10%
Women	1,590	28.93%	1,564	28.90%
Total Employees	**5,496**		**5,412**	

5.496
Total Employees

1.590
Women



3.906
Men

EMPLOYEES WITH DIFFERENT ABILITIES

2023		2022	
MEN	WOMEN	MEN	WOMEN
61	32	67	31

All professionals with different abilities are included, regardless of the degree of disability recognised officially.

During 2023, several actions were taken in Spain to promote the socio-occupational integration of persons with different abilities, through the contracting of certain services with special employment centres (CEE).

CENTRE	SERVICES	AMOUNT 2023	AMOUNT 2022
C.E.E. CADEMADRID	Printing	4,207 €	1,948 €
C.E.E. INSERCIÓN PERSONAL DISCAPACITADOS " IPD"	Cleaning head office in Madrid	83,701 €	81,326 €
	Total	**87,908 €**	**83,275 €**

With regard to the universal accessibility and integration of persons with different abilities in physical environments, examples of measures taken by some Group companies included: (i) making the necessary adaptations to eliminate architectural barriers, (ii) applying ergonomic principles to adapt work stations to the person, and (iii) limiting certain tasks, and reducing and constantly reviewing their workload.

REMUNERATIONS

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

Average remuneration by professional category (EUR)

PROFESSIONAL CATEGORY	2023			2022		
	MEN	WOMEN	AVERAGE	MEN	WOMEN	AVERAGE
Executives	110,126	84,470	**97,298**	105,423	83,353	**94,388**
Technical staff & middle management	52,662	46,444	**49,553**	51,614	50,379	**50,997**
Administrative & auxiliary staff	33,817	33,749	**33,783**	37,618	32,128	**34,873**
Factory employees	30,203	26,461	**28,332**	28,064	24,560	**26,312**
Others	27,682	34,344	**31,013**	31,306	31,195	**31,251**

NB:

(i) *The calculation of this average remuneration is based on the average gross annual salaries of the employees (men and women) in each category.*
The gross salary includes the sum of the basic salary plus bonuses, such as seniority, cash bonuses and bonuses in kind (e.g. shares), overtime and any other work-related benefit, such as transport, housing benefits, child benefits, etc.

(ii) *The remuneration of the Senior Management is included in the information reported for the professional category "Executives".*

(iii) *The average remuneration of men in the category Technical staff & middle management in 2022 has been recalculated following correction of the data provided by one of the subsidiaries.*

Average remuneration by age group (EUR)

2023			2022		
<= 30	30 - 50	>= 50	<= 30	30 - 50	>= 50
34,836	48,922	60,229	34,357	49,849	58,486

NB:

(i) *The calculation of this average remuneration is based on the average gross annual salaries of the employees (men and women) in each age group.*

(ii) *The average remuneration for 2022 in the category 30-50 has been recalculated following correction of the data provided by one of the subsidiaries.*

Average remuneration by gender (EUR) and pay gap

2023			2022		
MEN	WOMEN	PAY GAP	MEN	WOMEN	PAY GAP
50,898	45,094	0.11	50,805	44,323	0.13

NB:

(i) *The calculation of this average remuneration is based on the average gross annual salaries of the employees, which includes the sum of the basic salary plus complements, such as seniority, bonuses and any other welfare benefit.*

(ii) *To calculate the pay gap, we used the following formula:*
(average remuneration men - average remuneration women)/ average remuneration men

(iii) *The average remuneration of men in 2022 has been recalculated following correction of the data provided by one of the subsidiaries.*

Average remuneration of directors, by gender

(000€)	2023		2022	
	MEN	WOMEN	MEN	WOMEN
Average remuneration of directors	254	179	252	178

*** NB:**

1) *The 2023 remuneration of directors for their duties as such was taken into account, excluding the remuneration received by the Executive Chairman for his executive duties. The Chairman is the only executive director who performs executive duties and receives remuneration for them.*

2) *The directors' remuneration for their duties as such is stated individually for each one in the Annual Report on Directors' Remuneration 2023, published on the website of the CNMV (www.cnmv.es) and the corporate website (www.ebrofoods.es). The remuneration of directors for their duties as such is established with no consideration for the gender of the person holding office.*

9. Customers and consumers

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.

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 any 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 standards FSSC22000, which provides a reference framework for the food safety requirements, incorporating good practices in the agricultural, manufacturing and distribution systems for HACCP.

In this context, all the Ebro Group plants have been certified for quality and food safety, having a total of 196 certifications (Annex 2), compared to 198 in 2022.

During 2023, Arrozeiras Mundiarroz, Bertagni, Ebro Foods Netherlands, Pastificio Lucio Garofalo, Lustucru Frais, Riviana Foods and Riviana Foods Canada made regular assessments of their products with a view to reinforcing safety and improving them.

Product and Service Labelling

All our companies comply with the national laws and regulations applicable in each country.

Customer and consumer 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 information and, in turn, 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 carries out internal checks and monitoring of the relevant quality system in case there is a fault and, if so, 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, which 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	COUNTRY	COMMUNICATION CHANNELS WITH CUSTOMERS
Arrozeiras Mundiarroz	Portugal	E-mail, post, website and social media
Bertagni 1882	Italy	E-mail, website and social media
Ebro Foods Belgium	Belgium	E-mail, website and social media
Ebro Foods Netherlands	Nether-lands	Telephone, e-mail, website and social media
Ebro India	India	Telephone, e-mail and social media
Euryza	Germany	Telephone, e-mail, website and social media
Herba Ricemills	Spain	Telephone and e-mail
Lustucru Frais	France	Telephone and post
Lustucru Riz	France	Telephone, post, e-mail and social media
Pastificio Lucio Garofalo	Italy	Telephone, e-mail, website and social media
Riceland Magyarorszag	Hungary	Telephone, e-mail and website
Risella	Finland	Telephone
Riviana Foods Canada	Canada	Telephone, e-mail, website and social media
Riviana Foods	United States	Telephone, e-mail, website and social media
Tilda	United Kingdom	Telephone, e-mail, post and social networks

INCIDENTS DURING THE YEAR

INCIDENTS REGISTERED WITH CUSTOMERS

Overall, 10 incidents were registered in 2023, compared with 5 in 2022 (3 claims from 2022 have been deducted as they were not correctly assigned).

	INCIDENTS	
	2023	**2022**
Health and safety	**8**	**2**
Ebro Foods Netherlands	1	0
Ebro Ingredients	3	2
Herba Ricemills	4	0
Information and labelling	**2**	**3**
Lustucru Frais	1	0
Herba Ricemills	1	0
Arrozeiras Mundiarroz	0	1
Bertagni	0	2

CLAIMS FROM END CONSUMERS

The following table shows the number of claims for packaging defects, requests for information, sensory properties, etc. handled, by company.

COMPANY	No. INCIDENTS 2023	No. INCIDENTS 2022
Arrozeiras Mundiarroz	157	243
Bertagni 1882	329	348
Ebro Foods Belgium	277	236
Ebro Foods Netherlands	482	181
Ebro India	40	48
Euryza	886	726
Herba Ricemills	237	250
Lustucru Frais	1,248	1,344
Lustucru Riz	1,914	1,509
Pastificio Lucio Garofalo	1,004	506
Riceland Magyarorszag	45	35
Risella	129	151
Riviana Foods	13,466	15,489
Riviana Foods Canada	1,968	1,501
Tilda	1,252	1,122

No claims were received in 2023 in any Group company related with privacy and customers' personal data leaks. Nor were any incidents registered in the previous year.

PROMOTION OF HEALTHY FOOD AND HEALTHY LIFESTYLES

Within our undertaking to encourage and promote healthy eating, all the brands of the Ebro Group include product categories targeting health, such as ancient grains, gluten free, quinoa, whole grain, etc., focusing increasingly on everything to do with healthy, organic and natural foods.

The Ebro Group has the blog 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 promoting healthy eating habits and maintaining an active lifestyle.

10. Commitment to the environment

SCOPE OF REPORTING

The information set out below includes the environmental performance corresponding to the 64 production plants (representing all our plants) and 8 of the 16 offices that the Ebro Group has through its different companies.

Calculation of our carbon footprint excludes the emissions from the 8 offices that the Ebro Group leases because the information is not available. Those offices are:

* The 3 offices of Ebro Foods, S.A. in Spain: Madrid, Granada and Barcelona
* The commercial office of Riceland in Hungary
* The Toronto office of Riviana Foods Canada
* The Houston office of Riviana Foods Inc.
* The Delhi office of Ebro India
* The Thailand office of Herba Bangkok

All the emission factors, low calorific values (LCV) and global warming effect used are set out in Annex 3.

MANAGEMENT FOCUS

The main goals of the Ebro Group's environmental commitment are defined as follows in our Policy on Sustainability, Environment and Corporate Social Responsibility: "Steer the company's processes, activities and decisions to protect our environment, prevent and minimise environmental impact, optimise the use of natural resources and preserve biodiversity."

According to this declaration, the Group's actions are based on the following:

1. Ensure that our 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 our activity by seeking eco-friendly solutions and embarking on initiatives to reduce our emissions, optimising our consumption of water, energy and packaging materials.
3. Transition towards a circular economy, recovering waste and favouring its recycling and reuse, using recycled raw materials and/or those respectful of the environment, whenever possible.
4. Organise environmental awareness and training programmes for Group employees.
5. Promote the use of sustainable crop techniques among our agricultural suppliers.

With regard to our operations, the processes used at Ebro Group's production plants in both the Rice and Pasta Divisions are simple agri-food processes with a low environmental impact and entail minimal risks of accidental pollution. The most significant environmental risks relating to the Ebro Group can be classified as follows:

1. Air emissions: Mainly emissions of particles during the handling of cereals and greenhouse gas (GHG) emissions related to the consumption of fossil fuels and electricity. The fuel most widely used is natural gas.
2. Noise emissions: Produced during the operation of engines, compressors, sleeve filters and other manufacturing equipment. All our plants comply with the environmental standards and the noise levels are monitored regularly, taking mitigation measures wherever necessary.
3. 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.
4. Water consumption: The amount of water used in our processes is negligible (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.
5. Waste generation and management: The company generates minimal amounts of waste, both non-hazardous (mainly packaging of ingredients and ancillary materials) and hazardous (maintenance operations) and it is managed through authorised waste disposal contractors.

PRECAUTIONARY PRINCIPLE

The guidelines on which the precautionary principle is based are set out in the Group's Code of Conduct and Policy on Sustainability, Environment and Corporate Social Responsibility. In both texts, Ebro Foods declares its firm commitment to respect and conserve the environment and preserve biodiversity. It also sees that its companies comply with the environmental laws applicable to their operations and any additional commitments assumed voluntarily, and applies environmental sustainability programmes in specific matters.

GRI 301: MATERIALS

This indicator is reported under standard GRI 301 (2016).

RAW MATERIALS [301-1]
The raw materials used are divided into two major categories:

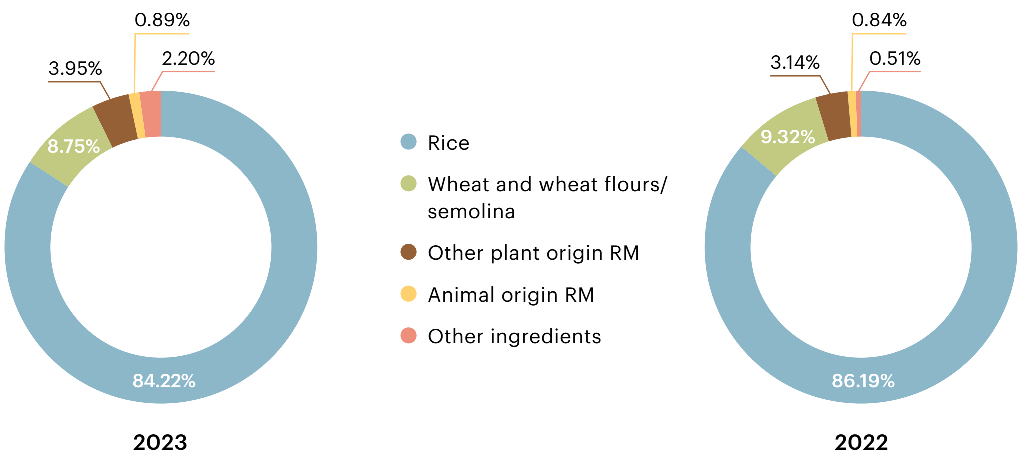
1. Those used in the preparation of finished goods
2. Those used for the packaging materials

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

1. Rice
2. Durum wheat and semolina/durum wheat flour
3. Other raw materials of plant origin: quinoa, pulses, other cereals, other flours/semolinas, fruit and vegetables and soya/soybean oil
4. Raw materials of animal origin: meat, fish and eggs
5. Other ingredients: e.g. spices and flavourings used mainly in precooked food.

RAW MATERIALS	2023		2022	
	T	%	T	%
Rice	2,033,040	84.22%	2,058,274	86.19%
Wheat and wheat flours/semolina	211,242	8.75%	222,542	9.32%
Other plant origin RM	95,312	3.95%	75,022	3.14%
Animal origin RM	21,422	0.89%	20,175	0.84%
Other ingredients	53,038	2.20%	12,179	0.51%
TOTAL (T)	**2,414,054**		**2,388,191**	

Raw Materials



We **do not use palm oil** in the preparation of any of our products.

The use of raw materials from animal origin in our products is less than 1% of the total. With regard to egg, the Ebro Group has undertaken to use exclusively ingredients from cage-free eggs in the production of any foods requiring that raw material as from 2025. This undertaking is extended to all the Group's companies in Spain and has also been adopted by Lustucru Frais in France. In 2023, the use of ingredients from cage-free eggs was 100% in Spain and 87% in France. We aim to reach 100% within 2024 in France.

PACKAGING MATERIALS [301-1]

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

TYPE OF MATERIAL	2023		2022	
Plastic	45,369	49.16%	45,086	48.35%
Paper	45,771	49.59%	46,830	50.22%
Glass	0	0.00%	0	0.00%
Metal	4	0.00%	3	0.00%
Others	1,146	1.24%	1,340	1.44%
Total (t)	**92,291**		**93,258**	

RECYCLED INPUT MATERIALS [301-2]

Based on the information received from the suppliers of packaging materials regarding the composition of their materials, we have calculated the recycled fibre/polymer content of the different types of packaging we use.

To preserve and guarantee the utmost food safety of our products, the primary packaging, which is in direct contact with the food, must have a 100% virgin material composition or be certified as suitable for use in the food industry. In this scenario, our primary packaging contains 2% recycled material.

The different secondary and tertiary packaging formats used by the different Group companies both contain 61% of recycled fibre, on average.

RECYCLED FIBRE CONTENT	2023	2022
Primary packaging	2%	6%
Secondary/tertiary packaging	61%	74%

GRI 302: ENERGY

This indicator is reported under standard GRI 302 (2016).

The energy consumption and inventory of greenhouse gas (GHG) emissions of all the Group companies is calculated under standard ISO 14064-1:2019.

ENERGY CONSUMPTION WITHIN THE ORGANISATION [302-1]

We separate energy consumption within the organisation into direct consumption and indirect consumption.

The calculation of direct energy consumption includes:

1. The consumption of non-renewable fuels in stationary and mobile sources
2. The consumption of renewable fuels:
   a. Rice husk, a by-product of our industrial processes, used by the subsidiaries Ebro India, Herba Ricemills and Mundiriso
   b. Wood chips used by Ebro Frost
   c. Charcoal used by Ebro India

3. The self-supplied energy in own photovoltaic and cogeneration facilities
4. The self-supplied energy sold (practically non-existent) from own photovoltaic and cogeneration facilities

DIRECT CONSUMPTION (GJ)

Most of our direct energy consumption comes from natural gas, followed by renewable fuels (rice husk, wood chips and charcoal), other non-renewable fuels (mainly propane, petrol and diesel) and self-generated electricity.

NON-RENEWABLE ENERGY SOURCES CONSUMED	2023		2022	
Natural gas	2,743,305	93.43%	2,807,055	94.50%
Other non-renewables	74,579	2.54%	76,690	2.58%
Total consumption non-renewables (GJ)	**2,817,884**	**95.97%**	**2,883,745**	**97.08%**

RENEWABLE ENERGY SOURCES CONSUMED	2023		2022	
Biomass/Charcoal	99,185	3.38%	80,976	2.73%
Total consumption renewables (GJ)	**99,185**	**3.38%**	**80,976**	**2.73%**

SELF-GENERATED ENERGY	2023		2022	
Photovoltaic panels	19,512	0.66%	6,361	0.21%
Cogeneration	114,914	3.91%	101,081	3.40%
Total self-generation (GJ)	**134,426**	**4.58%**	**107,442**	**3.62%**

SELF-GENERATED ENERGY SOLD	2023		2022	
Photovoltaic panels	10	0.00%	6	0.00%
Stationary combustion/Cogeneration	491	0.02%	553	0.02%
Total self-generation sold (GJ)	**501**	**0.02%**	**559**	**0.02%**

SELF-CONSUMPTION PHOTOVOLTAIC	2023		2022	
Self-consumption PV (GJ)	19,502	0.66%	6,355	0.21%
Total Direct Consumption (GJ)	**2,936,080**	**100.00%**	**2,970,524**	**100%**

4.6% of the direct consumption energy is self-generated at the photovoltaic and cogeneration facilities of our production plants, at:

Photovoltaic facilities

- Arotz: Navaleno
- Bertagni: Avio and Vicenza
- Ebro Frost Germany: Offingen
- Ebro India: Taraori
- Garofalo: Gragnano
- Geovita: Bruno
- Herba Bangkok: Nong Khae
- Herba Ricemills: Rinconada and Algemesí
- Mundiriso: Vercelli
- Riviana Foods: Colusa
- Transimpex: Lambsheim

Cogeneration facilities

- Bertagni: Avio and Vicenza
- Ebro Frost Germany: Offingen
- Garofalo: Gragnano
- Geovita: Vilanova Monferrato

INDIRECT CONSUMPTION (GJ)

8.89% of our indirect consumption is electricity with guarantee of renewable origin.

INDIRECT CONSUMPTION	2023		2022	
Electricity without GO	870,541	90.08%	920,955	91.55%
Electricity with GO	85,937	8.89%	76,643	7.62%
Steam	9,623	1.00%	7,768	0.77%
Heat	360	0.04%	551	0.05%
Cooling	0	0.00%	0	0.00%
Total indirect consumption (GJ)	**966,461**	**100.00%**	**1,005,916**	**100.00%**

TOTAL ENERGY CONSUMPTION	2023		2022	
Direct consumption	2,936,080	75.24%	2,970,524	74.70%
Indirect consumption	966,461	24.76%	1,005,916	25.30%
Total energy consumption (GJ) **(GWh)**	**3,902,541** **1,084**	**100.00%**	**3,976,440** **1,105**	**100.00%**

ENERGY CONSUMPTION OUTSIDE OF THE ORGANISATION [302-2]

We do not have the methodologies or activity data to calculate energy consumption outside of the organisation.

ENERGY INTENSITY [302-3]

ENERGY INTENSITY	2023	2022
Total energy consumed (GJ)	1,084	1,105
Net Sales Ebro (€m)	3,084.5	2,967.6
Energy intensity (GJ/€m net sales)	**0.35**	**0.37**

REDUCTION OF ENERGY CONSUMPTION [302-4]

Eleven companies in the Ebro Group have invested a total of EUR 905,971 to implement different initiatives to reduce their energy consumption.

COMPANY	PLANT	INITIATIVE	COST
Ebro Foods Belgium, N.V.	Merksem (plant A)	Insulation of production building	120,000 €
Ebro Foods Netherlands, BV	Wormer + H.I Netherlands Plant D	Cladding of pipes and boiler	5,857 €
Ebro Ingredients, B.V.	Plant F	Modification of presses	33,750 €
Garofalo	Gragnano	New direct heat exchange boilers	436,976 €
Herba Ricemills	Jerez de la Frontera	Installation of biocool ducts to preserve energy	25,385 €
Lustucru Frais	St Genis Laval	Change from conventional light-ing to LED with radar sensor	19,520 €
Riviana Foods Canada	Hamilton	Change from conventional light-ing to LED	14,523 €
Tilda	Classic Jazz	Energy saving and enhanced efficiency project	159,369 €
Arrozeiras Mundiarroz	Coruche	Change from conventional light-ing to LED	2,110 €
Bertagni	Avio Vicenza	Electricity consumption monitoring system	31,495 €
Bertagni	Vicenza	Electricity consumption monitoring system	6,507 €
Ebro India	Taraori	Water heating system using renewable energy (rice husk)	50,480 €

GRI 303: WATER AND EFFLUENT

This indicator is reported under standard GRI 303 (2018)

INTERACTIONS WITH WATER [303-1]

Water consumption in Ebro includes water consumed in offices and in the manufacturing process. In this regard it should be noted that, apart from the production processes of pasta and precooked food, which are somewhat more water-intensive, the other processes, such as the dry rice production process, have a minimum water consumption.

This indicator also includes the consumption of water used by our company Agromeruan on the farm it leases to grow rice. This is the only agricultural process performed by the Ebro Group.

Most of the water we use in our industrial processes is tap water, and a small portion is well water.

In 2023 Ebro India installed a rain harvester to save water; with this equipment the company will save an estimated 40,000 m^3/year.

MANAGEMENT OF WATER DISCHARGE-RELATED IMPACTS [303-2]

All effluent is discharged to the sewage networks, except from Bertagni, Ebro India, Ebro Frost Germany, Ebro Frost Denmark and Mundiriz, which discharge into inland waters.

WATER WITHDRAWAL [303-3]

78% of the water withdrawal for our global industrial operations comes from the municipal water supply (third-party water) and 22% comes from groundwater.

Water consumption in industrial processes

WATER WITHDRAWAL - INDUSTRIAL	2023		2022	
Third-party water	2,464,180	78%	2,757,089	83%
Groundwater	698,982	22%	544,884	17%
Total Withdrawal - Industrial water (m^3)	**3,163,162**		**3,301,972**	

Water consumption in agricultural process

Surface water is used for irrigation of the agricultural land leased by Agromeruan in Morocco. It is very important to note in this respect that of the water used for this process, **approximately 20-25% evaporates** (the % varies according to the weather conditions), **5% filters into the land**, where it nourishes the crop, and **the remaining 75% recirculates and returns to the flow**.

WATER WITHDRAWAL - RICE CROP	2023		2022	
Inland surface freshwater	11,880,000	100%	11,880,000	100%
Inland surface seawater	0	0%	0	0%
Total Withdrawal - Rice crop water (m^3)	**11,880,000**		**11,880,000**	

NB: *The water consumption by the crop is estimated at 12,000 m^3/ha.*

Water withdrawal by areas of water stress

Using the World Resources Institute (WRI) classification of water stress areas, the group's water withdrawal by areas of water stress is as follows:

INDUSTRIAL WATER WITHDRAWAL BY AREAS OF WATER STRESS	2023		2022	
High	935,546	85%	976,367	85%
Low	73,687	0%	84,929	1%
Low-medium	1,403,477	9%	1,505,808	10%
Extremely high	65,279	0%	46,239	0%
Medium-high	685,174	5%	688,630	5%
Total water withdrawal (m^3)	**3,163,162**		**3,301,972**	

NB: *The withdrawal figure for 2022 has been recalculated to exclude the water consumption by Agromeruan (used for agricultural, not industrial, process in Morocco).*

With regard to the agricultural process, the water withdrawal by Agromeruan for its rice crop corresponds to a high water stress area.

WATER DISCHARGE [303-4]

As mentioned earlier, 75% of the water withdrawn by Agromeruan for its rice crop is returned to the river. In this context, we have recalculated the 2022 figures, which did not include this important detail.

DESTINATION OF DISCHARGE	2023	2022
Third party water (sewage network, treatment plants)	1,972,758	2,002,340
Inland water	9,181,278	9,147,695
Seawater	0	0
Total (m^3)	**11,154,036**	**11,150,035**

DISCHARGE TREATMENT	2023	2022
No treatment	9,952,313	9,958,824
Aerobic treatment	1,201,723	1,191,211
Anaerobic treatment	0	0
Total (m^3)	**11,154,036**	**11,150,035**

TYPE OF DISCHARGE	2023	2022
Freshwater (SS<1000 mg/l)	10,530,012	10,593,276
Other water (SS>1000 mg/l)	624,024	556,760
Total (m^3)	**11,154,036**	**11,150,035**

DISCHARGE BY AREAS OF WATER STRESS	2023		2022	
	FRESHWATER DISCHARGED (SS<1000 MG/L)	OTHER WATER DISCHARGED (SS>1000 MG/L)	FRESHWATER DISCHARGED (SS<1000 MG/L)	OTHER WATER DISCHARGED (SS>1000 MG/L)
High	9,623,120	0	9,723,284	0
Low	62,611	0	73,808	0
Low-medium	406,940	460,627	272,994	483,600
Extremely high	32,480	0	20,858	0
Medium-high	404,861	163,397	502,331	73,160
Total discharge (m³)	**10,530,012**	**624,024**	**10,593,276**	**556,760**

Just as in 2022, there were no accidental discharges in 2023.

Reduction of water consumption and improvements to effluent quality

Three companies in the Ebro Group have developed initiatives to reduce water consumption or improve the quality of the effluent, with a total investment of EUR 796,862.

COMPANY	PLANT	INITIATIVE	COST
Bertagni	Avio	New purification plant	113,961 €
Bertagni	Vicenza	New purification plant	647,763 €
Ebro India	Taraori	Rain harvester	18,737 €
Herba Ricemills	Silla	Installation of decalcification /chlorination to improve water quality	16,401 €

WATER CONSUMPTION [303-5]

WATER CONSUMPTION	2023	2022
Water withdrawal	15,043,162	15,181,972
Water discharge	11,154,036	11,150,035
Water sold	0	0
Total water consumption (m³)	**3,889,126**	**4,031,937**

NB: *The 2022 figures have been recalculated taking into account that 75% of the water withdrawn by Agromeruan for its rice crop is returned to the river (discharge).*

DISCHARGE BY AREAS OF WATER STRESS	2023		2022	
High	3,192,426	82%	3,133,083	93%
Low	11,076	0%	11,121	0%
Low-medium	535,909	14%	749,214	6%
Extremely high	32,799	1%	25,381	0%
Medium-high	116,915	3%	113,139	1%
Total water consumption (m³)	**3,889,126**		**4,031,937**	

Intensity of water consumption

INTENSITY OF WATER CONSUMPTION	2023	2022
Water consumed (Th m³)	3,889	4,032
Net Sales Ebro (€m)	3,084.5	2,967.6
Intensity of water (Th m³/€m net sales)	**1.26**	**1.36**

GRI 304: BIODIVERSITY

This indicator is reported under standard GRI 304 (2016).

OPERATIONAL SITES IN OR ADJACENT TO PROTECTED AREAS AND AREAS OF HIGH BIODIVERSITY VALUE OUTSIDE PROTECTED AREAS [304-1]

1. The Riviana plant in Freeport, Texas (United States) is adjacent to a protected area of wetland, PEM1A, Brazos River.
2. Tilda has a jetty on the River Thames (United Kingdom).

SIGNIFICANT IMPACTS OF ACTIVITIES, PRODUCTS, AND SERVICES ON BIODIVERSITY [304-2]

Just as in 2022, there were no impacts in any areas considered of high biodiversity value during 2023.

HABITATS PROTECTED OR RESTORED [304-3]

Just as in 2022, no restoration measures were implemented in protected habitats in 2023.

GRI 305: EMISSIONS

This indicator is reported under standard GRI 305 (2016).

METHODOLOGIES FOR MEASUREMENT OF SCOPE 1, 2 AND 3 EMISSIONS

To calculate Scope 1 and 2 of the Group's Carbon Footprint we developed a Greenhouse Gas Emissions Inventory procedure for all the Group companies under standard ISO 14064-1:2019. The methodology used is of calculation based on activity data from each company/plant and emission factors taken from official sources (Annex 3), applied to all the Group plants. All gases are included in the calculation: CO_2, CH_4, N_2O, HFC, PFC, SF_6 and NF_3.

In 2023 we completed for the first time the exercise of measuring the Group's Scope 3 footprint, following the calculation and reporting standards established by GHG Protocol, and had it verified externally (as part of the audit process for this Report).

We started by assessing the applicability and relevance of the different Scope 3 categories defined by GHG Protocol (**screening**), which served as the basis for a subsequent **detailed calculation** for the different companies in the Group. As a result of this initial analysis, we were able to go into greater detail in the calculation of the most important categories, in terms of volume in the Group's total carbon footprint and the potential definition and application of decarbonisation levers.

Our Scope 3 calculation is thus based on both analyses made on activity data obtained from the different Group companies and on primary information provided directly by our suppliers.

As a result of the Group-wide measurement of our Scope 3 carbon footprint, we have included in the analysis the following categories and indirect emission sources (focusing on the most important ones within the framework of the analysis):

* **Cat.1. Purchased goods and services.** The purchases we make from our supply chain are the principal source of the Group's emissions, especially emissions associated with the sourcing of rice and raw materials used to manufacture pasta (wheat, wheat flour). In order to obtain data for calculation of the footprint with optimum granularity (by geographical region and level of processing), we used information obtained from HowGood, which has the largest sustainability database for the agri-food sector. We also included considerations regarding the sustainable agriculture projects developed by some of the Group companies.
* **Cat.2. Capital goods.**
* **Cat.3. Fuel- and energy-related activities.**
* **Cat.4 and Cat.9. Upstream and downstream transportation.** Given the complexity of the Group's international logistics activities, we made a detailed analysis of the emissions associated with sea and land transportation of the different companies. Moreover, in order to calculate the emissions in categories "3.4 - Upstream Transportation and Distribution" and "3.9 - Downstream Transportation and Distribution" we used primary information on the carbon footprints of our suppliers (including EccoFreight and the European logistics providers of Tilda UK) and the calculations made as part of our commitment to the Lean & Green Programme.
* **Cat.5. Waste generated in operations.**
* **Cat.6 and Cat.7. Business travel and employee commuting.**
* **Cat.10 and Cat.11. Use, processing and disposal of sold products.** Iour calculation of the emissions associated with the processing of our sales to industrial customers, the cooking of our products by consumers and end-customers and the disposal of food and packaging waste, were based on product life cycle assessments made by Herba Ricemills and Garofalo (within the framework of their collaboration with the Association of Pasta Manufacturers of the European Union) for our SOS rice and dry pasta products, respectively.
* **Cat.15. Investments.** We included in our analyses the emissions associated with the Group's investments, owing to the importance of our participation in other companies in the rice sector (Riso Scotti).
* **Cat.8 and Cat.13 (upstream and downstream leased assets)** and **Cat.14 (franchises)** are not applicable.

In the next stage, we will incorporate the results of this Scope 4 measurement within the definition of the different emission reduction plans to be developed within the Group.

The Ebro Group's GHG emissions are consolidated under the operational control approach, including: (a) direct Scope 1 emissions, (b) indirect Scope 2 emissions and (c) indirect Scope 3 emissions.

DIRECT (SCOPE 1) GHG EMISSIONS [305-1]

The sources of direct (Scope 1) GHG emissions are:

* Emissions of CO_2, CH_4 and N_2O from fossil fuel consumption by stationary sources and mobile sources (fleet of vehicles and machinery).
* Leaks of cooling gases (HFC) from HCAV equipment.

- Emissions of CH_4 from the rice crop. The emissions generated by the rice crop of Agromeruan in Morocco represent 2.6% of the Scope 1 emissions and 1.7% of the total emissions of the Group.
- Emissions of N_2O from elimination of nutrients in water treatment.
- Direct emissions of CH_4 and N_2O from Biomass (rice husk, wood and charcoal).

INDIRECT (SCOPE 2) GHG EMISSIONS [305-2]

The Scope 2 emissions are calculated according to location, using the specific emission factors of each country.

The sources of indirect (Scope 2) GHG emissions are:

- Emissions of CO_2 from energy consumption (electricity, heat, steam and cold) in installations and processes.

GHG EMISSIONS	2023		2022	
Scope 1 emissions	168,777	67%	171,685	63%
Scope 2 emissions	84,619	33%	102,467	37%
Total Scope 1 & 2 emissions (t CO_2e)	**253,396**		**274,153**	

BIOGENIC CO_2 EMISSIONS

Biogenic CO_2 emissions are produced in the combustion of renewable fuels, in our case rice husk, wood chips and charcoal.

BIOGENIC CO_2 EMISSIONS	2023	2022
Biogenic CO_2 (t)	10,534	8,666

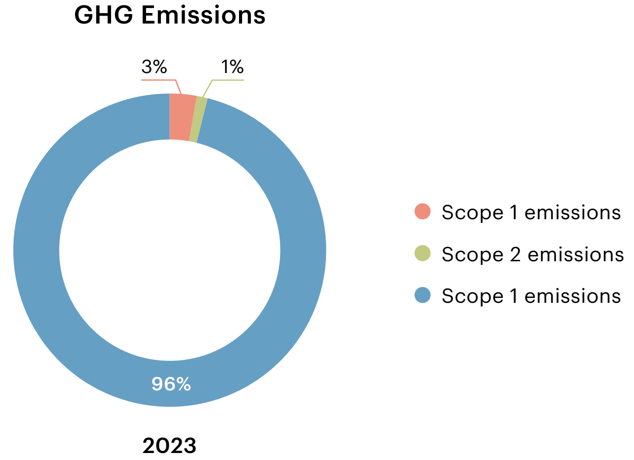
INDIRECT (SCOPE 3) GHG EMISSIONS [305-3]

	SCOPE 3 EMISSIONS	2023	
Upstream	3.1 - Purchased goods and services	**4,262,696**	**78.69%**
	3.2 - Capital goods	18,774	0.35%
	3.3 - Fuel- and energy-related activities	40,973	0.76%
	3.4 - Upstream transportation	**310,030**	**5.72%**
	3.5 - Waste	6,135	0.11%
	3.6 - Business travel	504	0.01%
	3.7 - Employee commuting	4,581	0.08%
Downstream	3.9 - Downstream transportation	**194,500**	**3.59%**
	3.10 - Industrial processing of sold products	47,957	0.89%
	3.11 - Use of sold products	**361,138**	**6.67%**
	3.12 - End-of-Life treatment of sold product	16,226	0.30%
	3.15 - Investments	153,794	2.84%
Total Scope 3 emissions (t CO_2e)		**5,417,308**	

GHG EMISSIONS INTENSITY [305-4]

Scope 3 emissions account for 96% of the Group's global carbon footprint.

GHG EMISSIONS	2023	
Scope 1 emissions	168,777	3%
Scope 2 emissions	84,619	1%
Scope 3 emissions	5,417,308	96%
Total emissions (t CO_2e)	**5,670,705**	



EMISSIONS INTENSITY	2023
Total GHG emissions (kt CO2e) Scopes 1-2-3	5,671
Ebro Net Sales (€m)	3,084.5
GHG emissions intensity (kt CO_2e/€m net sales)	**1.84**

EMISSIONS OF OZONE-DEPLETING SUBSTANCES (ODS) [305-6]

Thanks to the development of specific laws (international, European and national) and the efforts of the sectors affected, ODS production and consumption have been practically phased out. The Ebro Group's activities are not included in any of the main sectors that use or used ODS, so it is not a material indicator in our case and is not calculated.

NOx, SOx OTHER SIGNIFICANT AIR EMISSIONS [305-7]

We calculate the emissions of air pollutants associated with the stationary and mobile combustion processes, as they are the most significant. The NOx, SOx, etc. emissions are obtained by multiplying the GJ by a specific emissions factor for each type of pollutant.

In accordance with the applicable environmental laws and regulations, regular inspections and measurements are made by an external company to check compliance. No non-compliance was detected during the year.

NOx, SOx & OTHER EMISSIONS (T)	2023							
	NOx	CO	COV	SOx	PM10	PM2,5	PM	TOTAL
Stationary combustion	219	138	94	3	17	16		487
Mobile combustion	8	13	2				0	24
Total Pollutants (t)	**228**	**151**	**96**	**3**	**17**	**16**	**0**	**511**

NOx, SOx & OTHER EMISSIONS (T)	2022							
	NOx	CO	COV	SOx	PM10	PM2,5	PM	TOTAL
Stationary combustion	224	129	90	3	14	14		474
Mobile combustion	9	13	2				1	25
Total Pollutants (t)	**233**	**142**	**92**	**3**	**14**	**14**	**1**	**499**

MEASURES TO REDUCE NOISE AND LIGHT POLLUTION AND PARTICULATE MATTER

All our plants comply with the environmental standards applicable in their respective areas and make the necessary measurements to make sure they keep within the noise and light pollution limits.

INITIATIVES TO REDUCE NOISE AND LIGHT POLLUTION AND PARTICULATE MATTER

Three companies in the Ebro Group have developed measures intended to reduce noise and light pollution and particulate matter. The total amount invested in those actions was EUR 1,118,428.

COMPAÑÍA	PLANTA	INICIATIVA	COSTE
Ebro Ingredients, B.V.	Plant F	New silencer	16,000 €
Herba Ricemills	Algemesi/Saladar	New suction turbine in mill to reduce particles in suspension	5,035 €
Herba Ricemills	La Rinconada	New aspiration in cooking area to reduce particles in suspension	5,703 €
Mundi Riso	Vercelli	New aspiration system	1,091,690 €

MITIGATION OF THE RISK AND REDUCTION OF EBRO'S CARBON FOOTPRINT [305-5]

Climate change poses a serious threat for the Group's business activities as it directly affects essential aspects such as the production of raw materials, the availability of critical resources (such as water), the viability of product transportation, logistics and distribution operations and increased energy needs of our production processes, among others. Therefore, climate variables are an essential part of the environmental criteria that the Ebro Group includes in our management strategy.

Accordingly, in 2023 the Group began the analysis of climate-related risks and opportunities of our Organisation under the reference framework of the Task Force on Climate-related Financial Disclosures (TCFD), which provides guidelines for identifying, managing, reporting and monitoring the principal physical and transition risks to which the Organisation may be exposed as a result of climate change, as well as potential business and development opportunities. This analysis covers the Rice and Pasta (wheat) Divisions, including both the processing plants and the principal warehouses and sourcing areas of these commodities in Spain and worldwide. (For more information see Chapter 4 of this Report.)

Moreover, this year (2024) when we have completed the calculation of our Scope 3 carbon footprint, we plan first to define the science-based reduction targets (SBTi) for the entire Group and secondly to develop a first Decarbonisation Plan for our companies in Spain.

DECARBONISATION LEVERS FOR SCOPES 1&2

The Group has already taken various actions aimed at decarbonising the emissions generated by our companies, namely:

1. Installation of photovoltaic plants for self-consumption
2. Installation of renewable biomass combustion plants (using rice husk, charcoal and wood chips) to obtain thermal energy
3. Installation of cogeneration (CHP) plants
4. Purchase of electricity with guarantee of renewable origin (GO).

During 2023, **4 new photovoltaic facilities** came on stream in Bertagni, Herba Bangkok, Herba Ricemills and Riviana Foods, adding to those we already had.

DETAILS OF PHOTOVOLTAIC, BIOMASS AND COGENERATION FACILITIES IN THE EBRO GROUP

COMPANY	PLANT	PHOTOVOLTAIC	BIOMASS	COGENERATION
Arotz	Navaleno	x		
Bertagni	**Avio**	**x**		x
	Vicenza	x		x
Ebro Frost Denmark	Orbaek		x	
Ebro Frost Germany	Offingen	x		x
Ebro Frost UK	Beckley			
Ebro India	Taraori	x	x	
Garofalo	Gragnano	x		x
Geovita	Bruno	x		
	Villanova Monferrato			x
Herba Bangkok	**Nong Khae**	**x**		
Herba Ricemills	**Algemesí**	**x**		
	Rinconada	x		
	San Juan		x	
Mundi Riso	Vercelli	x		
Riviana Foods	**Colusa**	**x**		
S&B	Fullbourn			
	Regent			
Tilda	Classic			
	Jazz			
Transimpex	Lambsheim	x		

In 2023, we avoided the emission of 13,170 t CO_2e, 41% more than in 2022, through a 25% increase in the purchase of electricity with guarantee of origin (GO), photovoltaic self-generation and the use of renewable fuels.

ACTIVITY	2023	2023	2022	2022
	MWH	EMISSIONS AVOIDED	MWH	EMISSIONS AVOIDED
Electricity with GO	23,871	5,103	21,290	4,117
Photovoltaic self-generation	5,420	2,497	1,767	685
Biomass	27,551	5,570	22,493	4,547
Total (t CO_2e)	**56,843**	**13,170**	**45,550**	**9,350**

In addition to the energy reduction initiatives described in section 302 Energy, which entail reducing emissions, five Group companies have implemented initiatives to reduce GHG emissions, for a total value of EUR 1,774,462. The global investment in GHG emissions and energy reduction programmes is EUR 2,680,433.

COMPANY	PLANT	INITIATIVE	COST
Arrozeiras Mundiarroz	Coruche	Hybrid cars	9,359 €
Bertagni	Avio	Photovoltaic plant	964,000 €
Herba Ricemills	La Rinconada	Expansion photovoltaic plant	86,757 €
Bertagni	Avio	Interconnection photovoltaic plant	168,405 €
Ebro India	Taraori	Dust filters to reduce particles in suspension	110,548 €
Ebro India	Taraori	RECD (retrofit emission control de-vice)	55,682 €
Ebro India	Taraori	New air-conditioning equipment using a refrigerant with a lower GWP and enhanced efficiency	8,708 €
Herba Bangkok	Nong Khae	Photovoltaic plant	371,002 €

SCOPE 3 DECARBONISATION LEVERS

After completing the calculation of Scope 3 emissions and identifying the most important categories and decarbonisation levers for the Group, in 2024 we will set reduction targets in at least some of the following categories: (i) purchase of goods and services, (ii) upstream and downstream transportation, (iii) end-of-life treatment and (iv) waste.

This notwithstanding, the Group already has a clear, defined path in the development of measures and actions to reduce our Scope 3 emissions.

PRINCIPAL ACTIONS TO REDUCE SCOPE 3 EMISSIONS

Purchase of goods and services (category 1)

In this specific category, the Group has considerable expertise in the research and promotion of environmentally sustainable growing practices applicable to the rice crop in our principal sourcing areas. The main goals of these programmes are to contribute towards greater environmental conservation, promote biodiversity and mitigate the effects of climate change. This work is done through own initiatives and specific collaborations with stakeholders and industry associations such as the SAI Platform (SAI-P) and the Sustainable Rice Platform (SRP).

The best examples of the work we did in 2023 are indicated below:

COMPANY	CROP	COUNTRY	NAME OF PROJECT	INDICATORS
Herba Ricemills	Rice	Spain	Origins	• Training in good practices • Optimisation of resources • Incorporation of women and young people in agriculture
			Oryzonte	• Reduction of use of water through AWD • Reduction of GHG emissions: -60% in 255 Ha with AWD • Improvement of biodiversity • SRP verification
		Pakistan	SRP verification	• SRP verification • Certified seeds • Laser levelling • Intermittent watering (AWD) • Reduced water consumption
Ebro India	Rice	India	Organic farming	• Organic certification • Fair Trade certification
			Control farming & EKTA	• Training in good practices • Reduction pesticides • Certified seeds • Laser levelling • Intermittent irrigation (AWD) • Reducition of water consumption • Biological pest control • Reduction of GHG emissions
			Best practices	
			Stop Stubble Burning	• Use of fungi to produce bioenzymes developed by the Indian Agricultural Research Institute (IARI), which break down the straw in approx. 25 days so that the soil can be prepared for the next crop. • Reduction in use of fertilizers by around 20-25%
Mundi Riso	Rice	Italy	FSA verification	• FSA verification
Herba Bangkok	Rice	Thailand	SARI-T	• Training in good practices • Increase in productivity of water • Increase in number of women in agriculture • Biological pest control • Reduction of GHG emissions • SRP verification
Herba Bangkok	Rice	Thailand	Green Climate Fund	• Reduction of GHG emissions • Climate smart technologies and crop practices • Carbon credits as additional income
La Loma/ Neofarms	Rice	Argentina	Organic farming	• Organic rice verification
Riviana Foods	Rice	US	Regenerative farming	• Reduction in water usage of 3-7% • Reduced of GHG emissions: reduction of methane by 32-80%, depending on number of drying episodes (AWD) • FSA verification
Garofalo	Durum wheat	Italy	Sustainable durum wheat	Use of climate-smart technology to: • Optimisation use of fertilisers • Optimisation use of pesticides • Optimisation use of water

The Sustainable Aromatic Rice Initiative for Thailand (SARI-T)" programme developed to improve the economic viability of 1,200 rice growers in the Roi Et province and the sustainable production of high quality Hom Mali aromatic rice has concluded after almost 6 years. The work done and the growers participating in this project will have continuity in a new project called "Strengthening Climate-Smart rice farming, Green Climate Fund" (FAA), which will commence this year (2024).

Upstream and downstream transportation (categories 4 and 9)

The work to reduce emissions in this category are tackled from the point of view of land and sea transport.

* **Emissions associated with national land logistics (Spain).** After joining the Lean & Green Programme, in 2023 we continued working to reduce our logistics carbon footprint. Thus, after defining 2019 as the base year and the total t CO2e/tonne of product transported for sale as the indicator for monitoring, significant progress has been achieved:

  2020: 6.06% reduction

  2021: 0.14% reduction (recalculated after receiving new data from suppliers)

  2022: 35.83% reduction

  2023: measurement in progress

* For the emissions associated with the maritime logistics, we have primary data from our logistics provider Ecco-freight, which has developed a calculation tool, Eccoprint, that includes transport (by rail and/or road) from the source plant to the port of departure and from the port of arrival to our plant.

  In 2023, Eccofreight handled 320,363 tonnes shipped and GHG emissions of 81,649 t CO_2e, representing 16.18% of all the Group's logistics emissions.

  By choosing more efficient routes instead of other alternative routes available with larger carbon footprints, we avoided the emission of 24,764 t CO_2e.

End-of-life treatment (category 12)

The principal actions to reduce emissions in this category are associated with changes in the packaging material of our products. In accordance with the Group's commitment to making its packaging 100% recyclable by 2030, the packaging of the dry rice products of the brands SOS, SOS Specialties, La Fallera, Sabroz and La Cigala in Spain, Risella in Finland and the Brillante rice cups, one of the Group's best selling formats, are already 100% recyclable.

Further developing that commitment, the Group worked on three main projects in 2023 to continue making progress in the recyclability of our packaging.

1. Our subsidiary Pastificio Lucio Garofalo developed a new line of packaging made up of 30% recycled plastic obtained from chemical recycling, which is different from the mechanical recycling process and opens up unprecedented recycling possibilities for fractions of waste that are currently difficult to recycle, such as plastic from domestic waste collection. Chemical recycling breaks down the molecules of the polymers that make up the different types of plastic used for packaging, converting them into a raw material equivalent to a virgin material that can be used to produce new plastic.

   Initially, this new packaging is being used for five SKUs: Spaghetti, Penne, Fusilli, Farfalle and Elicoidale, and the brand aims to progressively increase the number of SKUs and the percentage of recycled plastic used.

   In line with this programme, Garofalo has joined the Zero Impact project of LifeGate, a programme based on three concepts: calculate, reduce and offset. Its participation in this initiative will allow Garofalo to offset the CO_2 emissions generated in the manufacturing and sale of the primary packaging of its products for the Italian market. The emissions will be offset by buying carbon credits for the project being developed in the Rimba Raya Reserve (Indonesia), which seeks to conserve the tropical peat swamp forest, a very important area in biodiversity that is home to 94 threatened species from the Red List of the UICN, such as the Bornean Orangutan, the Sunda Pangolin and the Clouded Leopard.

2. During 2023 Ebro Benelux started developing the project 'Sustainable Boil in the Bag Solution', which aims to replace the material currently used for the 'boil in the bag' category (HDPE, made from fossil fuels) with a biological-based bioplastic (PLA), specifically made from corn starch. This initiative will also have a positive impact on reducing emissions, since bioplastics have the unique property of neutralising CO2.
3. We continue testing and seeking alternatives that guarantee the food preservation properties of the doypack formats currently in use: the triplex Polyester/Polyamide/Polypropylene and Polyester/High Barrier Polyester/Polypropylene (PET/PA/PP and PET/HB PET/PP) and the compact polypropylene format for 1 kg and 0.5 kg doypacks.

To guarantee meeting the reduction, recycling and re-use targets defined in the Packaging and Packaging Waste Act 11/97 of 24 April, our 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) to show that the packager of the product has paid a sum of money for each package put on the market.

Both the European 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 destroy and recycle the material.

Waste (category 5)

This category includes actions developed to increase waste recovery and/or reduce food waste in our operations.

Waste management

On a Group level, in 2023 we reduced waste disposal by 34% year on year and increased recovery by 18%. In this respect, Herba Ricemills (Spain) has made a major change in its waste management. As a result, during 2023 95% of the waste it generated was managed through recovery operations.

Another four Group companies also embarked on different initiatives to improve waste management and recovery. The total amount of these initiatives was EUR 189,990.

COMPANY	PLANT	INITIATIVE	COST
Tilda	Classic and Jazz	Improvements in waste separation	59,599 €
Lustucru Frais	St Genis Laval	Improvements in waste separation to increase waste recovery	103,874 €
Herba Ricemills	Silla	Fumigation boxes recirculated to silos	26,017 €
Riviana Foods Canada	Hamilton	Recovery of tertiary packaging that previously went to the landfill	500 €

Food waste action policy

The main internal policy for food surplus within the Group (defining surplus as products suitable for consumption but which, for different reasons -such as packaging defects, being close to their use-by date, etc.- are not suitable for sale to consumers) is donation to food banks.

The Ebro Group also participates actively in the programme "Don't waste food", a collaborative initiative to reduce food waste, led by AECOC, the association of large consumer companies.

The three principal objectives of the project are to:

* Establish prevention and efficiency practices throughout the food chain to reduce waste
* Maximise use of the surplus produced in different stages of the value chain (redistribution, reuse and recycling)
* Make society aware of this problem and the need to reduce food waste

The initiative is supported by over 600 manufacturers and distributors in the large consumer sector, logistics and haulage operators, business associations, consumer organisations and other institutions and is coordinated by AECOC.

The programme aims to inform people about the efforts being made by companies to prevent food waste and promote enhanced collaboration to gradually reduce the problem. Every year some 7.7 million tonnes of food is wasted in Spain. Therefore, the "Don't waste food" programme aims to make consumers throughout the world aware of the problems of food waste and get them to participate in the initiative, encouraging them to collaborate in order to reduce the waste generated by each person.

GRI 306: WASTE

This indicator is reported under standard GRI 306 (2020).

WASTE GENERATION [306-1]

Most of the waste generated by our business is classified as non-hazardous waste. There is also a small proportion of hazardous waste generation, mainly waste from the packaging of chemical products used in maintenance work at our facilities.

MANAGEMENT OF SIGNIFICANT WASTE-RELATED IMPACTS [306-2]

All the companies in our Group have contracted the management of hazardous and non-hazardous waste to authorised waste disposal contractors.

All waste of whatever type is separated by kind and taken to authorised waste disposal contractors for treatment according to the laws in place in each geographical area, giving priority to recycling and reuse wherever possible.

WASTE GENERATED [306-3]

WASTE	2023		2022	
Non-hazardous	35,493	98%	36,757	99%
Hazardous	712	2%	285	1%
Total Waste (t)	**36,205**		**37,042**	

WASTE FOR RECOVERY [306-4] AND DISPOSAL [306-5]

DESTINATION OF WASTE	2023		2022	
Total Waste for Disposal	9,321	26%	14,193	38%
Total Waste for Recovery	26,884	74%	22,850	62%
Total Waste (t)	**36,205**		**37,042**	

NON-HAZARDOUS WASTE FOR DISPOSAL	2023		2022	
Landfill	7,008	20%	10,416	28%
Incineration	635	2%	727	2%
Other disposal operations	1,020	3%	2,801	8%
Total disposal NH waste (t)	**8,663**	**24%**	**13,943**	**38%**

NON-HAZARDOUS WASTE FOR RECOVERY	2023		2022	
Recycled	8,854	25%	8,913	24%
Composted	3,665	10%	3,552	10%
Reused	9,519	27%	10,164	28%
Other recovery operations	4,793	14%	185	1%
Total recovery NH waste (t)	26,830	76%	22,814	62%
Total Non-Hazardous Waste (t)	**35,493**		**36,757**	

HAZARDOUS WASTE FOR DISPOSAL	2023		2022	
Landfill	325	46%	218	76%
Incineration	327	46%	16	6%
Other disposal operations	5	1%	16	6%
Total disposal H waste (t)	**658**	**92%**	**250**	**88%**

HAZARDOUS WASTE FOR RECOVERY	2023		2022	
Recycled	48	7%	32	11%
Composted	0	0%	0	0%
Reused	0	0%	1	0%
Other recovery operations	6	1%	2	1%
Total recovery H waste (t)	54	8%	36	12%
Total Hazardous Waste (t)	**712**		**285**	

WASTE INTENSITY

WASTE INTENSITY	2023	2022
Total Waste (t)	36,205	37,042
Ebro Net Sales (€m)	3,084.5	2,967.6
Waste Intensity (t/€m net sales)	**11.74**	**12.48**

GRI 2-27 ENVIRONMENTAL COMPLIANCE

NON-COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS [2-27]

In 2023, two plants reported cases of minor non-compliance with environmental laws and regulations that did not lead to fines as appropriate measures had been taken in each case.

COMPANY	PLANT	ENVIRONMENTAL NON-COMPLIANCE	REMEDIAL ACTION
Lustucru	St. Genis Laval	Non-compliance of pH and temperature of effluent	Investment in efflu-ent treatment plant
	Lorette	Non-compliance with effluent parameters	Maintenance con-tract with specialist

In 2022, there were three cases of minor non-compliance with no fines.

Provisions and guarantees for environmental risks

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

Environmental assessment and certification procedures

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.

The following workplaces have an environmental management system certified under UNE-EN-ISO 14.001:

* Herba Ricemills: San Juan, Coria, Los Palacios, La Rinconada and Isla Mayor plants
* Pastificio Lucio Garofalo: Gragnano plant

INVESTMENTS IN ENVIRONMENTAL RISK PREVENTION

Thirteen of the 34 companies covered by this Report have reported investments in measures to mitigate climate change risks.

The investments reported here include measures to reduce energy consumption, reduce water consumption, improve the quality of effluent, reduce GHG and particle emissions, improve waste management, sustainable agriculture and due diligence, and the costs of waste management, regulatory inspections, noise measurements and analyses.

Those companies were:

- Arrozeiras Mundiarroz
- Bertagni
- Ebro Foods Belgium
- Ebro Foods Netherlands
- Ebro India
- Ebro Ingredients
- Garofalo
- Herba Bangkok
- Herba Ricemills
- Lustucru Frais
- Mundiriso
- Riviana Foods Canada
- Tilda

The principal investments were made by Bertagni, Mundiriso and Herba Bangkok.

ENVIRONMENTAL EXPENSE AND INVESTMENT	2023	2022
Cost of management and control	2,337,768 €	1,404,433 €
Initiatives to mitigate climate change risks	9,473,237 €	5,763,427 €
Total	**11,811,005 €**	**7,167,860 €**

NB: *The 2022 figures have been recalculated to include the investment in sustainable agriculture projects, which had not been reported earlier.*

SUMMARY OF INITIATIVES TO MITIGATE CLIMATE CHANGE RISKS	2023	2022
Energy - direct and indirect consumption	905,971 €	1,017,718 €
Water	35,138 €	184,308 €
Effluent	761,724 €	233,298 €
GHG emissions - scopes 1&2	1,774,462 €	1,397,933 €
Air quality	1,102,428 €	0 €
Waste - cat. 5 scope 3	189,990 €	14,100 €
Noise pollution	16,000 €	0 €
Sustainable agriculture - cat. 1 scope 3	4,687,526 €	2,916,070 €
Total	**9,473,237 €**	**5,763,427 €**

Annex 1

LIST OF SUBSIDIARIES OF THE EBRO GROUP

COMPANY	COUNTRY	BUSINESS AREA
Agromeruan, S.A.R.L. AU	Morocco	Rice
Arotz Foods, S.A.	Spain	Others
Arrozeiras Mundiarroz, S.A.	Portugal	Rice
Bertagni 1882, S.P.A.	Italy	Fresh pasta
Ebro Foods Belgium, N.V.	Belgium	Rice
Ebro Foods Netherlands, B.V.	Netherlands	Rice
Ebro Foods, S.A.	Spain	Parent (Holding)
Ebro India, Private Ltd.	India	Rice
Ebro Ingredients, B.V.	Netherlands and Belgium	Ingredients
Ebro UK	United Kingdom	Rice
Ebrofrost Denmark, A/S	Denmark	Rice and pasta
Ebrofrost Germany, Gmbh	Germany	Rice and pasta
Ebrofrost UK, Ltd	United Kingdom	Rice and pasta
Euryza, Gmbh	Germany	Rice
Geovita Functional Ingredients, S.R.L.	Italy	Ingredients
Herba Bangkok, S.L.	Thailand	Rice
Herba Cambodia, Co. Ltd	Cambodia	Rice
Herba Ricemills, S.L.U.	Spain	Rice
Indo European Foods Limited	United Kingdom	Rice
La Loma Alimentos, S.A.	Argentina	Rice
Lustucru Frais, S.A.S.	France	Fresh pasta
Lustucru Premium Groupe	France	Rice and pasta
Lustucru Riz, S.A.S.	France	Rice
Mundi Riso, S.R.L.	Italy	Rice
Mundi Riz, S.A.	Morocco	Rice
Neofarms Bio, S.A.	Argentina	Rice
Pastificio Lucio Garofalo, Spa	Italy	Pasta
Riceland Magyarorzag, Kft	Hungary	Rice
Riviana Foods Canada Corporation	Canada	Fresh pasta
Riviana Foods, Inc.	United States	Rice
S&B Herba Foods, Ltd.	United Kingdom	Rice
Santa Rita Harinas, S.L.U.	Spain	Others
Tilda, Ltd.	United Kingdom	Rice
Transimpex, Gmbh	Germany	Rice

LIST OF INDUSTRIAL FACILITIES (PRODUCTION PLANTS AND WAREHOUSES) AND OFFICES OF THE EBRO GROUP

COMPANY	COUNTRY	WORKPLACE	TYPE OF FACILITY
Agromeruan, SARL AU	Morocco	Coruche	Office (lease)
Arotz Foods, S.A.	Spain	Navaleno	Industrial
Arrozeiras Mundiarroz	Portugal	Coruche	Industrial
		Lisbon	Office (lease)
Bertagni 1882, S.P.A.	Italy	Vicenza (Arcugnano)	Industrial
		Avio	Industrial
		Avio (ex Le Cont)	Warehouses
		Avio (ex Ginos)	
		Arcugnano (via Fermi)	
		Arcugnano (ex Campagnolo)	
Ebro Foods Belgium, N.V.	Belgium	Merksem (plant A)	Industrial
Ebro Foods, S.A.	Spain	Madrid	Offices (lease)
		Barcelona	
		Granada	
Ebro Foods Netherlands, BV	Netherlands	Wormer + Plant D	Industrial
Ebro India, Private Ltd.	India	Taraori	Industrial
		Delhi	Office (lease)
Ebro Frost Denmark, A/S	Denmark	Orbaek	Industrial
Ebrofrost Germany, Gmbh	Germany	Offingen	Industrial
Ebrofrost UK, Ltd	United Kingdom	Beckley	Industrial
Euryza, Gmbh	Germany	Hamburg	Office (lease)
Geovita Functional Ingredients, S.R.L.	Italy	Bruno	Industrial
		Nizza Monferrato	
		Verona	
		Villanova Monferrato	
Herba Bangkok, S.L.	Thailand	Nong Khae	Industrial
		Bangkok	Office (lease)
Herba Cambodia, Co. Ltd	Cambodia	Phnom Phen	Industrial
Ebro Ingredients, B.V.	Belgium	Plant B	Industrial
		Plant C	Industrial
		Euro Rice Handling+Plant E	Industrial
		Plant F	Industrial
		Beernem	Office (lease)
	Netherlands	Plant D	Industrial

COMPANY	COUNTRY	WORKPLACE	TYPE OF FACILITY
Herba Ricemills, S.L.U.	Spain	Jerez de la Frontera	Industrial
		Silla	
		Algemesí	
		L'Aldea	
		La Rinconada	
		Los Palacios	
		San Juan de Aznalfarache	
		Coria del Río	
		Isla Mayor	
		Cotemsa	Warehouses
		Raza	
		Ecorub	
Indo European Foods Ltd.	United Kingdom	Felixstowe	Industrial
La Loma Alimentos, S.A.	Argentina	Los Charrúas	Industrial
		Chajarí	
		Los Conquistadores	
		Buenos Aires	Office (lease)
Lustucru Frais, S.A.S.	France	St Genis Laval	Industrial
		Lorette	
		Communay	
		Lyon	Office (owned)
Mundi Riz, S.A.	Morocco	Larache	Industrial
Mundi Riso, S.R.L.	Italy	Vercelli	Industrial
Neofarms BIO, S.A.	Argentina	Concordia	Office (lease)
Pastificio Lucio Garofalo, Spa	Italy	Gragnano	Industrial
Riceland Magyarorzag, Kft	Hungary	Budapest	Office (lease)
Riviana Foods Canada	Canada	Delta	Industrial
		Hamilton	
		Toronto	Office (lease)
Riviana Foods	United States	Houston	Office (lease)
		Memphis	Industrial
		Carlisle	
		Brinkley	
		Hazen	
		Clearbrook	
		Freeport	
		Alvin	
		Colusa	
S&B Herba Foods, Ltd.	United Kingdom	Fullbourn	Industrial
		Regent	
		Orpington	Office (lease)
Santa Rita Harinas, S.L.U.	Spain	Loranca de Tajuña	Industrial
Tilda, Ltd.	United Kingdom	Classic	Industrial
		Jazz	
Transimpex, Gmbh	Germany	Lambsheim	Industrial
		Lambsheim	Office (owned)

Annex 2

LIST OF FOOD SAFETY AND QUALITY CERTIFICATIONS OF THE GROUP'S SUBSIDIARIES

COMPANY	COUNTRY	WORKPLACE	CERTIFICATION
Arotz Food	Spain	Navaleno	IFS
			CAAE (ecological products)
Arrozeiras Mundiarroz	Portugal	Coruche	ISO 9001
			IFS
Bertagni 1882	Italy	Avio	BRC
			MSC
			ASC
			ORGANIC
			IFS
		Arcugnano	ORGANIC
			BRC
			IFS
Ebro Foods Belgium	Belgium	Merksem	IFS
			KOSHER
			FEED CHAIN ALLIANCE (FCA)
			ORGANIC
Ebro Foods Netherlands	Netherlands	Wormer	ORGANIC
			IFS
			GMP +
Ebrofrost Denmark	Denmark	Orbaek	ORGANIC
			KOSHER
			BRC
Ebrofrost Germany	Germany	Offingen	IFS
			KAT
			ORGANIC/BIO
Ebrofrost UK	United Kingdom	Beckley	BRC
Ebro India	India	Taraori	ORGANIC (organic paddy rice crop)
			ORGANIC (organic rice processing)
			BRC
			IPQC
			PPQS USA
			ISO 22000
			FSSAI
			HALAL
Euryza	Germany	Hamburg	ORGANIC

COMPANY	COUNTRY	WORKPLACE	CERTIFICATION
Geovita Functional Ingredients	Italy	Bruno	BCR
			ORGANIC
			KOSHER
			IFS
			HALAL
		Villanova Monferrato	BRC
			KOSHER
			IFS
			ORGANIC
Harinas Santa Rita	Spain	Loranca de Tajuña	IFS
Herba Bangkok	Thailand	Saraburi	ISO 9001
			BRC
			ORGANIC EU
			ORGANIC USA
			HALAL
			KOSHER
			GMP & HACCP
			NATURLAND ORGANIC
			GLUTEN FREE
Herba Cambodia	Cambodia	Phnom Phen	ORGANIC EU
			BRC
			ORGANIC USA
			KOSHER
Ebro Ingredients	Belgium	Schoten (planta B)	IFS
			GMP + B1
		Schoten (planta C)	IFS
			GMP + B1
			BIO EU
		Schoten (planta F)	IFS
			BIO EU
			GMP + B1
	Netherlands	Wormer	IFS
			GMP + B3
			GMP + B1
			KOSHER
			HALAL
			NON-GMO
			BIO EU
			BIO CHINA
			ORGANIC EU
			NATURLAND ORGANIC

COMPANY	COUNTRY	WORKPLACE	CERTIFICATION
Herba Ricemills	Spain	Coria del Río	IFS
			ISO 9001
			ECOLOGICAL
			KOSHER
		San Juan de Aznafarache	ISO 9001
			BRC
			IFS
			ECOLOGICAL
			KOSHER
		Jerez de la Frontera	ISO 9001
			IFS
			KOSHER
			GLUTEN FREE
			ECOLOGICAL
			BRC
		Silla	IFS
			KOSHER
			ISO 9001
			GLUTEN FREE
			BRC
		Algemesí (ready foods plant)	GLUTEN FREE
			IFS
			BRC
		Algemesí (rice plant)	ISO 9001
		Algemesí (flour mill)	IFS
			KOSHER
		La Rinconada	BRC
			GLUTEN FREE
			IFS
		Isla Mayor	ECOLOGICAL
		Los Palacios	ISO 9001
			ECOLOGICAL
Indo European Foods	United Kingdom	Felixtowe	BRC
			FEMAS

COMPANY	COUNTRY	WORKPLACE	CERTIFICATION
La Loma Alimentos	Argentina	Los Charrúas	GLUTEN FREE
			GMP + HACCP
			KOSHER
		Chajarí	KOSHER
			GMP + HACCP
			GLUTEN FREE
Lustucru Frais	France	Saint Genis Laval	IFS
		Lorette	IFS
		Communay	IFS
Mundi Riso	Italy	Vercelli	IFS
			BRC
			ORGANIC EU
			FSSC 22000
			KOSHER
Mundi Riz	Morocco	Larache	ISO 22000
Neofarms Bio	Argentina	Entre Ríos	ORGANIC CHINA
			KOSHER
			ORGANIC USA
			GLUTEN FREE
Pastificio Lucio Garofalo	Italy	Gragnano	BRC
			IFS
			FSMA-VQIP
			VEGAN
			KOSHER
			HALAL
			BIO CERTIFICATE
			PGI
			GLUTEN FREE
Riviana Foods Canada	Canada	Delta	BRC
		Hamilton	BRC

COMPANY	COUNTRY	WORKPLACE	CERTIFICATION
Riviana Foods	United States	Memphis	KOSHER
			SQF
			HALAL
			ORGANIC
			NON-GMO
			GLUTEN FREE
		Brinkley	SQF
			KOSHER
			GLUTEN FREE
			NON-GMO
			HALAL
			ORGANIC
		Clearbrook	KOSHER
			GLUTEN FREE
			NON-GMO
			SQF
		Alvin	KOSHER
			SQF
			GLUTEN FREE
			NON-GMO
			ORGANIC
		Carlisle	KOSHER
			ORGANIC
			GLUTEN FREE
			NON-GMO
			HALAL
			SQF
		Freeport	KOSHER
			GLUTEN FREE
			NON-GMO
			SQF
		Memphis (EbroFrost)	BRC
			KOSHER
			ORGANIC
			HALAL
		Colusa (Inharvest)	BRC
			ORGANIC
			NON-GMO
			GLUTEN FREE
			KOSHER

COMPANY	COUNTRY	WORKPLACE	CERTIFICATION
S&B Herba Foods	United Kingdom	Cambridge	BRC
			FEMAS
			NON-GMO
			ORGANIC
			KOSHER
		Liverpool	BRC
			ORGANIC
			NON-GMO
			KOSHER
Tilda	United Kingdom	Rainham (classic site)	BRC
			KOSHER
			FEMAS
		Rainham (Jazz site)	BRC
Transimpex	Germany	Lambsheim	IFS
			ORGANIC
			NATURLAND ORGANIC

Annex 3

CALORIFIC POWER OF FUELS, EMISSION FACTORS AND WATER STRESS CLASSIFICATION

Table 1. Net calorific value (NCV) of Fuels

FUEL IN STATIONARY SOURCES	NCV	UNIT NCV	SOURCE NCV
Natural Gas	0.03789	GJ/m_3N	National GHG Inventory of Spain (Annex 7), based on 2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1)
Liquefied Petroleum Gas (LPG)	0.0473	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1)
Propane	0.0473	GJ/kg	IDEA
Liquefied Natural Gas (LNG)	0.0442	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1)
Butane	0.0473	GJ/kg	IDEA
Gasoline	0.0443	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1)
Diesel	0.043	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1)
Charcoal	0.0295	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1)
Biomass (wood chip)	0.0156	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1 and 2)
Biomass (rice husk)	0.0116	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1 and 2)

FUEL IN MOBILE SOURCES	NCV	UNIT NCV	SOURCE NCV
Liquefied Natural Gas (LNG)	0.0442	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1 and 3)
Liquefied Petroleum Gas (LPG)	0.0473	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1 and 3)
Gasoline	0.0443	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1 and 3)
Diesel	0.043	GJ/kg	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.1 and 3)

Table 2. Emission Factors of fuels and activities

FUEL IN STATIONARY SOURCES	EF CO_2E ($KGCO_2E/GJ_{NCV}$)	EF CO_2 ($KGCO_2/GJ_{NCV}$)	EF CH_4 ($KGCH_4/GJ_{NCV}$)	EF N_2O (KGN_2O/GJ_{NCV})	UNIT EF	SOURCE NCV
Natural Gas	56.1545	56.1	0.001	0.0001	kg CO_2/GJ_{NCV}	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.2)
Liquefied Petroleum Gas (LPG)	63.1545	63.1	0.001	0.0001	kg CO_2/GJ_{NCV}	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.2)
Propane	62.7000	63.6	0	0	kg CO_2/GJ_{PCI}	EF of MITERD* v.23
Liquefied Natural Gas (LNG)	64.4430	64.2	0.003	0.0006	kg CO_2/GJ_{PCI}	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.2)
Butane	62.7000	66.2	0	0	kg CO_2/GJ_{PCI}	EF of MITERD* v.23
Gasoline	69.5430	69.3	0.003	0.0006	kg CO_2/GJ_{PCI}	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.2)
Diesel	74.3430	74.1	0.003	0.0006	kg CO_2/GJ_{PCI}	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.2)
Charcoal	6.66	0	0.2	0.004	kg CO_2/GJ_{PCI}	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch.2)
Biomass (wood chips)	1.90	0	0.03	0.004	kg CO_2/GJ_{PCI}	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch. 1&2)
Biomass (rice husk)	1.90	0	0.03	0.004	kg CO_2/GJ_{PCI}	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch. 1&2)

FUEL IN MOBILE SOURCES	EF CO_2E ($KGCO_2E/GJ_{NCV}$)	EF CO_2 ($KGCO_2/GJ_{NCV}$)	EF CH_4 ($KGCH_4/GJ_{NCV}$)	EF N_2O (KGN_2O/GJ_{NCV})	UNIT EF	SOURCE NCV
Liquefied Natural Gas (LNG)	59.4710	56.1	0.092	0.003	kg CO_2/GJ_{PCI}	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch. 1&3)
Liquefied Petroleum Gas (LPG)	64.8890	63.1	0.062	0.0002	kg CO_2/GJ_{PCI}	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch. 1&3)
Gasoline	72.1200	69.3	0.025	0.008	kg CO_2/GJ_{PCI}	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch. 1&3)
Diesel	75.2427	74.1	0.0039	0.0039	kg CO_2/GJ_{PCI}	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch. 1&3)
Propane	62.7000	63.6	0	0	kg CO_2/GJ_{PCI}	EF of MITERD* v.23
Butane	62.7000	66.2	0	0	kg CO_2/GJ_{PCI}	EF of MITERD* v.23

OTHER DATA ON ACTIVITY	EF CO_2E ($KGCO_2E/GJ_{NCV}$)	EF CO_2 ($KGCO_2/GJ_{NCV}$)	EF CH_4 ($KGCH_4/GJ_{NCV}$)	EF N_2O (KGN_2O/GJ_{NCV})	UNIT EF	SOURCE NCV
Rice crop	33.32	0	1.1900	0	kg CO_2/GJ_{PCI}	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.4, ch.5) IPCC for fields not flooded for less than 180 days prior to growth, permanently flooded during growth and without organic fertiliser
Elimination of N	2.0821	0	0	0.005	kg CO_2/GJ_{PCI}	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.5, ch.6)

* MITERD = Ministry for Ecological Transition and Demographic Challenge

Table 3. Emission Factor of biogenic CO_2

FUEL	FE	UNIDAD FE
Charcoal	112	kg CO_2e/GJ
Biomass (wood chips)	112	kg CO_2e/GJ
Biomass (rice husk)	100	kg CO_2e/GJ

Source: *2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.2, ch. 1 & 2)*

Table 4. Global Warming Potential of GHG

GEI	PCG	FUENTE PCG
CO_2	1	IPPC fifth assessment report
CH_4	28	IPPC fifth assessment report
N_2O	265	IPPC fifth assessment report

Table 5. Emission Factor Electricity (based on location)

COUNTRY	EF	UNIT EF	SOURCE EF
Spain	0.2720	$kgCO_2e/kWh$	Emission factors, Registration of Carbon Footprint, CO_2 Offset and Absorption Projects. MITERD v.23
UK	0.207074	$kgCO_2e/kWh$	UK Government GHG Conversion Factors for Company Reporting. DEFRA 2023
France	0.0521	$kgCO_2e/kWh$	Ecoinvent
Germany	0.4610	$kgCO_2e/kWh$	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Argentina	0.3670	$kgCO_2e/kWh$	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Belgium	0.2200	$kgCO_2e/kWh$	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Cambodia	0.8040	$kgCO_2e/kWh$	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Canada	0.1860	$kgCO_2e/kWh$	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Denmark	0.3600	$kgCO_2e/kWh$	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
United Arab Emirates	0.5980	$kgCO_2e/kWh$	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
USA	0.4170	$kgCO_2e/kWh$	US EPA
Morocco	0.7180	$kgCO_2e/kWh$	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Netherlands	0.4150	$kgCO_2e/kWh$	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Portugal	0.2550	$kgCO_2e/kWh$	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Romania	0.4990	$kgCO_2e/kWh$	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Hungary	0.3170	$kgCO_2e/kWh$	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
India	0.9120	$kgCO_2e/kWh$	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Italy	0.4060	$kgCO_2e/kWh$	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Thailand	0.5130	$kgCO_2e/kWh$	Centre de ressources sur les bilans de gaz a effet de serre. Base Carbone. ADEME. International Energy Agency
Steam or heat purchased and consumed	0.17965	$kgCO_2e/kWh$	UK Government GHG Conversion Factors for Company Reporting. DEFRA 2023
Cooling purchased and consumed	0.12	$kgCO_2e/kWh$	Centre de ressources sur les bilans de gaz à effet de serre 2021. Base Carbone. ADEME.

Table 6. Emission Factors of Refrigerants

NAME OF REFRIGERANT	EF ($KGCO_2E/KG$)
Carbon dioxide	1
Desflurane	1.790
hexafluoroethane	11.100
HFC-125	3.170
HFC-134	1.120
HFC-134a	1.300
HFC-143	328
HFC-143a	4.800
HFC-152	16
HFC-152a	138
HFC-161	4
HFC-227ea	3.350
HFC-23	12.400
HFC-236cb	1.210
HFC-236ea	1.330
HFC-236fa	8.060
HFC-245ca	716
HFC-245fa	858
HFC-32	677
HFC-365mfc	804
HFC-41	116
HFC-43-10mee	1.650
Isoflurane	491
Methane	28
Nitrogen trifluoride	16.100
Nitrous oxide	265
Octofluoropropane	8.900
Perfluorobutane (PFC-31-10)	9.200
Perfluorocyclobutane (PFC-318)	9.540
Perfluoroethane (PFC-116)	11.100
Perfluorohexane (PFC-51-14)	7.910
Perfluoromethane (PFC-14)	6.630

NAME OF REFRIGERANT	EF ($KGCO_2E/KG$)
Perfluoropentane (PFC-41-12)	8.550
Perfluoropropane (PFC-218)	8.900
R-403A	3.100
R-404A	3.943
R-407A	1.923
R-407B	2.547
R-407C	1.624
R-407F	1.674
R-408A	3.257
R-410A	1.924
R-410B	2.048
R-413A	1.945
R-417A	2.127
R-417B	2.742
R-422A	2.847
R-422D	2.473
R-424A	2.212
R-426A	1.371
R-427A	2.024
R-428A	3.417
R-434A	3.075
R-437A	1.639
R-438A	2.059
R-442A	1.754
R-448A	1.387
R-449A	1.282
R-452A	1.945
R-453A	1.636
R-507A	3.985
R-508B	11.698
Sevoflurane	216
Sulphur hexafluoride	23.500

Source: MITERD v.23, DEFRA 23

Table 7. Emission Factors of Pollutants NOx, CO, SOx, COV, PM

GJ	STATIONARY COMBUSTION		
	NATURAL GAS + LNG + LPG + BUTANE + PROPANE	GASOLINE+DIESEL	RICE HUSK + WOOD CHIPS + CHARCOAL
POLLUTANT	FC (G/GJ)	FC (G/GJ)	FC (G/GJ)
NOx	74	513	91
CO	29	66	570
COV	23	25	300
SOx	0.67	47	11
PM10	0.78	20	143
PM2,5	0.78	20	140

GJ	MOBILE COMBUSTION			
	GASOLINE	DIESEL	LPG, PROPANE & BUTANE	LNG
POLLUTANT	**FC (G/GJ)**	**FC (G/GJ)**	**FC (G/GJ)**	**FC (G/GJ)**
CO	1,911.96	77.44	1,790.70	128.96
COV	226.86	16.28	288.37	5.88
NOX	197.07	301.40	321.35	294.12
PM	0.68	25.58		49.77

Source: European Environment Agency (emep)
https://www.eea.europa.eu/publications/emep-eea-guidebook-2019/part-b-sectoral-guidance-chapters [eea.europa.eu]

Table 8. Rice Crop Emission Factor

EF CH_4 (KG/HA/DAY)	SOURCE NCV
1.19	2006 IPCC Guidelines for National Greenhouse Gas Inventories (vol.4, ch.5) IPCC for fields not flooded for less than 180 days prior to growth, permanently flooded during growth and without organic fertiliser

Table 9. Water stress classification (World Resources Institute)

COUNTRY	WATER STRESS CLASSIFICATION *(WORLD RESOURCES INSTITUTE)*
Argentina	Low-Medium
Belgium	High
Cambodia	Low
Canada	Low
Denmark	Medium-High
France	Medium-High
Germany	Medium-High
Hungary	Low
India	Extremely High
Italy	High
Morocco	High
Netherlands	Low-Medium
Portugal	High
Romania	Low-Medium
Spain	High
Thailand	Medium-High
UAE	Extremely High
UK	Low-Medium
USA	Low-Medium

Annex 4

REPORT REGARDING EU TAXONOMY

REGULATORY CONTEXT

To facilitate the shift of capital flows towards more sustainable activities, meet the EU's climate and energy targets for 2030 and reach the objectives of the European Green Deal, on 22 June 2020 the EU published the Taxonomy Regulation 2020/852.

The Taxonomy Regulation establishes six environmental objectives:

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

The Regulation also indicates the four conditions that must be met by an economic activity to be considered environmentally sustainable:

1. It must contribute substantially to one or more of the six environmental objectives.
2. It must not significantly harm any of the environmental objectives.
3. It must be carried out in compliance with the minimum (social) safeguards laid down in Article 18 of the Taxonomy Regulation.
4. It must comply with the technical screening criteria established by the Commission through specific delegated acts.

Against this backdrop, a first delegated act on sustainable activities for climate change mitigation and adaptation objectives was approved on 21 April 2021 and formally adopted on 4 June 2021 (Delegated Regulation (EU) 2021/2139).

On 6 July 2021, the European Commission adopted Delegated Regulation (EU) 2021/2178, which specified the content, methodology and presentation of information to be disclosed by financial and non-financial undertakings. Under this Regulation, companies must disclose the extent of eligibility and alignment of their activities through the three key performance indicators (KPIs): turnover, capital expenditure (CapEx) and operating expenditure (OpEx), as well as the accounting policy used to report how the three KPIs were determined and allocated to the numerator.

On 9 March 2022, the European Commission adopted Delegated Regulation (EU) 2021/2139 amending Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities.

On 27 June 2023, the European Commission adopted Delegated Regulation (EU) 2023/2486 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems and for determining whether that economic activity causes no significant harm to any of the other environmental objectives and amending Commission Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities. It also adopted Delegated Regulation (EU) 2023/2485 establishing additional technical screening criteria for determining the conditions under which certain economic activities qualify as contributing substantially to climate change mitigation or climate change adaptation and for determining whether those activities cause no significant harm to any of the other environmental objectives.

To help interpret and implement the Delegated Acts, the European Commission publishes documents regarding certain legal provisions on Taxonomy, with a view to reducing any uncertainty deriving from the current regulatory framework.

APPLICATION OF THE TAXONOMY IN EBRO FOODS: ELIGIBILITY ANALYSIS

The Taxonomy Regulation stipulates that the undertakings subject to the Non-Financial Reporting Directive (NFRD) are obliged to publish how their economic activity is contemplated within the regulatory framework on taxonomy. Accordingly, for 2023 non-financial undertakings must report on:

- The eligibility and alignment of the economic activities contemplated in the Climate Delegated Act.
- The eligibility of new activities contemplated in the Environmental Delegated Act and the amendment to the Climate Delegated Act.

In line with these reporting obligations, in 2023 the Social Responsibility, Sustainability and Finance departments of Ebro Foods, as parent of the Group, carried out an eligibility analysis to determine whether the Group's economic activities fitted in with the descriptions of activities included in the Annexes of the Delegated Regulations.

The economic activities of the different companies that perform the Ebro Group's business - classified within the Statistical Classification of Economic Activities of the European Community (NACE) in C1061 (manufacture of grain mill products), C1073 (manufacture of pastas) and C1085 (manufacture of prepared meals and dishes) - are not included within the taxonomy-eligible activities. However, during our eligibility analysis we identified two secondary activities related with activities included in the Climate Delegated Act:

- Activity 4.30 of climate change mitigation: High-efficiency cogeneration of heat/cool and power from fossil gaseous fuels.
- Activity 7.6 of climate change mitigation: Installation, maintenance and repair of renewable energy technologies.

Following a more exhaustive analysis of taxonomy, the Group concluded that the eligible activity reported in the previous year (4.20. Combined cooling, heat and power cogeneration from bioenergy) did not correspond to any of the economic activities performed by Ebro Foods, so it was excluded from the eligibility analysis.

Moreover, in accordance with the regulatory changes published in 2023, the Environmental Delegated Act was also reviewed, concluding that there were no other eligible activities related with the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control or the protection and restoration of biodiversity and ecosystems.

APPLICATION OF THE TAXONOMY IN EBRO FOODS: ALIGNMENT ANALYSIS

To analyse the substantial contribution of eligible activities to climate change mitigation, we reviewed the substantial contribution criteria.

Technical screening criteria

- To comply with the technical screening criteria for activity 7.6, the activity must consist of the installation, maintenance and repair of certain individual measures if installed on-site as technical building systems. In this case, we directly meet the technical screening criteria because photovoltaic panels have been installed on-site for self-supply.
- The technical screening criteria for activity 4.30 were reviewed, concluding that as we have no internal system for compiling and segregating the information on taxonomy, we cannot prove that those criteria are met.

Do no significant harm (DNSH)

Climate change adaptation

Appendix A to Annex I of the Climate Delegated Act establishes as one of the general criteria of not causing significant harm to climate change adaptation, that undertakings should carry out an analysis of physical climate risks for the activity, by making a vulnerability assessment using climate projections based on state-of-the-art science. They are also required to adopt adaptation solutions that reduce the most important physical climate risks. The Ebro Group is currently making an analysis of both physical and transition climate risks under the reference framework of the Task Force on Climate-related Financial Disclosures (TCFD) and the International Panel of Experts on Climate Change (IPCC), considering short-term (0-5 years), medium-term (5-10 years) and long-term (more than 10 years) time horizons. Since the analysis is currently being developed, the Ebro Group will report the results for the coming year in 2024. For more information on the assessment of climate risks, see chapter 4 Risk Management.

Sustainable use and protection of water and marine resources

For high-efficiency cogeneration of heat/cool and power from fossil gaseous fuels, in order to meet the general criteria established in Appendix B to Annex I of the Climate Delegated Act, environmental degradation risks related to preserving water quality and avoiding water stress must be identified and addressed. The company did not identify such risks in 2023.

Transition to a circular economy

Although neither of the two activities analysed is obliged to meet the DNSH criteria, the company is developing new packaging made of recycled plastic, developing zero impact programmes and replacing packaging materials with biological-based bioplastic. For more information on the assessment of climate risks, see the section *Scope 3 decarbonisation levers* in Chapter 10 Commitment to the Environment.

Pollution prevention and control

High-efficiency cogeneration of heat/cool and power from fossil gaseous fuels must conform to the general criteria established in Appendix C to Annex I of the Climate Delegated Act (not place on the market or use substances, whether on their own, in mixtures or in articles of the polluting substances). Moreover, the emissions must be within or lower than the emission levels associated with the best available techniques (BAT) ranges. We were unable to confirm those criteria in 2023.

Protection and restoration of biodiversity and ecosystems

High-efficiency cogeneration of heat/cool and power from fossil gaseous fuels must conform to the general criteria established in Appendix D to Annex I of the Climate Delegated Act, which include the completion of an Environmental Impact Assessment (EIA) that includes a description of the project and measures to avoid and reduce the adverse impact of the facilities. We were unable to make that assessment in 2023.

Minimum social safeguards

In accordance with Article 18 of the Taxonomy Regulation, undertakings must implement a number of procedures to ensure the alignment of their economic activities with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. The Company has a number of policies, procedures and mechanisms to ensure compliance with the minimum social safeguards required: Human Rights, corruption and bribery, taxation and fair competition. To be more specific, the Company has a global Code of Conduct with public access, binding on all our stakeholders and characterised by values such as the protection of human rights and the fight against corruption and bribery. These issues are described in Chapter 5. Human Rights in the value chain and Chapter 6. Anti-corruption and bribery measures of this Report. In addition our Group, led by those responsible for taxation, monitor legislation and possible interpretations, requesting specific reports from specialists.

Following this assessment, we concluded that the activities identified by the Ebro Group as eligible cannot be considered taxonomy-aligned because:

- We do not have a sufficient breakdown of the information to comply with the technical screening criteria for activity 4.30.
- We have not been able to meet the requirements of doing no significant harm to the other environmental objectives.

CALCULATION METHODOLOGY AND MAIN RESULTS

In order to calculate the three KPIs required by the taxonomy, we extracted information from the accounting systems of the Group companies that are included in the Internal Control over the Financial Reporting System.

To make sure no items have been duplicated, the same controls have been applied to the extracted data as to the rest of the Group's consolidated reporting.

Key performance indicators related to turnover

The proportion of turnover was calculated as the part of the net turnover derived from products or services, including intangibles, associated with taxonomy-aligned economic activities (numerator), divided by the net turnover as recognised in the Consolidated Statement of Profit or Loss in the Annual Accounts (denominator), as defined in section 1.1.1. of Annex I of the Disclosures Delegated Act.

Key performance indicators related to capital expenditure (CapEx)

The proportion of CapEx was calculated through identification of the capital expenditure of the economic activities contemplated in the Climate Delegated Act (numerator) divided by the total CapEx of the Group (denominator), as specified in points 1.1.2.1. and 1.1.2.2. of Annex I of the Disclosures Delegated Act (additions to the tangible and intangible assets during the year before depreciation, amortisation and possible revaluations, including those resulting from any increases in value or impairment losses, for the relevant year, excluding changes in fair value and including additions to tangible and intangibles as a result of business combinations and RoU. The CapEx denominator is thus the total movements of new investments indicated in Notes 9, 10 and 11 to the Consolidated Annual Accounts.

Key performance indicators related to operating expenditure (OpEx)

The proportion of OpEx was calculated as the operating expenditure included in the denominator associated with taxonomy-aligned economic activities (numerator), divided by the direct non-capitalised costs that represent research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets (denominator).

According to section 1.1.3.2 of Annex I of the Disclosures Delegated Act, where the operational expenditure is not material for the business model of non-financial undertakings, those undertakings shall:

a) be exempted from the calculation of the numerator of the OpEx KPI in accordance with point 1.1.3.2 and disclose that numerator as being equal to zero;

b) disclose the total value of the OpEx denominator calculated in accordance with point 1.1.3.1;

c) explain the absence of materiality of operational expenditure in their business model.

In 2023, the Ebro Group analysed the eligible proportion of its operating expenditure associated with the economic activities included in the Climate Delegated Act (EUR 390.8 million associated with cogeneration and the photovoltaic panels), representing 0.46% of the total OpEx in 2023 (EUR 84,107.3 million). Consequently, we determined that the OpEx KPI is not material.

REPORTING OF THE KEY PERFORMANCE INDICATORS

Proportion of turnover

2023	2023			SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA ("DOES NOT SIGNIFICANTLY HARM")									
ECONOMIC ACTIVITIES	CODES	ABSOLUTE TURNOVER (€M)	PROPORTION OF TURNOVER, 2023	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY	MINIMUM SAFEGUARDS	TAXONOMY-ALIGNED (A.1.) OR TAXONOMY-ELIGIBLE (A.2) PROPORTION OF TURNOVER, 2022	CATEGORY ENABLING ACTIVITY	CATEGORY TRANSITIONAL ACTIVITY
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0.0%	0%	0%	0%	0%	0%	0%	–	–	–	–	–	–	–	0.0%		
Of which: enabling		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	–	–	–	–	–	–	–	0.0%	F	
Of which: transitional		0	0.0%	0.0%						–	–	–	–	–	–	–	0.0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
Turnover of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								0,0%		
A. Turnover of taxonomy-eligible activities (A.1+A.2)		**0**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0,0%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Ingresos de actividades no elegibles según la taxonomía		3084457.0	100%																
Total		**3084457.0**	**100%**																

	Proportion of Turnover/ Total Turnover	
	Taxonomy-aligned by objective	Taxonomy-eligible by objective
CCM	0.0%	0.0%
CCA	0.0%	0.0%
WTR	0%*	0.0%
CE	0%*	0.0%
PPC	0%*	0.0%
BIO	0%*	0.0%

* According to the reporting obligations for FY23, the proportion of taxonomy-aligned KPIs should not be reported for the four new environmental objectives.

Proportion of CapEx

2023	2023			SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA ("DOES NOT SIGNIFICANTLY HARM")									
ECONOMIC ACTIVITIES	CODES	CAPEX (€M)	PROPORTION OF CAPEX, 2023	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY	MINIMUM SAFEGUARDS	TAXONOMY-ALIGNED (A.1.) OR TAXONOMY-ELIGIBLE (A.2) PROPORTION OF CAPEX, 2022	CATEGORY ENABLING ACTIVITY	CATEGORY TRANSITIONAL ACTIVITY
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0.0%	0%	0%	0%	0%	0%	0%	–	–	–	–	–	–	–	0.0%		
Of which: enabling		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	–	–	–	–	–	–	–	0.0%	F	
Of which: transitional		0	0.0%	0.0%						–	–	–	–	–	–	–	0.0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	3563.6	2.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								N/A*		
CapEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		3563.6	2.3%	2.3%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%		
A. CapEx of taxonomy-eligible activities (A.1+A.2)		**3563,6**	**2,3%**	**2.3%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of taxonomy-non-eligible activities		151027.4	97.7%																
Total		**154591.0**	**100%**																

* This activity was not reported as eligible last year.

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned by objective	Taxonomy-eligible by objective
CCM	0.0%	2.3%
CCA	0.0%	0.0%
WTR	0%*	0.0%
CE	0%*	0.0%
PPC	0%*	0.0%
BIO	0%*	0.0%

***** According to the reporting obligations for FY23, the proportion of taxonomy-aligned KPIs should not be reported for the four new environmental objectives.

Proportion of OpEx

2023	2023			SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA ("DOES NOT SIGNIFICANTLY HARM")									
ECONOMIC ACTIVITIES	CODES	OPEX (€M)	PROPORTION OF OPEX, 2023	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY	MINIMUM SAFEGUARDS	TAXONOMY-ALIGNED (A.1.) OR TAXONOMY-ELIGIBLE (A.2) PROPORTION OF OPEX, 2022	CATEGORY ENABLING ACTIVITY	CATEGORY TRANSITIONAL ACTIVITY
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	–	–	–	–	–	–	–	N/A		
Of which: enabling		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	–	–	–	–	–	–	–	N/A	F	
Of which: transitional		N/A	N/A	N/A						–	–	–	–	–	–	–	N/A		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
OpEx de actividades elegibles según la taxonomía pero no medioambientalmente sostenibles (actividades que no se ajustan a la taxonomía) (A.2)		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A								N/A		
A. OpEx of taxonomy-eligible activities (A.1+A.2)		**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**								**N/A**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of taxonomy-non-eligible activities		84107.3	100%																
Total		**84107.3**	**100%**																

The OpEx KPI is immaterial

ACTIVITIES RELATED WITH NUCLEAR ENERGY AND FOSSIL GAS DELEGATED REGULATION (EU) 2022/1214)

Template 1. Nuclear and fossil gas related activities

ROW	NUCLEAR ENERGY RELATED ACTIVITIES	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
	FOSSIL GAS RELATED ACTIVITIES	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

During 2023, Activity 4.30 (High-efficiency cogeneration of heat/cool and power from fossil gaseous fuels) did not generate eligible income because the activity is for self-supply. With regard to the amount and proportion of CapEx, there were no investments associated with that activity. Finally, the maintenance costs were considered not material. Consequently, templates 2, 3, 4 and 5 of the Delegated Regulation (EU) 2022/1214 are not completed for that year.

Annex 5

Index of contents required by Act 11/2018 of 28 December amending the Commercial Code, the recast Corporate Enterprises Act approved by Legislative Royal Decree 1/2010 of 2 July, and the Audit Act 22/2015 of 20 July, regarding the disclosure of non-financial and diversity information

GENERAL AREAS

AREA		REPORTING FRAMEWORK	REFERENCE	COMMENTS / REASON FOR OMISSION
Business model	Description of the business model: • Business environment • Organisation and structure • Markets in which it operates • Objectives and strategies • Principal factors and trends that may affect its future evolution • Materiality	GRI 2-1 Organizational details GRI 2-2 Entities included in the organization's sustainability reporting GRI 2-6 Activities, value chain and other business relationships GRI 2-9 Governance structure and composition GRI 2-23 Policy commitments GRI 3-3 Management of material topics GRI 3-2 List of material topics GRI 3-1 Process to determine material topics	P. 4 - 11 P. 13 - 15	
General	Reporting framework	GRI 2-5 External assurance	P. 3 Independent Verification Report	
Policies and results of the policies	Description of the policies applied by the group and the results of those policies, including the key indicators of the relevant non-financial results	GRI 2-23 Policy commitments GRI 2-24 Embedding policy commitments	P.12 - 20	
Principal risks and impacts identified	The main risks related with those issues linked to the group's activities, including, where necessary and proportional, its commercial relations, products or services that may have an adverse effect on those areas	GRI 3-3 Management of material topics	P.21 - 30	

ENVIRONMENTAL ASPECTS

AREA		REPORTING FRAMEWORK	REFERENCE	COMMENTS / REASON FOR OMISSION
Environmental management	**Existing and foreseeable effects** of the company's activities	Internal framework: internal procedures, Code of Conduct, GRI 2-27	P.75 - 76	
	Environmental **certification or assessment procedures**	ISO 14001	P.103	
	Resources employed for preventing environmental risks	Internal framework: Accounting	P.103 -104	
	Application of the **precautionary principle**	Internal framework: Code of Conduct, Sustainability Environmental and CSR policy	P.76	
	Quantity of **provisions and guarantees** for environmental risks	Internal framework: Insurance policy for third-party liability and accidental pollution damage	P.102 - 103	
Pollution	**Measures** to prevent, reduce or remedy carbon emissions (including noise and light pollution)	Internal framework: Sustainability Plan HEADING FOR 2030, sustainability programmes GRI 305-5 GRI 305-7 Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	P.90 - 91	
Circular economy and waste management and prevention	**Measures** for waste prevention, recycling, reuse and other forms of recovery and elimination	GRI 306-3	P.99 - 102	
	Actions to combat food waste	Internal framework: 1) AECOC programme 2) Donations to food banks	P.99 - 100	
Sustainable use of resources	**Water consumption** and water supply within local limits	GRI 303-1, 303-2, 303-3, 303-4 & 303-5	P.82 - 86	
	Consumption of raw materials	GRI 301-1, 301-2	P.76 - 78	
	Direct and indirect energy **consumption**	GRI 302-1, 302-2, 302-3, 302-4	P.78 - 81	
	Measures implemented to enhance energy efficiency	GRI 302-4	P.81 - 82	
	Use of renewable energies	GRI 302-1	P.79 - 80	
Climate change	Important **elements** of the GHG emissions generated	GRI 305-1, 305-2, 305-3	P.86 - 90	
	Measures taken to adapt to the consequences of climate change	1) Decarbonisation levers and actions of scopes 1, 2 & 3	P.91 - 100	
	Reduction **goals** established voluntarily	Mitigation of risk and reduction of carbon footprint GRI 305-5	P.91 - 100	
Protection of biodiversity	**Measures** taken to preserve or restore biodiversity	GRI 304-1, 304-2 & 304-3 Internal framework: CSR internal reporting tool	P.86	
	Impacts caused by activities or operations in protected areas			

SOCIAL AND LABOUR ASPECTS

AREA		REPORTING FRAMEWORK	REFERENCE	COMMENTS / REASON FOR OMISSION
Employment	Total **number** and distribution of employees by gender, age, country and professional category	Internal framework: Quantitative information of the CSR tool GRI 2-7 Employees	P.56 - 57	
	Total **number** and distribution of types of employment contract		P. 58	
	Annual **average** of permanent, temporary and part-time contracts by gender, age and professional category	Internal framework: Quantitative information of the CSR tool	P. 58 - 59	
	Number of dismissals by gender, age and professional category	Internal framework: Quantitative information of the CSR tool	P. 59	
	Pay gap	Internal framework: Calculated with the following formula: (Average pay Men – Average pay Women)/ Average pay Men GRI 405-2 Ratio of basic salary and remuneration of women to men	P. 69	
	Average **remuneration** by gender, age and professional category	Internal framework: Average remuneration (including total remuneration for the year, fixed remuneration and all variable remunerations (attendance fees, etc.) obtained during the year	P. 68 - 69	
	Average **remuneration** of directors by gender		P. 70	
	Average **remuneration** of executives by gender		P. 69	
	Implementation of **policies** on disconnection from work	Internal framework: Management of material topics	P. 63 - 64	
	Employees with disability	Internal framework: Quantitative information of the CSR tool	P. 68	
Organisation of work	**Organisation** of working time	Internal framework: Management of material topics	P. 60	
	Number of hours absenteeism	Internal framework: Absentee rate	P. 60	
	Measures to facilitate work-life balance and responsible joint exercise of those measures by both parents	Internal framework: Management of material topics	P. 63 - 64	
Health and safety	**Conditions** of health and safety at work	Internal framework: Management system for health and safety at work GRI 3-3 Management of material topics	P. 64 – 65 P.13 - 15	
	Number of occupational injuries and disease by gender, frequency rate and severity by gender	Internal framework: Work-related injuries Frequency rate = (total no. lost-time injuries / total no. hours worked) x1000000 Severity rate = (no. lost days due to work-related injuries / total no. hours worked) x1000 GRI 3-3 Management of material topics	P. 65 P.13 - 15	

AREA		REPORTING FRAMEWORK	REFERENCE	COMMENTS / REASON FOR OMISSION
Labour relations	**Organisation** of social dialogue	GRI 3-3 Management of material topics	P.13 - 15 P. 66 P. 64 - 66	
	Percentage of employees covered by collective agreements by country	GRI 2-30 Collective agreements		
	Balance of collective agreements, particularly in the area of health and safety at work	Internal framework: Quantitative information of the CSR tool		
	Mechanisms and procedures that the company has to promote employee engagement in the management of the company, in terms of information, consultation and participation	Internal framework: Focus on participation of stakeholders	P. 66	
Training	**Policies** implemented in the training area	Internal framework: 1) Corporate Code of Conduct 2) Internal CSR reporting tool GRI 3-3 Management of material topics	P. 66 - 67 P.13 – 15	
	Total **hours** training by professional category	Internal framework: Quantitative information of the CSR tool GRI 3-3 Management of material topics		
Universal accessibility by persons with disability		Internal framework: Qualitative description of the universal accessibility measures for persons with disability	P. 67 - 68	
Equality	**Measures** implemented to promote equal treatment and opportunities between women and men	Internal framework: 1) Corporate Code of Conduct 2) Internal CSR reporting tool	P. 67 – 68 P. 68	
	Equality plans Measures taken to promote employment, protocols against sexual and gender-related harassment	Internal framework: 1) Corporate Code of Conduct 2) Internal CSR reporting tool		
	Integration and universal accessibility of persons with different abilities	Internal framework: Qualitative description of the universal accessibility measures for persons with disability		
	Policy against all forms of discrimination and, where appropriate, diversity management	Internal framework: 1) Corporate Code of Conduct 2) Internal CSR reporting tool GRI 3-3 Management of material topics	P. 67 - 68 P.13 - 15	

INFORMATION ON RESPECT FOR HUMAN RIGHTS

AREA	REPORTING FRAMEWORK	REFERENCE	COMMENTS / REASON FOR OMISSION
Application of due diligence procedures in respect of human rights	GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 3-3 Management of material topics	P. 31 – 43 P.13 - 15	
Prevention of the risks of violating human rights and, where necessary, **measures** to mitigate, manage and redress possible abuse committed	GRI 3-3 Management of material topics GRI 2-23 Policy commitments GRI 2-26 Mechanisms for seeking advice and raising concerns	P.13 - 15 P. 31 – 43	
Complaints of violation of human rights	Internal framework: Quantitative information on the number of complaints GRI 3-3 Management of material topics GRI 406-1 Incidents of discrimination and corrective actions taken	P. 43 P.13 - 15	
Promotion and compliance with the ILO fundamental conventions related with respect for the freedom of association and right to collective bargaining, elimination of discrimination in employment and occupation, elimination of forced or mandatory labour and effective abolition of child labour	Internal framework: Corporate Code of Conduct GRI 3-3 Management of material topics	P. 31 - 33 P.13 - 15	

INFORMATION ON ANTI-CORRUPTION AND BRIBERY

AREA	REPORTING FRAMEWORK	REFERENCE	COMMENTS / REASON FOR OMISSION
Anti-corruption and bribery **measures**	GRI 2-23 Policy commitments GRI 2-25 Processes to remediate negative impacts GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 205-2 Communication and training about anti-corruption policies and procedures	P. 44 - 46	
Anti-money laundering **measures**	GRI 2-23 Policy commitments GRI 2-25 Processes to remediate negative impacts GRI 2-26 Mechanisms for seeking advice and raising concerns	P. 47	
Contributions to foundations and not-for-profit entities	Internal framework: Quantitative description of contributions to not-for-profit foundations	P. 48	

INFORMATION ON THE COMPANY

AREA		REPORTING FRAMEWORK	REFERENCE	COMMENTS / REASON FOR OMISSION
Company's commitments to sustainable development	**Impact** of the company's activities on local development and employment	Internal framework: Qualitative description of the company's impact on employment and local development GRI 3-3 Management of material topics	P. 51 - 54	
	Impact of the company's activities on local populations and region	Internal framework: CSR internal reporting tool GRI 3-3 Management of material topics	P. 51 - 54	
	Relations with local communities and forms of dialogue with them	Internal framework: Qualitative description of the relations with local communities GRI 3-3 Management of material topics	P. 51 - 54	
	Association or sponsorship **actions**	GRI 3-3 Management of material topics GRI 2-28 Membership associations Internal framework: Description of association or sponsorship actions	P. 51 - 54	
Outsourcing and suppliers	**Inclusion** in the procurement policy of social, gender equality and environmental issues	Internal framework: Supplier Code of Conduct CSR internal reporting tool GRI 3-3 Management of material topics GRI 2-6 Activities, value chain and other business relationships	P. 33 - 41	
	Consideration in relations with suppliers and subcontractors of their social and environmental responsibility			
	Supervision and audit **systems** and results			
Consumers	**Measures** to guarantee consumer health and safety	Internal framework: Qualitative description of the measures for consumer health and safety GRI 3-3 Management of material topics	P. 71 – 73 Annex 2	
	Grievance **systems**	GRI 2-16 Communication of critical concerns GRI 2-25 Processes to remediate negative impacts	P. 72	
	Complaints received and solution provided	GRI 2-25 Processes to remediate negative impacts Internal framework : Information on complaints and opportunities for improvement	P. 73 – 74	
Tax information	**Profit** obtained, country by country	Internal framework: Tax and Finance Department	P. 49 - 50	
	Corporate income **tax** paid	GRI 201-1 Direct economic value generated and distributed		
	Government **grants** received	Internal framework: Tax and Finance Department		

5.4 Independent Limited Assurance Report of the Consolidated Non-Financial Statement

INDEPENDENT LIMITED ASSURANCE REPORT OF THE CONSOLIDATED NON-FINANCIAL STATEMENT

Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the Shareholders of Ebro Foods, S.A.:

Pursuant to article 49 of the Code of Commerce we have performed a verification, with a limited assurance scope, of the Consolidated Non-Financial Information Statement (hereinafter NFS) for the year ended December 31, 2023, of Ebro Foods, S.A. and subsidiaries (hereinafter, the Group), which is part of the Group's accompanying Consolidated Management Report.

The content of the Management Report includes additional information to that required by prevailing mercantile regulations in relation to non-financial information that has not been subject to our verification. In this regard, our assignment has been exclusively limited to the verification of the information shown in the Annex 5 "Index of contents required by Act 11/2018 of 28 December amending the Commercial Code, the recast Corporate Enterprises Act approved by Legislative Royal Decree 1/2010 of 2 July, and the Audit Act 22/2015 of 20 July, regarding the disclosure of non-financial and diversity information" of the accompanying NFS.

Responsibility of the Administrators

The preparation of the NFS included in the Consolidated Management Report of Ebro Foods, S.A. and its content is the responsibility of the Administrators of Ebro Foods, S.A. The NFS was prepared in accordance with the content required by current commercial regulation and in conformity with the criteria outlined in the *Global Reporting Initiative Sustainability Reporting Standards* (GRI standards) selected, as well as other criteria described in accordance with that indicated for each subject in the Annex 5 "Index of contents required by Act 11/2018 of 28 December amending the Commercial Code, the recast Corporate Enterprises Act approved by Legislative Royal Decree 1/2010 of 2 July, and the Audit Act 22/2015 of 20 July, regarding the disclosure of non-financial and diversity information" from the accompanying NFS.

The Administrators are also responsible for the design, implementation and maintenance of such internal control as they determine is necessary to enable the preparation of an NFS that is free from material misstatement, whether due to fraud or error.

They are further responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the NFS is obtained.

Our independence and quality management

We have complied with the independence and other ethics requirements of the International Code of Ethics for Accounting Professionals (including international standards on independence) issued by the International Standards Board on Ethics for Accounting Professionals (IESBA) which is based on the fundamental principles of integrity, professional objectivity, competence and diligence, confidentiality and professional behaviour.

Our firm applies current international quality standards and maintains, consequently, a quality system that includes policies and procedures related to compliance with ethical requirements, professional standards and legal provisions and applicable regulations.

The engagement team consisted of experts in the review of Non-Financial Information and, specifically, in information about economic, social and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited verification report based on the work performed. Our review has been performed in accordance with the requirements established in prevailing International Standard on Assurance Engagements 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and the guidelines for verifying Non-Financial Statement, issued by the Spanish Official Register of Auditors of Accounts (ICJCE).

The procedures carried out in a limited assurance engagement vary in nature and execution timing and are smaller in scope than reasonable assurance engagements, and therefore, the level of assurance provided is likewise lower.

Our work consisted in requesting information from Management and the various Group units participating in the preparation of the 2023 NFS, reviewing the process for gathering and validating the information included in the NFS, and applying certain analytical procedures and sampling review tests as described below:

- Meeting with Group personnel to know the business model, policies and management approaches applied, the main risks related to these matters and obtain the necessary information for our external review.
- Analyzing the scope, relevance and integrity of the content included in the NFS for the year 2023 based on the materiality analysis made by Ebro Foods, S.A. and described in section "Corporate social responsibility and sustainability model", considering the content required by prevailing mercantile regulations.
- Analyzing the processes for gathering and validating the data included in the 2023 Non-Financial Statement.
- Reviewing the information on the risks, policies and management approaches applied in relation to the material aspects included in the 2023 NFS.
- Checking, through tests, based on a selection of a sample, the information related to the content of the 2023 NFS and its correct compilation from the data provided by the information sources.
- Obtaining a representation letter from the Board of Directors and Management.

Emphasis paragraph

Pursuant to Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020 on the establishment of a framework to facilitate sustainable investment, and pursuant to the Delegated Acts enacted in accordance with the provisions of that Regulation, undertakings shall disclose information on how and to what extent the undertaking's activities are associated with eligible economic activities in relation to the following environmental objectives: the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems (other environmental objectives). For certain new activities included in the climate change mitigation and adaptation objectives, undertakings shall disclose for the first time for the year 2023 additional information on eligible and aligned activities that was already required in 2022 in relation to the climate change mitigation and adaptation objectives. As a result, no comparative information on eligibility has been included in the accompanying NFS in relation to other environmental objectives listed above or to the new activities included in the climate change mitigation and adaptation objectives. Additionally, to the extent that the information relating to 2022 was not required with the same level of detail as in 2023, the information disclosed in the accompanying NFS is not strictly comparable, either. Furthermore, it should be noted that Ebro Foods, S.A. directors have included information on the criteria that, in their opinion, allow for better compliance with the aforementioned obligations. These criteria are defined in the Annex 4 "Report regarding EU Taxonomy" of the accompanying NFS. Our conclusion is not modified in respect of this matter.

Conclusion

Based on the limited assurance procedures conducted and the evidence obtained, no matter has come to our attention that would cause us to believe that Ebro Foods, S.A. NFS for the year ended December 31, 2023 has not been prepared, in all material respects, in accordance with the contents required by prevailing company law and the criteria of the selected GRI standards, as well as other criteria, described as explained for each subject matter in the Annex 5 "Index of contents required by Act 11/2018 of 28 December amending the Commercial Code, the recast Corporate Enterprises Act approved by Legislative Royal Decree 1/2010 of 2 July, and the Audit Act 22/2015 of 20 July, regarding the disclosure of non-financial and diversity information" of the Consolidated Management Report.

Use and distribution

This report has been prepared as required by current commercial regulation in Spain, thus it may not be suitable for any other purpose or jurisdiction.

ERNST & YOUNG, S.L.

(Signature on the original in Spanish)

Alberto Castilla Vida

5.5 Annual Corporate Governance Report and Financial Reporting (ICFR)

ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

DETAILS OF ISSUER

Year Ended: 31/12/2023

Tax Registration Number: A47412333

Name:

EBRO FOODS, S.A.

Registered Office:

PASEO DE LA CASTELLANA 20 - 3RD AND 4TH FLOORS - 28046 MADRID

ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

A. OWNERSHIP STRUCTURE

A.1. Complete the following table on the capital of the company and voting rights including loyalty shares, if any, at year end:

State whether the articles of association contemplate loyalty shares:

[ ] Yes

[√] No

Date latest modification	Capital (€)	Number of shares	Number of voting rights
27/02/2002	92,319,235.00	153,865,392	153,865,392

Indicate whether there are different classes of shares with different associated rights:

[ ] Yes

[√] No

A.2. Give details on the direct and indirect holders of significant interests in your company at year-end, including directors with significant holdings:

Name of shareholder	% voting rights attributed to the shares		% voting rights through financial instruments		Interest / total voting rights (%)
	Direct	Indirect	Direct	Indirect	
CORPORACIÓN FINANCIERA ALBA, S.A.	14.52	0.00	0.00	0.00	14.52
CORPORACIÓN ECONÓMICA DELTA, S.A.	11.69	0.00	0.00	0.00	11.69
SOCIEDAD ANÓNIMA DAMM	0.00	11.69	0.00	0.00	11.69
ALIMENTOS Y ACEITES, S.A.	10.36	0.00	0.00	0.00	10.36
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES	0.00	10.36	0.00	0.00	10.36
HERCALIANZ INVESTING GROUP, S.A.	9.07	0.00	0.00	0.00	9.07
GRUPO TRADIFÍN, S.L.	7.96	0.00	0.00	0.00	7.96
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	7.83	0.00	0.00	0.00	7.83
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	0.00	5.38	0.00	0.00	5.38
MENDIBEA 2002, S.L.	5.38	0.00	0.00	0.00	5.38
ARTEMIS INVESTMENT MANAGEMENT, LLP	4.08	0.00	0.00	0.00	4.08

See Explanatory Note Three in section H of this report.

ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

Details of indirect holdings:

Name of indirect holder	Name of direct holder	% voting rights attributed to the shares	% voting rights through financial instruments	Interest / total voting rights (%)
SOCIEDAD ANÓNIMA DAMM	CORPORACIÓN ECONÓMICA DELTA, S.A.	11.69	0.00	11.69
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES	ALIMENTOS Y ACEITES, S.A.	10.36	0.00	10.36
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	MENDIBEA 2002, S.L.	5.38	0.00	5.38

Indicate the principal movements in the shareholding structure during the year:

Most significant movements

There were no significant movements in the shareholding structure during 2023.

A.3. State, regardless of the percentage, the percentage of voting rights held by board members in the company attributed to shares or through financial instruments, excluding the directors named in section A.2 above:

Name of director	% voting rights attributed to shares (including loyalty shares)		% voting rights through financial instruments		% total voting rights	Of the total % of voting rights attributed to shares, state where appropriate the % of attributed additional votes corresponding to loyalty shares	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
ANTONIO HERNÁNDEZ CALLEJAS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DEMETRIO CARCELLER ARCE	0.01	0.13	0.00	0.00	0.00	0.14	0.00
MARÍA CARCELLER ARCE	0.02	0.00	0.00	0.00	0.00	0.02	0.00
FERNANDO CASTELLÓ CLEMENTE	1.50	0.00	0.00	0.00	0.00	1.50	0.00
MERCEDES COSTA GARCÍA	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Total % of voting rights held by board members	46.42

See Explanatory Note Three in section H of this report.

ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

Details of indirect holdings:

Name of director	Name of direct holder	% voting rights attributed to shares (including loyalty shares)	% voting rights through financial instruments	% total voting rights	Of the total % of voting rights attributed to shares, state where appropriate the % of attributed additional votes corresponding to loyalty shares
DEMETRIO CARCELLER ARCE	INVERSIONES LAS PARRAS DE CASTELLOTE, S.L.	0.13	0.00	0. 00	0.13
MARÍA CARCELLER ARCE	MAHOGANYSEPPL, S.L.	0.00	0.00	0.00	0.00

Total percentage of voting rights represented on the board:

Total % of voting rights represented on the board	68.47

See Explanatory Note Three in section H of this report.

A.4. Indicate family, commercial, contractual or corporate relationships among significant shareholders known to the company, if any, save any that are insignificant or deriving from ordinary commercial business, except those reported in A.6:

Name of related party	Type of relationship	Brief description
SOCIEDAD ANÓNIMA DAMM, CORPORACIÓN ECONÓMICA DELTA, S.A.	Corporate	Sociedad Anónima Damm holds a direct interest of 99.99% in Corporación Económica Delta, S.A.
SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES, ALIMENTOS Y ACEITES, S.A.	Corporate	Sociedad Estatal de Participaciones Industriales holds a direct interest of 91.96% in Alimentos y Aceites, S.A.

A.5. Describe the commercial, contractual or corporate relationships between significant shareholders and the company and/or its group, if any, except any that are insignificant and those deriving from ordinary commercial business:

Name of related party	Type of relationship	Brief description
SOCIEDAD ANÓNIMA DAMM	Commercial	During 2023, Herba Ricemills, S.L.U. (a subsidiary of the Ebro Foods Group) entered into different commercial transactions with subsidiaries of the significant shareholder Sociedad Anónima Damm, for the sale of rice and rice by-products on arm's length terms. See in this respect the information on related party transactions in section D.2 of this Report.

ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

Name of related party	Type of relationship	Brief description
GRUPO TRADIFÍN, S.L.	Commercial	During 2023, several subsidiaries of the Ebro Foods Group entered into commercial transactions (mainly purchases and sales of rice) on arm's length terms with the significant shareholder and director Grupo Tradifín, S.L. and related parties. See in this respect the information on related party transactions and comments set out in section D.2 of this Report.
GRUPO TRADIFÍN, S.L.	Contractual	During 2023, several subsidiaries of the Ebro Foods Group entered into contractual transactions (mainly services rendered and received) on arm's length terms with the significant shareholder and director Grupo Tradifín, S.L. and related parties. See in this respect the information on related party transactions and comments set out in section D.2 of this Report.
HERCALIANZ INVESTING GROUP, S.L.	Commercial	During 2023, several subsidiaries of the Ebro Foods Group entered into commercial transactions (mainly purchases and sales of rice) on arm's length terms with the significant shareholder and director Hercalianz Investing Group, S.L. and related parties. See in this respect the information on related party transactions and comments set out in section D.2 of this Report.
HERCALIANZ INVESTING GROUP, S.L.	Contractual	During 2023, several subsidiaries of the Ebro Foods Group entered into contractual transactions (mainly services rendered and received) on arm's length terms with the significant shareholder and director Hercalianz Investing Group, S.L. and related parties. See in this respect the information on related party transactions and comments set out in section D.2 of this Report.

A.6. Describe the relationships, save any that are insignificant for both parties, between the significant shareholders or those represented on the board and the directors, or their representatives in the case of corporate directors.

Explain how the significant shareholders are represented, where appropriate. Indicate specifically any directors appointed on behalf of significant shareholders, those whose appointments have been promoted by significant shareholders or who are related to significant shareholders and/or companies in their respective groups, specifying the nature of those relationships. In particular, indicate the existence, identity and office of board members or representatives of directors of the listed company, if any, who are also directors or representatives of directors in companies holding significant interests in the listed company or in companies of its group:

ANNUAL CORPORATE GOVERNANCE REPORT
OF LISTED COMPANIES

Name of related director or representative	Name of related significant shareholder	Name of company in the significant shareholder's group	Description of relationship/office
DEMETRIO CARCELLER ARCE	CORPORACIÓN ECONÓMICA DELTA, S.A.	SOCIEDAD ANÓNIMA DAMM	Demetrio Carceller Arce is a proprietary director of Corporación Económica Delta, S.A., in which Sociedad Anónima Damm has a direct interest of 99.99%. Mr Carceller Arce has an indirect interest in Corporación Económica Delta, S.A. through Sociedad Anónima Damm, in which he has a 0.963% interest (0.056% direct and 0.907% indirect). He is Executive Chairman of the Board of Sociedad Anónima Damm, Chairman of the Board of Corporación Económica Delta, S.A. and holds other positions in some companies related with Damm. See section C.1.11 of this Report.
ALEJANDRA OLARRA ICAZA	CORPORACIÓN FINANCIERA ALBA, S.A.	CORPORACIÓN FINANCIERA ALBA, S.A.	Alejandra Olarra Icaza represents the director (and significant shareholder) Corporación Financiera Alba, S.A. on the Board of Directors of Ebro Foods, S.A. Ms Olarra Icaza has an employment relationship with Corporación Financiera Alba, S.A.
JAVIER GÓMEZ-TRENOR VERGÉS	EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Javier Gómez-Trenor Vergés represents the director (and significant shareholder) Empresas Comerciales e Industriales Valencianas, S.L. on the Board of Directors of Ebro Foods, S.A. Javier Gómez-Trenor Vergés has an indirect interest of 12.586% in Empresas Comerciales e Industriales Valencianas, S.L. Mr Gómez-Trenor Vergés represents the director and Chairman of the Board of Empresas Comerciales e Industriales Valencianas, S.L. and holds other positions in

ANNUAL CORPORATE GOVERNANCE REPORT
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Name of related director or representative	Name of related significant shareholder	Name of company in the significant shareholder's group	Description of relationship/office
			some companies related with Empresas Comerciales e Industriales Valencianas, S.L. See section C.1.11 of this Report.
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	GRUPO TRADIFÍN, S.L.	GRUPO TRADIFÍN, S.L.	Blanca Hernández Rodríguez represents the director (and significant shareholder) Grupo Tradifín, S.L. on the Board of Directors of Ebro Foods, S.A. Ms Hernández Rodríguez has a direct interest of 33.25% in Grupo Tradifín, S.L., of which she is Managing Director. She also holds other positions on the boards of companies related with Grupo Tradifín, S.L. See section C.1.11 of this Report.
ANTONIO HERNÁNDEZ CALLEJAS	HERCALIANZ INVESTING GROUP, S.L.	HERCALIANZ INVESTING GROUP, S.L.	Antonio Hernández Callejas has a direct interest of 28.668% in Hercalianz Investing Group, S.L., a significant shareholder and director of Ebro Foods, S.A. He does not hold any office in that company.
FÉLIX HERNÁNDEZ CALLEJAS	HERCALIANZ INVESTING GROUP, S.L.	HERCALIANZ INVESTING GROUP, S.L.	Félix Hernández Callejas represents the director (and significant shareholder) Hercalianz Investing Group, S.L. on the Board of Directors of Ebro Foods, S.A. Félix Hernández Callejas has a direct interest of 28.668% in Hercalianz Investing Group, S.L., of which he is Joint and Several Director. He also holds other positions on the boards of companies related with Hercalianz Investing Group, S.L. See section C.1.11 of this Report.

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Name of related director or representative	Name of related significant shareholder	Name of company in the significant shareholder's group	Description of relationship/office
MARÍA CARCELLER ARCE	CORPORACIÓN ECONÓMICA DELTA, S.A.	SOCIEDAD ANÓNIMA DAMM	María Carceller Arce is a proprietary director of Corporación Económica Delta, S.A., in which Sociedad Anónima Damm has a direct interest of 99.99%. Ms Carceller Arce has a 0.05% direct interest in Sociedad Anónima Damm and represents the director Seegrund B.V. on the Boards of Directors of Corporación Económica Delta, S.A. and Sociedad Anónima Damm. See section C.1.11 of this Report.
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	MENDIBEA 2002, S.L.	MENDIBEA 2002, S.L.	José Ignacio Comenge Sánchez-Real has an indirect interest of 73% in Mendibea 2002, S.L. which is the direct holder of the significant indirect interest held by Mr Comenge Sánchez-Real in Ebro Foods, S.A. He is the Sole Director of Mendibea 2002, S.L. Mr Comenge Sánchez-Real also has corporate relationships with companies related with Empresas Comerciales e Industriales Valencianas, S.A. See section C.1.11 of this Report.
JORDI XUCLÀ COSTA	ALIMENTOS Y ACEITES, S.A.	SOCIEDAD ESTATAL DE PARTICIPACIONES INDUSTRIALES	Jordi Xuclà is a proprietary director of Alimentos y Aceites, S.A., in which Sociedad Estatal de Participaciones Industriales has a direct interest of 91.9625%. Mr Xuclà does not have any significant relationship with Alimentos y Aceites, S.A. or with Sociedad Estatal de Participaciones Industriales. See section C.1.11 of this Report.

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Name of related director or representative	Name of related significant shareholder	Name of company in the significant shareholder's group	Description of relationship/office
JAVIER FERNÁNDEZ ALONSO	CORPORACIÓN FINANCIERA ALBA, S.A.	CORPORACIÓN FINANCIERA ALBA, S.A.	Javier Fernández Alonso is a proprietary director of Corporación Financiera Alba, S.A., with which he has an employment relationship. He is General Manager of that company and holds other positions in other companies of the Corporación Financiera Alba S.A. Group. See section C.1.11 of this Report.

The directors Hercalianz Investing Group, S.L., Grupo Tradifín, S.L., Corporación Financiera Alba, S.A. and Empresas Comerciales e Industriales Valencianas, S.L. are significant shareholders of Ebro Foods, S.A. The director José Ignacio Comenge-Sánchez Real is also a significant shareholder through the company he controls, Mendibea 2002, S.L.

See section A.2 of this report.

A.7. State whether the company has been notified of any shareholders' agreements that may affect it pursuant to sections 530 and 531 of the Corporate Enterprises Act. If any, describe them briefly and list the shareholders bound by the agreement:

[ ] Yes
[√] No

Indicate and describe any concerted actions among company shareholders of which the company is aware:

[ ] Yes
[√] No

Expressly indicate any change or break-up of those agreements or concerted actions, if any, that has taken place during the year:

N/A

A.8. Indicate any individuals or entities that exercise or may exercise control over the company in pursuance of section 5 of the Securities Market Act and identify it/them if appropriate:

[ ] Yes
[√] No

A.9. Complete the following tables on the company's treasury stock:

At year-end:

Number of direct shares	Number of indirect shares (*)	Treasury stock/capital (%)
		0.00

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OF LISTED COMPANIES

(*) Through:

Name of direct holder of the interest	Number of direct shares
No details	

Explain the significant changes during the year:

Explain the significant changes

There were no significant changes during 2023.

A.10. Indicate the term and conditions of the authorisation granted by the general meeting to the board to issue, buy or sell own shares:

The Annual General Meeting of Shareholders held on first call on 29 July 2020, under item twelve on the agenda, resolved to authorise the Board of Directors to buy back own shares and reduce the Company's capital and to authorise subsidiaries to acquire shares in the parent company, by purchase or on any other payment basis, subject to the limits and other requisites stipulated in law.

a. Conditions of the authorisation

To authorise the Board of Directors, with the power to delegate, to buy back shares in Ebro Foods, S.A., directly or through its subsidiaries, by purchase, swap or under any other title and on one or several occasions, on the terms and conditions established in sections 146 et seq and sections 509 et seq of the Corporate Enterprises Act, and the following conditions:

- The par value of the shares purchased directly or indirectly, together with those already held by the Company or its subsidiaries, shall not exceed 10% of the subscribed capital.

- The buy-back, when added to the shares previously acquired by the Company, or any person acting in their own name but on behalf of the Company, and held as treasury stock, shall not have the effect of reducing equity to below the amount of the capital plus the legal or restricted statutory reserves. For this purpose, equity shall be the amount considered as such according to the principles for drawing up the annual accounts, less the amount of gains attributed directly thereto, plus the amount of uncalled subscribed capital and the par value and share premium of the subscribed capital recognised in liabilities.

- The shares thus acquired shall be fully paid up.

- The cap and floor values for buy-back shall be the market value of the shares on an official secondary market at the date of buy-back and a value equivalent to the par value of the own equity instruments acquired, respectively.

b. Contents of the authorisation

- To authorise the Board, by direct resolution or delegation to the Executive Committee, or by delegation to such person or persons as the Board of Directors may authorise for this purpose, to buy back own shares to hold them in its treasury stock, dispose of them or, as the case may be, put a motion to the General Meeting for their redemption, within the legal limits and complying with the conditions established in this resolution. This authorisation is also extended to the possibility of buying back own shares for delivery, on one or several occasions, to the Company or group employees, directly or following exercise of their stock option rights, pursuant to section 146.1(a), third paragraph, of the Corporate Enterprises Act.

The authorisation is also extended to acquisitions of shares in Ebro Foods, S.A. by its subsidiaries.

- To authorise the Board of Directors to reduce the capital in order to redeem the own equity instruments purchased by the Company or other companies in its group against the capital (for their par value) and unrestricted reserves (for the cost of the acquisition in excess of that par value), by such amounts as it may deem fit from time to time and up to the maximum own shares held at any time.

- To delegate to the board to implement the foregoing resolution to reduce the capital, which it may do on one or several occasions or declare it null and void, within a period not exceeding 5 years from the date of this General Meeting, taking such actions for this purpose as may be necessary or required by law.

The Board of Directors is especially authorised so that it may, within the times and limits indicated in this resolution, proceed to: (i) make or declare void the reduction of capital, naming if appropriate the specific date(s) of the transactions, taking account of any internal or external factors that may influence this decision; (ii) specify in each case the amount by which the capital is reduced; (iii) determine the destination of the amount of the reduction of capital; (iv) in each case adjust Articles 6 ("Capital") and 7 ("Shares") of the Articles of Association to reflect each new amount of capital and new number of shares; (v) apply in each case for delisting of the redeemed shares; and (vi) in general adopt such resolutions as may be considered necessary for redemption and the consequent reduction of capital, designating who is to put it on record.

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c. Term of the authorisation

The authorisation contemplated in this resolution is granted for a maximum of five years from the date of the General Meeting (29 June 2020) and covers all transactions in own equity instrument made hereunder, without requiring reiteration for each acquisition made. It also covers any provisions or earmarking of reserves made in accordance with the Corporate Enterprise Act.

The resolutions adopted at the Annual General Meeting on 29 July 2020 on treasury stock, reduction of capital and delegation to the Board rendered void, to the extent that they had not been used, those adopted on the same issues at the General Meeting of 3 June 2015 and at the date of this report they are still in force, not having been revoked.

A.11. Estimated free float:

	%
Estimated free float	27.45

See explanatory note 3 in section H of this report.

A.12. Indicate any constraints (statutory, legal or other) on the transferability of shares and/or any restrictions on voting rights. In particular, indicate the existence of any constraint or limitation that may hamper takeover of the company through the acquisition of its shares on the market, and any authorisations or prior notifications of acquisitions or transfers of the company's financial instruments required by sector laws and regulations.

[ ] Yes
[√] No

A.13. Indicate whether the general meeting has resolved to apply the breakthrough rule against a takeover bid, under Act 6/2007.

[ ] Yes
[√] No

If yes, explain the measures approved and the terms on which the restrictions will become ineffective:

A.14. State whether the company has issued any shares that are not traded on an EU regulated market:

[ ] Yes
[√] No

If appropriate, indicate the different classes of shares and the rights and obligations conferred for each class.

B. GENERAL MEETING

B.1. Indicate whether there are any differences between the quorums established for general meetings and the minimums stipulated in the Corporate Enterprises Act and, if any, explain:

[ ] Yes
[√] No

B.2. Indicate whether there are any differences in respect of the system stipulated in the Corporate Enterprises Act for adopting corporate resolutions and, if any, explain:

ANNUAL CORPORATE GOVERNANCE REPORT
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[ ] Yes
[√] No

B.3. Indicate the rules for alteration of the company's articles of association. In particular, indicate the majorities stipulated for altering the articles of association and the rules, if any, protecting shareholders' rights in any alteration of the articles.

Ebro Foods, S.A. has not established any requirements for altering the Articles of Association other than those stipulated in the Corporate Enterprises Act.

B.4. Give details of attendance of general meetings held during the year of this report and the two previous years:

	Details of attendance				
Date of general meeting	% in person	% by proxy	% distance voting		Total
			Electronic vote	Others	
30/06/2021	0.00	61.09	0.02	18.75	79.86
Of which free float	0.00	12.21	0.02	0.56	12.79
15/12/2021	1.53	66.45	0.00	10.75	78.73
Of which free float	0.00	10.61	0.00	0.39	11.00
29/06/2022	14.64	56.01	0.03	10.78	81.46
Of which free float	0.09	12.94	0.03	0.42	13.48
06/06/2023	14.85	57.27	0.04	10.89	83.05
Of which free float	0.13	13.97	0.04	0.53	14.67

In 2023 the Annual General Meeting was held onsite and online. In addition to attendance in person and the possibility of voting and proxy by means of remote communication prior to the general meeting, the Board resolved to enable online attendance of the General Meeting, allowing shareholders (and their representatives or proxies) to attend and participate in the General Meeting in real time by remote connection, as contemplated in the Articles of Association, the Regulations of the General Meeting and the notice of call.

B.5. State whether there have been any items on the agenda for the general meetings held during the year that was not approved by the shareholders for any reason:

[ ] Yes
[√] No

B.6. Are any restrictions established in the articles of association requiring a minimum number of shares to attend general meetings or for distance voting?

[ ] Yes
[√] No

B.7. State whether certain decisions other than those established by law, involving an acquisition, disposal, transfer of essential assets to another company or other similar corporate operations must be laid before the general meeting of shareholders for approval:

[ ] Yes
[√] No

B.8. Indicate the address and access to the company's website and where to find information on corporate governance and other information on general meetings that must be made available to shareholders through the company's website:

The corporate website of Ebro Foods (http://www.ebrofoods.es/en/) is set up as a vehicle of continuous, up-to-date information for shareholders, investors and markets in general.

CNMV COMISIÓN NACIONAL DEL MERCADO DE VALORES

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In this respect, the home page includes a specific section called "Information for shareholders and investors", which contains all the information required under the applicable legal provisions.

Pursuant to current legislation, this section includes the chapter on Corporate Governance at the following address: http://www.ebrofoods.es/en/information-for-shareholders-and-investors/corporate-governance/regulations-of-the-general-meeting/. That section includes all the information that the Company makes available to shareholders for general meetings, specifically at the following URLs:

http://www.ebrofoods.es/en/information-for-shareholders-and-investors/corporate-governance/general-meeting-of-shareholders-exercise-of-the-right-to-information/

https://www.ebrofoods.es/en/information-for-shareholders-and-investors/corporate-governance/extraordinary-general-shareholders-meeting-june-2023/, which is the direct link to the Annual General Meeting of Shareholders held on 6 June 2023.

Furthermore, since the Annual General Meeting held in 2023 was held both online and onsite, the company enabled the corresponding link on the corporate website to the live-streaming of the AGM. The link to the live broadcast of the AGM was maintained active on the website throughout its duration.

The 'Corporate Governance' section is structured in the following sub-sections:

- Regulations of the General Meeting

- General Meeting of Shareholders: exercise of the right to information

- Annual General Shareholders' Meeting, referring to the latest general meeting held, whether annual or extraordinary

- Previous general meetings

- Board of Directors

- Regulations of the Board

- Remuneration of Directors

- Board Committees

- Annual Corporate Governance Report

- Internal Code of Market Conduct

- Shareholders' Forum

The contents of this section are structured and hierarchical, with concise, explanatory titles, to permit rapid, direct access to those contents in accordance with legal recommendations, at just two clicks from the home page.

All these sections have been designed and prepared according to the principle of easy access, aiming to enable fast location and download of the required information.

The corporate website offers all the information in this section in Spanish and English.

C. MANAGEMENT STRUCTURE OF THE COMPANY

C.1. Board of Directors

C.1.1 State the maximum and minimum numbers of directors stipulated in the articles of association and the number set by the general meeting:

Maximum number of directors	15
Minimum number of directors	7
Number of directors set by general meeting	14

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C.1.2 Give details of the board members:

Name of director	Representative	Category of director	Position on Board	Date first appointment	Date latest appointment	Election procedure
BELÉN BARREIRO PÉREZ-PARDO		Independent	DIRECTOR	25/01/2017	30/06/2021	RESOLUTION PASSED AT AGM
DEMETRIO CARCELLER ARCE		Proprietary	VICE-CHAIRMAN	01/06/2010	16/12/2020	RESOLUTION PASSED AT AGM
ANTONIO HERNÁNDEZ CALLEJAS		Executive	CHAIRMAN	24/01/2002	29/06/2022	RESOLUTION PASSED AT AGM
FERNANDO CASTELLÓ CLEMENTE		Independent	DIRECTOR	29/05/2012	29/06/2022	RESOLUTION PASSED AT AGM
MARC THOMAS MURTRA MILLAR		Independent	DIRECTOR	31/01/2022	06/06/2022	RESOLUTION PASSED AT AGM
MARÍA CARCELLER ARCE		Proprietary	DIRECTOR	21/03/2018	16/12/2020	RESOLUTION PASSED AT AGM
MERCEDES COSTA GARCÍA		Independent	LEAD INDEPENDENT DIRECTOR	27/07/2016	30/06/2021	RESOLUTION PASSED AT AGM
JOSE IGNACIO COMENGE SÁNCHEZ-REAL		Proprietary	DIRECTOR	29/05/2012	16/12/2020	RESOLUTION PASSED AT AGM
JORDI XUCLÀ COSTA		Proprietary	DIRECTOR	30/03/2022	30/03/2022	COOPTATION
JAVIER FERNÁNDEZ ALONSO		Proprietary	DIRECTOR	29/07/2020	16/12/2020	RESOLUTION PASSED AT AGM
CORPORACIÓN FINANCIERA ALBA, S.A.	ALEJANDRA OLARRA ICAZA	Proprietary	DIRECTOR	31/01/2018	16/12/2020	RESOLUTION PASSED AT AGM
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	JAVIER GÓMEZ-TRENOR VERGÉS	Proprietary	DIRECTOR	18/12/2013	16/12/2020	RESOLUTION PASSED AT AGM
GRUPO TRADIFÍN, S.L.	MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	Proprietary	DIRECTOR	21/12/2016	16/12/2020	RESOLUTION PASSED AT AGM
HERCALIANZ INVESTING GROUP, S.L.	FÉLIX HERNÁNDEZ CALLEJAS	Executive	DIRECTOR	21/12/2016	16/12/2020	RESOLUTION PASSED AT AGM

Total number of directors	14

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Indicate any retirements from the board during the reporting period, through resignation or by resolution of the general meeting:

Name of director	Category of director at time of retirement	Date of last appointment	Date of retirement	Specialist committees of which the director was a member	State whether retirement occurred before end of term of office
FERNANDO CASTELLÓ CLEMENTE	Independent	29/06/2022	31/12/2023	Audit, Control and Sustainability Committee, Nomination and Remuneration Committee (Chair)	YES

Cause of retirement if produced prior to the end of the director's term of office and other comments; information on whether the director sent a letter to the other board members and, for retirements of non-executive directors, explanation or opinion of any director removed from office by the general meeting
On 10 December 2023, Fernando Castelló Clemente tendered in writing his resignation as Director for personal reasons, with effect from 31 December 2023. Mr Castelló Clemente was classified as an independent director and was a member of the Audit, Control and Sustainability Committee and member and chair of the Nomination and Remuneration Committee. See in Explanatory Note One in section H of this report the present composition of the Board of Directors following the changes to the Board and Committees from 31 December 2023 (year-end 2023) to 22 March 2024 (date of approval of this report).

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C.1.3 Complete the following tables with the details and types of the board members:

EXECUTIVE DIRECTORS		
Name of director	Position in company's organisation	Profile
ANTONIO HERNÁNDEZ CALLEJAS	Executive Chairman	Antonio Hernández Callejas was born in Tudela (Navarre). He has a degree in Economics from the University of Seville and a diploma in Law. He began his career in 1979 in Arrocerías Herba, a rice producer founded by the Hernández family. In 2002 he was appointed Director, Vice-Chairman and member of the Executive Committee of Ebro Foods, S.A. and since then he has been a key figure in Ebro's transformation and international expansion. In 2004 he was appointed CEO of the Company and in 2005 he became Executive Chairman of the Ebro Group. Under his leadership, the Ebro Group has become number one in the rice sector and second world producer of pasta, operating in more than 70 countries in Europe, America, Africa and Asia, with a portfolio of over 70 brands. Over the course of his professional career, he has received numerous prizes and awards, such as the Tiepolo Award for Italian and Spanish business success, Business Sponsorship Award from the University of Seville, "Dinero" Business Awards for the best business management, Officer of the National Order of Merit of the Republic of France, Prize awarded by the Social Council of the University of Seville and the Seville Business Confederation (CES) for his Outstanding Business Career, the Gold Medal of the city of Seville, the Joly Group Farming Innovation Award and the Manuel Clavero Award. He speaks English, French and Italian.
HERCALIANZ INVESTING GROUP, S.L.	Executive and director in several Group companies	Félix Hernández Callejas (representative of the director Hercalianz Investing Group, S.L.) was born in Tudela (Navarre). He has a Law degree and extensive experience in the rice and food industry in general. He has held several executive positions and directorships in different rice companies and is currently an executive of a subsidiary in the Ebro Group and director of several group companies.

Total number of executive directors	2
% of board	14.29

With regard to the classification of Hercalianz Investing Group, S.L. as Executive Director, this director:

(i) does not perform executive or management duties in Ebro Foods, S.A. or in any Group subsidiary, so receives no remuneration as such;

(ii) has been classified as executive director on the grounds that its representative on the Board of Directors of Ebro Foods, S.A. is an executive and director of several Group subsidiaries;

(iii) holds office as a director because it is a significant shareholder of the Company, with a direct interest of 9.10%.

Hercalianz Investing Group, S.L. will continue to be a director of Ebro Foods, S.A. as long as it is a significant shareholder, regardless of who is its representative and the executive position that said representative may have within the Group.

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NON-EXECUTIVE PROPRIETARY DIRECTORS		
Name of director	Name of significant shareholder represented or that proposed appointment	Profile
DEMETRIO CARCELLER ARCE	CORPORACIÓN ECONÓMICA DELTA, S.A.	Demetrio Carceller Arce was born in Madrid. He has a degree in Business Administration from the Private Financial Studies University 'Colegio Universitario de Estudios Financieros' (CUNEF) of Universidad Complutense de Madrid. He subsequently did an MBA at Duke University (Fuqua School of Business), an American business school in which he is on the Board of Visitors. He is Executive Chairman of Sociedad Anónima Damm and Chairman of Corporación Económica Delta, SA. and DISA Corporación Petrolífera, S.A. He is also Vice-Chairman and member of the Executive Committee of Sacyr, S.A. He chairs the Board of Trustees of the Damm Foundation and is a member of the board of trustees of Fundación Disa and Fundación SERES (Responsible Business and Society Foundation).
MARÍA CARCELLER ARCE	CORPORACIÓN ECONÓMICA DELTA, S.A.	María Carceller Arce was born in Madrid. She has a degree in Business Studies from the European Business School, specialising in marketing and international business, and has a postgraduate degree from IESE (Management Development Programme PDD-C). She has over 30 years' professional experience in national and international companies in the food and drink sector. She is on the Food and Drink Advisory Board of the IESE Business School, the advisory board of Fundación A La Par and Honorary Trustee of Fundación General de la Universidad Complutense de Madrid. Since January 2012, she has been Managing Director of Grupo Rodilla, where she has received several awards for her professional career and business management. Before joining Grupo Rodilla, she held different management positions in Pepsico and McDonald's, receiving the President Award, among others. She is bilingual in German and speaks English.
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	JOSE IGNACIO COMENGE SÁNCHEZ-REAL	José Ignacio Comenge Sánchez-Real was born in San Sebastián. He is an Economist and has a degree in International Banking. He has a lengthy track record in business management and administration in companies operating in different areas of the Spanish economy, including the financial, insurance, beverages and renewable energy sectors. He has been an executive and director in different financial and insurance entities, such as Banco Hispano Americano, Mutua Madrileña and Axa Winterthur, among others. He is Chairman of Ball Beverage Packaging Iberica S.L. and Arbitraje&Inversiones S.L. and Director of ENCE Energía y Celulosa, S.A., CVNE, S.A. (Compañía Vinícola Nacional de España), Olive Partners, S.A., Barbosa&Almeida, S.A. and Coca-Cola European Partners.
JORDI XUCLÀ COSTA	ALIMENTOS Y ACEITES, S.A.	Jordi Xuclà Costa was born in Olot (Gerona). He has a Law degree from the University of Gerona, a PhD in Communication and International Relations from Ramón Llull University and a master's degree in National Defence (CESEDEN), among other qualifications. A jurist and consultant in International Relations, he was formerly a lecturer of Administrative Law at the Universities of Gerona and Barcelona. He formerly held office as Senator-Elect for Gerona, CiU (2000-2004, VII Term), Deputy of the Congress of Deputies (2004-2019) and member of the Parliamentary Assembly of the Western European Union (2008-2011), NATO (2008-2011) and the European Council (2008-2019). He is currently a lecturer

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NON-EXECUTIVE PROPRIETARY DIRECTORS		
Name of director	Name of significant shareholder represented or that proposed appointment	Profile
		of International Relations at Universidad CEU San Pablo and Ramón Llull University and is on the Board of RENFE Mercancías, in which he previously chaired the Audit and Control Committee. He is a Trustee of the Josep Plà Foundation. Since October 2023 he has been Vice-Chairman of the Spanish Federal Council of European Movement. Among other recognitions, he has been awarded the distinction of Commander of the Order of Civil Merit.
JAVIER FERNÁNDEZ ALONSO	CORPORACIÓN FINANCIERA ALBA, S.A.	Javier Fernández Alonso was born in Bilbao. He graduated with a BA Summa Cum Laude in Business Management and Administration from Deusto University, majoring in Finance. He began his career in investment banking and M&A at Goldman Sachs in London in 2000 and in 2002 he joined ABN AMOR in Madrid. In 2006 he joined the Investment Department of Corporación Financiera Alba, S.A., where he was appointed Deputy Investment Director in 2007, Chief Investment Officer in 2012 and CEO in 2020, still serving to this day in the latter capacity. He currently represents Corporación Financiera Alba, S.A. on the boards of CIE Automotive, Profand Fishing Holding, Viscofan and the investment vehicles Rioja and Rioja Acquisition (Naturgy). He is also a Director of the private equity vehicle of the Alba Group and is on the Investment Committees of two funds managed by Artá Capital. He has formerly served on the boards of Acerinox, ACS, Dragados, ACS Servicios y Concesiones, Euskaltel, Parques Reunidos and Clínica Baviera, among others.
CORPORACIÓN FINANCIERA ALBA, S.A.	CORPORACIÓN FINANCIERA ALBA, S.A.	Alejandra Olarra Icaza (representative of the director Corporación Financiera Alba, S.A.) was born in Bilbao. She has a degree in Business Management & Administration from Comillas Pontifical University (Universidad Pontificia Comillas) in Madrid (ICAE-ICADE). She has a lengthy track record in the investment banking sector and considerable international experience in mergers & acquisitions and equity market transactions in all sectors. She is currently a member of the Investment Department of Corporación Financiera Alba, S.A. She speaks English.
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Javier Gómez-Trenor Vergés (representative of the director Empresas Comerciales e Industriales Valencianas, S.L.) was born in Barcelona. He has a degree in Economics and Business Studies from the University of Valencia. He has a lengthy track record in the business sector, as executive and director of numerous companies in the beverages, agricultural, livestock and concentrated juice sectors. He is currently the representative of the corporate Chairman of the Board of Empresas Comerciales e Industriales Valencianas, S.L. and the corporate Vice-Chairman of the Board of Olive Partners S.A.; he is Chairman of the Board of Inversiones Caspatró, S.L. and is on the boards of several financial investment, real estate and agricultural companies.
GRUPO TRADIFÍN, S.L.	GRUPO TRADIFÍN, S.L.	Blanca Hernández Rodríguez (representative of the director Grupo Tradifín, S.L.) was born in Seville. She has a degree in Economics and Business Studies from the University of Seville, a degree in Humanities from the European University of Madrid and a Master of Finance from CUNEF. She has extensive experience in the financial sector. She is Founder and Managing Director of Magallanes Value Investors, S.A., S.G.I.I.C., an independent investment fund manager following value investment philosophy that promotes ESG criteria; it is a signatory of the

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NON-EXECUTIVE PROPRIETARY DIRECTORS		
Name of director	Name of significant shareholder represented or that proposed appointment	Profile
		United Nations Principles for Responsible Investment (PRI) and all its funds are Articles 8 and 9. She is founder and Chair of Techo Hogar Socimi, an innovative welfare company that seeks to help eradicate homelessness. She is also Director of PharmaMar, S.A., on the Boards of Trustees of Proyecto Hombre, COF Virgen de los Reyes and the Capacis Foundation, and chairs the Ebro Foods Foundation.

Total number of proprietary directors	8
% of board	57.14

NON-EXECUTIVE INDEPENDENT DIRECTORS	
Name of director	Profile
BELÉN BARREIRO PÉREZ- PARDO	Belén Barreiro Pérez-Pardo was born in Madrid. PhD in Political Science, Sociology and Social Anthropology from the Autonomous University of Madrid and Master in Social Sciences from the Juan March Institute of Studies and Research. She is the founder and CEO of 40dB, a social and market research consultancy and is on the Scientific Council of Real Instituto Elcano / Elcano Royal Institute. She has over twenty years' experience in studying consumers and society. Drawing on her national and international experience, she has directed projects in Europe and Latin America, as well as a large volume of research into the social impact of ESG, the climate crisis, new technologies and artificial intelligence, inter alia. With a holistic vision of citizens and consumers, she has worked for the FMCG industry, food & beverages industry, retail, entertainment, media, telecommunications, energy, banking, insurance, NGOs and universities. She is the author of "La sociedad que seremos" (Planeta, 2017) and numerous academic publications and is a visiting lecturer for different university courses. She was previously Chair of the CIS [Sociological Research Centre] (2008-2010) and on the Advisory Board of the Spanish Association of Foundations (2016-2023) and the Economic Affairs Advisory Council of the former Deputy Prime Minister Nadia Calviño (2020-2023). She has received numerous acknowledgements and awards. In 2011 she was elected one of the 100 Leading Women by the Tiempo magazine and was in the Top 100 Leading Women in Spain in the category of thinkers and experts in 2016, 2017 and 2018 (and currently has honorary status). In 2019 she was awarded the European Prize for Women Entrepreneurs by the European Association of Economics and Competitiveness.
FERNANDO CASTELLÓ CLEMENTE	Fernando Castelló Clemente was born in Mollerusa (Lleida). He is an Industrial Engineer and has an MBA from IESE. He has held several important executive and management positions in companies operating in the dairy sector and in distribution in the food sector. He is on the Boards of several companies in the wine sector and others engaged in alternative energies and construction.
MARC THOMAS MURTRA MILLAR	Marc Thomas Murtra Millar was born in Blackburn, Lancashire, UK. He has a degree in Industrial Engineering, specialising in Machinery Mechanics, from the School of Industrial Engineers of Barcelona ETSEIB) of the Polytechnic University of Catalonia, and a Master in Business Administration (MBA), majoring in Finance, from the Leonard School of Business of the University of New York. He worked in the civil service for several years, as a specialist in Strategy and Digital Transformation, and has held several directorships. In the private sector, he was formerly Chairman of Closa Investment Bankers, since 2011 he has headed numerous corporate operations in the technology, media and telecommunications (TMT) and industrial sectors and Public Private Partnerships with international investors and enterprises throughout the world. He is also a part-time lecturer of Financial Management and Financial Economics at

	the Pompeu Fabra University. He is Chairman of the Board, the Strategy Committee and the Executive Committee of Indra Sistemas S.A., a Trustee of Fundación La Caixa and a director of Industria de Turbo Propulsores S.A.
MERCEDES COSTA GARCÍA	Mercedes Costa García was born in Lleida. She has a Law degree from the Central University of Barcelona, Master in Corporate Legal Counselling from IE Business School and graduated from IE University in December 2011 with a PhD in Communication Science. She has extensive professional experience as a commercial lawyer in the law firm of José Mario Armero, lecturer and researcher in the field of the entire negotiation process, from start to finish. She is currently Manager of the Negotiation and Mediation Centre and Negotiation lecturer in the Masters programmes, advanced courses and programmes of Executive Education at the IE Business School in Madrid, both on-site and on-line. She is also Director of the Negotiate Forum and a member of the Good Governance Centre at the IE Business School.

Total number of independent directors	4
% of board	28.57

State whether any director qualified as independent receives from the company or any other company in its group any sum or gain other than directors' emoluments, or has or has had a business relationship with the company or any other company in its group during the past year, in their own name or as significant shareholder, director or senior executive of a company which has or has had such a relationship.

If appropriate, include a reasoned statement by the board explaining why it considers that the director in question can perform their duties as an independent director.

Name of director	Description of the relationship	Reasoned statement
BELÉN BARREIRO PÉREZ-PARDO	N/A	N/A
FERNANDO CASTELLÓ CLEMENTE	N/A	N/A
MARC THOMAS MURTRA MILLAR	N/A	N/A
MERCEDES COSTA GARCÍA	N/A	N/A

OTHER NON-EXECUTIVE DIRECTORS

Name any other non-executive directors and explain why they cannot be considered proprietary or independent directors and their relationships, with the company or its executives or with the shareholders:

Name of director	Reasons	Company, executive or shareholder with which it is related	Profile
No details			

Total number of other non-executive directors	N/A
% of board	N/A

Indicate any variations during the year in the type of each director:

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Name of director	Date of change	Previous category	Current category
No details			

C.1.4 Complete the following table with details of the number of female directors over the past 4 years and the type of female directors:

	Number of female directors				Female directors / total directo0rs of each type (%)			
	2023	2022	2021	2020	2023	2022	2021	2020
Executive					0.00	0.00	0.00	0.00
Proprietary	3	3	4	3	37.50	37.50	50.00	37.50
Independent	2	2	2	2	50.00	50.00	50.00	50.00
Other non-executive					0.00	0.00	0.00	0.00
Total	5	5	6	5	35.71	35.71	42.86	35.71

Following Fernando Castelló Clemente's resignation from the Board as of 31 December 2023 and the incorporation of the new director Elena Segura Quijada as of 31 January 2024: (i) there are now 6 women on the Board of Directors, representing 42.86% of the total members (14); and (ii) there are now 3 female independent directors, which represents 75.00% of the total number of independent directors (4).

The changes that have taken place on the Board of Directors and Committees from 31 December 2023 (year-end 2023) to 22 March 2024 (date of approval of this report) are set out in Explanatory Note One in section H of this report.

See also Explanatory Note Two in section H of this report for the evolution of female presence on the Board over the past two years.

C.1.5 Indicate whether the company has diversity policies for the board of directors of the company regarding issues such as age, gender, disability, training and professional experience. Small and medium-sized enterprises, as defined in the Auditing Act, must inform at least on the policy they have established with regard to gender diversity.

[√] Yes
[ ] No
[ ] Partial policies

If yes, describe those diversity policies, their goals the measures established, how they have been implemented and the results obtained during the year. Describe also the specific measures taken by the board of directors and the nomination and remuneration committee to achieve a balanced, diverse composition of directors.

If the company does not apply a diversity policy, explain why not.

Description of the policies, goals, measures and implementation and the results obtained

Ebro Foods, S.A. has implemented a Policy on the Selection of Directors and Diversity in the Composition of the Board of Directors, the scope of which is extended to the appointment, ratification and re-election of directors by the General Meeting of Shareholders and the appointments made directly by the Board of Directors by the procedure of cooptation.

According to that Policy, all proposals for candidates must be based on a prior analysis of the needs of the Board, the results of which will be set out in the corresponding report by the Nomination and Remuneration Committee, to be published when calling the General Meeting at which the ratification, appointment or re-election of each director is to be submitted for approval.

The following goals are established in the Policy:

- Avoid any implicit bias in the processes for selecting directors that may imply discrimination against any of the candidates on any grounds whatsoever.

- Under equal conditions, opt for the candidate whose gender is least represented on the Board at that time.

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- Favour diversity of expertise, professional experience and gender within the composition of the Board.

- Achieve a composition where the gender least represented on the Board accounts for at least 40% of the total Board members by and beyond the end of 2022.

To achieve these goals set in the Policy, the Company has established the following measures to be applied in each appointment of directors:

- prior analysis of the composition of the Board of Directors in aspects regarding the categories of directors, presence of the least-represented gender, profile and professional experience of the directors and capital represented on the Board of Directors;

- analysis of the legal, statutory and regulatory requirements applicable to both the classification of director of the candidate and the procedure for their appointment;

- analysis of the experience, qualification and professional training of the candidate and their availability for adequate performance of their duties;

- verification that the appointment of the candidate complies with the requirements of diversity, non-discrimination and equal treatment established in the Code of Conduct and the Policy for Selection of Directors and Diversity.

Through its implementation of the Policy on the Selection of Directors and Diversity in the Composition of the Board and correct monitoring of the measures described above, Ebro Foods, S.A. has a pluralistic, diverse Board of Directors in terms of gender, expertise, experience and professional profiles of its members.

C.1.6 Explain any measures agreed by the nomination committee to ensure that the selection procedures are not implicitly biased against the selection of female directors and that a conscious effort is made to include women with the target profile among the candidates so that a balance may be struck between male and female directors. State also whether these measures include encouraging a significant number of female senior executives in the company:

Explanation of the measures

With regard to the procedures for selecting directors, although the Nomination and Remuneration Committee has not adopted specific measures in this regard, in accordance with the gender diversity measures and the principles of non-discrimination and equal treatment applied by the Company when selecting candidate directors, the Company will: (i) seek at all times a diversity of expertise, experience and gender in the composition of the Board; and (ii) under equal conditions, opt for the candidate whose gender is least represented on the Board at that time.

The main principle followed by the Company in this regard is that the selection procedure must avoid any implicit bias that might imply discrimination against any of the candidates on any grounds, although it is necessary to recover the target set in the Policy on the Selection of Directors and Diversity in the Composition of the Board, that the gender least represented on the Board of Directors of the Company must account for at least 40% of the total Board members. With regard to the evolution and current situation of women on the company's Board of Directors, see Explanatory Note Two in section H of this report.

The Code of Conduct of the Ebro Foods Group promotes and defends the principle of equal treatment and equal opportunities for all professionals regardless of their gender or sexual orientation. This principle is behind the Human Resources policies applied in hiring, training, career opportunities, pay levels and all other aspects of the relationship between the company and its professionals of any category, including senior management.

The company's actions in respect of the selection, hiring, training and internal promotion of all its professionals (executives or otherwise, men or women) are based on clear criteria of capacity, competence and professional merit.

Therefore, there is no positive or negative discrimination of any nature in the procedures followed by the company for selecting and contracting its executive personnel, so it is not necessary to introduce any new measures to encourage the hiring of women for executive positions.

It is put on record in this regard that as established in the Senior Executive Remuneration and Incentives Policy of the Ebro Foods Group, "Senior Executive" means any employee of the Company or any other company in the Group holding the position of manager or head of a specific department or business (or similar position in foreign companies), regardless of whether they have a special senior management contract and even though they may not report directly to the directors or chief executive. The non-director Vice-Secretary of the Board of Directors of the Company is also considered a "Senior Executive".

If, despite the measures taken, if any, there are few or no female directors or executives, explain the reasons that justify this situation:

Explanation of the measures

See Explanatory Note Two in section H of this report.

C.1.7 Explain the conclusions of the nomination committee on compliance with the policy intended to favour an appropriate composition of the board.

During 2023, when the re-appointment of a director was contemplated, in accordance with the company's Policy on the Selection of Directors and Diversity in the Composition of the Board of Directors ("the Policy"), the Nomination and Remuneration Committee analysed the composition of the Board of Directors from the point of view of director categories, the presence of women, size and diversity of expertise and profiles.

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In this regard, the Nomination and Remuneration Committee:

(i) Assessed the current size of the Board of Directors (set at 14 members by virtue of a resolution adopted at the Annual General Meeting of Shareholders held on 29 July 2020). The Committee considers this size adequate to ensure adequate diversity of expertise, experience and gender in the composition of the Board and an adequate balance between the representation of significant shareholders and minority shareholders on the Board.

(ii) Assessed the extent of compliance with Recommendation 16 of the Code of Good Governance, which stipulates that the proportion of proprietary directors in the total number of non-executive directors should not exceed the proportion of capital represented by those directors in the total capital of the company. Although the proportion of proprietary directors in the total non-executive directors (66.67%) is greater than the proportion of capital represented by those directors in the total capital (57.87%), in the opinion of the Nomination and Remuneration Committee special circumstances exist that attenuate the principle of proportion recommended by the Code of Good Governance, because there are seven (7) unrelated significant shareholders present or represented on the Board that represent 66.81% of the capital.

In this regard, the Nomination and Remuneration Committee has considered it necessary to take account of the fact that the director Hercalianz Investing Group, S.L. is classified as an executive director even though it is a significant shareholder, on the grounds that its representative on the Ebro Board is an executive and director of several subsidiaries in the Ebro Group.

Based on the foregoing considerations, the Nomination and Remuneration Committee considers that the principle behind Recommendation 16 is respected.

(iii) Assessed the extent of compliance with Recommendation 17 of the Code of Good Governance, which stipulates that in companies that are not large cap (as is the case of Ebro), the number of independent directors should represent at least one-third of the total directors.

Since the number of independent directors (4) is still somewhat less than one-third (4.66) of the total Board members (14) recommended for non-large cap companies, like Ebro Foods, S.A., the Nomination and Remuneration Committee considers it necessary to continue working to increase the number of independent directors until it is at least equal to the recommended one-third, although it should be borne in mind that 68.47% of the company's total capital is concentrated in the Board.

(iv) Assessed the extent of compliance with Recommendation 15 of the Code of Good Governance, which provides that the number of female directors should represent at least 40% of the Board members by and beyond the end of 2022, and should previously not be less than 30%.

(iv) Assessed the fact that all the present directors were appointed on account of their expertise, skills, professional experience, availability and suitability, which were considered adequate for the duties they were to perform.
In view of the diversity of professional profiles of the directors (all specialists in sectors that are both varied and complementary, such as economic, financial, legal, industrial, consumer and distribution markets, beverages, rice and pasta) and taking into account the extensive knowledge that some of them have of the Group overall, the Nomination and Remuneration Committee considers that the composition of the Board of Directors has adequate diversity of expertise and professional experience to serve the interests of the company and the group.

See Explanatory Note Three in section H of this report regarding the percentages in the capital indicated in this section.

In addition, see Explanatory Note Two in section H of this report regarding the evolution and current situation of women on the Board.

C.1.8 Explain, if appropriate, why proprietary directors have been appointed at the request of shareholders holding less than 3% of the capital:

Name of shareholder	Justification
No details	

State whether any formal requests for presence on the board have been rejected from shareholders holding interests equal to or greater than others at whose request proprietary directors have been appointed. If appropriate, explain why such requests were not met:

[ ] Yes
[√] No

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C.1.9 Indicate the powers, if any, delegated by the board to particular directors or committees, including the power to cast or repurchase shares:

Name of director or committee	Brief description
ANTONIO HERNÁNDEZ CALLEJAS	Antonio Hernández Callejas has no powers delegated by the Board of Directors. Mr Hernández Callejas is a class A general attorney of the Company by virtue of the power of attorney granted in deed no. 4802, executed on 4 December 2014 before the notary Andrés Domínguez Nafría and entered in the Madrid Trade Register. In addition, in accordance with the rules on investments and divestments, strategic expenditure and corporate operations approved by the Board of Directors at its meeting on 21 March 2002, the following actions by Antonio Hernández Callejas require prior authorisation from the Board of Directors or the Executive Committee: - for investments/divestments or strategic expenditure, if exercise of the powers entails the acquisition of economic obligations or commitments in excess of two million euros, a resolution must previously be adopted by the Board of Directors; and for less than two million euros but more than three hundred thousand euros, the Executive Committee must be notified; and - for corporate operations, a prior resolution of the Board of Directors is required if they are for more than two million euros, and the Executive Committee must be notified if they are for less than two million euros but more than three hundred thousand euros.
Executive Committee	The Board of Directors has delegated all its powers to the Executive Committee, save any, which may not legally be delegated. This notwithstanding, in accordance with the rules on investments and divestments, strategic expenditure and corporate operations approved by the Board of Directors at its meeting on 21 March 2002, the powers of the Executive Committee in these areas are internally limited to the sum of two million euros per investment/divestment, expenditure or corporate operation. See section C.2.1 of this Report for the duties attributed to the Executive Committee in the Articles of Association and applicable regulations.

C.1.10 Name Board members, if any, who are also directors, representatives of directors or executives of other companies in the same group as the listed company:

Name of director	Name of group company	Position	With executive duties?
ANTONIO HERNÁNDEZ CALLEJAS	VOGAN, LTD.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	GEOVITA FUNCTIONAL INGREDIENTS, S.R.L	CHAIRMAN	YES
ANTONIO HERNÁNDEZ CALLEJAS	JOSEPH HEAP PROPERTY, LTD.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	EBRO INGREDIENTS BELGIUM B, B.V.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	JOSEPH HEAP & SONS, LTD.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	A.W. MELLISH, LTD.	DIRECTOR	YES

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Name of director	Name of group company	Position	With executive duties?
ANTONIO HERNÁNDEZ CALLEJAS	ANGLO AUSTRALIAN RICE, LTD.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	HEAP COMET, LTD.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	PASTIFICIO LUCIO GAROFALO, S.P.A.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	BERTAGNI 1882, S.P.A	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	RIVIANA FOODS, INC.	CHAIRMAN	YES
ANTONIO HERNÁNDEZ CALLEJAS	N&C BOOST, N.V.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	BOOST NUTRITION, N.V.	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	EBRO RICE HANDLING, BVBA	DIRECTOR	YES
ANTONIO HERNÁNDEZ CALLEJAS	S&B HERBA FOODS, LTD.	DIRECTOR	YES

Antonio Hernández Callejas is a director of Riso Scotti, S.p.A., an associate outside the Ebro Foods Group, in which Ebro Foods, S.A. holds a 40% interest. This investment is consolidated by the equity method. Riso Scotti, S.p.A. is an Italian company engaged in an activity similar to the objects of Ebro Foods, S.A. He is also a member of the Board of Trustees of the Ebro Foods Foundation.

Finally, the positions held by Félix Hernández Callejas in the subsidiaries of the Ebro Foods Group are listed below. In this regard, it should be remembered that, as mentioned elsewhere in this Report, Félix Hernández Callejas represents the director Hercalianz Investing Group, S.L. on the Board of Directors of Ebro Foods, S.A. and that director is classified as an executive director by virtue of the fact that its representative is an executive and director of several Group subsidiaries.

- Anglo Australian Rice, Ltd. Director. With executive duties
- Boost Nutrition, N.V. Director. With executive duties
- Española de I+D, S.A. Joint and Several Director. With executive duties
- Eurodairy, S.L.U. Joint and Several Director. With executive duties
- Formalac, S.L.U. Joint and Several Director. With executive duties
- Fallera Nutrición, S.L.U. Joint and Several Director. With executive duties
- Herba Foods, S.L.U. Joint and Several Director. With executive duties
- Ebro Ingredients Belgium B, BV. Director. With executive duties
- Ebro Ingredients Belgium F, BV. Director. With executive duties
- Herba Nutrición, S.L.U. Joint and Several Director. With executive duties
- Herba Trading, S.L.U. Joint and Several Director. With executive duties
- Joseph Heap & Sons, Ltd. Director. With executive duties
- Nuratri, S.L.U. Joint and Several Director. With executive duties
- Nutramas, S.L.U. Joint and Several Director. With executive duties
- Nutrial, S.L.U. Joint and Several Director. With executive duties
- Pronatur, S.L.U. Joint and Several Director. With executive duties
- Risella, OY. Chairman and CEO. With executive duties
- Riviana Foods, Inc. Director. No executive duties
- S&B Herba Foods, Ltd. Director. With executive duties
- Santa Rita Harinas, S.L. Chairman. No executive duties
- Vitasan, S.L.U. Joint and Several Director. With executive duties
- Vogan, Ltd. Director. With executive duties
- Yofres, S.L.U. Joint and Several Director. With executive duties
- Dosbio 2010, S.L.U. Joint and Several Director. With executive duties

C.1.11 Name the company directors or representatives of corporate directors who are board members or representatives of corporate directors in other companies, listed or otherwise:

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Name of director or representative	Name of company, listed or otherwise	Position
DEMETRIO CARCELLER ARCE	DISA CORPORACIÓN PETROLÍFERA, S.A.	CHAIRMAN
DEMETRIO CARCELLER ARCE	SACYR, S.A.	VICE-CHAIRMAN
DEMETRIO CARCELLER ARCE	DAMM RESTAURACIÓN, S.L.	CHAIRMAN
DEMETRIO CARCELLER ARCE	SETPOINT EVENTS, S.A.	CHAIRMAN
DEMETRIO CARCELLER ARCE	INVERSIONES LAS PARRAS DE CASTELLOTE, S.L.	SOLE DIRECTOR
DEMETRIO CARCELLER ARCE	S.A. DAMM	CHAIRMAN
DEMETRIO CARCELLER ARCE	CORPORACIÓN ECONÓMICA DELTA, S.A.	CHAIRMAN
DEMETRIO CARCELLER ARCE	COMPAÑÍA INVERSORA DEL MAESTRAZGO, S.L.	SOLE DIRECTOR
DEMETRIO CARCELLER ARCE	RODILLA SÁNCHEZ, S.L.	CHAIRMAN
DEMETRIO CARCELLER ARCE	BALEAR DE CERVEZAS, S.L.	CHAIRMAN
DEMETRIO CARCELLER ARCE	DISTRIBUCIÓN DIRECTA INTEGRAL, S.L.	CHAIRMAN
DEMETRIO CARCELLER ARCE	FUNDACIÓN DAMM	CHAIRMAN
DEMETRIO CARCELLER ARCE	FUNDACIÓN DISA	TRUSTEE
DEMETRIO CARCELLER ARCE	CERVECEROS DE ESPAÑA	CHAIRMAN
DEMETRIO CARCELLER ARCE	ESTRELLA DE LEVANTE FÁBRICA DE CERVEZA, S.A.	REPRESENTATIVE OF DIRECTOR
BELÉN BARREIRO PÉREZ-PARDO	40DB DATA, S.L.	SOLE DIRECTOR
MARÍA CARCELLER ARCE	DAMM RESTAURACIÓN, S.L.	DIRECTOR
MARÍA CARCELLER ARCE	CORPORACIÓN ECONÓMICA DELTA, S.A.	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	RODILLA SÁNCHEZ, S.L.	MANAGING DIRECTOR
MARÍA CARCELLER ARCE	ARTESANÍA DE LA ALIMENTACIÓN, S.L.	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	S.A. DAMM	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	EL OBRADOR DE HAMBURGUESA NOSTRA, S.L.	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	NOSTRA RESTAURACIÓN, S.L.	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	HAMBURGUESA NOSTRA, S.L.	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	BALEAR DE CERVEZAS, S.L.	DIRECTOR
MARÍA CARCELLER ARCE	RENTA INSULAR CANARIA, S.A. SICAV	DIRECTOR
MARÍA CARCELLER ARCE	HAMBURGUESA NOSTRA FRANQUICIA, S.L.	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	ESTRELLA DE LEVANTE FÁBRICA DE CERVEZA, S.A.	REPRESENTATIVE OF DIRECTOR
MARÍA CARCELLER ARCE	JAPAN INVESTMENT, BV	CHAIR
MARÍA CARCELLER ARCE	IESE BUSINESS SCHOOL	OTHERS
MARÍA CARCELLER ARCE	FUNDACIÓN A LA PAR	OTHERS
MARÍA CARCELLER ARCE	FUNDACIÓN GENERAL DE LA UNIVERSIDAD COMPLUTENSE DE MADRID	TRUSTEE
MARÍA CARCELLER ARCE	DISTRIBUCIÓN DIRECTA INTEGRAL, S.L.	DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	ENCE ENERGÍA Y CELULOSA, S.A.	DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	MENDIBEA 2002, S.L.	SOLE DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	BLIG 13-13, S.L.	SOLE DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	ARBITRAJES E INVERSIONES, S.L.	DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	GLOBOTRANS, S.L.	SOLE DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	DOSVAL, S.L.	DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	COCA-COLA EUROPACIFIC PARTNERS, LTD	DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	BA GLASS, B.V.	DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	OLIVE PARTNERS, S.A.	DIRECTOR
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	CVNE, S.A.	DIRECTOR
MARC THOMAS MURTRA MILLAR	INDRA SISTEMAS, S.A.	CHAIRMAN

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Name of director or representative	Name of company, listed or otherwise	Position
MARC THOMAS MURTRA MILLAR	TESS DEFENCE, S.A.	DIRECTOR
MARC THOMAS MURTRA MILLAR	INDUSTRIA DE TURBO PROPULSORES, S.A.	DIRECTOR
MARC THOMAS MURTRA MILLAR	FUNDACIÓN BANCARIA LA CAIXA	TRUSTEE
JORDI XUCLÀ COSTA	RENFE MERCANCÍAS SME	DIRECTOR
JORDI XUCLÀ COSTA	FUNDACIÓN JOSEP PLA	TRUSTEE
JORDI XUCLÀ COSTA	JORDI XUCLÀ CONSULTORES, S.L.	SOLE DIRECTOR
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	FRUVEGA, S.L.	JOINT AND SEVERAL DIRECTOR
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	DOSVAL, S.L.	CHAIRMAN
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	OLIVE PARTNERS, S.A.	VICE-CHAIRMAN 1
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	RIEGOS EL PATOR, S.L.	SOLE DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	INVERSIONES CASPATRÓ, S.L.	CHAIRMAN
JAVIER GÓMEZ-TRENOR VERGÉS	CULTIVOS VALENCIA, S.L.	JOINT AND SEVERAL DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	CULTIVOS CAPITAL, S.L.	JOINT AND SEVERAL DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	CULTIVOS ACTIVO INMOBILIARIO, S.L.	JOINT AND SEVERAL DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	LAS COLINAS DEL CONTADOR, S.A.	JOINT DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	LOS BARRANCOS Y EL HORNILLO, S.L.	JOINT AND SEVERAL DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	DOSVAL, S.L.	REPRESENTATIVE OF DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	FRUVEGA, S.L.	REPRESENTATIVE OF DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	CARTUJA AGRÍCOLA, S.A.	REPRESENTATIVE OF DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	RIEGOS EL PATOR, S.L.	REPRESENTATIVE OF DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	OLIVE PARTNERS, S.A.	REPRESENTATIVE OF DIRECTOR
JAVIER GÓMEZ-TRENOR VERGÉS	CITRICULTURA PAS, S.L.U.	REPRESENTATIVE OF DIRECTOR
JAVIER FERNÁNDEZ ALONSO	DEYÁ CAPITAL IV, S.C.R., S.A.	DIRECTOR
JAVIER FERNÁNDEZ ALONSO	PROFAND FISHING HOLDING, S.L.	DIRECTOR
JAVIER FERNÁNDEZ ALONSO	RIOJA, S.A.R.L.	DIRECTOR
JAVIER FERNÁNDEZ ALONSO	RIOJA ACQUISITION, S.A.R.L.	DIRECTOR
JAVIER FERNÁNDEZ ALONSO	CIE AUTOMOTIVE, S.A.	DIRECTOR
JAVIER FERNÁNDEZ ALONSO	VISCOFAN, S.A.	DIRECTOR
GRUPO TRADIFÍN, S.A.	ALDEBARÁN ENERGÍA DEL GUADALQUIVIR, S.L.	SOLE DIRECTOR
GRUPO TRADIFÍN, S.A.	ARROZALES LOS MORISCOS, S.L.	SOLE DIRECTOR
GRUPO TRADIFÍN, S.A.	CABHER 96, S.L.	SOLE DIRECTOR
GRUPO TRADIFÍN, S.A.	GOLF ACTIVITIES, S.L.	SOLE DIRECTOR
GRUPO TRADIFÍN, S.A.	HACIENDA DEL GUADAIRA, S.L.	SOLE DIRECTOR
GRUPO TRADIFÍN, S.A.	HERNÁNDEZ BARRERA SERVICIOS, S.A.	DIRECTOR
GRUPO TRADIFÍN, S.A.	INSTITUTO HISPÁNICO DEL ARROZ, S.A.	MANAGING DIRECTOR
GRUPO TRADIFÍN, S.A.	LIGHT ENVIRONMENT CONTROL, S.L.	MANAGING DIRECTOR
GRUPO TRADIFÍN, S.A.	OLIVETM RECURSOS BIOMÁSICOS, S.L.	SOLE DIRECTOR
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	GRUPO TRADIFÍN, S.L.	MANAGING DIRECTOR

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Name of director or representative	Name of company, listed or otherwise	Position
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	MAGALLANES VALUE INVESTORS, S.A.	DIRECTOR
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	MAGALLANES VALUE INVESTORS UCITS SICV	CHAIR
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	PHARMA MAR, S.A.	DIRECTOR
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	REAL CLUB SEVILLA GOLF, S.L.	DIRECTOR
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	TECHO HOGAR SOCIMI, S.L.	DIRECTOR
MARÍA BLANCA HERNÁNDEZ RODRÍGUEZ	TECHO RAICES, S.L.	DIRECTOR
HERCALIANZ INVESTING GROUP, S.L.	HERSOT VENTURES, S.L.	SOLE DIRECTOR
HERCALIANZ INVESTING GROUP, S.L.	INSTITUTO HISPÁNICO DEL ARROZ, S.A.	DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	ACEBES NORTE, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	AGRÍCOLA MAURIÑAS, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	AGRÍCOLA VILLAMARTA, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	AGROPECUARIA ISLA MAYOR, SL.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	ARRIZUR 8, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	ARROZALES ISLA MENOR, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	AUSTRALIAN COMMODITIES, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	CAMPOARROZ SUR, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	CONDE-GUADAIRA, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	CUQUERO AGRO, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	DEHESA CASUDIS, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	DEHESA GUADALQUIVIR, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	DEHESA NORTE, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	EL COBUJÓN, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	ENTREGUADAL, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	ENTRERRÍOS NORTE, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	ESPARRAGOSILLA 91, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	FITOPLANCTON MARINO, S.L.	DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	GREENVETA 78, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	HACIENDA BOCÓN, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	HACIENDA GUADIAGRÁN, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	HACIENDA LAS POMPAS, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	HERCALIANZ INVESTING GROUP, S.A.	JOINT AND SEVERAL DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	HERNÁNDEZ BARRERA SERVICIOS, S.A.	DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	HERSOT VENTURES, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	HISPAGRAINS AGRO, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	HISPAMARK REAL ESTATE, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	INSTITUTO HISPÁNICO DEL ARROZ, S.A.	VICE-CHAIRMAN
FÉLIX HERNÁNDEZ CALLEJAS	ISLASUR, S.A.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	LABRADOS GUADALQUIVIR, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	LIBECCIO AGRÍCOLA, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	LLANOS RICE, S.L.	REPRESENTATIVE OF DIRECTOR

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Name of director or representative	Name of company, listed or otherwise	Position
FÉLIX HERNÁNDEZ CALLEJAS	MAGALLANES VALUE INVESTORS, S.A.	DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	MATOCHAL SUR, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	MUNDIRICE AGRO, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	ORYZA AGRÍCOLA, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	PESQUERÍAS ISLA MAYOR, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	PRORRÍO, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	RISOLAND AGRO, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	RIVERCANT AGRÍCOLA, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	RIVERETA 12, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	SARTENEJALES, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	SIROCCO AGRÍCOLA, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	VERCELLI AGRÍCOLA, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	VETA GRAINS, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	VETARROZ, S.L.	REPRESENTATIVE OF DIRECTOR
FÉLIX HERNÁNDEZ CALLEJAS	ZUDIRROZ, S.L.	REPRESENTATIVE OF DIRECTOR

María Blanca Hernández Rodríguez, representative of the director Grupo Tradifín, S.L., also chairs the Board of Trustees of Fundación Ebro Foods.

Indicate any other remunerated activities of the directors or representatives of corporate directors, regardless of their nature, other than those mentioned in the preceding table.

Name of director or representative	Other remunerated activities
MERCEDES COSTA GARCÍA	Lecturer at IE Business School and member of the Advisory Board Ribé Salat
MARC THOMAS MURTRA MILLAR	Part-time lecturer of Financial Management and Financial Economics at the Pompeu Fabra University and UPF Barcelona School of Management
JORDI XUCLÀ COSTA	Publication of articles, conference speaker and lecturer of International Relations at Ramón Llull University

We include within the information on other remunerated activities set out in this section that the directors Corporación Financiera Alba, S.A., Empresas Comerciales e Industriales Valencianas, S.L., Grupo Tradifín, S.L. and Hercalianz Investing Group, S.L. each perform the activities corresponding to their objects.

C.1.12 Indicate and, where appropriate, explain whether the company has established rules on the maximum number of directorships its directors may hold, if so, indicating where those rules can be found:

[√] Yes
[ ] No

Explanation of the rules and identification of the document in which they are regulated

Article 32.2 of the Regulations of the Board establishes, among the "General Duties of Directors", that the Directors shall dedicate such time and attention to the Company as may be necessary to guarantee the effective and adequate fulfilment of each and all of the duties corresponding to their position. Consequently, the maximum number of other directorships they may hold will be such as to ensure that they are able at all times to meet each and all of their obligations to the Company.

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C.1.13 Indicate the amounts of the following items in the overall remuneration of the board:

Remuneration accrued during the year in favour of the board (thousand euros)	8,085
Amount of the funds accumulated by current directors in long-term savings schemes with vested economic rights (thousand euros)	
Amount of the funds accumulated by current directors in long-term savings schemes with non-vested economic rights (thousand euros)	
Amount of the funds accumulated by former directors in long-term savings schemes (thousand euros)	

The gross amount indicated in this section C.1.13 includes: (i) the remuneration of all the directors for their duties as such, and (ii) the remuneration of the Executive Chairman for his executive duties (including attendance fees as director received from a Group subsidiary, Pastificio Lucio Garofalo, S.p.A., in a gross sum of 5,000 euros).

In addition to the gross amount indicated in this section C.1.13, the Executive Chairman of the Board also received 5,200 euros gross from the associate Riso Scotti, S.p.A. in attendance fees as director.

C.1.14 Name the members of top management who are not executive directors and indicate the aggregate remuneration accrued in their favour during the year:

Name	Position(s)
ANA MARÍA ANTEQUERA PARDO	COMMUNICATIONS AND CSR MANAGER
LUIS PEÑA PAZOS	SECRETARY OF THE COMPANY AND BOARD
PABLO ALBENDEA SOLÍS	CHIEF OPERATING OFFICER (COO)
MARÍA JOSÉ GARRETA RODRÍGUEZ	PATENTS AND TRADEMARKS MANAGER
ALFONSO FUERTES BARRO	FINANCE MANAGER
GABRIEL SOLÍS PABLOS	TAX MANAGER
YOLANDA DE LA MORENA CEREZO	VICE-SECRETARY OF THE BOARD
GLORIA RODRÍGUEZ PATA	CORPORATE ASSETS MANAGER
JESÚS DE ZABALA BAZÁN	INTERNAL AUDIT MANAGER
MANUEL GONZÁLEZ DE LUNA	INVESTOR RELATIONS AND FINANCIAL INSTITUTIONS MANAGER

Number of women in top management positions	4
Percentage of total members of top management	40.00

Total remuneration top management (thousand euro)	2,874

The company executives named in this section C.1.14 include the Chief Operating Officer (COO), who is the highest-ranking executive of the Ebro Foods Group after the Executive Chairman, and the heads of the principal departments of Ebro Foods, S.A. even if they are not actually considered "top management".

C.1.15 State whether any modifications have been made during the year to the Regulations of the Board:

[√] Yes
[ ] No

Description of modifications
On 21 December 2022, the Board of Directors unanimously resolved to rename the Audit and Compliance Committee, changing its name to "Audit, Control and Sustainability Committee" in recognition of the increasing importance for the company of sustainability and corporate social responsibility and the significant powers exercised by this Commission in that area.

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In order to include the new name "Audit, Control and Sustainability Committee" in the Articles of Association and the Regulations of the Board, the Board of Directors resolved on 26 April 2023 to table a motion at the Annual General Meeting to be held on 6 June 2023 to amend Article 28 of the Articles of Association, and informed shareholders of the alteration of Articles 3, 8, 15, 24, 37 and 43 of the Regulations of the Board, where the new name replaced the former name of "Audit and Compliance Committee".

The amendment of the Regulations of the Board was: (i) previously assessed by the Audit and Compliance Committee, which issued a favourable report in pursuance of Articles 3.2 and 3.3 of the Regulations; and (ii) reported to the shareholders at the Annual General Meeting held on 6 June 2023, as mentioned above.

The recast Regulations of the Board were entered in the Madrid Trade Register on 22 June 2023 and published on the website of the National Securities Market Commission www.cnmv.es and the company's corporate website www.ebrofoods.es.

C.1.16 Describe the procedures for selection, appointment, re-election and removal of directors. Indicate the competent bodies, the formalities and the criteria to be followed in each of these procedures.

The procedures for selection, appointment, re-election and removal of the directors are regulated in the Articles of Association and the Regulations of the Board.

There is also a Policy for Selection of Directors and Diversity in the Composition of the Board of Directors, which specifically and verifiably establishes the basic criteria and principles to be followed in the selection of candidates.

The Policy is applicable in the appointment, ratification and re-election of directors by the General Meeting and any appointments made by the Board.

A. Procedure for selection, appointment and re-election of Directors

Procedures for selecting directors shall be designed to favour diversity of expertise, professional experience and gender within the Board, avoiding any implicit bias that may imply discrimination against any of the candidates on any grounds. Under equal conditions, the Company will opt for the candidate whose gender is least represented on the Board at that time.

The General Meeting is responsible for deciding on the number of directors the company is to have, within the minimum (7) and maximum (15) established in the Articles of Association, and for appointing or re-electing directors as proposed by the Board, subject to a favourable report by the Nomination and Remuneration Committee.

The Board may also appoint directors by cooptation, subject to a report by the Nomination and Remuneration Committee and by the Board of Directors on the terms stipulated in law.

In any case, the initiative of the Board regarding the incorporation of members by no means detracts from the sovereign power of the General Meeting to appoint and remove directors, or from any potential exercise by shareholders of their right to proportional representation.

The proposals for the appointment or re-election of directors made by the Board of Directors, or by the Nomination and Remuneration Committee in appointments or re-elections of Independent Directors, must be based on a prior analysis of the needs of the Board, the results of which are set out in the corresponding report by the Nomination and Remuneration Committee, published when calling the General Meeting at which the ratification, appointment or re-election of each director is submitted for approval.

B. Procedure for removal of Directors

The removal of directors is regulated in Article 31 of the Regulations of the Board. See section C.1.19 of this Report in this respect.

Without prejudice to the initiative of the Board regarding the inclusion of its members, the General Meeting has sovereign power to resolve on the removal of directors.

The Nomination and Remuneration Committee is competent to study, issue reports and prepare proposals for the removal of directors.

Following a report by the Nomination and Remuneration Committee, the Board of Directors shall table a motion at the General Meeting of Shareholders for removal of the director in question if the director in question fails to resign in the circumstances contemplated in Article 31.2 of the Regulations of the Board.

If a director retires from office before the end of their term, through resignation or by virtue of a resolution adopted by the General Meeting, they shall explain the reasons for their resignation or, in the case of non-executive directors, their opinion on the grounds for their removal by the General Meeting, in a letter sent out to all the Board members. Although the Annual Corporate Governance Report shall contain the appropriate information on the foregoing, to the extent that it is important for investors, the company shall publish news of the director's retirement as soon as possible, including a sufficient account of the reasons or circumstances indicated by the director.

If a director opts to resign following adoption by the Board of decisions on issues on which that director has expressed qualifications or reservations in the sense contemplated in Article 32.5 of the Regulations of the Board ("…/…whenever they consider that some of the decisions proposed to the Board may go against the corporate interests and/or those of the shareholders not represented on the Board."), they shall explain the reasons as per the preceding paragraph.

The measures described in the preceding two paragraphs shall also be applicable to the Secretary of the Board, regardless of whether the secretary is a director.

C.1.17 Explain to what extent the annual assessment of the board has given rise to major changes in its internal organisation and the procedures applicable to its activities:

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Description of changes

The assessment of the Board, Committees and Executive Chairman corresponding to 2022, made in 2023, did not reveal the need for any major changes in the Company's internal organisation or the procedures applicable to their activities.

Describe the process of assessment and the areas assessed by the board, assisted where necessary by an external consultant, on the performance and composition of the board and its committees and any other area or aspect that has been assessed.

Description of assessment process and areas assessed

A. ASSESSMENT PROCESS

The Board, its Committees and the Executive Chairman of the Company are assessed each year.

This process is based on: (i) a report prepared by the Nomination and Remuneration Committee to be laid before the Board of Directors; (ii) the activity reports issued by the Audit, Control and Sustainability Committee and the Nomination and Remuneration Committee in the year being assessed; and (iii) the resolutions adopted by the Board of Directors in view of those reports.

The methodology explained below was used again, where appropriate, in the assessment of 2022, made in 2023. This is the methodology normally used by the company in its assessments, with the exception of the 2020 assessment made in 2021, in which the external consultant who assisted the company used a different system based on interviews with the directors.

- The directors (and, in the case of corporate directors, their representatives) completed a questionnaire previously approved by the Nomination and Remuneration Committee.

- Once all the questionnaires had been completed, the data collected was sent to the Secretary of the Nomination and Remuneration Committee who, after analysing them, drew up an anonymous summary of the answers for the Committee to issue the corresponding Assessment Report, which was finally laid before the Board of Directors.

In the assessment process carried out in 2023, it was not considered necessary to complete the results from the questionnaires with a personal interview with the Lead Independent Director of the company, Mercedes Costa García, as she had participated intensely in the assessment process as a member of the Nomination and Remuneration Committee.

- The questionnaires completed by all the directors and the Assessment Report were filed by the Secretary of the Board.

B. AREAS ASSESSED

Apart from assessing the composition, powers and procedures of the Board of Directors, a specific assessment was made by that body of the following matters: (i) supervision and control of the business management, investments and strategy of the company; (ii) agenda for meetings, treatment and discussion of the issues and possibility of incorporating off-agenda issues; and (iii) planning, frequency, duration and dynamics of the meetings, notices of call and documentation of the meetings.

In addition to assessing the composition, powers and procedures of the Committees, a specific assessment was made of each committee with regard to the following matters:

- Executive Committee: specific assessment of reporting to the Board on the resolutions adopted by the Committee through access by all directors, through the Secretary, of the minutes of its meetings.

- Audit, Control and Sustainability Committee: specific assessment of its particular powers in matters concerning internal audit procedures, external auditors, whistleblowing channel, financial reporting, structural operations, risk control and annual accounts, as well as the specific powers of supervision in particular aspects of corporate government, internal codes of conduct and corporate social responsibility.

- Nomination and Remuneration Committee: specific assessment of its powers with regard to the selection of directors, basic terms of senior executive contracts, pay policies and the remuneration policy for directors and senior executives.

- Strategy and Investment Committee: specific assessment of the frequency of its meetings and analysis of the business to be transacted.

In addition to the specific assessment of each Committee made by the directors on each one, the other directors who are not on those committees also assess the work of each Committee.

The following were also assessed: (i) the Executive Chairman's management in aspects related with his dedication, participation and stimulation of debates, and the clarity and detail of the information and explanations given on the company's strategy and business; (ii) performance by the Lead Independent Director of her duties; (iii) decision-making in issues concerning related party transactions and conflicts of interest, significant investments and transactions, dividends, strategic plan, risk management and business liability policy; and (iv) follow-up on issues agreed by the Board in the previous assessment, made in 2022.

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C.1.18 In any years in which an external consultant has been called in to assist with assessment, describe any business relations between the consultant or any company in its group with the company or any other company in its group.

N/A

C.1.19 State the events in which directors are obliged to step down.

The retirement and resignation of directors are regulated in Article 31 of the Regulations of the Board:

- Directors must step down at the end of the term for which they were appointed and in all other events stipulated in law, the Articles of Association and the Regulations of the Board.

- Directors must also tender their resignations and step down in the following cases:

a) When they are affected by one of the causes of incompatibility or disqualification established in law, the Articles of Association or the Regulations of the Board.

b) When they step down from the executive post to which their appointment as Director was linked, when the shareholder they represent on the Board disposes of all its shares in the Company or reduces its interest to an extent requiring a reduction in the number of Proprietary Directors and, in general, whenever the reasons for their appointment disappear.

c) When the Board, following a report by the Nomination and Remuneration Committee, considers that: (i) the Director is in a situation, related or not with their actions within the company, that could jeopardise the company's prestige and reputation, (ii) the Director has seriously defaulted their obligations, or (iii) there are reasons of corporate interest so requiring.

C.1.20 Are special majorities differing from those stipulated in law required for any type of decision?

[ ] Yes
[√] No

If yes, describe the differences.

C.1.21 Are there any specific requirements, other than those established for directors, to be appointed chairman of the board?

[ ] Yes
[√] No

C.1.22 Do the Articles of Association or Regulations of the Board establish an age limit for directors?

[ ] Yes
[√] No

C.1.23 Do the Articles of Association or Regulations of the Board establish a limited term of office or other stricter requirements in addition to those provided by law for independent directors, other than as stipulated in law?

[ ] Yes
[√] No

C.1.24 Do the Articles of Association or Regulations of the Board establish specific rules for the delegation of votes to other directors at board meetings, how they are to be delegated and, in particular, the maximum number of proxies that a director may hold, and whether any limitation has been established regarding the categories to which proxies may be granted, other than those established in law? If yes, include a brief description.

Both the Articles of Association (Article 24) and the Regulations of the Board (Article 20) contemplate the possibility of Directors attending Board meetings through a duly authorised proxy.

The proxy must be made in advance, in writing, specially for each Board meeting, in favour of another Director.

The represented Director may issue specific voting instructions for any or all of the items on the agenda.

Non-executive directors may only grant proxies to other non-executive directors.

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No limit is established on the number of proxies any one Director may hold, nor is there any constraint on the categories to which proxies may be granted.

C.1.25 State the number of meetings held by the Board of Directors during the year, indicating, if appropriate, how many times the Board has met without the Chairman. Proxies made with specific instructions will be considered attendances.

Number of board meetings	11
Number of board meetings held without the chairman	0

Indicate the number of meetings held by the lead independent director with the other directors without the attendance or representation of any executive director:

Number of meetings	0

Indicate the number of meetings held by the different Committees of the Board:

Number of meetings of the Strategy and Investment Committee	2
Number of meetings of the Executive Committee	3
Number of meetings of the Audit, Control and Sustainability Committee	9
Number of meetings of the Nomination and Remuneration Committee	6

During 2023, the lead independent director did not hold any face-to-face meetings with the other non-executive directors, although she has proactively been in touch with them individually on several occasions to discuss matters within her remit.

Of the 9 meetings of the Audit, Control and Sustainability Committee held in 2023, the External Auditor attended 5 and the Internal Audit Manager attended 7. It should be borne in mind in this respect that 3 of the 9 meetings held had a single item on the agenda, regarding the procedure for selecting auditors for 2024, 2025 and 2026.

C.1.26 State the number of meetings held by the Board during the period and details of attendance by its members:

Number of meetings attended in person by at least 80% of the directors	11
Attendance / total votes during the year (%)	92.86
Number of meetings attended by all the directors, in person or by proxies made with specific voting instructions	11
Votes cast with attendance in person or by proxies with specific instructions / total votes during the year (%)	100.00

Attendance in person includes all directors who attended personally, whether face-to-face or online.

C.1.27 Are the separate and consolidated annual accounts submitted to the Board for approval previously certified?

[ ] Yes
[√] No

If yes, name the person(s) who certify the separate or consolidated annual accounts of the company before they are approved by the Board:

C.1.28 Explain the mechanisms, if any, established by the Board to ensure that the annual accounts that the Board laid before the General Meeting are drawn up in accordance with the applicable accounting standards.

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Article 24.4 of the Regulations of the Board gives the Audit, Control and Sustainability Committee the following powers, among others:

- Supervise and promote the policies, procedures and systems used for drawing up and controlling the company's financial information, checking the services performed in this regard by the Internal Audit Department, the Financial Department and the Management Committee and making sure they are correctly distributed throughout the Group.

- Ensure that (i) the systems used for preparing the separate and consolidated Annual Accounts and Directors' Report submitted to the Board to be authorised for issue in accordance with current legislation give a true and fair view of the equity, financial position and results of the Company and make sure that any interim financial statements are drawn up according to the same accounting principles as the annual accounts, considering the possibility of asking the external auditors to make a limited audit if necessary; and (ii) the Board of Directors endeavours to submit the annual accounts to the General Meeting with an unqualified auditors' report.

In this regard, it must also see that the internal control systems are adequate and effective in respect of the accounting practices and principles used for drawing up the company's annual accounts, supervising the policies and procedures established to ensure due compliance with applicable legal provisions and internal regulations. The Committee shall, through its Chairman, obtain information and collaboration from both the Internal Audit Manager and the External Auditors to perform these duties.

- Establish regular contact with the External Auditors to receive information on any issues that may jeopardise their independence, and any other issues relating to the auditing of accounts, receiving information from and exchanging communications with the External Auditors in accordance with prevailing auditing standards and legislation.

- Be informed of the decisions adopted by the senior management according to recommendations made by the External Auditors in connection with the audit.

In addition, the Group has a Risks Control and Management Policy, including tax risks, and internal control of financial reporting (ICFR), which lay down, among others, the basic principles and the general framework for internal control of the financial reporting by the company and the Ebro Group.

The Group has procedures in place for checking and authorising financial reporting and a description of the financial reporting internal control system (ICFR), for which the Economic Department is responsible, as described in section F.3.1 of this report.

The responsibility for the aforesaid procedures for checking and authorising financial reporting and the description of the financial reporting internal control system (ICFR) lies with the Group Economic Department, the Risks Committee, the economic and finance departments of the different business units, the Audit, Control and Sustainability Committee and the Board of Directors.

Finally, in 2023 the External Auditors attended the Board meeting at which the separate and consolidated annual accounts for 2022 were authorised for issue, to inform the Board directly on the conclusions of their audit, in view of which they issued an unqualified Auditors' Report for the separate and consolidated accounts.

C.1.29 Is the Secretary of the Board a Director?

[ ] Yes
[√] No

If the secretary is not a director, complete the following table:

Name of secretary	Representative
LUIS PEÑA PAZOS	

C.1.30 Describe the specific mechanisms established by the company to preserve the independence of the external auditors, if any; the mechanisms to preserve the independence of financial analysts, investment banks and rating agencies; and how the legal provisions are implemented.

A. With regard to the external auditors:

Both the Articles of Association and the Regulations of the Board vest in the Audit, Control and Sustainability Committee the power to contact the auditors and receive information on any issues that may jeopardise their independence, for examination by the Audit Committee, as well as any other issues relating to the auditing of accounts. The Committee shall also receive information from and exchange communications with the auditors in accordance with prevailing auditing standards and legislation, notwithstanding the ultimate responsibility of the Board of Directors, which, pursuant to Article 8.1.3.(a) of the Regulations of the Board, is responsible for ensuring the independence and professional suitability of the external auditor.

Article 24.4 of the Regulations of the Board establishes the following powers, among others, of the Audit, Control and Sustainability Committee in this respect:

- Ensure that (i) the systems used for preparing the separate and consolidated Annual Accounts and Directors' Report submitted to the Board to be authorised for issue in accordance with current legislation give a true and fair view of the equity, financial position and results of the Company and make sure that any interim financial statements are drawn up according to the same accounting principles as the annual accounts, considering the possibility of asking the external auditors to make a limited audit if necessary; and (ii) the Board of Directors endeavours to submit the annual accounts to the General Meeting with an unqualified auditors' report.

- See that the internal control systems are adequate and effective in respect of the accounting practices and principles used for drawing up the company's annual accounts, supervising the policies and procedures established to ensure due compliance with applicable legal provisions and internal regulations. To perform these duties it shall, through its Chair, obtain information and collaboration from both the Internal Audit Manager and the External Auditors.

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- Establish regular contact with the external auditors to receive information on any issues that may jeopardise their independence, and any other issues relating to the auditing of accounts, receiving information from and exchanging communications with the external auditors in accordance with prevailing auditing standards and legislation.

- Submit to the Board, to be tabled at the General Meeting, proposals for the selection, appointment, re-appointment and replacement of the company's External Auditors and their terms of contract, the scope of their commission and the renewal or revocation of their engagement.

- Ensure the independence of the external auditors and the existence of a discussion procedure enabling the external auditors, the Internal Audit Department and any other expert to inform the company of any significant weaknesses in its internal control detected while checking the annual accounts or any other processes in which they have worked. The Committee shall issue an annual report, prior to issuance of the auditor's report, expressing an opinion on the independence of the external auditors and any supplementary services they may have provided. It shall also inform the Board on the proposed appointment of the Internal Audit Manager and approve each year the internal audit work plan and monitor its implementation.

In accordance with the foregoing and through the Audit, Control and Sustainability Committee, the Company keeps a strict, constant watch for any circumstances that might affect the independence of the external auditors. Accordingly:

(i) once a year, when the external auditors have provided the necessary information, the Audit, Control and Sustainability Committee issues an annual report on their independence, which is submitted to the Board of Directors and made available to shareholders as from the call to the General Meeting; and

(ii) constantly throughout the year, the Commission receives timely notification of any potential engagement of the external auditors to provide services in addition to auditing the annual accounts. In this regard, in February 2017 the Audit, Control and Sustainability Committee established a protocol for the notification, review and, if appropriate, authorisation of the potential contracting of the external auditors by any company in the Group for non-audit services. That protocol covers the "pre-approval" required for the events contemplated in Article 5(3) of Regulation EU 537/2014 and any other potential service.

Finally, Article 43 of the Regulations of the Board ("Relations with Auditors") provides that the Board shall establish an objective, professional, ongoing relationship with the external auditors of the company appointed by the General Meeting, guaranteeing their independence and putting at their disposal all the information they may require in order to perform their duties. This relationship with the external auditors is channelled through the Audit, Control and Sustainability Committee.

B. With regard to relations with analysts, investment banks and rating agencies:

In addition to the legal provisions and rules on corporate governance, the Regulations of the Board, Code of Conduct of the Ebro Group, the Policy on Communication and Relations with Shareholders, Institutional Investors and Proxy Advisors and the Policy on Communication of Financial, Non-Financial and Corporate Information are applicable in this area.

Article 42 of the Regulations of the Board regulates the Company's relations with shareholders and investors (particularly institutional investors).

The Code of Conduct establishes that relations with investors and financial analysts should be channelled through the unit responsible for the Company's relations with investors (Investor Relations Department), through which communications and information for investors in general are channelled.

The Company also has a Policy on Communication and Relations with Shareholders, Institutional Investors and Proxy Advisors, which upholds transparency as one of the fundamental values of the actions by the Company and its Group. This Policy contemplates the following general principles applicable in this matter:

- Communication and relations with institutional investors and proxy advisors are conducted in accordance with the principles of transparency, truth and permanent, adequate, timely reporting.

- The principle of non-discrimination and equal treatment is recognised for all shareholders and investors who are in the same conditions and not affected by conflicts of interest or competence.

- The rights and legitimate interests of all shareholders are protected.

- Continuous, permanent communication with shareholders and investors is encouraged.

- Reporting and communication channels are established with shareholders and investors to ensure compliance with these principles.

The company also has a Policy on Communication of Financial, Non-Financial and Corporate Information (supplementing the above-mentioned policy), which establishes the following principles and criteria governing the Company and its Group in respect of the communication of financial, non-financial and corporate information:

- The communication of financial, non-financial and corporate information through any available channels shall in all cases respect: (i) the legal provisions in place from time to time on market abuse and (ii) the principles of transparency, truth and permanent, adequate, timely reporting.

- The principles of non-discrimination and equal treatment shall be respected in all cases for all shareholders who are in the same conditions and not affected by conflicts of interest or competence.

- Continuous, permanent communication shall be encouraged with shareholders, investors and other stakeholders through all the channels considered appropriate for this purpose.

The Company's Audit, Control and Sustainability Committee is responsible for overseeing compliance with the rules and principles set out in the Policy on Communication and Relations with Shareholders, Institutional Investors and Proxy Advisors and the Policy on Communication of Financial, Non-Financial and Corporate Information.

C.1.31 Indicate whether the external auditors have changed during the year. If so, name the incoming and outgoing auditors:

[ ] Yes
[√] No

Explain any disagreements with the outgoing auditor:

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[ ] Yes
[√] No

C.1.32 State whether the firm of auditors does any work for the company and/or its group other than standard audit work and if so, declare the amount of the fees received for such work and the percentage that amount represents in respect of the total fees invoiced to the company and/or its group for audit work:

[√] Yes
[ ] No

	Company	Group companies	Total
Charge for non-audit work (thousand euros)	193	123	316
Charge for non-audit work / Amount invoiced for audit work (%)	70.44	6,31	14,21

C.1.33 Indicate whether the auditors' report on the annual accounts of the previous year was qualified. If so, state the reasons given by the Chairman of the Audit Committee to explain the content and scope of the qualifications.

[ ] Yes
[√] No

C.1.34 State the number of years in succession that the current firm of auditors has been auditing the separate and/or consolidated annual accounts of the company. Indicate the ratio of the number of years audited by the current auditors to the total number of years that the annual accounts have been audited:

	Separate	Consolidated
Number of years in succession	10	10

	Separate	Consolidated
Number of years audited by current auditors / Number of years that the company has been audited (%)	30.30	30.30

C.1.35 Indicate, with details if appropriate, whether there is an established procedure for directors to obtain sufficiently in advance any information they may need to prepare the meetings of the governing bodies:

[√] Yes
[ ] No

Details of procedure

According to the obligations and duties assigned by law, the Articles of Association and the Regulations of the Board, the Secretary of the Board is responsible for channelling the relations between the Company and the Directors in all matters concerning the procedures of the Board of Directors and the Board Committees in which he participates, following instructions received from the respective Chairman, and for implement and foster exercise by the Directors of their right to information (Article 15.2(c) and (d) of the Regulations of the Board).

At each year-end, the Secretary of the Board sends all the Directors an annual calendar of meetings previously agreed among all the Directors, setting the dates and times of the meetings of the Board of Directors, Committees, General Meetings and meetings with analysts for the following year. That calendar is also sent to the different professionals of the Company involved in preparing the documentation and information for the Directors for each meeting, to enable them to plan their work and make sure that the corresponding information and documentation are prepared sufficiently before each meeting.

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When the documentation for each meeting is complete, it is sent to the Secretary of the Board, who sends it to the Directors, if possible together with the notice of call to the meeting, or in highly justified cases, as soon as possible after sending the notice of call.

C.1.36 Indicate, with details if appropriate, whether the company has established any rules obliging Directors to report and, if necessary, retire if any situation arises, related or not with their actions within the company, that could jeopardise the company's prestige and reputation:

[√] Yes
[ ] No

Explain the rules

Article 31.2 of the Regulations of the Board provide that Directors must step down and tender their resignations, among other cases, if the Board, following a report by the Nomination and Remuneration Committee, considers that: (i) the Director is in a situation, related or not with their actions within the company, that could jeopardise the company's prestige and reputation, (ii) the Director has seriously defaulted their obligations, or (iii) there are reasons of corporate interest so requiring.

Article 31.3 of the Regulations of the Board provide that if a Director: (i) is in a situation, related or otherwise with his duties in the Company, that could jeopardise the Company's prestige and reputation, or (ii) is investigated within any criminal proceedings, he shall notify the Board as promptly as he is able and keep the Board up to date on subsequent developments in both cases.

Finally, the Regulations further stipulate that if a Director fails to tender their resignation when so obliged, the Board of Directors shall, subject to a report by the Nomination and Remuneration Committee, tender a motion to the General Meeting of Shareholders for their removal.

C.1.37 Indicate, unless special circumstances have occurred and been put on record, whether the Board has been informed or has otherwise become aware of any situation affecting a director, related or not with their actions within the company, that could jeopardise the company's prestige and reputation:

[ ] Yes
[√] No

C.1.38 Describe any significant agreements entered into by the company that enter into force or are modified or terminated in the event of a takeover of the company following a takeover bid, and the effects thereof.

Most of the financing agreements signed by Ebro Foods, S.A. include takeover clauses on the usual terms for this type of contract. By virtue of those provisions, the lender reserves the right to terminate the financing agreement in the event of a takeover of the Company. Although there is no universal definition of "takeover" for this purpose, the lender's right is triggered if there is a substantial change in the Company's significant shareholders.

C.1.39 Indicate individually for directors and globally in other cases, and describe in detail any agreements made between the company and its directors, executives or employees contemplating golden handshake clauses or any other indemnities in the event of resignation or unfair dismissal or termination of employment following a takeover bid or any other type of transaction.

Number of beneficiaries	0
Type of beneficiary	Description of agreement
N/A	N/A

State whether, apart from the cases contemplated in law, these contracts have to be notified to and/or approved by the governing bodies of the company/group companies. If yes, specify the procedures, events contemplated and nature of the bodies responsible for approval and notification:

	Board of Directors	General Meeting
Body authorising the clauses	√	

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	Yes	No
Is the general meeting informed of the clauses?	√	

C.2. Committees of the Board

C.2.1 Give details of the different committees, their members and the proportion of executive, proprietary, independent and other non-executive directors in each committee:

Strategy and Investment Committee		
Name	Position	Category
DEMETRIO CARCELLER ARCE	CHAIR	Proprietary
ANTONIO HERNÁNDEZ CALLEJAS	MEMBER	Executive
JOSE IGNACIO COMENGE SÁNCHEZ-REAL	MEMBER	Proprietary
JAVIER FERNÁNDEZ ALONSO	MEMBER	Proprietary
HERCALIANZ INVESTING GROUP, S.L.	MEMBER	Executive

% executive directors	40.00
% proprietary directors	60.00
% independent directors	0.00
% other non-executive directors	0.00

Explain the duties delegated or attributed to this committee other than those described in section C.1.9 and describe the procedures and rules of its organisation and functioning. For each of these duties, indicate the committee's most important actions during the year and how it has performed in practice each of the duties attributed to it, by law, in the articles of association or by virtue of other corporate resolutions.

Article 28.4 of the Articles of Association stipulates that the Regulations of the Board shall contemplate the existence of a Strategy and Investment Committee, on which any Directors may sit.

The composition, organisation and procedure of the Strategy and Investment Committee are governed by the provisions common to all the committees set out in Article 22 of the Regulations of the Board and the specific provisions established in Article 24 of the Articles of Association, its powers being regulated in Article 24.3.

This Committee will have a minimum of three and a maximum of five Directors, including the Chair, appointed by the Board of Directors subject to a report by the Nomination and Remuneration Committee.

Meetings will be held when called by its Chairman or at the request of two of its members, and in any case whenever the Board of Directors requests the issuance of reports, submission of proposals or adoption of resolutions within the scope of its duties.

The Committee is competent to study, issue reports, review and submit proposals for the Board on the following matters:

- setting of targets for growth, yield and market share;

- strategic development plans, new investments and restructuring processes;

- coordination with subsidiaries in the matters contemplated in the previous paragraphs, for the common interests and benefit of the Company and its subsidiaries.

During 2023, the Strategy and Investment Committee assessed the degree of compliance with the Strategic Plan of the Ebro Foods Group 2022-2024 and worked on other strategic issues concerning the Group.

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Audit, Control and Sustainability Committee		
Name	Position	Category
FERNANDO CASTELLÓ CLEMENTE	MEMBER	Independent
MARC THOMAS MURTRA MILLAR	CHAIR	Independent
MERCEDES COSTA GARCÍA	MEMBER	Independent
JAVIER FERNÁNDEZ ALONSO	MEMBER	Proprietary
GRUPO TRADIFÍN, S.L.	MEMBER	Proprietary

% executive directors	0.00
% proprietary directors	40.00
% independent directors	60.00
% other non-executive directors	0.00

The composition of the Audit, Control and Sustainability Committee at 31 December 2023 is set out in the table above.

The changes that have taken place on the Board of Directors and Committees from 31 December 2023 (year-end 2023) to 22 March 2024 (date of approval of this report) are set out in Explanatory Note One in section H of this report.

Explain the duties attributed to this committee, including any duties additional to those stipulated in law, and describe the procedures and rules of organisation and procedure. For each of these duties, indicate the committee's most important actions during the year and how it has performed in practice each of the duties attributed to it, by law, in the articles of association or by virtue of other corporate resolutions.

The Audit, Control and Sustainability Committee is governed by the applicable legal provisions, the specific rules on its composition, organisation, procedure and powers set out in Article 28.2 of the Articles of Association and Article 24 of the Regulations of the Board, and by the provisions on organisation and procedure common to all the Committees, set out in Article 22 of the Regulations of the Board.

This Committee will have a minimum of three directors and a maximum of five.

All the members must be Non-Executive Directors, at least most of whom must be Independent Directors and they will, as a whole, be appointed on the basis of their expertise and experience in accounting, auditing and the management of financial and non-financial risks, or any of these areas.

The Committee Chair shall be appointed by the Board, subject to a report by the Nomination and Remuneration Committee, from among the committee members who are Independent Directors, taking into account their expertise and experience in accounting, auditing and the management of financial and non-financial risks, or any of these areas. The Committee Chair shall be replaced every four years and will become eligible for re-election one year after their retirement as such.

The Audit, Control and Sustainability Committee shall meet as and when called by its Chair, or at the request of two of its members and at least once every three months. It shall also meet whenever so required by law or when the Board requests the issuance of reports, submission of proposals or adoption of resolutions within the scope of its duties.

In addition to the powers and duties established by law, the articles of association and regulations, the Audit, Control and Sustainability Committee has the duties of supervision, assessment, oversight, control and reporting to the Board of Directors established in Article 24.4 of the Regulations of the Board in each of the following areas:

- Risk management and internal control;
- Policies, procedures and systems for the preparation and checking of the company's financial and non-financial reporting;
- Information sent regularly to the Stock Exchange Councils, issue prospectuses and any public financial information offered by the Company and, in general, all information prepared for distribution among shareholders;
- Internal systems used for control and preparation of the separate and consolidated Annual Accounts and Directors' Report submitted to the Board to be authorised for issue;
- External auditors, in aspects concerning their selection, appointment, re-appointment and replacement, their terms of contract and the scope of their commission, independence and the provision of supplementary services;
- Internal auditors, in respect of the appointment of the department manager and annual work plan;
- Intragroup transactions and related party transactions with the company or subsidiaries of the Group that are going to be submitted for authorisation by the Board;

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- Whistleblowing channel;
- Internal codes of conduct and corporate governance rules, including the policies falling within its remit.

During 2023, the Audit and Control Committee performed activities of supervision, control, monitoring and reporting to the Board of Directors in respect of the matters falling within its competence, including financial reporting, non-financial reporting, annual accounts, relations with the external and internal auditors, annual work plan of the internal audit department, risk management (including tax risks) and control systems, related party transactions, conflicts of interest, procedure for selecting the external auditors to audit the annual accounts corresponding to 2024, 2025 and 2026, whistleblowing channel, review of and reporting on the corporate policies within its area of competence, and compliance.

During 2023 the Committee also approved its 2022 activity report, made available for shareholders for the Annual General Meeting held on 6 June 2023.

The Company will issue a detailed report of all the activities performed by the Audit and Control Committee during 2023, which will be made available to all shareholders prior to the forthcoming Annual General Meeting 2024.

Name the member(s) of the audit committee appointed on account of their expertise and experience in accounting, auditing or both and indicate the date of appointment of the committee chair.

Names of directors with experience	FERNANDO CASTELLÓ CLEMENTE / MARC THOMAS MURTRA MILLAR / MERCEDES COSTA GARCÍA / JAVIER FERNÁNDEZ ALONSO / GRUPO TRADIFÍN, S.L.
Date of appointment as committee chair	23/11/2022

Nomination and Remuneration Committee		
Name	Position	Category
BELÉN BARREIRO PÉREZ-PARDO	MEMBER	Independent
DEMETRIO CARCELLER ARCE	MEMBER	Proprietary
FERNANDO CASTELLÓ CLEMENTE	CHAIR	Independent
MERCEDES COSTA GARCÍA	MEMBER	Independent
GRUPO TRADIFÍN, S.L.	MEMBER	Proprietary

% executive directors	0.00
% proprietary directors	40.00
% independent directors	60.00
% other non-executive directors	0.00

The composition of the Nomination and Remuneration Committee at 31 December 2023 is set out in the table above.

The changes that have taken place on the Board of Directors and Committees from 31 December 2023 (year-end 2023) to 22 March 2024 (date of approval of this report) are set out in Explanatory Note One in section H of this report.

Explain the duties attributed to this committee, including any duties additional to those stipulated in law, and describe the procedures and rules of organisation and functioning. For each of these duties, indicate the committee’s most important actions during the year and how it has performed in practice each of the duties attributed to it, by law, in the articles of association or by virtue of other corporate resolutions.

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The Nomination and Remuneration Committee is governed by the applicable legal provisions, the specific rules on composition, organisation and procedure established in Article 28.3 of the Articles of Association and Article 25 of the Regulations of the Board and the provisions on organisation and procedure common to all the committees set out in Article 22 of the Regulations of the Board.

The powers of the Nomination and Remuneration Committee are regulated in Article 25.4 of the Regulations of the Board, without prejudice to any others that may be assigned to it by law, the Articles of Association or the Regulations of the Board.

The Nomination and Remuneration Committee will have a minimum of three and a maximum of five non-executive directors, at least two of which must be Independent Directors. The members are appointed by the Board of Directors.

The Board will appoint one of the Independent Directors who are members of the Nomination and Remuneration Committee to chair it, subject to a report by that Committee.

Meetings will be held when called by its Chairman or at the request of two of its members and at least once every three months. It shall also meet whenever so required by law or when the Board of Directors requests the issuance of reports, submission of proposals or adoption of resolutions within its remit.

Pursuant to Article 25.4 of the Regulations of the Board, the Nomination and Remuneration Committee is competent to study, issue reports and submit proposals to the Board on the following matters:

- selection of candidates to join the Board of Directors;

- appointment of the Chairman, and Vice-Chairman if any, of the Board, Managing Director(s), Lead Independent Director and the Secretary, and Vice-Secretary if any, of the Board;

- succession of the Chairman and chief executive;

- appointment of directors to the Committees of the Board of Directors;

- appointment and possible dismissal of senior executives and their termination benefit clauses;

- directors' emoluments, according to the system of remuneration established in the Articles of Association and the executive directors' relationship with the Company;

- remuneration of directors and executives indexed to the value of the shares in the Company or its subsidiaries or consisting of the delivery of shares in the Company or its subsidiaries or the granting of options thereover;

- selection policy for directors, targets for the representation of the least represented gender on the Board and issuance of guidelines on how to achieve them;

- remuneration policy for directors and senior management of the Company and Group subsidiaries;

- management training, promotion and selection policy in the Company and Group subsidiaries;

- Annual Report on Directors' Remuneration.

With regard to the activities of the Nomination and Remuneration Committee during 2023, following the appropriate studies and assessments, the Committee has drawn up the proposals and issued the corresponding favourable reports to the Board of Directors in respect of the following: (i) appointment and re-election of directors and their assignment to the different Committees of the Board; (ii) appointment of Chair of the Nomination and Remuneration Committee to replace the previous chair; (iii) analysis of the composition of the Board with regard to the afore-mentioned appointments and re-elections; (iv) review of the Group policies falling within its remit; (v) review of the Directors' Remuneration Policy 2022-2024; (vi) remuneration systems and remuneration of directors, including the Executive Chairman, and of the key executives of the Company and its Group; (vii) Corporate Governance Report and Directors' Remuneration Report for 2022; (viii) Share-Based Remuneration Plan for Group employees for 2023; and (ix) self-assessment procedure for the Board of Directors, Chairman and Committees for 2022.

The Committee also approved during 2023 its 2022 activity report, made available for shareholders for the Annual General Meeting of 6 June 2023.

The Company will issue a detailed report of all the activities performed by the Nomination and Remuneration Committee during 2023, which will be made available to all shareholders for the forthcoming Annual General Meeting 2024.

Executive Committee		
Name	Position	Category
DEMETRIO CARCELLER ARCE	MEMBER	Proprietary
ANTONIO HERNÁNDEZ CALLEJAS	CHAIR	Executive
MARC THOMAS MURTRA MILLAR	MEMBER	Independent
JAVIER FERNÁNDEZ ALONSO	MEMBER	Proprietary

% executive directors	25.00
% proprietary directors	50.00

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% independent directors	25.00
% other non-executive directors	0.00

Explain the duties delegated or attributed to this committee other than those described in section C.1.9 and describe the procedures and rules of its organisation and functioning. For each of these duties, indicate the committee's most important actions during the year and how it has performed in practice each of the duties attributed to it, by law, in the articles of association or by virtue of other corporate resolutions.

Articles 19 and 27 of the Articles of Association contemplate the delegation of powers of the Board of Directors to the Executive Committee.

The composition, organisation and procedure of the Executive Committee is governed by the provisions common to all the committees set out in Article 22 of the Regulations of the Board, and the specific regulations established in Article 28.1 of the Articles of Association and Article 23 of the Regulations of the Board.

The powers of this Committee are set out in Article 23.2 of the Regulations of the Board, without prejudice to what the Board may establish in its resolution to delegate powers.

The Executive Committee shall have no fewer than three nor more than seven members, including the Chairman and Vice-Chairman of the Board, who will form part of this Committee. At least two of the Executive Committee members shall be non-executive directors and one of them shall be independent.

The Committee shall be presided by the Chairman of the Board. In general, the Executive Committee will meet once every two months. Its meetings may be attended by such members of management, employees and advisers of the Company as the Committee may deem fit. Without prejudice to the autonomy of decision of the Executive Committee in respect of the delegated powers, its resolutions normally being fully valid and effective without ratification by the Board, if the Chairman or three members of the Committee consider this necessary in the circumstances, the resolutions adopted by the Executive Committee shall be submitted to the Board for ratification. This will also be applicable when the Board has delegated the Committee to study certain matters while reserving for itself the ultimate decision, in which case the Executive Committee will merely submit the corresponding proposal to the Board.

During 2023, the Executive Committee assessed several investments, divestments and sales of assets, as well as the strategic decisions to be adopted in respect of the different business lines.

C.2.2 Complete the following table with information on the number of female directors on the board committees over the past four years:

	Number of female directors							
	2023		2022		2021		2020	
	No.	%	No.	%	No.	%	No.	%
Strategy and Investment Committee	0	0.00	0	0.00	0	0.00	0	0.00
Audit, Control and Sustainability Committee	2	40.00	2	40.00	2	40.00	2	40.00
Nomination and Remuneration Committee	3	60.00	3	60.00	3	60.00	3	60.00
Executive Committee	0	0.00	0	0.00	0	0.00	0	0.00

C.2.3 Indicate the existence, if appropriate, of regulations of the board committees, where they are available for consultation and any modifications made during the year. State whether an annual report has been issued voluntarily on the activities of each committee.

In general, Article 28 of the Articles of Association establishes the basic regulation of the Committees of the Board, contemplating the existence and composition of: (i) the Executive Committee, (ii) the Audit, Control and Sustainability Committee and (iii) the Nomination and Remuneration Committee. It also refers to the Regulations of the Board regarding the possible existence of a Strategy and Investment Committee.

The Regulations of the Board regulate the Board committees in the following specific provisions:

- General provisions applicable to all the Committees: Article 22
- Executive Committee: Article 23
- Audit, Control and Sustainability Committee: Article 24

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- Nomination and Remuneration Committee: Article 25
- Strategy and Investment Committee: Article 26

The Regulations of the Board also contemplate in different articles the powers of the different Committees of the Board in different areas (e.g. modification of the Regulations).

Both the Articles of Association and the Regulations of the Board are available for consultation on the corporate website (www.ebrofoods.es). The Regulations of the Board are also published and available for consultation on the website of the National Securities Market Commission (www.cnmv.es). Both texts are delivered to the Directors when they are appointed, together with the Regulations of the General Meeting, the Internal Code of Market Conduct, the Internal Code of Conduct and the Policies of the Ebro Foods Group, among other documents.

Both the Audit, Control and Sustainability Committee and the Nomination and Remuneration Committee issue annual activity reports, which are submitted to the Board of Directors for its information and consideration within the assessment of the Board and its Committees. Those activity reports are made available for shareholders on the corporate website www.ebrofoods.es coinciding with the call to the Annual General Meeting.

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D. RELATED PARTY AND INTER-COMPANY TRANSACTIONS

D.1. Explain the procedure, if any, and bodies competent to approve related party and inter-company transactions, indicating the internal criteria and general rules of the organisation regulating the obligations of affected directors or shareholders to abstain and defining the internal procedures on reporting and regular control established by the company in relation to the related party transactions whose approval has been delegated by the Board.

Article 24 of the Regulations of the Board vests in the Audit, Control and Sustainability Committee the power to: (i) oversee related party transactions and report to the Board or the General Meeting, as the case may be, prior to their approval, on the related party transactions to be submitted for its approval; and (ii) supervise the internal procedure established by the company for those transactions whose approval has been delegated.

Article 37 of the Regulations of the Board establishes that other than in the cases in which this power is reserved by law to the General Meeting, related party transactions must be reported to and approved by the Board, subject to a report by the Audit, Control and Sustainability Committee. Article 37 of the Regulations provides that:

- Related party transactions made for an amount or value equal to or greater than 10% of the total consolidated assets, as per the latest consolidated annual balance sheet approved by the company, require approval by the General Meeting.
- All other related party transactions shall be approved by the Board, which may not delegate this power unless: (i) they are made with Group companies within the scope of ordinary business and on arm's length terms, or (ii) they are made under standard form contracts used generally with a large number of clients, at prices or rates established generally by the supplier of the goods or provider of the services in question and provided the amount of the transaction does not exceed 0.5% of the company's consolidated net turnover.
- Whenever, in accordance with the preceding paragraph, the Board delegates the approval of related party transactions, the Board shall establish an internal procedure for regular reporting and control in order to verify the fairness and transparency of those transactions and, as the case may be, compliance with the applicable legal provisions.
- The Audit, Control and Sustainability Committee shall issue a report prior to approval of any related party transactions by the General Meeting or the Board. In that report, the Committee shall assess whether the transactions are fair and reasonable for the company and, where appropriate, for shareholders other than the related party involved in the transaction, explaining the assumptions on which its assessment is based and the methods employed. No members of the Audit, Control and Sustainability Committee affected by the related party transactions may participate in the preparation of this report. This report will not be obligatory for related party transactions whose approval has been delegated by the Board, whenever this is permitted by law and contemplated in the Regulations of the Board.
- The Board shall ensure publication of any related party transactions made by the company or Group companies for a sum equal to or greater than 5% of the total value of consolidated assets or 2.5% of the annual consolidated turnover of the Company or its Group. For this purpose, an announcement containing the details required by law shall be published in an easily accessible part of the company's website and sent to the National Securities Market Commission. The announcement shall be published and remitted no later than the date of the related party transaction, and shall be accompanied by the report, if any, issued by the Audit, Control and Sustainability Committee.
- The amount of a related party transaction shall be determined by adding up the value of all transactions made with the same counterparty within the past twelve months. The company makes intragroup transactions on arm's length terms, documenting them according to the requirements of the laws (essentially tax laws) in place in each jurisdiction. This is one of the practices required by the Risk Management and Control Policy established in the Ebro Group.

In addition, the Protocol on Related Party Transactions established in the company contemplates the following procedures:

-communication between the Company and its Related Parties to identify in advance any transactions to be made with them;
-control of any potential transactions identified that are going to be made;
-analysis of the transactions identified to determine: (i) whether the conditions are met for the transaction to be considered a "related party transaction"; (ii) whether, according to the applicable legal provisions, the related party transaction must be publicised; and (iii) which corporate body must approve the transaction; and
-monitoring after the related party transactions have been made, to check that the transactions declared in the Periodic Public Reporting, Annual Accounts and Annual Corporate Governance Report: (i) correspond to those recorded in the corporate accounts and (ii) are consistent with those previously identified.

This Protocol is also applicable to any transactions between the Company and its subsidiaries or investees in which one of the company's Related Parties has an interest.

D.2. Give the individual details of any transactions for a significant amount or object between the company and/or companies in its group and shareholders holding 10% or more of the voting rights or represented on the board of directors of the company, stating which body was responsible for approving them and whether any affected director or shareholder has abstained. If the General Meeting was competent, state whether the proposed resolution was passed by the board without votes against by the majority of independent directors:

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	Name of shareholder or any of its subsidiaries	% Interest	Name of subsidiary	Amount (thousand euros)	Body that approved transaction	Identification of significant shareholder or director who abstained	The proposal to the General Meeting, if any, was approved by the Board without votes against by the majority of independent directors
(1)	SOCIEDAD ANÓNIMA DAMM	11.69	Estrella de Levante, S.A.	2,321	Board of Directors	Demetrio Carceller Arce and María Carceller Arce	NO
(2)	SOCIEDAD ANÓNIMA DAMM	11.69	COCEDA, S.L.	7,115	Board of Directors	Demetrio Carceller Arce and María Carceller Arce	NO
(3)	HERCALIANZ INVESTING GROUP, S.L.	9.07	Instituto Hispánico del Arroz, S.A.	9,050	Board of Directors	Antonio Hernández Callejas, Grupo Tradifín, S.L. and Hercalianz Investing Group, S.L.	NO

	Name of shareholder or any of its subsidiaries	Nature of relationship	Type of transaction and other information necessary for evaluation
(1)	SOCIEDAD ANÓNIMA DAMM	Commercial	Sale of rice and rice by-products on arm’s length terms
(2)	SOCIEDAD ANÓNIMA DAMM	Commercial	Sale of rice and rice by-products on arm’s length terms
(3)	HERCALIANZ INVESTING GROUP, S.L.	Commercial	See information on and breakdown of transactions with Instituto Hispánico del Arroz, S.A. in "COMMENTS"

The related party transactions made with significant shareholders (or their related parties) which, in their capacity as such, are represented or hold a position on the Board are indicated in this section.

With regard to the transactions made between the Ebro Foods Group and Instituto Hispánico del Arroz, S.A. indicated in this section, it should be noted that although in the table those transactions are indicated as related with Hercalianz Investing Group, S.L., they should also be considered related with Grupo Tradifín, S.L., since both Grupo Tradifín, S.L. and Hercalianz Investing Group, S.L. hold interests in Instituto Hispánico del Arroz, S.A. (50% each).

The breakdown of transactions made by the Ebro Group with Instituto Hispánico del Arroz, S.A. and its subsidiaries declared in this section is as follows (in thousand euros):

- national and international commodity purchases: seeds and different varieties of rice, 6,509;

- national and international commodity sales: different varieties of rice and marine plankton, 1,624;

- services rendered, essentially royalties and import licences, 64;

- services received, essentially royalties and import licences, 133;

- R&D transfer and licence agreement for seeds, 268;

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- leases (expense) of offices, raw material warehouses and extended rice storage, 452.

The Board of Directors took the following criteria into account when approving the transactions related with Hercalianz Investing Group, S.L. and Grupo Tradifín, S.L.:

- internal comparables: price and terms applied in purchase and sale transactions and services rendered and received comparable with unrelated third parties;

- external comparables: when there are no internal comparables, the price and terms of similar products on the national or international markets has been taken (based on information obtained from stock markets and other public information); and

- other comparables: when there are no internal or external comparables, other aspects have been analysed, such as the return obtained on resale.

D.3. Give the individual details of any transactions for a significant amount or object between the company and/or companies in its group and the directors or executives of the company, including any transactions made with companies that the director or executive controls or jointly controls, stating which body was responsible for approving them and whether any affected director or shareholder has abstained. If the General Meeting was competent, state whether the proposed resolution was passed by the board without votes against by the majority of independent directors:

	Name of directors or executives or companies under their control or joint control	Name of company or subsidiary	Relationship	Amount (thousand euros)	Body that approved transaction	Identification of significant shareholder or director who abstained	The proposal to the general meeting, if any, was approved by the board without votes against of the majority of independent directors
(1)	ANTONIO HERNÁNDEZ CALLEJAS	---	Contractual	76	Board of Directors	Antonio Hernández Callejas, Grupo Tradifín, S.L. and Hercalianz Investing Group, S.L.	NO
(2)	ANTONIO HERNÁNDEZ CALLEJAS	Luis Hernández González	Contractual	47	Board of Directors	Antonio Hernández Callejas, Grupo Tradifín, S.L. and Hercalianz Investing Group, S.L.	NO
(3)	ANTONIO HERNÁNDEZ CALLEJAS	Imirton, S.L.	Commercial	1	Board of Directors	Antonio Hernández Callejas, Grupo Tradifín, S.L. and Hercalianz Investing Group, S.L.	NO
(4)	DEMETRIO CARCELLER ARCE	Disa Energy, S.L.U.	Commercial	4,045	Board of Directors	Demetrio Carceller Arce and María Carceller Arce	NO
(5)	DEMETRIO CARCELLER ARCE	Disa Peninsula, S.L.U.	Commercial	44	Board of Directors	Demetrio Carceller Arce and María Carceller Arce	NO

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	Name of directors or executives or companies under their control or joint control	Nature of the transaction and other information necessary for its evaluation
(1)	ANTONIO HERNÁNDEZ CALLEJAS	Transfer (expense) of temporary right to use parking spaces
(2)	ANTONIO HERNÁNDEZ CALLEJAS	Lease (expense) of real estate on arm's length terms
(3)	ANTONIO HERNÁNDEZ CALLEJAS	Sale of vehicle on arm's length terms
(4)	DEMETRIO CARCELLER ARCE	Services received consisting of supply of gas and diesel on arm's length terms
(5)	DEMETRIO CARCELLER ARCE	Services received consisting of supply of diesel on arm's length terms

D.4. Give the individual details of any inter-company transactions for a significant amount or object between the company and its parent or other companies in the parent's group, including the subsidiaries of the listed company, unless any other related party of the listed company has interests in those subsidiaries or the latter are fully owned, directly or indirectly, by the listed company.

In any case, inform on any inter-company transactions with companies established in countries or territories considered tax havens:

Name of group company	Brief description of the transaction	Amount (thousand euros)
No details		

Details are set out below of the transactions made in 2023 between companies in the Ebro Group and Riso Scotti, S.p.A., an Italian company in which Ebro Foods, S.A. has a 40% interest (investment in an associate consolidated by the equity method). It is, therefore, an associate outside the Ebro Group.

Those transactions, expressed in thousand euros, are listed below:

- Ebro Foods, S.A.: Services rendered (income), 6;
- Ebro Foods, S.A.: Dividends received, 400;
- Arotz Foods, S.A.U.: Purchase of goods (finished or otherwise), 13;
- Herba Ricemills, S.L.U.: Purchase of goods (finished or otherwise), 488;
- Herba Ricemills, S.L.U.: Sale of goods (finished or otherwise), 4,914;
- Herba Ricemills, S.L.U.: Services rendered, 12;
- Herba Foods, S.L.U.: Financial expenses, 54;
- Transimpex: Sale of goods (finished or otherwise), 51;
- Transimpex: Purchase of goods (finished or otherwise), 931;
- Mundiriso, S.R.L.: Purchase of goods (finished or otherwise), 823;
- Mundiriso, S.R.L.: Sale of goods (finished or otherwise), 2,444;
- Arrozeiras Mundiarroz, S.A.: Purchase of goods (finished or otherwise), 105;
- Geovita Functional Ingredients, S.R.L.: Purchase of goods (finished or otherwise), 54;
- Geovita Functional Ingredients, S.R.L.: Sale of goods (finished or otherwise), 169;
- Herba Bangkok, S.L.: Sale of goods (finished or otherwise), 237;
- Ebro Ingredients, B.V.: Sale of goods (finished or otherwise), 604.

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D.5. Give the individual details of any transactions for a significant amount or object between the company or group companies and other related parties that are so pursuant to the International Accounting Standards adopted by the EU and that have not been reported in the preceding sections.

Name of related party	Brief description of the transaction and other information necessary for its evaluation	Amount (thousand euros)
FÉLIX HERNÁNDEZ CALLEJAS	IT services rendered (income) between a subsidiary of the Ebro Foods Group and Hernández Barrera Servicios, S.A. on arm's length terms	4
FÉLIX HERNÁNDEZ CALLEJAS	Legal and tax counselling services received (expense) between a subsidiary of the Ebro Foods Group and Hernández Barrera Servicios, S.A. on arm's length terms	336

With regard to the transactions made between the Ebro Foods Group and Hernández Barrera Servicios, S.A. indicated above, although those transactions are indicated in the table as related to Félix Hernández Callejas (who represents the corporate director Hercalianz Investing Group, S.L. on the Board of Directors of Ebro Foods, S.A.), they should also be considered related to Grupo Tradifín, S.L., since both Félix Hernández Callejas and Grupo Tradifín, S.L. are directors of Hernández Barrera Servicios, S.A.

The transactions made with this company were approved by the Board with the votes of the independent directors and abstention of the following directors: Hercalianz Investing Group, S.L., Antonio Hernández Callejas and Grupo Tradifín, S.L.

D.6. Describe the mechanisms established to detect, define and resolve possible conflicts of interest between the company and/or its group, and its directors, executives, significant shareholders or other related parties.

Apart from the powers of the General Meeting and the Board of Directors on conflicts of interest of the Directors, under Article 24 of the Regulations of the Board, the Audit, Control and Sustainability Committee has the power to settle any conflicts of interest that may arise between the company or the group and its Directors, executives, significant shareholders and listed subsidiaries, if any (which is not the case).

With regard to the Directors, Article 36 of the Regulations of the Board provides that Directors may not perform activities for their own or third party account that effectively or potentially compete with the Company or which otherwise puts them in a permanent conflict of interest with the company; and Article 37.1 establishes the obligation of Directors to take such measures as may be necessary to avoid situations in which their interests, for their own or third party account, may conflict with the corporate interests and their duties to the Company.

For this purpose, Article 38 of the Regulations of the Board stipulates that Directors shall inform the Board of any direct or indirect conflict of interest that they or any of their related parties may have with the Company. Furthermore, pursuant to Article 32.4 of the Regulations of the Board, Directors shall abstain from participating in the corresponding debates and voting on resolutions or decisions in which they or any person related to them has a direct or indirect conflict of interest, except in the cases in which they are authorised by law to participate in the discussion and voting.

The current Internal Code of Market Conduct establishes for Relevant Persons (Directors, senior executives and their closely related parties) certain prohibitions and limitations on trading in the Company's shares and disclosure of information, and a penalty system for any breaches thereof.

It also stipulates that Relevant Persons other than directors may submit queries to the Compliance Unit regarding the application of the prohibited actions contemplated in Rule 6. Directors may submit any queries they may have directly to the Company Secretary.

Finally, it should be noted that every year, when preparing the Financial Reporting, Annual Accounts and Annual Corporate Governance Report, the Directors (and representatives of corporate directors) are asked for information on: (i) any transactions that they or their related parties may have made with the Company and/or subsidiaries of the Group (the same information is also requested of the significant shareholders of the company); (ii) possible conflicts of interest as per section 229 of the Corporate Enterprises Act directly or indirectly involving the director, its representative or related parties; and (iii) any other possible conflicts of interest.

D.7. Indicate whether the Company is controlled by another entity, listed or otherwise, in the sense of Article 42 of the Commercial Code and has business relations, directly or through its subsidiaries, with that entity or any of its subsidiaries (other than those of the listed company) or performs activities related with those of any of the latter.

[ ] Yes
[√] No

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E. RISK MANAGEMENT AND CONTROL SYSTEMS

E.1. Explain the scope of the company's financial and non-financial Risk Management and Control System, including tax risks.

As an integral part of the corporate policies passed by the Board, the Risk Management and Control Policy lays down the basic principles and the general framework for control and management of the business risks, including tax risks, and internal control of financial reporting to which Ebro Foods, S.A. and other companies in its Group are exposed.

Within this general framework, the integral, homogenous Risk Management and Control System is based on the preparation of a business risk map, through which, by pinpointing, assessing and grading of the risk management capacity, the risks are ranked from greater to lesser impact for the Group and by probability of occurrence. The risk map also identifies methods for mitigating or neutralising the risks detected.

The risk universe is structured in four main groups: compliance, operational, strategic and financial, and they are all subdivided into a large number of categories.

The risk classification process dynamically assesses both the inherent risk and the residual risk after application of the internal controls and action protocols established to mitigate them. These controls include preventive controls, adequate separation of duties, clear levels of authorisation and definition of policies and procedures. These controls can in turn be grouped into manual and automatic, made by data processing applications. This model is both qualitative and quantitative and can be measured in the Group's results, for which purpose the risk level is considered acceptable or tolerable on a corporate level.

The Risk Management and Control System is dynamic, so the risks to be considered vary according to the circumstances in which the Group is operating. The risks associated with inflation, drought and those related with cybersecurity were especially important during 2023.

E.2. Name the corporate bodies responsible for preparing and implementing the financial and non-financial Risk Management and Control System, including tax risks.

The Risk (including tax risks) Management and Control System and control of financial reporting is based essentially on the following structure:

- The Board of Directors, as ultimately responsible, defines the policy for control and management of risks, including tax risks, and control of financial reporting. Article 17.3 of the Regulations of the Board provides that the Board shall receive information on the most important aspects of business management and any foreseeable risk situations for the Company and its subsidiaries, together with the actions proposed by the senior management in respect thereof.

- The Audit, Control and Sustainability Committee, through the Risks Committee, performs the duties of oversight and monitoring of the financial reporting and risk control systems, reporting regularly to the Board on any significant aspects arising in these areas. It is responsible for supervising and promoting internal control of the Group and the risk management systems and submitting recommendations to the Board on the risk control and management policy and possible mitigation measures in those areas.

- The Risks Committee, based on the policy established by the Board of Directors and under the supervision of and reporting to the Audit, Control and Sustainability Committee, is specifically responsible for coordinating and monitoring the system for management and control of risks, including tax risks, and control of the Group's financial reporting.

- The Management Committees of the core business units of the Group, on which the Chairman of the Board and the Chief Operating Officer (COO) sit, assess the risks and decide on mitigation measures.

- Risk officers of the core business units of the Group. The major subsidiaries of the Group have officers responsible for monitoring the financial reporting risk (including tax risks) control and management systems and reporting to the Risks Committee.

- Internal Audit Department. Within the internal audits of the different subsidiaries, the Company's Internal Audit Department checks that the testing and control of the financial reporting and risk management systems have been performed adequately in accordance with the indications by the Risks Committee and Audit, Control and Sustainability Committee.

E.3. Define the main financial and non-financial risks, including tax risks and, to the extent that they may be significant, those deriving from corruption (the latter within the scope of Royal Decree Law 18/2017), that could have a bearing on achievement of the company's business goals.

The main risks that might have a bearing on achievement of the business goals set by the Ebro Foods Group are listed below and explained in greater detail in Explanatory Note Five in section H of this Report.

A. OPERATIONAL RISKS:

- Food safety risk

- Commodity supply risk

- Market (prices) risk

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- Customer concentration risk

- Technological risk

- Cybersecurity

B. RISKS RELATED WITH THE ENVIRONMENT AND STRATEGY:

- Environmental risk

- Climate risk

- Respect for human rights

- Competition risk

- Reputational risk

- Social network exposure

- Changes in lifestyle

- Country or market risk

- Natural disasters, fires

- Strategic planning and assessment of strategic opportunities for investment or divestment

C. COMPLIANCE RISKS:

- Sectoral regulatory risk

- General regulatory risk

- Tax risks

D. FINANCIAL RISKS:

- Foreign exchange risk

- Interest rate risk

- Liquidity risk

- Credit risk

E.4. State whether the company has a risk tolerance level, including one for tax risks.

Risks are measured by both inherent and residual risk.

A scorecard is made each year of the principal ten risks to which the Group may be exposed (the TOP TEN), which are rated and measured as far as possible. If the economic consequences of a risk could cause a loss (or a loss of profit) of more than 5% of the consolidated EBITDA budgeted, or over 20% of the individual EBITDA of a business, it is considered a threat requiring corporate action.

In general, the heads of the different business units and the Management Committee of each unit: (i) define the risks affecting their respective businesses, (ii) assess the possible economic impact of those risks and, (iii) in view of the specific prevailing circumstances, establish whatever mitigation measures they deem fit.

Without prejudice to the supervision by the Risks Committee and, ultimately, the Audit, Control and Sustainability Committee, the Management Committee of each unit implements and monitors the mitigation measures taken and assesses the results thereof.

This notwithstanding, when a threat is identified that requires action on a corporate level (as mentioned above), the persons responsible for risk management and control in the corresponding unit inform the Risks Committee of the situation, proposing such mitigation measures as they may consider adequate. The Risks Committee assesses the situation and the sufficiency and suitability of the proposed mitigation measures, supplementing them with additional measures should it deem fit, reporting to the Audit, Control and Sustainability Committee.

The Board of Directors is promptly informed on the risks that have materialised and the mitigation measures adopted, both through the report submitted regularly on the matter by the Audit, Control and Sustainability Committee and through the information given at all Board meetings on the development of business. In addition, the Board continuously receives (at least twice a year) the minutes of Risks Committee meetings to supplement the information provided regularly by the Audit, Control and Sustainability Committee throughout the year. This reinforces the most direct monitoring of risk control by the Board and,

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should they deem fit in the light of the Risks Committee minutes, the directors may request further information on any risk reported or the mitigation measures implemented.

E.5. What financial and non-financial risks, including tax risks, have occurred during the year?

The financial and non-financial risks, including tax risks, that occurred during 2023 and up to 22 March 2024 (the date of approval of this report) are indicated below:

A. SUPPLY RISKS

- Rice supply

As in recent years the extreme drought in southern Spain has continued, leading to restrictions on the use of water and minimisation of the areas sown in one of our Group's traditional supply regions. This situation complicates the operations of the Group's facilities in the region and has forced us to import rice from other latitudes and/or modify the supply chain to meet our commercial commitments.

Over the year certain countries such as India and Myanmar imposed restrictions on rice exports, prohibiting the export of certain rice varieties and levying customs tariffs or setting minimum prices for exports of other varieties. These decisions, based on the evolution of prices and the fear of internal shortage of essential goods in those countries, have put further strain on the market. The Group has maintained adequate hedging of stocks, assuming that these are temporary measures.

The growing tension in the Red Sea area has forced large ships to change their routes and sail through the Cape of Good Hope to reach European destinations, which has seriously distorted container traffic, affecting prices, availability and transit times. The Group's logistics teams continuously monitor the situation to minimise the impact.

B. MARKET RISK

- Prices and competition

Owing to the general increase in prices over 2022, the evolution of household consumption was cause for concern in 2023. General price increases and rising interest rates can have a strong impact on consumer choices. Although the Group's products can be considered staples, an increase was detected in the consumption of private label brands and low price products, requiring special monitoring of sales pricing, promotions and channel marketing. Through this close monitoring, the Group has so far managed to maintain an optimum evolution of our margins and volumes.

C. CYBERSECURITY RISK

In recent years there has been an increase in phishing and cyber attacks to obtain information for fraudulent use or to demand ransom for stolen information.

In 2023 the Group suffered two frauds involving phishing, which are currently in the process of investigation, determination of accountability and prosecution of the criminals. Although the extent of those frauds was not significant, the Group has: (i) further reinforced the security measures linked to payments; (ii) established a new alert system to detect weaknesses in our systems; and (iii) established a protocol on training and alerts to increase awareness and responsiveness to attacks of this nature.

D. COUNTRY RISK

- War in Ukraine

Although the situation appears to have stabilised, the crisis triggered by Russia's invasion of Ukraine is ongoing as is, consequently, the uncertainty regarding the situation of certain commodities and the global economic situation.

As indicated in our Corporate Governance Report last year, the Group believes that this situation of uncertainty and its consequences should not have a very significant impact on the Group, for the following reasons:

(i) The Group does not have any major interests in the region.

(ii) The possible impact on supplies used by the Group is limited to collateral effects (possible changes in consumption, increased cost of fertilizers, switching cereals grown, etc.), because the grains produced in that region are not included in the Group's supply chain.

(iii) The Ebro Group's businesses are more resilient in times of crisis thanks to the type of products we sell. Consequently, the Group does not expect any major drop in customer demand, loss of suppliers or adverse effects in our supply and distribution chains.

(iv) The European Union has taken measures to check energy price hikes and mitigate dependence on Russian gas.

E.6. Explain the response and supervision plans for the main risks, including tax risks, to which the company is exposed and the procedures followed to ensure that the board of directors provides solutions for any new challenges that may arise.

The Management Committees of each business unit are responsible for monitoring its risk supervision system. Management committees usually meet monthly to analyse any risks that may have materialised and design and monitor the contingency plans and actions taken to mitigate them. Control and monitoring of the economic variables in each subsidiary against the corresponding budget also ensures the immediate detection of unforeseen risk situations. The subsidiaries with greatest weight within the Group, such as the North American subsidiaries, have "Crisis Management Plans" (CMP), which specify the main risks to which the company is exposed, the protocols for responding to them and the company officers responsible for implementation.

This notwithstanding, when a threat is identified that requires action on a corporate level (see section E.4 of this report), the persons responsible for risk management and control in the corresponding unit must inform the Risks Committee of the situation, proposing such mitigation measures as may be considered adequate. The Risks Committee assesses the situation and the sufficiency and suitability of the proposed mitigation measures, supplementing them with additional measures should it deem fit. The Risks Committee reports regularly to the Audit, Control and Sustainability Committee on the actions taken and plans proposed and the latter in turn reports on all this to the Board of Directors (without prejudice to the Board's knowledge of the most important situations through its

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thorough monitoring of business at each Board meeting and the annual remittance to the Board of the minutes of all the Risks Committee meetings held during the preceding year).

The measures to control, reduce and, as the case may be, mitigate the risks are established according to the following basic criteria:

- They shall seek to neutralise the risk detected, maintaining coherence between the importance of the risk and the cost and means required to neutralise it.

- If neutralisation is not feasible, measures shall be designed to reduce the potential economic consequences, if possible to within tolerance levels.

- The management and control shall, as far as possible, forestall rather than remedy.

- The control mechanisms shall adequately separate management and oversight.

- The different people responsible for risk management shall coordinate their actions to be efficient, seeking the utmost integration between control systems.

- Maximum transparency shall be ensured in the identification and assessment of risks, specification and implementation of mitigation measures and assessment of the results of those measures.

- Compliance must be guaranteed with the requirements of internal reporting to the bodies responsible for supervision and control.

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F. INTERNAL RISK MANAGEMENT AND CONTROL SYSTEMS FOR FINANCIAL REPORTING (ICFR)

Describe the mechanisms comprising the internal control over financial reporting (ICFR) of your company.

F.1. Control environment

Report on at least the following, describing their principal features:

F.1.1 What bodies and/or units are responsible for: (i) the existence and maintenance of an adequate and effective ICFR, (ii) its implementation and (iii) its oversight?

As established in its Regulations, the Board of Directors is ultimately responsible for the existence, maintenance and oversight of an adequate, effective internal control system for the company's financial reporting (ICFR).

The Audit, Control and Sustainability Committee is responsible for: (i) supervising and promoting the procedures and systems used to prepare and control the company's financial reporting; (ii) checking any public financial information; and (iii) ensuring implementation of and compliance with the internal regulations and codes applicable to the risk management and control systems in relation to the financial reporting process.

The Management Committee is responsible for the design, implementation and functioning of the ICFR through the Group Finance Department and the Finance Departments of the different business units. The different general managements are responsible for effective implementation of these systems within their respective areas of activity. There are also officers responsible for the different processes documented within the ICFR, who must ensure that those processes are kept up to date, informing the Risks Committee, through the finance department and general management of the corresponding business unit, of any modifications or adaptations required.

The Risks Committee, reporting to the Audit, Control and Sustainability Committee, is specifically responsible for coordinating and monitoring the system for management and control of risks, including tax risks, and controlling the Group's financial reporting.

F.1.2 State whether the following elements exist, especially in respect of the financial reporting process:

· Departments and/or mechanisms responsible for: (i) designing and reviewing the organisational structure; (ii) clearly defining the lines of responsibility and authority, with an adequate distribution of tasks and duties; and (iii) ensuring that there are sufficient procedures for adequately informing the company:

As established in its Regulations, the Board of Directors is responsible for defining the general strategy and guidelines for management of the Company and its Group and encouraging and supervising the actions taken by the senior officers, establishing an organisational structure that will guarantee the utmost efficiency of the senior management and the management team in general.

According to the Regulations of the Board, the Nomination and Remuneration Committee is responsible for checking the criteria followed regarding the composition and structure of the Board and for selecting candidates for the Board. It also nominates the Chairman, CEO or managing director(s) and Secretary of the Board and proposes the assignment of Directors to the different Board Committees.

In turn, under the policies approved by the Board, the Nomination and Remuneration Committee supervises the senior executive remuneration and incentives policy.

Within each group company, the organisational structure of the units participating in the preparation of financial reporting depends on several factors, such as the volume of operations or type of business, but in all cases it corresponds to the need to cover the main duties of recording, preparing, checking and reporting the operations performed and the economic and financial position of the company. The Executive Chairman, Chief Operating Officer (COO) and executives of the different business units of the Ebro Foods Group participate actively in the management committees of the Group's subsidiaries, thereby ensuring direct communication through the lines of responsibility and authority.

The senior management and the human resources departments of the Group and each of the Group subsidiaries are responsible for designing the organisational structure according to local needs. The most important subsidiaries have organisation charts that include a description of the duties and responsibilities of the main areas participating in the internal control of financial reporting.

The different job descriptions of positions and responsibilities are maintained by the Human Resources Department of each subsidiary and the management of all the subsidiaries, especially the financial management, are informed of any new member of a subsidiary.

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· Code of conduct, body responsible for its approval, degree of publicity and instruction, principles and values included (stating whether there is any specific mention of the recording of transactions and preparation of financial reporting), body responsible for analysing default and proposing corrective measures and penalties:

The Code of Conduct of the Ebro Group, an update of the earlier Codes of Ethics and Conduct drawn up by the Ebro Foods Group in 2003, 2008 and 2012, was approved by the board on 25 November 2015 and all levels of the organisation were notified. The Code of Conduct was amended in 2023 to adapt its provisions on the Corporate Whistleblowing Channel, the Ebro Foods Group Internal Reporting Channel (designed and implemented in the Ebro Foods Group in 2023, in accordance with Act 2/2023 of 20 February regulating the protection of people reporting breaches of law and infringements of anti-corruption regulations).

The Code of Conduct provides guidance on how to act in the Group's internal and external relationships, strengthening the values that distinguish us and establishing a basic reference to be followed by the Group.

The Code aims to:

- Be a formal, institutional reference for personal and professional conduct.

- Guarantee the responsible, ethical behaviour of all the Group's professionals in their work.

- Reduce the element of subjectivity in personal interpretations of moral and ethical principles.

- Create a standardisation tool to guarantee progressive implementation throughout the Group of the ten principles of the UN Global Compact.

- Grow responsibly and committed to all our stakeholders.

As established in the Code of Conduct, the Group assumes a principle of conduct based on transparent reporting, consisting of an undertaking to report reliable financial, accounting or other information to the markets. Accordingly, the company's internal and external financial reporting will give a true and fair view of its real economic, financial and equity situation according to generally accepted accounting principles.

Employees formally sign the Code of Conduct when they join the workforce of most Group companies and all new Group employees during the year were informed and given a copy of the Code.

The Code of Conduct is published in the Intranet, where it can be consulted by any employee, and on the Group's website.

The Audit, Control and Sustainability Committee is responsible for monitoring and controlling application of the Code. The Compliance Unit, which has sufficient initiative, autonomy and resources, is responsible, among other duties, for assisting the Audit, Control and Sustainability Committee in the supervision of compliance, publication and interpretation of the Code of Conduct.

Ebro Foods, through its Secretary, has an e-mail address to which any Group employee may send queries and suggestions regarding the interpretation of the Code of Conduct.

The Audit, Control and Sustainability Committee reports regularly to the Group's Board of Directors on any queries raised in respect of the interpretation and application of the Code of Conduct, how they have been solved and, where appropriate, the interpretation criteria followed.

The Code of Conduct provides that any violation or breach of the Code that is classified as a labour offence shall be penalised according to the labour laws, without prejudice to any other liability that the infringer may incur and the remedial measures that may be established by the different Group companies in pursuance of prevailing laws. On a Group level, the Audit, Control and Sustainability Committee, assisted by the Compliance Unit, shall receive reports of any violation of the Code of Conduct and act accordingly.

· Whistleblowing channel, through which the audit committee can be informed of any financial or accounting irregularities, any breaches of the code of conduct and any irregular activities within the organisation, indicating whether this channel is confidential and whether it allows anonymous communications respecting the rights of the reporting person and the person concerned:

As established in the Regulations of the Board, the Audit, Control and Sustainability Committee is formally responsible for implementing a confidential whistleblowing channel accessible to all Group employees and defining a protocol for prioritising, processing, investigating and settling reports according to their importance and nature, especially any concerning possible financial or accounting misrepresentations.

In this respect, the Ebro Group has established an Internal Reporting System (IRS) adapted to the provisions of Act 2/2023 of 20 February regulating the protection of people reporting breaches of law and infringements of anti-corruption regulations, which transposes EU Directive 2019/1937, known as the Whistleblowing Directive, into national law. Within the IRS, the Board of Directors has approved the Policy regarding the Internal Reporting System and Whistleblower Protection, establishing the principles and values underlying the IRS.

In its operating structure, the IRS is based on the creation of the Corporate Whistleblowing Channel, through which anyone can report any information concerning potential irregularities or breaches that may affect Ebro Foods, S.A. or its Group. That Corporate Whistleblowing Channel, which is set up in accordance with the requirements of Act 2/2023, has free public access through the Company's website.

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Through that whistleblowing channel, therefore, anyone can submit whatever complaints they may deem fit. Complaints submitted through the Corporate Whistleblowing Channel are received by the System Administrator who will determine the procedure for dealing with the specific information reported, depending on its content and origin, according to the provisions of the Manual of Procedures (a summary of which is also published on the company's website).

Apart from the Corporate Whistleblowing Channel, any Group companies who are obliged by local law to have a complaints channel will maintain that local channel, and the mechanisms required to guarantee adequate handling of any reports which, by virtue of their subjective and objective scope, must be dealt with according to the mandatory criteria established in Act 2/2023 will be regulated by the Policy regarding the Internal Reporting System and Whistleblower Protection and the Manual of Procedures.

The Internal Reporting System guarantees confidentiality and, where appropriate, anonymity in the handling of complaints processed through the Corporate Whistleblowing Channel.

Without prejudice to direct investigation of reports by the Chair of the Audit, Control and Sustainability Committee whenever this is considered appropriate according to the Manual of Procedures, the System Administrator periodically informs that Committee on the procedure and reports received through the Corporate Whistleblowing Channel, the investigations conducted and outcome thereof, fully respecting at all times the principles of security, confidentiality, impartiality, transparency and protection of the whistleblower, which are essential principles of the Internal Reporting System.

· Training programmes and regular refresher courses for employees involved in the preparation and checking of financial information and evaluation by the ICFR, covering at least accounting and auditing standards, internal control and risk management:

The Ebro Group has a policy of making sure it has personnel with sufficient training and experience to perform the duties and responsibilities assigned to them. The Ebro employees involved in the preparation and checking of the financial information and ICFR appraisal participate in training and refresher courses regarding the laws and standards in place from time to time and good practices to guarantee the reliability of the financial information generated.

The Ebro Group also encourages and provides means and resources for its employees to keep their accounting knowledge up to date through the attendance of seminars, on-line information and other means, and regular meetings are held with the external auditors to assess in advance the standards in place or those about to enter into force.

During the year the Ebro Group has focused its training for personnel involved in the preparation and checking of financial information and in the ICFR appraisal on the following aspects:

- Accounting updates

- Management and control of costs for business decision-making

- Training in the tax laws in different countries

- Financial Reporting Internal Control System Manual

In addition, the external auditors of the Company and its Group regularly attend the meetings of the Audit, Control and Sustainability Committee to give training on the principal novelties in accounting and auditing, especially those that have or may have a greater effect on the Group's accounts.

F.2. Measurement of risks in financial reporting

Report at least on:

F.2.1 The main features of the risk identification process, including risks of error or fraud, in respect of:

· Whether the process exists and is documented:

Within the risk management and control policy approved by the Board, the financial reporting internal control system is supervised by the Audit, Control and Sustainability Committee, assisted by the Risks Committee, the Internal Audit Department (for testing of the ICFR controls) and the Group Finance Department.

The potential risk events that could affect the organisation are identified and assessed through the financial reporting internal control system, pinpointing and assessing the risks corresponding to each line of business. Through this risk control and management system, the Ebro Group has drawn up a consolidated risk map by compiling and combining the risk maps of its major subsidiaries.

This process is coordinated by the Risks Committee, which manages and establishes the permitted tolerance to the risk and coordinates actions to align the measures addressing risks with the Group's global risk policy so that the exposure to risk assumed by the Ebro Group overall is known at all times.

Based on the results obtained, systems are devised for addressing risks and internal control, to keep the likelihood and impact of those risks on financial reporting within the tolerance levels, thereby providing reasonable certainty regarding achievement of the strategic business goals.

· Whether the process covers all the financial reporting objectives (existence and occurrence; integrity; measurement; presentation, breakdown and comparison; and rights and obligations), whether it is updated and how often:

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The Ebro Group has established a continuous improvement process to minimise the risks related with financial reporting by improving the design and effectiveness of existing controls.

For this purpose, it has a process identifying the risks affecting the reliability of financial reporting, based on and beginning with a definition of the scope, according to quantitative criteria of materiality in respect of the consolidated amounts and other qualitative criteria (error, fraud, uncommon transactions, etc.). Companies in the major business units or divisions that meet any of the afore-mentioned criteria and the material accounting items of each one are defined according to those criteria.

Once the material items have been defined on a company level, the processes and sub-processes they affect are established, according to a relationship matrix.

For each of the sub-processes included within the scope, the inherent risks and the checks made by the responsible persons to mitigate those risks are identified, setting this information down in a Risks-Controls Matrix. Those risks take account of all the financial reporting objectives (existence and occurrence; integrity; measurement; presentation, breakdown and comparison; and rights and obligations).

The financial reporting risks are identified in the Ebro Group's Risks-Controls Matrix and updated to take account of any changes in the scope of consolidation of the Group or development of its business and their reflection in the financial statements, making a comparative analysis every year of the variations in material processes and sub-processes to establish any risks that have not been previously identified.

- The existence of a process for defining the scope of consolidation, taking into account, among other aspects, the possible existence of complex corporate structures, base companies or special purpose vehicles:

The Ebro Group has a process based on internal regulations that guarantees the correct identification of the scope of consolidation through an adequate separation of duties in the requesting, authorising, reporting and recording of any operation entailing the incorporation, merger, division, acquisition or sale of companies and any other corporate operation, directly involving the Legal Department and the Board of Directors.

This process considers the possible existence of complex corporate structures, base companies or special purpose vehicles, among other means by establishing an adequate structure to separate the duties of requesting, authorising and reporting for any corporate operation within the Group. No transactions or complex corporate structures that might entail off-balance sheet transactions that should be recorded within the reporting period were identified this year.

- Whether the process takes into account the effects of other types of risk (operational, technological, financial, legal, tax, reputational, environmental, etc.) insofar as they affect the financial statements:

The Risk Management and Control System of the Ebro Group is designed to identify potential risk events that might affect the organisation. At present there are four types of risks: Operating, Compliance, Strategic and Financial, and the conclusions are taken into account insofar as the risks may affect financial reporting.

For this purpose, the Risks Committee acts as a unit of coordination and interrelation of the effect of the risks detected on the different areas (management, business, financial reporting, legal, reputational etc. risks).

- Which governing body of the company supervises the process:

While the Board has the power, which it may not delegate, to determine the policy for control and management of risks, including tax risks, and supervision of the internal control and reporting systems, the Audit, Control and Sustainability Committee is responsible for supervising and promoting the procedures and systems used to prepare and control the Company and Group financial reporting, and controlling the implementation of and compliance with the risk management and control systems, both in general and in respect of the financial reporting process.

The Audit, Control and Sustainability Committee is supported in this regard by the Risks Committee, which directly monitors the risks reported by the different units and the measures defined for mitigating them.

Also in this regard, the Internal Audit Department of the parent regularly tests the functioning of the ICFR controls in the different Group companies.

F.3. Control activities

Inform whether the company has at least the following, describing their main features:

F.3.1 Procedures for checking and authorising financial information to be published on the stock markets and description of the ICFR, indicating who is responsible for these tasks, and documentation describing the flows of activities and controls (including those checking for the risk of fraud) in the different types of transactions that may have a material effect on the financial statements, including the procedure for closing of accounts and the specific review of judgements, estimates, valuations and significant projections

The priorities established within the Ebro Group include the quality and reliability of the financial information, both internal information for decision-making and external information published for the markets. The information to be provided by the different units is requested by the Group financial department, paying special attention to the processes of closing the accounts, consolidation, measurement of intangibles and areas subject to judgement and estimates.

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The Ebro Group has procedures for checking and authorising the financial information and description of the ICFR, responsibility for which corresponds to the Financial Department, the Risks Committee, the Audit, Control and Sustainability Committee and the Board of Directors.

The Audit, Control and Sustainability Committee checks and analyses the financial statements and any other important financial information, as well as the principal judgements, estimates and projections included and discusses them with the Economic and Financial Area of the Group and the internal and external auditors to confirm that the information is complete and the principles applied are consistent with those of the previous full-year accounts.

The procedure for checking and authorising the financial information corresponds to the Group financial department, based on the information checked and validated by the different units. The Audit, Control and Sustainability Committee supervises this information to be published on the market and it is approved by the Board of Directors.

The Group has implemented a process to enhance the quality and quantity of documentation and make the generation of financial information and its subsequent supervision more effective and efficient.

The significant processes involved in the generation of the Group financial reporting are documented based on the COSO internal control model. The main processes documented are:

- Closing of Financial Statements and Reporting

- Consolidation

- Sales and Receivables

- Purchases and Payables

- Fixed Assets

- Inventories

The documentation outline is extended progressively, according to the materiality and the general criteria established in the Group's financial reporting internal control system.

The persons responsible for each of the documented processes in each subsidiary have been identified. They are responsible for keeping those processes up to date on an annual basis, reporting any modifications or adaptations to the Risks Committee through the Group's financial department.

Process documentation includes details of the flows and transactions and the financial reporting objectives and controls established to ensure they are met. It also contemplates the risks of error and/or fraud that might affect the financial reporting objectives. The documentation of flows of activities and controls that may have a material effect on the financial statements, including the accounts closing procedure, includes the preparation of narratives on the processes, flow charts and risk and control matrices.

The controls identified may be preventive or detective, manual or automatic, describing also their frequency and associated information systems.

Adequate functioning of the controls is regularly checked by the Internal Audit Department of the Group's parent, which performs specific tests on the ICFR controls in the different units of the Group.

F.3.2 Internal control procedures and policies for the IT systems (including access security, track changes, operation, operating continuity and separation of duties) used for the significant processes of the company in the preparation and publication of financial information

The Group has rules for managing financial information security. Those rules are applicable to the systems used to generate financial information and the IT Department is responsible for defining and proposing the security policies.

Within its policies and infrastructure management the Ebro Group has procedures to secure each of the following:

(i) Both physical and logical access are controlled to ensure that only authorised internal and external personnel can access the Ebro centres and systems. Ebro has several Data Centres, the main one in Spain where the company's critical systems are housed. The major subsidiaries also have local data centres. They all have their own infrastructure to guarantee adequate control of access to the installations. In small subsidiaries, the general rule is to have external service providers to provide that security. When external service providers are used, the Ebro Group makes internal audits of the information systems and their architecture, including the security aspect.

Logical access control is secured with: (i) efficient management of internal or external access to our systems and (ii) user management coordinated with the human resources department and the company's group of managers. Ebro has user access control systems and workflow tools to guarantee inter-departmental integration and efficient updating of user status, regularly identifying those who no longer access the systems. An additional multi-factor authentication (MFA) system has been introduced for access to our website or corporate data, for both employees and third party collaborators.

Ebro Foods has implemented a system to control the separation of duties and access to critical functions of the SAP GRC SoD system in certain subsidiaries (currently in place in Riviana Foods Inc and Riviana Foods Canada Corporation) and plans to extend this implementation to the other major subsidiaries.

To compile its non-financial information, Ebro has developed a tool that manages the information required to guarantee its integrity, and workflows for approval to guarantee its reliability.

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All the subsidiaries included in the SAP-based corporate ERP have implemented a procedure to separate duties within IT and the use of privileged users (Firefighter) subject to request, approval and control.

External access is guaranteed through specific users and controlled management. The necessary elements have also been provided on a network level to ensure that only authorised users and processes have access from outside.

(ii)The larger subsidiaries mainly use the ERP SAP system. In all those cases, Ebro has procedures underpinned by systems that systematically filter, assess, manage the life cycle and inform on production changes after acceptance by specific users and impact analysis in the systems currently used in production.

(iii) The separation of duties is underpinned by the use of roles by groups of users, which allow access only to the information and transactions previously approved by the organisation. The modification or creation of new roles is backed by the same procedure that guarantees management of the user life cycle and is applicable to the major companies of the Ebro Group. Special attention is paid to separation in IT support processes to make sure that the tasks of development, sending to production and administration of the system are duly separated. In addition, as mentioned above, Ebro Foods has implemented the SAP GRC SoD system throughout the Group for the IT Department and is in the process of rolling it out in all subsidiaries. This is designed to ensure adequate access control, separation of duties, anti-fraud elements within ERP and mitigating measures where necessary.

(iv) Ebro has internal tools which, combined with the user support departments and systems (Help Desks), guarantee the management and traceability of any incidents in the IT systems. Programme changes are managed within that system, which is based on best practices and management following the ITIL methods.

The critical information systems are always housed in our data centres or the principal hyperscaler clouds and there are individuals assigned to each one who are responsible for proactive monitoring of the automatic processes and proactive assessment of the yield and functioning of the systems.

Ebro has global contracts with security control tool providers, which guarantee the installation of such tools in all the computer and data processing equipment used in the company.

(v) Ebro Foods has a cybersecurity policy based on several fundamental pillars for the security of our systems. This includes endpoint security, of both users and servers, identity security (especially important in view of the increasingly more common cloud migration strategies), perimeter security for access to our network and data security.

Ebro Foods uses the leading tools available on the market and procedures based on best practices to minimise the risk in each of these areas, and it has continued implementing new tools and utilities to monitor unauthorised access through cloud profiles.

The Group continues working on perimeter security, especially in respect of its most important plants. Moreover, processes have been defined and advanced security systems have been implemented in the major subsidiaries of the Ebro Group.

(vi) Ebro has tools to guarantee the continuity of business support by its IT systems in the event of a fatal error or system crash. There are backup systems and policies in its data centres that guarantee access to information and systems in case of a disaster. The use of tape or disk backups and replicating the information in several computers with subsequent triangular distribution are habitual procedures for making incremental or complete backup copies. The current systems allow recovery of the information up to the specific time of the fatal error or system crash. Ebro is also in the process of migrating its critical systems to cloud environments that guarantee a Disaster Recovery system. Some of those systems have already been migrated and the rest will be migrated over the coming 18-24 months.

F.3.3 Internal control procedures and policies to oversee the management of outsourced activities and any aspects of valuation, calculation or measurement commissioned to independent experts, which may have a material impact on the financial statements

In general, the Ebro Group manages all activities that may have a material impact on the reliability of the financial statements, using internal resources to avoid outsourcing.

There are very few outsourced activities and the procedures and controls of those activities are regulated in the contracts signed with the service providers in question.

The valuation, calculation or measurement activities commissioned by the Ebro Group to independent experts are mainly concerned with the appraisal of properties, actuarial studies of employee benefits and impairment testing of intangibles.

Only service providers of internationally recognised standing are used for these valuation reports, making sure that they are not affected by any circumstance or event that could compromise their independence.

The reports obtained from these firms are submitted to internal review to check that the most significant assumptions and hypotheses used are correct and that they comply with the International Valuation Standards (IVS) and International Financial Reporting Standards (IFRS). Furthermore, the valuation processes and the hypotheses and assumptions used by independent experts are reported to and considered by the external auditors of the Company and its Group.

F.4. Information and communication

Inform whether the company has at least the following, describing their main features:

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F.4.1 A specific department responsible for defining the accounting policies and keeping them up to date (accounting policy department or division) and solving queries or conflicts deriving from their interpretation, maintaining fluent communication with those responsible for operations in the organisation, as well as an updated accounting policy manual distributed among the units through which the company operates

The Ebro Group has adequate procedures and mechanisms to inform the employees involved in the preparation of financial information on the applicable criteria and the IT systems used in that preparation. This is done through the Management Control Unit and the Corporate Financial Department, whose powers include the following, among others:

- Define, administer, update and report on the Group's accounting policies, in compliance with the applicable accounting standards and rules of consolidation for the preparation and presentation of financial information to be disclosed.

- Prepare, update and report on the Accounting Policy Manual to be applied by all financial units in the Group. This manual is updated regularly.

- Settle any queries or conflicts regarding the interpretation and application of the accounting policies, maintaining fluent communication with those responsible for these operations in the organisation.

- Define and create templates, formats and criteria to be used for preparing and reporting the financial information. All financial information distributed on the markets is prepared by consolidating the reports of the different business units, prepared using mechanisms for data input, preparation and presentation that are homogenous for the entire Group. These mechanisms are designed to enable compliance with the standards applicable to the principal financial statements, including accounting criteria, valuation rules and presentation formats, and embrace not only the balance sheet, profit and loss account, statement of changes in equity and statement of cash flows, but also the obtaining of other information that is necessary to prepare the notes to the financial statements.

F.4.2 Mechanisms for collecting and preparing financial information with homogenous formats, applied and used by all business units in the company or group, valid for the main financial statements and notes, and the information given on the ICFR

The Group's financial information is prepared using a process of aggregating separate financial statements at source for subsequent consolidation according to the applicable accounting and consolidation standards, to obtain the consolidated financial information to be presented monthly to the Board and published periodically on the markets.

The process of aggregation and consolidation of the Group's financial statements is based on homogenous, common format templates that include different tables and reports to be completed. They also have automatic internal controls to check the integrity and reasonability of the data input.

These templates are validated each month by a financial manager in each subsidiary before sending them for checking and consolidation. To complete the automatic checks, those data and the estimation, valuation and calculation principles used to obtain them, as well as the accounts closing procedure, are checked by the financial manager at each level of aggregation and consolidation until the Ebro Group consolidated financial information is obtained, prepared and checked by the corporate financial department.

The Ebro Group has established a reporting system for the Financial Reporting Internal Control System, which is available in the Group for all the subsidiaries included within the scope of the ICFR. Through that reporting, the parent coordinates maintenance of the system in the rest of the subsidiaries annually through the assignment of persons responsible for their maintenance and updating in the event of any significant change to be taken into consideration in the documentation. Finally, if any weaknesses are detected in the financial reporting internal control system, the subsidiaries are notified of the necessary action plans and they are monitored by the parent.

F.5. Supervision of the functioning of the system

Inform on at least the following, describing their main features:

F.5.1 The ICFR supervisory activities performed by the audit committee and whether the company has an internal audit department responsible, among its duties, for assisting the committee in its supervision of the internal control system, including the financial reporting internal control system (ICFR). Inform also on the scope of the ICFR appraisal made during the year and the procedure through which the department or body responsible for the appraisal informs on the outcome, whether the company has an action plan defining any possible corrective measures and whether their impact on the financial information has been considered

The Board of Directors is ultimately responsible for the existence, maintenance and supervision of an adequate, effective internal control system for the financial reporting. Among the duties defined in the Regulations of the Board, the Audit, Control and Sustainability Committee assists and supports the Board in its supervision of the accounting and financial information, the internal and external audit services and corporate governance.

The Audit, Control and Sustainability Committee, assisted by the Risks Committee, must see that the internal audit procedures, the internal control systems in general, including the risk management control system and, in particular, the financial reporting internal control system, are adequate.

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The Audit, Control and Sustainability Committee also ensures that the external auditor and Internal Audit Manager are selected on the basis of objective, professional qualifications, guaranteeing their independence in the performance of their duties; reports to the board on any related party transactions submitted for its consideration; controls any possible conflicts of interest; and, in general, makes sure that all the company's information and reporting, particularly financial, complies with the principle of truth and maximum transparency for shareholders and markets.

The Risks Committee, as the central control system, monitors adequate fulfilment by the risk officers of the respective units of the following duties: (i) monitoring, updating and review of the business risks map and the different financial reporting processes; (ii) compliance with the reporting protocols for business risks and financial information; (iii) assessment of the measures for mitigating and controlling any risks detected, and (iv) assessment of the effectiveness of the systems and controls by implementing the test processes indicated by the Risks Committee, assisted by the heads of the different units and, where necessary, external advisers.

The Risks Committee, based on the policy established by the Board and supervised by and reporting to the Audit Committee, is specifically responsible for coordinating and monitoring the system for management and control of risks, including tax risks, and checking the Group's financial information.

Within the business risks control and the financial reporting internal control system, the Internal Audit Department: (i) makes sure that the testing and control of risk management and financial reporting systems have been done properly, within the internal audits carried out on different subsidiaries during the year, and (ii) periodically tests the ICFR controls in the Group subsidiaries to detect any reinforcement measures that may be required in this area, all in accordance with the Internal Audit Plan.

The Internal Audit Department has submitted its annual working plan to the Audit, Control and Sustainability Committee and reported directly to said committee on any incidents detected in the performance of that work, proposing the corresponding action plan defining any necessary corrective measures; and at the end of each year, it has submitted an activity report.

The results of audits made by the Internal Audit Department and any incidents detected by the Risks Committee have been reported to the Audit, Control and Sustainability Committee. Moreover, the action plan devised for remedying those incidents has been sent to both the person responsible for remedying them and the Audit, Control and Sustainability Committee.

F.5.2 Inform on whether the company has a discussion procedure whereby the auditor (according to the provisions of the auditing standards), the internal audit department and other experts can inform the senior management and audit committee or company directors of any significant weaknesses detected in internal control during the auditing or checking of the annual accounts or any other processes commissioned to them. Indicate also whether the company has an action plan to remedy or mitigate the weaknesses observed

The Audit, Control and Sustainability Committee has a stable, professional relationship with the external auditors of the principal companies in its group, strictly respecting their independence. That relationship favours communication and discussion of any internal control weaknesses pinpointed during the auditing of annual accounts or any other audit work commissioned to them.

In this regard, the Audit, Control and Sustainability Committee receives information from the external auditor at least every six months on the audit plan and outcome of its implementation, and checks that the senior management heeds the auditor's recommendations. In addition, as established in the Regulations of the Board, it is responsible for overseeing the Internal Audit Services, examining the financial reporting process and internal control systems.

Each year, when it has finished its audit work, the External Auditor provides the company with a letter of recommendations on internal control. In 2023, following the audit of the 2022 accounts, the External Auditor informed the Audit, Control and Sustainability Committee that they had not detected any significant weaknesses during their work. This notwithstanding, they submitted a few recommendations to reinforce internal control.

Of the 9 meetings of the Audit, Control and Sustainability Committee held in 2023, the External Auditor attended 5 and the Internal Audit Manager attended 7. It should be borne in mind in this respect that 3 of the 9 meetings held had a single item on the agenda, regarding the procedure for selecting auditors for 2024, 2025 and 2026.

F.6. Other significant information

N/A

F.7. External auditor's report

Inform on:

F.7.1 Whether the ICFR information sent to the markets was checked by the external auditor, in which case the company should include the corresponding report in an annex. If not, explain why not.

The report issued by the external auditor is appended hereto.

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G. EXTENT OF COMPLIANCE WITH THE CORPORATE GOVERNANCE RECOMMENDATIONS

Indicate the degree of compliance by the company with the recommendations of the Good Governance Code for Listed Companies.

If any recommendation is not followed or is only partly followed, include a detailed explanation of the reasons so that shareholders, investors and the market in general have sufficient information to assess the company's actions. General explanations are not acceptable.

1. The articles of association of listed companies should not limit the maximum number of votes that may be cast by an individual shareholder or impose other restrictions hampering takeover of the company via the market acquisition of its shares.

   Complies [X] Explanation [ ]

2. When the listed company is controlled, in the sense of Article 42 of the Commercial Code, by another company, listed or otherwise, and conducts business, directly or through its subsidiaries, with that controlling company or any of its subsidiaries (other than those of the listed company) or engages in activities related with those of any of the latter, it should report publicly and precisely on:

   a) The types of activity they are respectively engaged in and any business dealings between the listed company or its subsidiaries, on the one hand, and the parent company or its subsidiaries, on the other hand.

   b) The mechanisms in place to solve any conflicts of interest that may arise.

   Complies [ ] Partial compliance [ ] Explanation [ ] Not applicable [X]

3. During the annual general meeting, to supplement the written distribution of the annual corporate governance report, the chairman of the board should inform the shareholders orally, in sufficient detail, of the most important aspects of the company's corporate governance, especially:

   a) Any changes made since the previous annual general meeting.

   b) The specific reasons why the company does not follow any of the recommendations of the Code of Corporate Governance and the alternative rules applied, if any.

   Complies [X] Partial compliance [ ] Explanation [ ]

4. The company should define and promote a policy concerning communication and contacts with shareholders and institutional investors, within the framework of their involvement in the company, and proxy advisors that fully respects the laws against market abuse and gives similar treatment to shareholders who are in the same position. And the company should publish that policy on its website, including information on how it has been implemented, naming the contacts or those responsible for such implementation.

   Notwithstanding the legal obligations regarding the disclosure of inside information and other kinds of regulated information, the company should also have a general policy regarding the communication of non-financial economic and financial corporate information through channels considered adequate (media, social networks or other channels), contributing towards maximum disclosure and quality information to the market, investors and other stakeholders.

   Complies [X] Partial compliance [ ] Explanation [ ]

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5. The board should not table a motion at the general meeting for delegating powers to issue shares or convertible securities excluding the preferential subscription right in a sum of more than 20% of the capital at the time of the delegation.

   And when the board approves an issue of shares or convertible securities excluding the preferential subscription right, the company should immediately publish on its website the reports on that exclusion required by commercial law.

   Complies [X] Partial compliance [ ] Explanation [ ]

6. Listed companies that prepare the following reports, whether mandatory or voluntary, should publish them on their websites sufficiently in advance of the annual general meeting even though that publication is not compulsory:

   a) Report on the independence of the auditor

   b) Reports on the functioning of the audit committee and the nomination and remuneration committee

   c) Report by the audit committee on related party transactions

   Complies [ ] Partial compliance [X] Explanation [ ]

All the sections of this Recommendation are met, except (c).

The Audit, Control and Sustainability Committee checks that all the related party transactions with significant shareholders, directors, representatives of corporate directors and other related parties have been made on arm's length terms, at market prices, transparently, fairly and reasonably, and always in the interests of the Ebro Foods Group, and issues a report to the Board in favour of their approval.

However, after studying this Recommendation the Company does not consider it convenient to publish the contents of that report because it contains sensitive commercial information that is confidential for the Group in respect of its rivals.

It should be noted that none of the related party transactions that took place in 2023 (or any of those made in 2024 up to the date of approval of this report) meet the conditions for requiring publication stipulated in section 529 unvicies of the Corporate Enterprises Act.

7. The company should broadcast general meetings live, through its website.

   And the company should have mechanisms to enable online proxies and voting and even, in large cap companies and insofar as is proportionate, online attendance and active participation in the general meeting.

   Complies [X] Partial compliance [ ] Explanation [ ]

8. The audit committee should make sure that the annual accounts presented by the board of directors to the general meeting are drawn up in accordance with the applicable accounting standards. And if the auditors have submitted a qualified report, the chairman of the audit committee should explain clearly at the general meeting the opinion of the audit committee on the content and scope of the qualifications included, making a summary of that opinion available to shareholders, together with the other motions and reports by the board, when the notice of call to the general meeting is published.

   Complies [X] Partial compliance [ ] Explanation [ ]

9. The company should publish permanently on its website the requirements and procedures it will accept as proof of ownership of shares, right to attend the general meeting and exercise or delegation of shareholders' voting right.

   And those requirements and procedures should favour the attendance and exercise by shareholders of their rights, not being in any way discriminatory.

   Complies [X] Partial compliance [ ] Explanation [ ]

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10. If a legitimate shareholder has exercised their right, prior to the general meeting, to supplement the agenda or submit new proposed resolutions, the company should:

a) Immediately distribute those supplementary items and new proposed resolutions.

b) Publish the model attendance card or proxy form or postal/electronic voting form with the necessary modifications to enable voting on the new items on the agenda and alternative proposed resolutions on the same terms as those proposed by the board of directors.

c) Put all these items or alternative proposals to the vote and apply the same voting rules as those applicable to the proposals by the board, including in particular the presumptions or deductions regarding votes.

d) After the general meeting, report the details of the voting on those supplementary items or alternative proposals.

Complies [ ] Partial compliance [ ] Explanation [ ] Not applicable [X]

11. If the company plans to pay attendance fees for general meetings, it should establish in advance a general policy on those fees and that policy should be stable.

Complies [X] Partial compliance [ ] Explanation [ ] Not applicable [ ]

The company's Policy on Attendance Fees for General Meetings establishes the principle that those fees may not be delivered in the form of cash, but will consist of a gift related with the Ebro Foods Group's products and/or brands.

12. The board should perform its duties with unity of purpose and independence of judgement, give the same treatment to all shareholders in the same position and be guided by the company's interests, namely the achievement of a profitable business sustainable in the long term, promote its continuity and maximise the economic value of the company.

And in its search for the company's interests, apart from respecting the laws and regulations and acting in good faith, ethically and with respect for generally accepted use and good practice, it should endeavour to reconcile the corporate interests with the legitimate interests of its employees, suppliers, customers and other stakeholders that may be affected, as the case may be, and the impact of the company's activities on the community and environment.

Complies [X] Partial compliance [ ] Explanation [ ]

13. The board should have the necessary size to operate effectively, with participation. The recommended size is between five and fifteen members.

Complies [X] Explanation [ ]

14. The board should approve a policy designed to favour an appropriate composition of the board that:

a) Is specific and verifiable;

b) Ensures that nominations for appointment or re-election are based on a prior analysis of the expertise required by the board; and

c) Favours the diversity of expertise, experience, age and gender. For this purpose, any measures designed to ensure that the company has a significant number of female executives are considered to favour gender diversity.

The results of the prior analysis of expertise required by the board should be set out in the report by the nomination committee published when calling the general meeting at which the ratification, appointment or re-election of each director is proposed.

The nomination committee shall check compliance with this policy annually and inform on its conclusions in the annual corporate governance report.

Complies [ ]   Partial compliance [X]   Explanation [ ]

All the sections of this Recommendation are met, except the last paragraph of (c).

The company has not considered it necessary to pass a specific policy to stimulate the presence of female executives to comply with the principles behind this Recommendation.

The Code of Conduct of the Ebro Foods Group guarantees the principle of equal treatment and equal opportunities for all professionals, regardless of their gender or sexual orientation, and this principle is applied by the company in its processes of selection, hiring, promotion and career opportunities of all its professionals, regardless of whether they are men or women.

As indicated in section C.1.6 above, there is no positive or negative discrimination of any nature in the procedures followed by the company for selecting and contracting its executive personnel, so it is not necessary to introduce any new measures to encourage the hiring of women for executive positions.

See section C.1.6 also for the definition of "Executive" used by the company.

15. The proprietary and independent directors should represent an ample majority of the board and the number of executive directors should be the minimum necessary, taking account of the complexity of the corporate group and the percentage stake held by the executive directors in the company's capital.

And the number of female directors should represent at least 40% of the board member by the end of 2022 and before that, no less than 30%.

Complies [ ]   Partial compliance [X]   Explanation [ ]

Although at the date of approval of this report the Company complies with this Recommendation, we have indicated "Partial compliance" because at 31 December 2023 the number of female directors represented less than 40% of the Board members. See section C.1.7 of this report.

See Explanatory Note Two in section H of this report regarding the evolution and current situation of women on the company's Board of Directors.

16. The ratio of proprietary directors to total non-executive directors should not be greater than the ratio of capital represented by those directors to the rest of the capital.

This may be eased:

a) In companies with a high capitalisation, in which shareholdings legally considered significant are scarce.

b) In companies with a plurality of unrelated shareholders represented on the board.

Complies [ ]   Explanation [X]

The number of directors classified as proprietary directors (8) represent 57.14% of the total members of the Board (14) and 66.67% of the total non-executive directors (12).

Furthermore, the proprietary directors represent 57.89% of the company's total capital at 31 December 2023.

Although proprietary directors represent a higher percentage (66.67%) of the total non-executive directors than the proportion of the company's capital represented by those directors in the total capital (57.89%), in the opinion of the Nomination and Remuneration Committee special circumstances exist that attenuate the principle of proportion recommended by the Code of Good Governance, because there are seven (7) unrelated significant shareholders present or represented on the Board that represent 66.81% of the capital.

In this regard, the Nomination and Remuneration Committee considers it necessary to take into account that although the director Hercalianz Investing Group, S.L. is a significant shareholder, it is classified as an executive director because its representative on the Board of Directors of Ebro is an executive and director of several subsidiaries in the Ebro Group.

The Committee has assessed the monitoring of this Recommendation and considers that the composition of the Board combines the principles of necessary size, balance and ample majority of non-executive directors recommended by the Code of Good Governance.

Based on the foregoing considerations, the Nomination and Remuneration Committee has considered that the principle behind Recommendation 16 is respected. See section C.1.7 of this report.

See Explanatory Note Three in section H of this report regarding the percentages of capital indicated.

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17. The number of independent directors should represent at least one-half of the total directors.

    This notwithstanding, if the company does not have a large capitalisation or if it has a high level of capitalisation but has one shareholder, or several acting in concert, that controls more than 30% of the capital, the number of independent directors should represent at least one-third of the total directors.

    Complies [ ] Explanation [X]

The number of independent directors (4) is somewhat lower than one-third (4.6) of the total Board members (14) recommended for companies which, like Ebro Foods, S.A., are not high-cap.

The Nomination and Remuneration Committee considers it necessary to continue working to increase the number of independent directors until it is at least equal to the recommended one-third, although in the Committee's opinion it should be borne in mind that the percentage of the company's total capital represented on the Board at 31 December 2023 was 68.47%.

See Explanatory Note Three in section H of this report regarding the percentages of capital indicated.

18. Companies should publish on their websites and keep up to date the following information on their directors:

    a) Professional and biographic profile

    b) Other directorships held, in listed or unlisted companies, and other remunerated activities performed, of whatsoever nature

    c) Indication of the category of director, indicating for proprietary directors the shareholder they represent or with which they are related

    d) Date of first appointment as director of the company and subsequent re-elections

    e) Shares and stock options held in the company

    Complies [ ] Partial compliance [X] Explanation [ ]

All the sections of this Recommendation are met, except (b).

Although there is no specific section on the corporate website containing the information contemplated in paragraph (b), information on the positions, remunerated or otherwise, held by the directors of Ebro Foods, S.A. and the representatives of corporate directors on the boards of other companies, listed or otherwise, and any other remunerated activities they may perform, is included in the corporate governance report each year, which is published permanently in the corresponding section of the corporate website.

After studying this Recommendation, the Company considers that it informs on the positions held by the directors of Ebro Foods, S.A. and the representatives of corporate directors on the boards of other companies, listed or otherwise, and in companies engaged in similar or identical activities as Ebro Foods, S.A., as well as on any other remunerated activities they may perform, remunerated or otherwise, in sufficient detail to comply with the transparency in reporting sought by the Code of Good Governance.

19. Once checked by the nomination committee, the annual corporate governance report should include an explanation of the reasons why proprietary directors have been appointed at the request of shareholders with an interest of less than 3% in the capital, as well as the reasons, if appropriate, for not meeting formal requests for presence on the board from shareholders with an interest equal or greater than others at whose request proprietary directors have been appointed.

    Complies [ ] Partial compliance [ ] Explanation [ ] Not applicable [X]

20. Proprietary directors should resign when the shareholder they represent disposes of its entire shareholding in the company. They should also resign in the corresponding number when the shareholder disposes of part of its shares to an extent requiring a reduction in the number of proprietary directors.

    Complies [ ] Partial compliance [ ] Explanation [ ] Not applicable [X]

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21. The board should not propose the removal of any independent director before the end of the period for which they were appointed, unless there are just grounds for doing so, as appreciated by the board subject to a report by the nomination committee. In particular, just grounds are deemed to exist when the director takes up new positions or contracts new obligations preventing them from dedicating the necessary time to performance of their duties on the board, or if they breach their duties or any circumstances arise by virtue of which they would no longer be considered independent, according to the applicable legal provisions.

    The removal of independent directors may also be proposed following takeover bids, mergers or other similar corporate operations entailing a change in the ownership structure of the company, when changes in the structure of the board are required by the principle of proportionality contemplated in Recommendation 16.

    Complies [X]   Explanation [   ]

22. Companies should establish rules obliging directors to report and, if necessary, resign if any situation arises, related or not with their actions within the company, that could jeopardise the company's prestige and reputation. In particular, directors should be obliged to inform the board of any criminal proceedings brought against them and the development of the proceedings.

    If the board has been informed or has otherwise become aware of any of the situations contemplated in the preceding paragraph, it should study the case as soon as possible and, in view of the specific circumstances and the corresponding report by the nomination and remuneration committee, decide whether any action should be taken, such as opening an internal investigation, requesting the director to resign or proposing their removal. An account of this situation should be included in the Annual Corporate Governance Report, unless special circumstances justify not doing so, in which case they should be put on record. This is notwithstanding the information that the company is obliged to disclose, if appropriate, when adopting the corresponding measures or actions.

    Complies [X]   Partial compliance [   ]   Explanation [   ]

23. All the directors should clearly express their opposition whenever they consider that any proposed decision submitted to the board may go against corporate interests. The independent and other directors not affected by the potential conflict of interest should also do so when the decisions may be detrimental to shareholders not represented on the board.

    And when the board adopts significant or reiterated decisions about which a director has expressed serious reservations, the latter should reach the appropriate conclusions and, if they opt to resign, explain the reasons in the letter contemplated in the following recommendation.

    This recommendation also affects the secretary of the board, even if they are not a director.

    Complies [   ]   Partial compliance [   ]   Explanation [   ]   Not applicable [X]

24. If a director retires from office before the end of their term, through resignation or by virtue of a resolution adopted by the General Meeting, they shall explain the reasons for their resignation or, in the case of non-executive directors, their opinion on the grounds for their removal by the General Meeting, in a letter sent out to all the Board members.

    Even if the Annual Corporate Governance Report contains the appropriate information on the foregoing, to the extent that it is important for investors, the company should publish news of the director's retirement as soon as possible, including a sufficient account of the reasons or circumstances indicated by the director.

    Complies [X]   Partial compliance [   ]   Explanation [   ]   Not applicable [   ]

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25. The nomination committee should make sure that non-executive directors have sufficiently availability to perform their duties correctly.

    And the regulations of the board should stipulate the maximum number of directorships that may be held by its directors.

    Complies [ ] Partial compliance [X] Explanation [ ]

Although the Regulations of the Board do not stipulate a maximum number of directorships that may be held by the Directors of Ebro Foods, S.A., it does impose on the Directors the obligation to dedicate to the Company such attention and time as may be necessary to guarantee the effective and adequate fulfilment of each and all of the duties corresponding to their position. Consequently, the maximum number of other directorships they may hold will be such as to ensure that they are able at all times to meet each and all of their obligations to the company (Article 32 of the Regulations of the Board, "General duties of Directors").

Moreover, the Policy for Selection of Directors and Diversity in the Composition of the Board of Directors stipulates within "Conditions to be met by candidates" that candidates must have sufficient availability to be able to duly perform their duties. This point is confirmed by the Committee with the candidates before submitting any proposal to the Board of Directors.

After studying this Recommendation, the Company considers that the principles pursued by the Code of Good Governance in this respect are met with the obligation regarding dedication imposed in Article 32 of the Regulations of the Board and the Policy for Selection of Directors and Diversity in the Composition of the Board of Directors. It considers this a complex issue and believes that it is not necessary to establish a maximum number of directorships that may be held by the Directors in order to achieve this.

26. The board should meet as often as may be necessary to secure efficient performance of its duties, and at least eight times a year, following the calendar and business established at the beginning of the year, although any director may individually propose additional items to be included on the agenda.

    Complies [X] Partial compliance [ ] Explanation [ ]

27. Non-attendance of board meetings should be limited to inevitable cases and stated in the Annual Corporate Governance Report. If a director is forced to miss a board meeting, a proxy should be granted with the appropriate instructions.

    Complies [X] Partial compliance [ ] Explanation [ ]

28. When the directors or the secretary express concern over a proposal, or, in the case of directors, the company's performance, and those concerns are not settled by the board, they should be put on record in the minutes, at the request of those expressing them.

    Complies [ ] Partial compliance [ ] Explanation [ ] Not applicable [X]

29. The company should establish adequate channels for directors to obtain any counselling they may need to perform their duties, including, should circumstances so require, external counselling at the company's expense.

    Complies [X] Partial compliance [ ] Explanation [ ]

30. Regardless of the expertise required of directors to perform their duties, companies should also offer their directors refresher courses in the appropriate circumstances.

    Complies [X] Explanation [ ] Not applicable [ ]

31. The agenda for meetings should clearly indicate the items on which the board is called upon to adopt a decision or resolution, so that the directors can study or obtain in advance the information they may need.

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In exceptional cases, for reasons of urgency, the chairman may submit decisions or resolutions not included on the agenda for approval by the board. The prior, express consent of most of the directors present will be necessary for this, leaving due record in the minutes.

Complies [X] Partial compliance [ ] Explanation [ ]

32. Directors shall be regularly informed on any changes in the ownership of the company and the opinion held by the significant shareholders, investors and ratings agencies of the company and its group.

Complies [X] Partial compliance [ ] Explanation [ ]

33. Being responsible for the efficient procedure of the board of directors, apart from performing the duties assigned by law and in the articles of association, the chairman should prepare and submit to the board a schedule of dates and business to be transacted; organise and coordinate the periodical assessment of the board and chief executive, if any, of the company; be responsible for managing the board and for its efficient operation; make sure sufficient time is allotted to the discussion of strategic issues; and resolve and review refresher programmes for each director whenever circumstances so require.

Complies [X] Partial compliance [ ] Explanation [ ]

34. When there is a lead independent director, the articles of association or regulations of the board should assign the following powers, apart from those corresponding to them by law: preside over board meetings in the absence of the chairman and vice-chairmen, if any; echo the concerns of non-executive directors; hold contacts with investors and shareholders to find out their points of view and form an opinion on their concerns, particularly regarding the corporate governance of the company; and coordinate the plan for succession of the chairman.

Complies [ ] Partial compliance [ ] Explanation [X] Not applicable [ ]

Although the Articles of Association and Regulations of the Board do not expressly assign to the Lead Independent Director the powers contemplated in this Recommendation, said Director is entirely free to exercise them.

The Articles of Association and Regulations of the Board do not establish any limit on the exercise of those powers by the Lead Independent Director or any other Director.

After studying this Recommendation, the Company considers that the fact that any Director, not only the Lead Independent Director, may exercise the powers contemplated in this Recommendation, together with the ample majority on Non-Executive Directors on the Board of Directors, this is sufficient to counteract any concentration of powers in the Executive Chairman, which is the aim pursued by the Code of Good Governance.

35. The secretary of the board should especially ensure that the actions and decisions of the board follow the recommendations on good governance contained in the Code of Good Governance that are applicable to the company.

Complies [X] Explanation [ ]

36. The full board should assess once a year and, where necessary, adopt an action plan to correct any deficiencies detected in respect of:

a) The quality and effectiveness of the board's actions.

b) The procedure and composition of its committees.

c) Diversity in the composition and powers of the board.

d) The performance by the chairman of the board and chief executive officer of their respective duties.

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e) The performance and contribution of each director, paying special attention to the heads of the different board committees.

The different committees should be assessed based on the reports they submit to the Board and the Board will be assessed on the basis of the report it submits to the nomination committee.

Every three years, the board will be assisted in this assessment by an external consultant, whose independence shall be checked by the nomination committee.

The business relations that the consultant or any company in its group has with the company or any company in its group should be described in the Annual Corporate Governance Report.

The process and areas assessed should also be described in the Annual Corporate Governance Report.

Complies [X] Partial compliance [ ] Explanation [ ]

37. When there is an executive committee, there should be at least two non-executive directors among the members, at least one of them being an independent director, and the secretary should be the secretary of the board.

Complies [X] Partial compliance [ ] Explanation [ ] Not applicable [ ]

38. The board should be informed at all times of the business transacted and decisions made by the executive committee and all board members should receive a copy of the minutes of executive committee meetings.

Complies [X] Partial compliance [ ] Explanation [ ] Not applicable [ ]

39. All the members of the audit committee, especially its chairman, should be appointed on account of their expertise and experience in accounting, auditing or the management of both financial and non-financial risks.

Complies [X] Partial compliance [ ] Explanation [ ]

40. Under the supervision of the audit committee, there should be an internal audit unit to see that the internal control and reporting systems work properly. This unit should report to the non-executive chairman of the board or the chairman of the audit committee.

Complies [X] Partial compliance [ ] Explanation [ ]

41. The head of the internal audit unit should submit its annual work programme to the audit committee for approval by that committee or the board, report directly on its implementation, mentioning any incidents or limitations on its scope encountered during its fulfilment, the results achieved and the extent to which its recommendations have been heeded, and submit to the committee an activity report at the end of each year.

Complies [X] Partial compliance [ ] Explanation [ ] Not applicable [ ]

42. The audit committee should have the following duties, in addition to those contemplated in law:

1. In connection with the internal control and reporting systems:

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a) Supervise and assess the preparation and integrity of the financial and non-financial reporting, control systems and management of financial and non-financial risks to which the company and, if appropriate, the group may be exposed - including operational, technological, legal, social, environmental, political and reputational risks or those related with corruption-, checking compliance with the legal requirements, adequate definition of the scope of consolidation and correct application of accounting principles.

b) Oversee the independence of the internal audit unit; propose the selection, appointment and removal of the internal audit manager; propose the budget for this unit; approve or propose approval to the board of its approach and the annual internal audit work plans, making sure its activity focuses mainly on the material risks of the company (including reputational risks); receive regular information on its activities; and check that the top management heeds the conclusions and recommendations set out in its reports.

c) Establish and supervise a mechanism through which employees, and other persons related with the company, such as directors, shareholders, suppliers, contractors or subcontractors, can report any potentially important irregularities (financial, accounting or of whatsoever nature) related with the company that they may observe within the company or its group. That mechanism should guarantee confidentiality and, in all cases, contemplate the possibility of making such communications anonymously, respecting the rights of both the reporting person and the person concerned.

d) Ensure in general that the internal control policies and systems are applied effectively in practice.

2. In connection with the external auditors:

a) Investigate the circumstances giving rise to resignation of any external auditor.

b) Ensure that the remuneration of the external auditors for their work does not jeopardise their quality or independence.

c) See that the company reports the change of auditor through the CNMV, attaching a declaration on the possible existence of disagreements with the outgoing auditor and the contents of those disagreements, if any.

d) Make sure that the external auditors hold an annual meeting with the full board to inform on the work done and the evolution of the company’s risks and accounting situation.

e) Ensure that the company and external auditors respect the provisions in place on the provision of non-audit services, limits on the concentration of the auditor’s business and, in general, any other provisions regarding the independence of auditors.

Complies [X]   Partial compliance [ ]   Explanation [ ]

43. The audit committee may call any employee or executive of the company into its meetings, even ordering their appearance without the presence of any other senior officer.

Complies [X]   Partial compliance [ ]   Explanation [ ]

44. The audit committee should be informed on any corporate and structural operations that the company plans to make, so that it can analyse them and submit a preliminary report to the board on the economic terms and impact on accounts, and particularly on the exchange ratio proposed, if any.

Complies [ ]   Partial compliance [ ]   Explanation [ ]   Not applicable [X]

45. The risk management and control policy should identify or determine at least:

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a) The different types of financial and non-financial risk (including operational, technological, legal, social, environmental, political and reputational, including those related with corruption) to which the company is exposed, including contingent liabilities and other off-balance-sheet risks among the financial or economic risks.

b) A risk management and control model based on different levels, including a committee specialising in risks whenever this is contemplated in the sector regulation and the company deems fit.

c) The risk level that the company considers acceptable.

d) The measures contemplated to mitigate the impact of the risks identified, should they materialise.

e) The internal control and reporting systems to be used to control and manage those risks, including contingent liabilities and other off-balance-sheet risks.

Complies [ ] Partial compliance [X] Explanation [ ]

The Company complies with all of this Recommendation except the inclusion in its risk management and control policy of risks related with corruption, contemplated in paragraph (a).

The Company has a specific policy dealing with corruption (Policy against Corruption and Bribery), which sets out and specifically and verifiably develops the principles, values and rules of action established in the Code of Conduct and implemented within the Ebro Group to fight against corruption and fraud.

This Policy provides guidelines to be followed in respect of: (i) bribery, illegal commissions, influence peddling and money laundering; (ii) acceptance and offering of gifts and courtesies; (iii) dealings with authorities, regulatory bodies and governments; and (iv) social action and/or sponsorship activities. The Policy also contains an illustrative indication of the conduct that is prohibited in these areas.

The Policy applies to all the Professionals of both Ebro Foods and the subsidiaries of the Ebro Group in all the countries in which the Group operates.

The Company considers that it complies with the principles behind this Recommendation, since the risks related with corruption and bribery: (i) form part of the corporate risk map and (ii) are analysed by the Risks Committee.

46. Under the direct supervision of the audit committee or, as the case may be, an ad hoc committee of the board, there should be an internal risk management and control role exercised by an internal unit or department of the company expressly having the following duties:

a) See that the risk management and control systems work properly and, in particular, that all the major risks affecting the company are adequately identified, managed and quantified.

b) Participate actively in the preparation of the risk strategy and in the major decisions on their management.

c) See that the risk management and control systems adequately mitigate the risks within the policy defined by the board.

Complies [X] Partial compliance [ ] Explanation [ ]

47. Companies should ensure that the members of the nomination and remuneration committee -or the nomination committee and the remuneration committee, if they are separate- have adequate experience, skills and expertise for the duties they are to perform and that the majority of those members are independent directors

Complies [X] Partial compliance [ ] Explanation [ ]

48. Companies with a high level of capitalisation should have a separate nomination committee and remuneration committee.

Complies [ ] Explanation [ ] Not applicable [X]

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49. The nomination committee should consult the chairman of the board and the chief executive of the company, especially on matters referring to the executive directors.

    And any director should be able to request the nomination committee to consider potential candidates to fill vacancies on the board, in case they were suitable in the committee's opinion.

    Complies [X]   Partial compliance [ ]   Explanation [ ]

50. The remuneration committee should perform its duties independently, having the following duties in addition to those assigned to it by law:

    a) Propose to the board the basic terms of contract of the senior executives

    b) See that the remuneration policy established by the company is observed

    c) Periodically review the remuneration policy applied to directors and senior executives, including the systems of payment with shares and their application, and ensure that their individual remuneration is in proportion to that paid to other directors and senior executives of the company

    d) Ensure that any conflicts of interest that may arise do not jeopardise the independence of the external counselling provided to the committee

    e) Check the information on the remuneration of directors and senior executives in the different corporate documents, including the annual report on directors' remuneration

    Complies [X]   Partial compliance [ ]   Explanation [ ]

51. The remuneration committee should consult the chairman of the board and the chief executive of the company, especially on matters referring to the executive directors and senior executives.

    Complies [X]   Partial compliance [ ]   Explanation [ ]

The "senior executives" include the Chief Operating Officer (COO), the Company Secretary and Secretary of the Board and the heads of the principal business units of the Ebro Foods Group, even if they are not actually considered "top management".

52. The rules of composition and procedure of the supervision and control committees should be included in the regulations of the board and be coherent with those applicable to the committees required by law according to the foregoing recommendations, including the following:

    a) The members should be exclusively non-executive directors, the majority independent directors.

    b) They should be chaired by independent directors.

    c) The board should appoint the members of these committees on account of the expertise, skills and experience of the directors and the duties of each committee, and discuss their proposals and reports; and the committees should report on their activities at the first board meeting following their meetings, answering for the work done.

    d) The committees should be able to obtain external counselling whenever they may consider it necessary to perform their duties.

    e) Minutes should be issued of their meetings and made available to all directors.

    Complies [ ]   Partial compliance [ ]   Explanation [ ]   Not applicable [X]

53. The supervision of compliance with the company's environmental, social and corporate governance policies and rules, and with the internal codes of conduct, should be assigned to one or distributed among several committees of the board, which may be the

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audit committee, the nomination committee, a committee specialising in sustainability or corporate social responsibility, or any ad hoc committee that the board may decide to set up, exercising its powers of self-organisation. And that committee should be made up exclusively of non-executive directors, most of them independent, specifically having the minimum duties indicated in the following recommendation.

Complies [X] Partial compliance [ ] Explanation [ ]

54. The minimum duties mentioned in the preceding recommendation are:

a) Oversight of compliance with the company's corporate governance rules and internal codes of conduct, ensuring that the corporate culture is aligned with its mission and values.

b) Supervision of the application of the general policy on communication of the economic & financial, non-financial and corporate information and communication with shareholders, investors, proxy advisors and other stakeholders. Oversight also of how the company communicates and relates with small and medium-sized shareholders.

c) Periodical assessment and review of the company's corporate governance system and environmental and social policy to ensure that it fulfils its mission of promoting corporate interests and takes account of the legitimate interests of the other stakeholders, where appropriate.

d) Supervision that the company's environmental and social practices are aligned with the relevant strategy and policy.

e) Supervision and assessment of the processes of relations with different stakeholders.

Complies [X] Partial compliance [ ] Explanation [ ]

55. The sustainability policies on environmental and social issues should identify and define at least the following:

a) The principles, commitments, objectives and strategy regarding shareholders, employees, clients, suppliers, social issues, the environment, diversity, tax liability, respect for human rights and prevention of corruption and other unlawful conduct.

b) The methods or systems for monitoring compliance with the policies, the associated risks and management thereof.

c) The mechanisms for supervising non-financial risks, including those related with ethics and business conduct.

d) The channels for communication, participation and dialogue with stakeholders.

e) Responsible communication practices to avoid manipulation of information and protect integrity and honour.

Complies [X] Partial compliance [ ] Explanation [ ]

56. The remuneration of directors should be high enough to attract and retain directors with the desired profiles and remunerate the dedication, qualification and responsibility required by their office, but not so high as to jeopardise the independence of non-executive directors.

Complies [X] Explanation [ ]

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57. Variable remuneration linked to the company's yield and personal performance and the remuneration paid in shares, stock options, rights over shares or instruments indexed to the value of the share, and long-term savings systems such as pension plans, retirement schemes or other welfare systems, should be limited to executive directors.

    The delivery of shares as remuneration to non-executive directors may be contemplated when it is conditional upon holding those shares until they retire from the board. This will not be applicable to any shares that the director may need to sell to pay the costs incurred in their acquisition.

    Complies [X] Partial compliance [ ] Explanation [ ]

58. For variable remunerations, the remuneration policies should establish the limits and technical precautions required to make sure those remunerations are linked to the professional performance of their beneficiaries and do not merely derive from general trends on the markets or in the company's sector of business or other similar circumstances.

    In particular, the variable components of the remuneration should:

    a) Be linked to predetermined, measurable yield criteria, which consider the risk assumed to obtain a result.

    b) Promote the company's sustainability and include non-financial criteria that are adequate for the creation of long-term value, such as compliance with the internal rules and procedures of the company and its policies for the control and management of risks.

    c) Be based on a balance between meeting short, medium and long-term goals, permitting the remuneration of yield achieved through continuous performance over a sufficient period of time to appreciate their contribution to the sustainable creation of value, such that the elements for measuring that yield are not related only with one-off, occasional or extraordinary events.

    Complies [X] Partial compliance [ ] Explanation [ ] Not applicable [ ]

The criteria and variable components of the remunerations contemplated in this Recommendation are included in the current Directors' Remuneration Policy 2022-2024.

59. Payment of the variable components of remuneration should be subject to an adequate verification that the performance or other pre-established conditions have actually been met. The companies should include in their annual reports on directors' remuneration the time and methods required to make that verification, according to the nature and characteristics of each variable component.

    In addition, the companies should consider including a malus clause based on the deferral for a sufficient time of the payment of part of the variable components, whereby the entitlement to all or part of them would be lost if anything occurs before the scheduled payment date that make this advisable.

    Complies [X] Partial compliance [ ] Explanation [ ] Not applicable [ ]

60. Earnings-linked remuneration should take account of any qualifications made in the report by the external auditors that may reduce those earnings.

    Complies [ ] Partial compliance [ ] Explanation [ ] Not applicable [X]

61. A significant percentage of the variable remuneration of executive directors should be linked to the delivery of shares or financial instruments indexed to their value.

    Complies [ ] Partial compliance [ ] Explanation [X] Not applicable [ ]

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Of the two Executive Directors, only the Chairman of the Board of Directors, Antonio Hernández Callejas, receives remuneration for his executive duties. Hercalianz Investing Group, S.L. does not receive any such remuneration, for the reasons explained elsewhere in this Report.

The variable remuneration systems of the Executive Director applied in 2022 are described in the Annual Report on Directors' Remuneration for that year and are linked to the achievement of pre-established measurable, quantifiable objectives related with financial factors that promote profitability and the creation of sustainable value in the Company and Group in the long term. The current Directors' Remuneration Policy 2022-2024 also includes, among others, the variable remuneration components recommended in the Code of Good Governance (Recommendation 58).

Although Article 22 of the Articles of Association contemplates the possibility that Directors may receive remuneration in the form of shares, stock options or any other system of remuneration indexed to the price of the shares, the Board of Directors has not so far submitted this form of remuneration to approval by the General Meeting, taking account of the fact that the Executive Director is a major shareholder and considering that the systems of variable remuneration of the Executive Director currently used are most appropriate for stimulating his motivation and personal performance, and his commitment to and relationship with the Group's interests.

The current Directors' Remuneration Policy 2022-2024 also specifies that the remuneration of the only Executive Director who currently has executive duties does not include aspects indexed to the value of the company's shares or contemplate receipt by that director of shares or any rights over shares, precisely because that executive director has the special status of reference shareholder.

62. Once the shares, stock options or financial instruments corresponding to the remuneration systems have been allotted, the executive directors may not transfer the ownership thereof or exercise them until at least three years have passed.

This will not be applicable if, at the date of transfer or exercise, the director has a net economic exposure to the price variation of the shares with a market value equivalent to at least twice the amount of their annual fixed remuneration, through the holding of shares, stock options or other financial instruments.

The foregoing will not be applicable to any shares that the director may need to sell to pay the costs incurred in their acquisition or, subject to the favourable opinion of the nomination and remuneration committee, to meet the costs of any extraordinary situations that may arise.

Complies [ ]   Partial compliance [ ]   Explanation [ ]   Not applicable [X]

63. Contracts should include a clawback clause whereby the company may to claim repayment of the variable components of remuneration when the amounts paid do not correspond to fulfilment of the conditions regarding yield or when paid on the basis of data subsequently proved to be misstated.

Complies [X]   Partial compliance [ ]   Explanation [ ]   Not applicable [ ]

64. Termination benefits should not exceed an amount equivalent to two years' total annual remuneration and should not be paid until the company has confirmed that the director has met the performance requirements established above.

For the purpose of this recommendation, termination benefits (i.e. payments upon termination or expiry of contract) shall include any amounts that accrue or become payable as a result of or in connection with the termination or expiry of the contractual relationship between the director and the company, including any amounts not previously vested in long-term saving schemes and the sums payable under post-contract no competition clauses.

Complies [ ]   Partial compliance [ ]   Explanation [ ]   Not applicable [X]

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H. OTHER INFORMATION OF INTEREST

1. If you consider there to be any important aspects regarding the corporate governance practices applied by your company or other companies in the group that have not been mentioned in this report, but which should be included to obtain more complete, reasoned information on the corporate governance practices and structure in the company or group, describe them below and give a brief explanation.

2. This section may be used to include any other information, clarification or qualification relating to the previous sections of the report, provided it is relevant and not repetitive.

   In particular, state whether the company is subject to any laws other than the laws of Spain on corporate governance and, if this is the case, include whatever information the company may be obliged to supply that differs from the information included in this report.

3. The company may also state whether it has voluntarily applied any international, sector-based or other codes of ethical principles or good practices. If so, it should name the code in question and the date of its accession. Particular mention shall be made of whether the company has acceded to the Code of Good Tax Practices of 20 July 2010.

EXPLANATORY NOTE ONE, REGARDING THE CHANGES ON THE BOARD OF DIRECTORS AND COMMITTEES SUBSEQUENT TO 31 DECEMBER 2023

The changes produced on the Board of Directors and Committees between 31 December 2023 (year-end 2023) and 22 March 2024 (date of approval of this report) are indicated below:

- On 10 December 2023, Fernando Castelló Clemente submitted in writing his resignation from the Board for personal reasons, with effect from 31 December 2023. See section C.1.2 of this report.

- On 31 January 2024, following the proposal and favourable report by the Nomination and Remuneration Committee, the Board of Directors resolved to appoint Elena Segura Quijada director by the procedure of cooptation, to fill the vacancy produced by the resignation of Fernando Castelló Clemente. Ms Segura Quijada is classified as an independent director. Elena Segura Quijada was also appointed member of the Audit, Control and Sustainability Committee and the Nomination and Remuneration Committee to fill the vacancies produced on each of those Committees by Mr Castelló Clemente's resignation.

- Also on 31 January 2024, following a favourable report by the Nomination and Remuneration Committee, the Board of Directors resolved to appoint Mercedes Costa García Chair of the Nomination and Remuneration Committee, as this position had been held by Fernando Castelló Clemente at the time of his resignation. Ms Costa García is classified as an independent director and has been on the Nomination and Remuneration Committee since 27 September 2017.

Following the changes indicated above, the composition of the Board of Directors, the Audit, Control and Sustainability Committee and the Nomination and Remuneration Committee at the date of approval of this report is as follows:

BOARD OF DIRECTORS:

- Antonio Hernández Callejas, Chair (Executive)
- Demetrio Carceller Arce, Vice-Chair (Proprietary)
- Belén Barreiro Pérez-Pardo (Independent)
- María Carceller Arce (Proprietary)
- José Ignacio Comenge Sánchez-Real (Proprietary)
- Corporación Financiera Alba, S.A., represented by Alejandra Olarra Icaza (Proprietary)
- Mercedes Costa García, Lead Independent Director (Independent)
- Empresas Comerciales e Industriales Valencianas, S.L., represented by Javier Gómez-Treno Vergés (Proprietary)
- Javier Fernández Alonso (Proprietary)
- Grupo Tradifín, S.L., represented by Blanca Hernández Rodríguez (Proprietary)
- Hercalianz Investing Group, S.L., represented by Félix Hernández Calleja (Executive)
- Marc Thomas Murtra Millar (Independent)
- Elena Segura Quijada (Independent)
- Jordi Xuclà Costa (Proprietary)

AUDIT, CONTROL AND SUSTAINABILITY COMMITTEE:

- Marc Thomas Murtra Millar, Chair
- Mercedes Costa García
- Grupo Tradifín, S.L., represented by Blanca Hernández Rodríguez
- Javier Fernández Alonso
- Elena Segura Quijada

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NOMINATION AND REMUNERATION COMMITTEE:

- Mercedes Costa García, Chair
- Belén Barreiro Pérez-Pardo
- Demetrio Carceller Arce
- Grupo Tradifín, S.L., represented by Blanca Hernández Rodríguez
- Elena Segura Quijada

EXPLANATORY NOTE TWO, REGARDING THE PRESENCE OF WOMEN ON THE BOARD OF DIRECTORS

At year-end 2021, there were 6 women on the Board of Directors, representing 42.86% of the Board members (14).

In March 2022, following the resignation by the director Alimentos y Aceites, S.A. (who had been represented by a woman on the Board of Directors) and the incorporation on the Board of a male director (proprietary director of Alimentos y Aceites, S.A. -SEPI-), the presence of women fell from 42.86% to 35.71% and, therefore, below the 40% target.

Following the resignation of the director Fernando Castelló Clemente with effect from 31 December 2023 and the incorporation of Elena Segura Quijada as of 31 January 2024 (see Explanatory Note One above), the number of women on the Board rose from 5 to 6, representing 42.86% of the total Board member (14). Consequently, the company has recovered the proportion of women that it had at the end of 2021 and before Alimentos y Aceites, S.A. (who had been represented by a woman) left the Board of Directors in March 2022.

EXPLANATORY NOTE THREE, REGARDING THE DETAILS OF CAPITAL AND VOTING RIGHTS

There have been no significant changes up to 22 March 2024 in the figures of capital and voting rights of significant shareholders and directors indicated in this report.

EXPLANATORY NOTE FOUR, REGARDING SECTION C.1.2

The appointment by cooptation of Jordi Xuclà Costa as proprietary director, resolved by the Board of Directors on 30 March 2022, was ratified at the Annual General Meeting held on 29 June 2022.

EXPLANATORY NOTE FIVE, REGARDING SECTION E.3

The main risks that could have a bearing on achievement of the business goals of the Ebro Foods Group, as listed in section E.3 of this Report, are explained below.

A. OPERATIONAL RISKS:

- Food safety. Owing to the nature of the Group's business, aspects regarding food safety are a critical point to which the Group pays the utmost attention, as we are bound by a large number of laws and standards in each of the countries in which the Group's products are put on the market. One point that is becoming increasingly important is the detection and use of fungicides and pesticides by producers.

- Commodity supply risk. The availability of commodities in the quantity and quality required to meet our commitments to customers and the requirements of our brands is a key factor for our business both nationally (Spanish paddy rice) and internationally (semi-processed rice for the Group subsidiaries), wheat and semolina for the production of quality pasta.

- Market risk (prices). Unexpected variations in the prices of our commodity supplies may affect the profitability of our commercial transactions, in both the industrial and brand-based segments. The main risk lies in the prices of the different rice varieties, durum wheat and potato flakes, although it extends also to other materials consumed, such as packaging material and oil derivatives and, especially so recently, sea and inland transportation.

- Customer concentration risk. The concentration of customers, which can occur in both the industrial and brand segments, may lead to less favourable commercial terms for our sales and affect our credit risk.

- Technological risk. In the sector in which the Group operates, one of the most important tools for competing with our rivals is constant technological innovation and constant adaptation to consumers' desires. Consequently, "technological lag" is considered a possible risk.

- Cybersecurity. Traditionally considered part of 'technological risk', the risks relating to the security of the IT systems and data (cybersecurity) and the threats to their continuity or of extorsion by this kind of criminals have considerably increased in recent years. This growing threat led to its consideration as a separate risk, stepping up the existing security protocols.

B. RISKS RELATED WITH THE ENVIRONMENT AND STRATEGY:

- Environmental risk. Respect for the environment is another critical point for the Group, considering our industrial activity, with a large number of plants distributed internationally. We aim to adopt a set of good practices, complying scrupulously with the law.

- Climate change. This is a cross-cutting risk that affects all the risk categories defined by the Group. Physical risks related with climate change and transition to an emission-free economy are assessed. The physical risks associated with alterations in the temperature and the availability of water resources and their impact on the harvests of crops constituting the basic commodity of the Group's operations have been considered especially important for the Group.

- Respect for Human Rights. This is a cross-cutting risk that affects compliance with both internal (established within the Group) and external (throughout the value chain and the Group's relations with external agents) standards.

- Competition risk. In general, pressure from white label brands is the main threat for maintaining the market shares of the Group's brands.

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- Reputational risk. This is the risk associated with changes of opinion resulting in a negative perception of the Group, its brands or products by customers, shareholders, suppliers, market analysts, employees, institutions, etc., as they may adversely affect the Group's ability to maintain its commercial and financial relations or its interaction with social partners.

- Exposure on social networks. This risk has been separated from the more generic "reputational risk" since 2020, in view of its enormous repercussion and diversity and the difficulties encountered in managing threats of this nature.

- Changes in lifestyle. The proliferation of low carbohydrate diets or other food habits could alter consumers' perception of our products.

- Country or market risk. Owing to the international nature of the Group's activities, political and economic circumstances in the different countries in which we operate and other market variables, such as exchange rates, interest rates, costs of production, etc. may affect our business.

- Natural disasters, fires. As an industrial group, a significant part of the assets on the Group's balance sheet corresponds to its factories, so any natural incidents (earthquakes, fires, etc.) that may affect the integrity of the Group's plants are a business risk.

- Strategic planning and assessment of strategic opportunities for investment or divestment. Risk deriving from the possibility of making a mistake in the selection of alternatives and/or assignment of resources to reach the Group's strategic goals. In the short term, this includes aligning the budget with the goals defined for the medium and long term.

C. COMPLIANCE RISKS:

- Sectoral regulatory risk. The food industry is a sector subject to numerous regulations affecting export and import quotas, customs duties, intervention prices, etc., subject to the directives laid down in the Common Agricultural Policy ("CAP"). The Group's activity may also be affected by changes in legislation in the countries in which it sources raw materials or sells its products.

- General regulatory risk. These include risks of compliance with civil, commercial, criminal and good governance provisions.

In the area of criminal risks, the Group has a Crime Prevention Model ("CPM") applicable to all the Spanish companies in the Group, monitored and controlled by the Compliance Unit, which is independent from the Risks Committee and is responsible for monitoring overall compliance by the Group, under direct supervision by the Audit, Control and Sustainability Committee. During 2020, the Compliance Unit conducted a revision and update of its criminal risk map and the mechanisms for mitigating those risks, assisted by an external expert in the matter.

In pursuance of their local laws, some of the Group subsidiaries have similar models and structures to mitigate the risk of crimes being committed within them and, ultimately, to reduce or eliminate any criminal liability of the company.

The Compliance Unit, which reports to the Audit, Control and Sustainability Committee but has autonomy and sufficient resources, is responsible for monitoring the functioning and compliance of the CPM. The Compliance Unit also conducts six-monthly monitoring of the CPM and similar systems in foreign subsidiaries to check adequate functioning of the mechanisms to mitigate the criminal risks identified.

- Tax risks. Any changes in the tax laws or the interpretation or application thereof by the competent authorities in the countries in which the Group operates could affect its earnings.

D. FINANCIAL RISK:

This category includes foreign exchange, interest rate, liquidity and credit risks. The foreign exchange risk is particularly significant because the functional currency of the Group is the euro, but a considerable part of its commodity supply transactions are in US dollars and a very large part of the Group's investments are also in that currency.

Apart from that, the current management risk map does not identify within the top 25 risks any that might be considered to derive from corruption and bribery, even though the questionnaire used for general monitoring of management risks includes questions on these possible forms of malpractice. This notwithstanding, the Group's position of total rejection of all forms of corruption and bribery is expressly included both in its Code of Conduct and Policy against Corporate Corruption and Bribery (on a global level), and in the Crime Prevention Model and other local mechanisms of the different business units, as described in greater detail in the Statement of Non-Financial Information contained in the Group's Consolidated Directors' Report.

ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

ETHICAL PRINCIPLES AND CODES VOLUNTARILY APPLIED BY EBRO FOODS, S.A.:

- United Nations Global Compact. 2001
- Project of the Spanish Commercial Coding Association (AECOC) against food waste, "Don't waste food, use it". 2012
- Sustainable Agriculture Initiative (SAI) Platform. 2015
- SERES Foundation. 2015
- Sustainable Rice Platform. 2016
- Sedex. 2016
- Forética. 2017

This Annual Corporate Governance Report was approved by the Board of Directors of the Company on:

22/03/2024

State whether any directors voted against approval of this Report or abstained in the corresponding vote.

[ ]	Yes
[√]	No

The English version of this document is purely informative.

In the event of any discrepancy between the Spanish and English versions of this document, the Spanish version will prevail.

Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

AUDIT REPORT ON THE "DISCLOSURES REGARDING THE INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR) SYSTEM" OF EBRO FOODS, S.A.

To the Board of Directors of Ebro Foods S.A.,

As per the request of the Board of Directors of EBRO FOODS, S.A. (hereinafter, the Company) and our proposal letter of February 27, 2024, we have applied certain procedures in relation to the accompanying "ICFR disclosures" of EBRO FOODS, S.A. for 2023, which summarize the Company's internal control procedures in respect of its annual reporting exercise.

The Board of Directors is responsible for taking the opportune measures to reasonably assure the implementation, maintenance and supervision of an adequate internal control system, making improvements to this system and preparing the contents of the ICFR disclosures required for the accompanying Annual Corporate Governance Report (ACGR).

Against this backdrop, it is important to note that, regardless of the quality of design and effective functioning of the ICFR system adopted by the Company in respect of is annual financial reporting effort, the system can only provide reasonable but not absolute assurance regarding the objectives pursued, due to the limitations intrinsic to any internal control system.

In the course of our financial statement audit work and in keeping with Spain's Technical Auditing Standards, the sole purpose of our assessment of the Company's internal controls was to enable us to establish the scope, nature and timing of the Company's financial statement audit procedures. Accordingly, our internal control assessment, performed in connection with the financial statement audit, was not sufficiently broad in scope to enable us to issue a specific opinion on the effectiveness of the internal controls over the annual financial disclosures that the Company is required to present.

For the purpose of issuing this report, we have only carried out the specific procedures described below, as indicated in the *Procedures for external audit reviews* of an entity's ICFR disclosures contained in the *Internal Control over Financial Reporting in Listed Companies* report published by Spain's securities market regulator, the CNMV (and available on its website), which establishes the procedures to be performed, the scope thereof and the contents of this report. Given that the product resulting from these procedures is at any rate limited in scope and substantially more limited than an audit or review of the internal control system, we do not express any opinion on the effectiveness of the system or on its design or effective functioning in respect of the Company's 2023 financial disclosures, as described in the accompanying ICFR disclosures. Consequently, had we performed additional procedures to those stipulated in the above-mentioned CNMV report or had we performed an audit or review of the internal controls over the annual financial disclosures that the Company is required to present, other matters might have come to our attention that would have been reported to you.

Furthermore, given that this special assignment neither constitutes a financial statement audit nor is subject to the Consolidated Text of Spain's Financial Statement Audit Act, we do not express an opinion in the terms provided for in that piece of legislation.

The procedures performed are itemized below:

1. Reading and understanding the information prepared by the Company in relation to the ICFR System - which is disclosed in the Management Report - and assessing whether this information meets all the minimum reporting requirements needed to fill out section F on the ICFR system in the Annual Corporate Governance Report template established in CNMV Circular No. 5/2013 (of June 12, 2013), as amended most recently by Circular No. 3/ 2021 (of September 28, 2021) (hereinafter, the CNMV Circulars).

2. Questioning of the personnel responsible for drawing up the information detailed in item 1 above: (i) to obtain an understanding of the process that goes into drawing up the information; (ii) to obtain information that permits an evaluation of whether the terminology used complies with the framework definitions; and (iii) to obtain information on whether the control procedures described are in place and functioning.

3. Reviewing the explanatory documents supporting the information detailed in item 1, including documents directly made available to those responsible for describing ICFR system. The documentation to be reviewed may include reports prepared for the Audit, Control and Sustainability Committee by internal audit, senior management and other internal and external experts in their role supporting the Audit, Control and Sustainability Committee.

4. Comparing the information detailed in item 1 above with our knowledge of the Company's ICFR System obtained through the external audit procedures applied during the annual audit.

5. Reading of the minutes taken at meetings of the board of directors, audit committee and other committees of the Company to evaluate the consistency between the ICFR business transacted and the information detailed in item 1 above.

6. Obtaining a management representation letter in connection with the work performed, signed by those responsible for preparing and formulating the information detailed in item 1 above.

The specific procedures carried out in respect of the Company's ICFR disclosures did not reveal any inconsistencies or incidents that could affect such disclosures.

This report was prepared exclusively within the framework of the requirements stipulated in article 540 of the Consolidated Text of Spain's Corporate Enterprises Act and the CNMV Circulars related to the description of the ICFR System in the Annual Corporate Governance Report.

ERNST & YOUNG, S.L.

(Signed on the original in Spanish)

Alfonso Manuel Crespo

March 21, 2024

5.6 Annual Report on Remuneration of the Directors

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

DETAILS OF ISSUER

Year ended: 31/12/2023

Tax Registration No.: A47412333

Name:

EBRO FOODS, S.A.

Registered office:

PASEO DE LA CASTELLANA, 20. 3RD & 4TH FLOORS, MADRID

CNMV
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ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

A. COMPANY'S REMUNERATION POLICY FOR THIS YEAR

A.1.1. Explain the directors' remuneration policy in place for this year. To the extent that it is relevant, certain information may be included by reference to the remuneration policy approved by the general meeting of shareholders, provided the incorporation is clear, specific and precise.

Describe the specific criteria for this year in respect of both the remuneration of directors for their duties as such and their performance of any executive duties, applied by the board in accordance with the provisions of the contracts signed with the executive directors and the remuneration policy approved by the general meeting.

In any case, inform at least on the following aspects:

a) Description of the procedures and corporate bodies involved in determining, approving and applying the remuneration policy and conditions thereof.

b) Indicate and, where necessary, explain whether comparable companies have been taken into account to establish the company's remuneration policy.

c) Information on whether assistance was received from an external adviser and, if so, their identity.

d) Procedures contemplated in the prevailing directors' remuneration policy to apply temporary exceptions to the policy, conditions on which the company may have recourse to those exceptions and components that may be subject to exception, according to the policy.

The Directors' Remuneration Policy of the Company for this year (2024) is the Policy established for the years 2022-2024, approved at the Annual General Meeting of Shareholders held on 30 June 2021 and subsequently amended by virtue of resolutions adopted at the Annual General Meetings held on 29 June 2022 and 6 June 2023.

The Directors' Remuneration Policy 2022-2024 gives continuity to the previous policy (for the period 2019-2021), which was in force up to 31 December 2021, in respect of the principles, structure and contents of the directors' remuneration package (both for their duties as such and for the performance of executive duties), in view of the wide acceptance by shareholders (it was approved in 2018 with the favourable votes of 71.979% of the capital present and represented at the Annual General Meeting).

Based on that broad acceptance, comparable companies were not taken into account nor were any external advisers involved in drawing up the Directors' Remuneration Policy 2022-2024.

Although it was approved in 2021, the Directors' Remuneration Policy 2022-2024 included in its initial wording the new aspects introduced in the Corporate Enterprises Act ("LSC") by Act 5/2021 of 12 April ("Act 5/2021"), which amends the recast Corporate Enterprises Act approved by Legislative Royal Decree 1/2010 of 2 July and other financial provisions in respect of fostering the long-term engagement of shareholders in listed companies ("Act 5/2021"). So even though the new regulations did not enter into force until 3 November 2021 (i.e. after the date of the Company's Annual General Meeting 2021), the Remuneration Policy laid before (and approved at) the General Meeting held on 30 June 2021 was already adapted to the new requirements introduced by Act 5/2021.

In June 2022, a motion was tabled and approved at the Annual General Meeting to modify certain aspects of the Policy, particularly those indicated below:

(i) The annual fixed remuneration of the Executive Chairman was made invariable, uncoupling it from the fixed remuneration review procedure established for other Group executives, such that it would only be reviewed if and when so decided by the Board of Directors, at the proposal of the Nomination and Remuneration Committee and in view of the circumstances prevailing from time to time.

(ii) The amendments altered the financial targets to which 75% of the bonus contemplated in the Long-Term Incentive Scheme linked to the Strategic Plan 2022-2024 is tied, replacing the indicator consolidated "ROCE-A" ("ROCE") with consolidated "EBITDA-A - CAPEX" ("EBITDA – CAPEX"), while maintaining the consolidated EBITDA target, where "EBITDA – CAPEX" would have a weight of 20% and EBITDA the remaining 80%.

(iii) A new cap was established on the bonus that the Executive Chairman could receive for his participation in the Long-Term Incentive Scheme linked to the Strategic Plan 2022-2024 in the event of over-achievement of targets, which would be 100% of the corresponding bonus (not 125%, as originally established in the Policy).

(iv) Within the targets to which the Executive Chairman's annual (ordinary) bonus is tied, the consolidated ROCE was included in the Policy as a target in the budget with a weight of 20%, while maintaining the consolidated EBITDA target in the budget, with a weight of 80%, as from 2023 (the only financial target set for 2022 was the consolidated EBITDA contemplated in the 2022 budget).

In June 2023, a motion was tabled, and approved, at the General Meeting proposing a new amendment to the Policy, to cap the Executive Chairman's short-term bonus at 100% of his fixed annual remuneration, thus lowering the cap (which had been set at 150% of the fixed remuneration in the initial wording of the Policy).

The original wording of the Directors' Remuneration Policy 2022-2024 was prepared by the Nomination and Remuneration Committee at its meeting on 24 May 2021. Once that Committee had issued the corresponding specific report (pursuant to section 529.novodecies.4 of the Corporate Enterprises Act), the proposed Policy was submitted to the Board of Directors, which resolved to table a motion for its approval at the Annual General Meeting on 30 June 2021, where it was approved.

The first amendment to the Policy, in 2022, was also prepared by the Nomination and Remuneration Committee at its meeting on 25 May 2022, which issued the corresponding specific report and the Board of Directors resolved to table a motion for its approval at the Annual General Meeting on 29 June 2022, where it was approved.

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The second and final amendment to the Policy, in 2023, was also prepared by the Nomination and Remuneration Committee at its meeting on 26 April 2023, which issued the corresponding specific report and the Board of Directors resolved to table a motion for its approval at the Annual General Meeting on 6 June 2023, where it was approved.

The remaining contents of this section A.1.1 continue in section D of this Report.

A.1.2. Relative importance of the variable remuneration items in respect of the fixed remuneration (remuneration mix) and what criteria and goals have been taken into account to determine them and to guarantee an appropriate balance between the fixed and variable components of the remuneration. In particular, describe the actions taken by the company regarding the remuneration scheme to reduce excessive risk exposure and align the scheme with the long-term goals, values and interests of the company, including where appropriate a reference to measures contemplated to ensure that the remuneration policy takes into account the company's long-term results, measures adopted with respect to certain categories of employees whose professional activities have a significant impact on the company's risk profile and measures to avoid conflicts of interest.

Indicate also whether the company has established an accrual or vesting period for certain variable remuneration items payable in cash, shares or other financial instruments, a deferred payment period or the delivery of financial instruments already accrued and vested, or whether a clause has been agreed to reduce the deferred remuneration not yet vested, or for clawback of bonuses based on data which subsequently prove to be manifestly inaccurate or misstated.

In pursuance of the Directors' Remuneration Policy 2022-2024, the Chairman of the Board of Directors, as executive Director performing executive duties, is the only Director who will receive variable remuneration on similar terms to the other senior executives of the Company, according to the criteria and targets established in the Directors' Remuneration Policy 2022-2024 and explained in the previous point.

The variable remuneration of the Chairman of the Board of Directors for his executive duties includes:

- Ordinary annual variable remuneration, established in the executive Director's contract, which is proportionate to the level of achievement of the targets established in the Directors' Remuneration Policy 2022-2024 (EBITDA and ROCE set in the consolidated budget for 2024).

This remuneration, as a percentage of the fixed annual remuneration, is proportionate to achievement of the targets set, establishing a floor (below which the variable remuneration is zero) and a ceiling (above which the variable remuneration is capped at 100% of the fixed annual remuneration). This variable remuneration accrues and is paid on an annual basis, once the financial results of the year in question have been assessed. The ordinary annual variable remuneration corresponding to the Executive Chairman for the current year (2024) will thus be determined in 2025, once the financial results of 2024 are known and it is possible, therefore, to check the extent to which the relevant targets have been met.

- Deferred annual variable remuneration, tied to fulfilment of the Strategic Plan 2022-2024, applicable to the senior management of the Ebro Foods Group. The payment of bonuses is conditional upon meeting the above-mentioned targets set each year by the Remuneration Scheme (corresponding to the targets set in the Strategic Plan 2022-2024) and the beneficiary's continued employment in the Group at the date of payment established for those bonuses, except in cases of: (i) death or disability of the beneficiary or (ii) takeover in the Group or a similar corporate operation, or any other extraordinary circumstance which may, in the Board's opinion, materially affect the Scheme.

Bonuses are paid 11 months after being determined (after checking the level of achievement of the annual targets), so by the time it is paid, more than one year has passed since the end of the year to which the bonus corresponds. Accordingly, the bonus that may be payable to the Executive Chairman, the only Director with executive duties, for 2024 (the third and final year of the Directors' Remuneration Policy 2022-2024) would be paid in 2026.

The general conditions of the Scheme include an adjustment clause whereby the Board of Directors of Ebro Foods, S.A. will adopt such resolutions as may be necessary to ensure that in any event or corporate operation or other extraordinary circumstances that might affect calculation of the deferred remuneration payable, the gross remuneration will be equivalent to the remuneration that would have been payable had that circumstance not existed.

The Scheme also includes a clawback clause whereby the Board of Directors of Ebro Foods, S.A. may require the total repayment or part of any deferred bonus paid under the Scheme when it considers such amounts to have been unduly paid, either because the amounts paid under the Scheme do not correspond to the level of achievement of the required targets, or because they were calculated on the basis of data subsequently proved to be misstated.

With this Deferred Annual Variable Remuneration Scheme, the remuneration of the Executive Chairman, the only Director with executive duties, is aligned with the medium and long-term results of the Company and its Group. It should also be borne in mind for this purpose that the Executive Chairman, the only Director with executive duties, is one of the principal shareholders of the Company.

A.1.3. Amount and nature of the fixed components expected to be accrued during the year by directors for their duties as such.

The fixed remuneration of the Directors for performance of their duties as such in the current year (2024) will be set at the Annual General Meeting to be held in 2025.

As determined in the current Directors' Remuneration Policy, in the light of the circumstances and the Group's business performance during this year (2024), the Nomination and Remuneration Committee will submit a proposal that it considers appropriate to the Board of Directors, which will in turn decide on a proposal it considers appropriate to lay before the Annual General Meeting to be held in 2025. It should be borne in mind that, according to Article 22 of the Articles of Association (and the current Remuneration Policy 2022-2024): "Both the fixed annual allocation for the Board of Directors as a whole and the amount of attendance fees shall be determined by the general meeting and shall remain in force until a resolution is passed to change them." Therefore, unless otherwise decided at the Annual General Meeting 2025, the fixed remuneration of the Directors for their duties as such accrued during this year (2024) will be the same as the amount established for the reporting period (2023). In this regard, on 19 February 2024 the Nomination and Remuneration Committee resolved to propose to the Board of Directors, submitting a favourable report, that the fixed remuneration for the Board of Directors as a whole for 2023 should be the same as that established for

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2022 (i.e. 2,850,000 euros). Similarly, the Nomination and Remuneration Committee resolved to propose to the Board of Directors that the attendance fees for Board of Directors and Committee meetings be maintained, in 2024, at 1,600 euros gross for Board of Directors meetings and 800 euros for Committee meetings.

The criteria established in the current Remuneration Policy 2022-2024 (which are the same as those set in the previous policy) will be applicable for distribution among the different Board of Directors members of the global fixed remuneration of the Directors for their duties as such during the present year. Accordingly, distribution will be based on a points system, where points are assigned to each Director according to the following scale (established by the Board of Directors in 2006, following the proposal submitted by the Nomination and Remuneration Committee):

- Member of the Board of Directors: 1 point
- Chairman of the Board of Directors: 1 point
- Vice-Chairman of the Board of Directors: 0.5 points
- Member of the Executive Committee: 1 point
- Committees other than the Executive Committee:
-- Member of the Committee: 0.2 points
-- Committee Chairman: 0.05 points per meeting
-- Committee Members: 0.03 points per meeting

The Board of Directors will set the individual remuneration of each Director this year subject to a report by the Nomination and Remuneration Committee and based on the application of the above scale.

A.1.4. Amount and nature of the fixed components accrued by executive directors during the year for senior management duties.

According to the criteria for annual review of the fixed remuneration of the Executive Chairman (the only Director who performs executive duties), he will receive a fixed cash remuneration of 1,500,000 euros gross this year (2024), which is the same amount as the gross fixed cash remuneration he received in the reporting period (2023).

It should be borne in mind that although it was stated in the Directors' Remuneration Report 2021 that the Executive Chairman's remuneration for 2022 would be 1,560,000 euros (i.e. the remuneration of the previous year -2021- plus 4%, which was the percentage review of the executives' remuneration set by the Board of Directors generally for the Company's executives), after the amendment of the Remuneration Policy 2022-2024 approved at the Annual General Meeting held on 29 June 2022, the fixed remuneration of the Executive Chairman was frozen (with effect from 1 January 2022), so the 4% increase was no longer applicable in 2022 and has remained frozen since then.

In addition to that monetary remuneration, the Executive Director will also receive this year (2024), as fixed remuneration in kind, the private use of a Company car (see the following section).

The Chairman of the Board of Directors is the only executive Director performing executive duties. Although Hercalianz Investing Group, S.L. is recognised as an executive Director, it has never performed executive duties in Ebro Foods, S.A. or any subsidiary of the Group and, therefore, has received no remuneration for such duties. See the Explanatory Note Two in section D of this report regarding the classification of Hercalianz Investing Group, S.L. as an executive Director.

A.1.5. Amount and nature of any remuneration in kind that will be accrued during the year, including, but not limited to, insurance premiums paid for directors.

The Chairman of the Board of Directors, as the only executive Director performing executive duties, receives remuneration in kind to the extent of private use made of the Company car allocated to him. The value of this remuneration in kind estimated to accrue for the current year (2024) is 7,500 euros gross.

In addition, the Company has a Flexible Remuneration Scheme, through which it is possible to design the composition of remuneration of the executives included in the Scheme (including the Executive Chairman), so that they may receive part of that remuneration in the form of products and services previously selected by the Company. The value of those products and services is deducted from the gross salary of the executive, who is allocated in lieu the corresponding income in kind. These products and services include group medical insurance, housing rental, nursery, vehicle hire/lease and training. Under no circumstances do those items entail any additional remuneration to that received in cash, since the amounts paid by the Company to the corresponding service providers are deducted from the cash remuneration.

Moreover, in line with common practice in other comparable companies, the Company has taken out and maintains in force (and will continue to maintain in the current year) a liability insurance policy for its Directors and executives.

A.1.6. Amount and nature of the variable components, distinguishing between those established at short and long term. Financial and non-financial parameters -including among the latter social, environmental and climate change factors- selected to determine the variable remuneration in the current year. Explain to what extent those parameters are aligned with the performance of both the director and the company and their risk profile, and the methodology, necessary time and techniques contemplated to determine, at year-end, the effective level of achievement of the parameters used to design the variable remuneration. Explain the criteria and factors applied in respect of the time required and methods to check that the performance parameters -or any other parameters to which the accrual and vesting of each component of the variable remuneration was tied- have actually been met.

Indicate the range, in monetary terms, of the different variable components according to the level of achievement of the goals and parameters established and whether there is a maximum monetary amount in absolute terms.

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As mentioned earlier, the only Director who will receive variable remuneration this year (2024) (according to the Directors' Remuneration Policy 2022-2024) is the Chairman of the Board of Directors, as executive Director performing executive duties, and he will do so on similar terms to the other senior executives of the Company and its Group.

The variable remuneration of the Chairman of the Board of Directors for his executive duties includes:

(i) Ordinary annual variable remuneration:

According to the Directors' Remuneration Policy 2022-2024, the annual variable remuneration of the Executive Chairman is proportionate to the level of achievement of the target(s) for EBITDA (with a weight of 80%) and ROCE (with a weight of 20%) established in the consolidated budget for 2024.

The ordinary annual variable remuneration of the Executive Chairman for the performance of his executive duties accrues according to the following rules:

- If the targets are fully met (aggregate achievement of both targets -EBITDA and ROCE, with the weight corresponding to each one- equal to or greater than 100%), the annual variable remuneration is equivalent to 100% of the fixed remuneration.

- In the event of under-achievement of the targets, the ordinary annual variable remuneration will be reduced in proportion to the percentage fulfilment (under 100%) achieved, with a floor of 85%, below which no annual variable remuneration accrues. If aggregate achievement of those targets is between 100% and 85%, the annual variable remuneration will be determined proportionately.

- Strictly as an exception, considering the special dedication by the Executive Chairman to the performance of his executive duties and a temporary situation in the Company or Group, the Board of Directors may, at the proposal of the Nomination and Remuneration Committee, decide to raise the variable remuneration of the Executive Chairman to the maximum limit established of 100% of his fixed remuneration.

Accordingly, once the consolidated earnings of the Group in 2024 are known (in 2025, generally in February), the Nomination and Remuneration Committee will review the level of achievement and submit a proposal to the Board of Directors, for approval, regarding the annual variable remuneration to be received by the Executive Chairman for the current year (2024), based on the criteria indicated above.

In monetary terms and taking account of the above-mentioned rules of accrual, the annual variable remuneration of the Executive Chairman for 2024 may vary between 0 euros (if the aforesaid targets are met by less than 85%) and 1,500,000 euros gross (if targets are met by 100% or more).

(ii) Deferred annual variable remuneration:

According to the current Remuneration Policy 2022-2024, the Chairman of the Board of Directors is entitled to participate in the Deferred Annual Variable Remuneration Scheme (deferred annual bonus scheme) established for senior executives of the Ebro Foods Group, linked to fulfilment of the Strategic Plan 2022-2024. On the terms of that Policy, the deferred annual bonus that would be received by the Executive Chairman under the Scheme would be proportional to the degree of achievement of the targets set in the Policy (tied to the targets identified in the Strategic Plan 2022-2024), on the terms described in the Remunerations Policy.

The beneficiaries of the Scheme (including the Chairman of the Board of Directors as the only executive Director who performs executive duties) are only entitled to receive the deferred remuneration if they are still working in the Ebro Group at the date of payment. As an exception, the Scheme contemplates (as its precursor did) early payment in the event of: (i) termination of the employment relationship with the Company during the period of the Scheme owing to death or a final declaration of total, absolute or major disability; or (ii) takeover of the Group or any similar corporate operation.

The outlines of the future Scheme, established in the Directors' Remuneration Policy 2022-2024, are as follows:

- The targets of the Scheme for the first two years (2022, payable in 2024, and 2023, payable in 2025) are the consolidated annual EBITDA and EBITDA-CAPEX for those years established in the Strategic Plan 2022-2024, and accrual of 25% of the deferred bonus will be subject, in each of those years, to achievement of those targets.

- The level of achievement of the consolidated EBITDA will represent 80% of the deferred bonus for each year and the degree of achievement of the consolidated EBITDA-CAPEX will account for the remaining 20%.

- The targets of the Scheme for the final year (2024, payable in 2026) are: (i) the consolidated annual EBITDA and EBITDA-CAPEX for that year established in the Strategic Plan 2022-2024 (weighted at 80% and 20%, respectively), to which the accrual of 25% of the deferred bonus is tied; (ii) the aggregate sum of EBITDA of the years included in the Scheme (2022-2024) in comparison with the sum of those contemplated in the Strategic Plan 2022-2024, 12.5% of the deferred variable remuneration of the three-year period being subject to the outcome of that comparison; (iii) the global qualitative assessment by the Strategy and Investment Committee of the development of the Strategic Plan 2022-2024, making 6.25% of the deferred variable remuneration of the three-year period subject to the outcome of that assessment; and (iv) assessment by the Audit, Control and Sustainability Committee of achievement of the non-financial targets set by the Scheme from among those identified in the Strategic Plan 2022-2024, making 6.25% of the deferred variable remuneration of the three-year period subject to the outcome of that assessment. With regard to the latter two aspects, both committees will submit their respective proposals to the Nomination and Remuneration Committee.

- In the first two years of the Scheme (2022 and 2023):

a) In the event of aggregate achievement of 100% or over of the consolidated EBITDA and EBITDA-CAPEX targets established for those years in the Strategic Plan 2022-2024, the deferred annual bonus that would accrue for the Executive Director for the performance of those duties each year will be 100% of 25% (i.e. 25%) of the fixed remuneration established for the three-year period.

b) In the event of aggregate under-achievement of the aforesaid consolidated EBITDA and EBITDA-CAPEX targets established in the Strategic Plan 2022-2024 in either of the first two years of the three-year period, the deferred annual bonus that would accrue for the Executive Director for the performance of those duties in each of those two years will be reduced in proportion to the percentage of achievement (below 100%), floored at 85%, such that if the aggregate achievement of the targets is below 85%, the deferred bonus for that year will be zero.

In the third and final year of the Scheme (2024):

a) 25% of the fixed remuneration established for the three-year period will be determined according to the degree of aggregate achievement of the aforesaid consolidated EBIDTA and EBITDA-CAPEX targets established in the Strategic Plan 2022-2024 for that year. The provisions set out above for over-achievement and under-achievement will be applicable.

b) The final 25% of the fixed remuneration corresponding to the three-year period will be determined as follows, if appropriate:

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-- 50% (12.5% of the total fixed remuneration for the three-year period) according to the degree of achievement of the accumulated consolidated EBITDA target for the entire three-year period according to the Strategic Plan 2022-2024.

-- 25% (6.25% of the total fixed remuneration for the three-year period), in the percentage determined by the Board of Directors at the proposal of and subject to a report by the Nomination and Remuneration Committee, according to the assessment of the achievement of non-financial targets included in the Strategic Plan 2022-2024 and identified in the Scheme.

-- And the remaining 25% (6.25% of the total fixed remuneration for the three-year period), in the percentage determined by the Board of Directors at the proposal of and subject to a report by the Nomination and Remuneration Committee, according to the global qualitative assessment of the development of the Strategic Plan 2022-2024.

In the event of aggregate over-achievement or under-achievement of the aforesaid targets, the indications set out above for these situations will be applicable, including the 100% cap in the event of over-achievement.

- Each year (once the earnings of the preceding year are known), the Nomination and Remuneration Committee will review the level of achievement of the economic variables to which this deferred bonus is tied (EBITDA and EBITDA – CAPEX). The Nomination and Remuneration Committee will also review and validate, during the final year of the Scheme: (i) the proposed qualitative assessment of the development of the Strategic Plan 2022-2024 submitted by the Strategy and Investment Committee and (ii) the proposed assessment of the degree of achievement of the non-financial targets made by the Audit, Control and Sustainability Committee. After these verifications, the Nomination and Remuneration Committee will submit a proposal to the Board of Directors and the latter will determine the final amounts corresponding to the Executive Chairman (and the other executives included in the Scheme).

Based on the foregoing, the following should be taken into account with regard to the variable remuneration that might correspond to the Executive Chairman in 2024 within the Deferred Annual Remuneration Scheme tied to fulfilment of the Strategic Plan 2022-2024:

-- The review by the Nomination and Remuneration Committee of the degree of achievement of the targets set for that year and submission to the Board of Directors, for approval, of the annual bonus for 2024 to be received by the Executive Chairman (in 2026) will be made in 2025, once the consolidated earnings of the Group for 2024 have been determined (normally in February).

-- In monetary terms and taking account of the above-mentioned rules, the deferred annual variable remuneration of the Executive Chairman for 2024 may vary between 0 euros (if aggregate achievement of the targets is below 85%) and 2,250,000 euros gross (if aggregate achievement of the targets is 100% or more). The fixed remuneration for the three-year period is calculated based on the annual monetary fixed remuneration of the Executive Chairman in each of the years of the Scheme (which, as indicated above, is not subject to review, except in the event of extraordinary circumstances).

-- A provision will be recognised for the appropriate amount at year-end 2024 and it will be paid, if appropriate, in 2026.

-- Moreover, in the current year (2024), the Executive Chairman has received 1,125,000 euros gross as his deferred annual remuneration for 2022, the first year of the Deferred Annual Remuneration Scheme tied to fulfilment of the Strategic Plan 2022-2024. It should be noted that since this sum corresponds to the first year of the current Scheme, the deferred variable remuneration subject thereto was 25% of the variable remuneration of the three-year period.

The Scheme described above is not indexed to the value of the Company's share and the beneficiaries do not receive shares or any other rights thereover.

A.1.7. Main features of the long-term saving schemes. This information should include, inter alia, the contingencies covered by the scheme, whether it is defined-contribution or defined-benefit, the annual contribution to be made to defined-contribution schemes, the benefit to which beneficiaries are entitled under defined-benefit schemes, the conditions for the vesting of economic rights in favour of the directors and compatibility with any kind of termination benefit payable for or in connection with interruption or expiry of the contractual relationship between the company and the director.

State whether accrual or vesting of rights under any of the long-term savings schemes is subject to the achievement of certain targets or parameters related with the short and long-term performance of the director.

No contributions have been made in previous years, nor are any expected to be made this year (2024), to any pension funds or schemes for former or existing members of the Board of Directors (neither the Directors for their duties as such nor the executive Directors for the performance of executive duties) and no obligations have been contracted in this respect.

Nor have any contributions been made or obligations contracted for Directorships in other Group companies (for the Directors for their duties as such or the executive Directors for the performance of executive duties).

A.1.8. Any kind of payment or compensation for termination, early or otherwise, of the contractual relationship between the company and the director, at the initiative of the company or the director, and any arrangements agreed, such as exclusive dedication, minimum employment commitment, loyalty and no competition during and after employment.

No compensations have been arranged or paid for termination of Directors' duties (neither the Directors for their duties as such nor the executive Directors for the performance of executive duties).

A.1.9. State the terms and conditions to be respected in the contracts of executive directors performing senior management duties. Include information, inter alia, on the term, limits on severance pay and other compensations, continued service clauses, required notice, payment in lieu of notice and any other clauses relating to golden hellos, golden handshakes, golden parachutes or any other

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compensation payable on termination, early or otherwise, of the contractual relationship between the company and the executive director. Include, inter alia, details of any clauses or agreements on restraint of trade, exclusive dedication, minimum employment commitment, loyalty and no competition during and after employment, save as explained in the previous section.

Pursuant to sections 249, 529 octodecies and 529 quindecies of the Corporate Enterprise Act and Article 22 of the Articles of Association, the Board of Directors is competent to establish the terms of contracts to be signed by the Company with its executive Directors having executive duties, at the proposal of the Nomination and Remuneration Committee and within the confines of Directors' Remuneration Policy approved by the General Meeting.

According to the Directors' Remuneration Policy 2022-2024, the principal terms of contract of the Executive Chairman (the only Director with executive duties) for his executive duties (apart from his remuneration, which is explained in other sections of this report) are as follows:

- Term: indefinite
- Notice: three months
- Termination benefits: none
- Continued service or post-contract no competition clauses: none

See the Explanatory Note in section D of this Report for the reasons why Hercalianz Investing Group, S.L. is classified as an executive Director.

As regards the possible incorporation in the future of other executive Directors, the Directors' Remuneration Policy 2022-2024 provides that the current remuneration scheme for executive Directors for the performance of executive duties and other aspects relating to their contractual relationship with the Company take into account that the only executive Director who performs those duties is a reference shareholder of the Company.

For this reason, if new executive Directors with executive duties join the Board of Directors during the effective term of the Directors' Remuneration Policy 2022-2024, it might be necessary to revise some of those aspects, such as: (i) establishment of the continued service and/or no competition clauses (and the corresponding remuneration) or (ii) inclusion in the remuneration of aspects indexed to the value of the Company's share or that entail the receipt of shares or rights thereover. In this case, the Policy would be amended and the corresponding amendment would be tabled before the General Meeting for approval on the terms stipulated in law.

A.1.10. The nature and estimated amount of any other supplementary remuneration that will accrue by directors this year for services rendered in addition to those inherent in their directorship.

No supplemental remuneration is expected to be earned by directors (directors for their duties as such or executive directors for the performance of executive duties) for services rendered in addition to those inherent in their directorship and/or the performance of executive duties.

A.1.11. Any other remuneration, such as advances, loans and guarantees granted to directors by the company, and other remuneration.

The Company has not granted and does not foresee granting this year (2024) any loans, advances or guarantees to members of the Board of Directors (the Directors for their duties as such or the executive Directors for the performance of executive duties), nor has it contracted any obligations on their behalf through guarantees or bonds.

A.1.12. The nature and estimated amount of any other supplementary remuneration not included in the preceding paragraphs, paid by the company or another company in the group, that will accrue in directors' favour this year.

The Executive Chairman receives attendance fees each year as Director of Riso Scotti, S.p.A., an associate that is not part of the Ebro Group, in which Ebro Foods, S.A. has a 40% interest (it is an associate consolidated by the equity method). This year (2024), the Executive Chairman is expected to receive a similar amount in attendance fees to that received in 2023 (5,200 euros p.a. gross).

It is put on record that in January 2024 the Executive Chairman stepped down as Director of Pastificio Lucio Garofalo, S.p.A (a subsidiary of the Ebro Foods Group), so he will not receive any attendance fees from that Company this year (2024). Last year (2023), the Executive Chairman received a sum of 5,000 euros gross in attendance fees.

A.2. Explain any significant change in the remuneration policy applicable this year, deriving from:

a) A new policy or modification of the policy already approved by the general meeting.

b) Significant changes in the specific criteria established by the board for this year within the current remuneration policy in respect of those applied in the previous year.

c) Proposals that the board has agreed to submit to the general meeting at which this annual report will be presented, for application to this year.

The current Directors' Remuneration Policy 2022-2024 is not expected to be modified during this year.

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This notwithstanding, the General Meeting at which this Report is to be put to an advisory vote will have to approve, if appropriate, the Remuneration Policy 2025-2027, in pursuance with the Corporate Enterprises Act section 529 novodecies, which requires the proposals of new Directors' remuneration policies to be laid before the general meeting before the end of the last year of application of the previous policy.

A.3. Indicate the direct link to the document containing the current remuneration policy of the company, which must be available on the company's website.

https://www.ebrofoods.es/wp-content/uploads/2023/06/Consolidated-text-of-Directors-Remunerations-Policy-2022-2024.pdf

A.4. In view of the details provided in section B.4, explain how the shareholders' advisory vote at the general meeting on the annual report on remuneration of the previous year has been taken into account.

Given the large majority of the capital that voted in favour in the advisory vote on the Directors' Remuneration Report for 2022, with more than two-thirds of the capital present and represented at the General Meeting voting for the approval (74.2020%, with 12.7425% abstaining), it has not been considered necessary to take any measures in this regard.

B. OVERALL SUMMARY OF APPLICATION OF THE REMUNERATION POLICY DURING THE REPORTING PERIOD

B.1.1. Explain the process followed to apply the remuneration policy and determine the individual remunerations reflected in section C of this report. This information should include the role played by the remuneration commission, the decisions taken by the board and, if appropriate, the identity and role of the external advisers whose services were used in the process of applying the remuneration policy during the reporting period.

a) Remuneration of Directors for their duties as such.

The fixed remuneration for all the Directors for their duties as such for 2022 was paid during the reporting period (2023).

In this regard, the Nomination and Remuneration Committee resolved on 15 February 2023 to submit a proposal to the Board of Directors, to be tabled by the latter at the Annual General Meeting held that year (2023), to set the fixed remuneration of all the Directors for their duties as such for the previous year (2022) at 2,850,000 euros gross. The Nomination and Remuneration Committee further proposed maintaining the amount of attendance fees for Board of Directors meetings (1,600 euros gross per meeting) and meetings of the Board Committees (800 euros gross per meeting). On 27 February 2023, the Board of Directors resolved to table a motion with that proposal of the Nomination and Remuneration Committee at the Annual General Meeting to be held in 2023, and the motion was passed by an ample majority at that Annual General Meeting, held on 6 June 2023.

Based on the foregoing and the resolutions passed at the Board of Directors and Committee meetings held in 2022, the aggregate annual fixed remuneration of the Directors for their duties as such for 2022 (set in 2023) was distributed as follows:

- membership of the Board of Directors: a total sum of 1,891,826.90 euros gross
- membership of the Board Committees: a total sum of 958,137.00 euros gross.

The fees for attendance of Board of Directors and Committee meetings of Ebro Foods, S.A. in 2022 amounted to 328,000 euros gross.

At a meeting on 19 February 2024, the Nomination and Remuneration Committee resolved to submit a proposal to the Board of Directors (to be tabled at the Annual General Meeting in 2024) to set the aggregate fixed remuneration for all the Directors for their duties as such for the reporting period (2023) at 2,850,000 euros gross (the same amount as in 2022). It further proposed maintaining the amount of attendance fees for Board of Directors meetings (1,600 euros gross per meeting) and meetings of the Board Committees (800 euros gross per meeting).

On 29 February 2024, the Board of Directors resolved to table a motion with that proposal at the Annual General Meeting to be held in 2024.

If that amount is approved at the Annual General Meeting held in 2024, it will be distributed among the Board of Directors members in accordance with the prevailing distribution criteria (see section A.1 of this Report and its continuation in section D). Based on those criteria, the annual fixed assignment to Directors for their duties as such for 2023, considering the meetings of the Board of Directors and its Committees during that year, would be as follows:

- membership of the Board of Directors: a total sum of 1,844,852.78 euros gross
- membership of the Board Committees: a total sum of 1,005,147.17 euros gross.

The attendance fees for Board of Directors and Committee meetings of Ebro Foods, S.A. in 2023 would amount to 324,000 euros gross.

The total amount of the fixed assignment to Directors for their duties as such is distributed among the individual Directors based on the points system established in the Remuneration Policy in place from time to time (see section A.1.3 of this Report). For this purpose, in view of a report by the Nomination and Remuneration Committee, the Board of Directors approves the individual remuneration of each Director in view of the Board Committees they are on and the number of meetings held by those committees.

b) Remuneration of the Chairman of the Board of Directors as executive Director for the performance of executive duties.

In 2023, the fixed cash remuneration of the Executive Chairman (the only Director with executive duties) for the performance of his executive duties was 1,500,000 euros gross. This is the fixed remuneration established in the Directors' Remuneration Policy 2022-2024 after the amendment approved at the Annual General Meeting held on 29 June 2022.

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With regard to the annual variable remuneration for the reporting period (2023), on 19 February 2023 the Nomination and Remuneration Committee examined the degree of achievement of the consolidated EBITDA targets indicated in the budget, which are the variables taken to determine the annual bonus of the Executive Chairman in 2023, and submitted the corresponding report to the Board of Directors in respect of that annual variable remuneration. It should be recalled at this point that according to the current Directors' Remuneration Policy 2022-2024 following the amendment approved at the Annual General Meeting of 6 June 2023, the Executive Chairman's annual bonus for 2023 was capped, in the event of over-achievement of targets, to 100% of the amount thereof (i.e. 100% of his annual fixed remuneration).

Similarly, on 19 February 2024 the Nomination and Remuneration Committee reviewed the level of achievement of the quantitative and qualitative targets to which the long-term variable remuneration for 2023 is tied, according to the Deferred Annual Bonus Scheme 2022-2024. Since 2023 is the second year of the Scheme, up to 25% of the deferred variable remuneration for the three-year period corresponds to that year, depending on the aggregate achievement of the EBIDTA and EBITDA-CAPEX targets set in the Strategic Plan 2022-2024 for 2023.

Accordingly, the sums corresponding to the Chairman of the Board of Directors (the only Director with executive duties) for the performance of executive duties in the reporting period (2023), according to his contract and the Directors' Remuneration Policy 2022-2024 and after the corresponding verifications by the Nomination and Remuneration Committee, are as follows:

- Fixed remuneration: 1,508,000 euros gross (1,500,000 euros gross of fixed cash remuneration and 8,000 euros gross in kind).

- Short-term ordinary annual variable remuneration: 1,500,000 euros gross.

- Deferred annual variable remuneration: 1,125,000 euros gross. A provision for this amount has been recognised in the annual accounts at 31 December 2023, as a provisional estimate of the deferred annual bonus corresponding to the Chairman of the Board of Directors (as executive Director and for the performance of executive duties) and it will be paid in 2025, provided that the Executive Chairman is still in the Group at that time, as explained earlier. It should be borne in mind that 25% of the variable remuneration corresponding to the three-year period was determined in 2023, the second year of the Deferred Annual Bonus Scheme 2022-2024.

In addition, during the reporting period (2023), the Executive Chairman received the sum of 1,897,670.85 euros gross as deferred annual variable remuneration for 2021, paid in 2023. A provision for that amount had been recognised in the 2021 accounts. It should be borne in mind that 50% of the variable remuneration corresponding to the three-year period was determined in 2021, the final year of the Deferred Annual Bonus Scheme 2019-2021.

B.1.2. Explain any deviation during the year from the procedure established for application of the remuneration policy.

There were no deviations in 2023 from the procedure established for application of the Directors' Remuneration Policy 2022-2024.

B.1.3. State whether any temporary exception to the remuneration policy has been applied and, if so, explain the exceptional circumstances giving rise to those exceptions, the specific components of the remuneration policy that were affected and the reasons why the company considered those exceptions necessary for the long-term interests and sustainability of the company overall or to guarantee its viability. Quantify the impact that the application of those exceptions has had on the remuneration of each director during the year.

No temporary exceptions to the Directors' Remuneration Policy 2022-2024 were applied during 2023.

B.2. Explain the different actions taken by the company regarding the remuneration system and how they have contributed to reducing excessive risk exposure, and align it with the long-term goals, values, and interests of the company, indicating what measures have been adopted to ensure that remuneration has accrued in consideration of the long-term results of the company, striking an appropriate balance between the non-variable and variable components of remuneration, what measures have been taken with respect to those categories of personnel whose professional activities have a significant impact on the company's risk profile, and what measures have been taken to avoid conflicts of interest, where necessary.

The Deferred Annual Variable Remuneration Scheme in place during the reporting period (2023), i.e. the one linked to the Strategic Plan 2022-2024, makes the payment of bonuses conditional upon meeting targets set each year and the beneficiary's continued employment in the Group at the date of payment established for those bonuses, except in cases of: (i) death or disability of the beneficiary or (ii) takeover in the Group or a similar corporate operation or any other extraordinary circumstance which may, in the Board of Directors's opinion, materially affect the Scheme.

The general conditions of the Scheme include an adjustment clause whereby the Board of Directors will adopt such resolutions as may be necessary to ensure that in any event or corporate operation or other extraordinary circumstances that might affect the calculation of deferred remuneration payable, the gross remuneration will be equivalent to the remuneration that would have been payable had that circumstance not existed.

The Scheme also includes a clawback clause whereby the Board of Directors may require the total repayment or part of any deferred bonus paid under the Scheme when it considers such amounts to have been unduly paid, either because the amounts paid under the Scheme do not correspond to the degree of fulfilment of the required targets, or because they were calculated on the basis of data subsequently proved to be misstated.

Finally, as indicated earlier, the Scheme is structured in such a way that the deferred annual bonus corresponding to any of the years within the Scheme will be paid 11 months after being determined (after checking the degree of fulfilment of the targets), so by the time they are paid, a reasonable time will have passed (approx. 14 months), enabling greater certainty as to the accuracy of the information used to calculate the bonus. The remuneration corresponding to members of the Scheme in 2023 will thus be paid in 2025, provided they are still employed in the Ebro Group.

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B.3. Explain how the remuneration accrued and vested during the year complies with the provisions of the current remuneration policy and, in particular, how it contributes to the company's long-term sustainable profitability.

Describe the relationship between the remuneration received by the directors and the earnings or other short and long-term performance indicators of the company explaining, where appropriate, how any variations in the company's performance may have had a bearing on the variation in directors' remuneration, including any deferred remuneration, and how they contribute to the short and long-term results of the company.

As explained elsewhere in this Report, the remuneration of the Directors for their duties as such is set by the General Meeting of Shareholders, so the General Meeting must assess the remuneration proposed in view of the performance of the Company and its Group.

The variable remuneration (both ordinary and deferred) of the Chairman of the Board of Directors as Executive Director, for his executive duties, is tied to the development of the Group's business, being determined in view of the level of achievement of the targets set (linked to the future targets of the Group), as indicated in this Report and in the Directors' Remuneration Policy.

In the reporting year (2023), the Directors' Remuneration Policy 2022-2024 expressly contemplated both principles.

It should be noted in particular that the variable remuneration of the Executive Chairman (the only Director with executive duties) for his executive duties is tied to the achievement of quantitative and qualitative targets. This is designed to link his remuneration to the short and long-term development of the Company. So through achievement of the financial targets set for each year (either in the budget, for the annual variable remuneration, or in the Strategic Plan 2022-2024, for the remuneration received by virtue of his participation in the Deferred Annual Bonus Scheme), the remuneration of the Executive Chairman is tied to the evolution of the Group's results.

B.4. Report on the results of the advisory vote by the general meeting on the annual report on remuneration of the previous year, indicating the number of abstentions, blank votes and votes for and against.

	Number	% total
Votes cast	127,788,065	83.05

	Number	% votes cast
Votes against	16,767,619	13.12
Votes for	95,042,356	74.38
Blank votes	2,194	0.00
Abstentions	15,975,896	12.50

Comments

B.5. Explain how the fixed components accrued and vested during the year by the directors for their duties as such were determined, their relative proportion for each director and how they have varied in respect of the previous year.

As explained earlier, the fixed remuneration of the Directors for their duties as such is set by the General Meeting, following assessment and a proposal by the Nomination and Remuneration Committee and the Board of Directors.

The proposal by the Nomination and Remuneration Committee and the Board of Directors generally takes into account the economic situation of the Group and the development of its business, as well as the number of Board members (being a collective remuneration for all the Directors for their duties as such).

Accordingly, the Annual General Meeting held on 6 June 2023 resolved to set the collective remuneration of all the Directors for their duties as such for 2022 at 2,850,000 euros gross p.a..

With regard to the remuneration for 2023, the Board of Directors resolved on 29 February 2024, at the proposal of the Nomination and Remuneration Committee, to table a motion at the Annual General Meeting in June 2024 to maintain the collective fixed remuneration for the Directors for their duties as such at 2,850,000 euros gross.

That sum was distributed among the individual Directors (for 2022) and will be distributed (for 2023) on the basis of the points system explained in section A.1.3 of this Report and in the Directors' Remuneration Policy 2022-2024.

B.6. Explain how the salaries accrued and vested by each of the executive directors for their management duties was determined in the reporting period and how they have varied in respect of the previous year.

In 2023 (the reporting period), the fixed cash remuneration of the Executive Chairman (the only Director with executive duties) for the performance of executive duties is specified in his contract. As indicated in the Directors' Remuneration Policy 2022-2024, the fixed cash remuneration for 2023 was 1,500,000 euros gross.

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This is the same amount he received in the previous year (2022).

The amounts of variable remuneration in 2023 (both ordinary and deferred) are determined by the Nomination and Remuneration Committee, which checks the level of achievement of the targets to which that variable remuneration is tied and submits a proposal to the Board of Directors. In this regard, the variable remuneration corresponding to the Executive Chairman for 2023 were:

- 1,500,000 euros gross in annual variable remuneration (having applied the cap thereon for over-achievement of the applicable targets), this being the same amount that was accrued in 2022; and

- 1,125,000 euros gross in deferred annual remuneration for 2023 (the same amount as in 2022). A provision for this amount has been recognised in the annual accounts 2023 as a provisional estimate of the deferred annual bonus corresponding to the Chairman of the Board of Directors (as executive Director and for the performance of executive duties) and it will be paid in 2025. It should be borne in mind that in accordance with the Deferred Annual Bonus Scheme, 25% of the variable remuneration corresponding to the three-year period accrued in 2023 (the second year of the Scheme).

In accordance with the Deferred Annual Bonus Scheme and the collection criteria applicable to the sums accruing thereunder, in 2023 the Executive Chairman received the sum accrued in 2021 for his participation in the previous Deferred Annual Bonus Scheme 2019-2021: 1,897,670.85 euros gross. It should be remembered here that, in accordance with the previous Deferred Annual Bonus Scheme tied to the Strategic Plan 2019-2021, in 2023 he received the amount corresponding to the final year of the previous Scheme: 50% of the variable remuneration for the three-year period 2019-2021.

B.7. Explain the nature and main features of the variable components of the remuneration schemes accrued and vested during the reporting period.

In particular:

a) Identify each of the remuneration schemes that determined the variable remunerations accrued by each of the directors during the reporting period, including information on the scope, date of approval, date of implementation, vesting conditions if any, accrual and effective periods, criteria used to assess performance and the effect they had on the setting of the variable amount accrued, as well as the measurement criteria used and the time necessary to be in a position to measure adequately all the conditions and criteria stipulated. Include a detailed explanation of the criteria and factors applied with regard to the required time and the methods for checking that the performance and any other requirements on which the accrual and vesting of each component of the variable remuneration was conditional were actually met.

b) In the case of stock options and other financial instruments, the general features of each scheme shall include information on the conditions for acquiring unconditional rights (vesting) and exercising those options or financial instruments, including the price and time for exercise.

c) Each of the directors and their category (executive directors, non-executive proprietary directors, non-executive independent directors and other non-executive directors) who are beneficiaries of remuneration systems or schemes that include variable remuneration.

d) If applicable, provide information on any payment deferral periods established that have been applied and/or the periods for retaining/not disposing of shares or other financial instruments, if any.

Explain the short-term variable components of the remuneration schemes:

Variable remuneration (short and long-term) for the performance of executive duties corresponds exclusively to the Chairman of the Board of Directors, the only Director performing executive duties, on the terms set out elsewhere in this report.

The ordinary annual variable remuneration established in the executive Director's contract is proportionate to the level of achievement of the targets set for each year by the Board of Directors, based on a proposal by the Nomination and Remuneration Committee. As established in the Directors' Remuneration Policy 2022-2024, accrual of the Executive Chairman's annual bonus for the reporting year (2023) is tied to the level of achievement of the Group's targets for consolidated EBITDA (with a weight of 80%) and ROCE (with a weight of 20%) set in the 2023 budget. See in this regard section A.1.6 of this Report.

Once the results of the preceding year are available (normally in February of the following year) the Nomination and Remuneration Committee checks the level of achievement of the target, which is taken as the basis for determining the annual variable remuneration, if any, payable to the Executive Chairman.

The annual variable remuneration of the Executive Chairman is monetary.

Neither the Executive Chairman nor any Director participates in stock option schemes or similar schemes in respect of other financial instruments.

Explain the long-term variable components of the remuneration schemes:

Only the Executive Chairman, the only Director with executive duties, receives a long-term annual variable remuneration.

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That long-term variable remuneration derives from the participation of the Executive Chairman, together with the senior executives of the Group, in the Deferred Annual Bonus Scheme (which is in turn tied to the three-year Strategic Plan in place from time to time).

The payment of bonuses is conditional upon meeting the targets set each year by the Remuneration Scheme and the beneficiary's continued employment in the Group at the date of payment established for those bonuses, except in cases of: (i) death or disability of the beneficiary or (ii) takeover in the Group or a similar corporate operation, or any other extraordinary circumstance which may, in the Board's opinion, materially affect the Scheme.

The targets to which the long-term bonus is tied are those identified in the Scheme for each year of the three-year period 2022-2024. A more detailed explanation is given in section A.1.6 of this Report.

Bonuses are paid 11 months after being determined (after checking the degree of achievement of the targets), so by the time they are paid, more than one year has passed since the end of the year to which the bonus corresponds.

Once the results of the preceding year are available, the Nomination and Remuneration Committee checks the degree of achievement of the quantitative targets taken as the basis for determining the remuneration corresponding to each year of the Scheme. Regarding the qualitative aspects, to which the long-term bonus is tied, the assessment by the Nomination and Remuneration Committee is made following reports by the Strategy and Investment Committee and the Audit, Control and Sustainability Committee, on the terms indicated in this Report.

B.8. Indicate whether certain variable components accrued have been adjusted downward after deferral of the payment of non-vested amounts, or repayment has been claimed after vesting and payment of those components, in view of information subsequently found to be inaccurate. State the amounts reduced or repaid by application of the malus and clawback clauses, why these clauses were enforced and the years to which they correspond.

No such circumstances have existed.

B.9. Explain the main features of the long-term savings schemes, the amount or equivalent annual cost of which is indicated in the tables in Section C, including retirement and any other survival benefit, wholly or partially financed by the company with internal or external funds, stating the type of scheme, whether it is defined-contribution or defined-benefit, the contingencies it covers, the conditions for the vesting of economic rights in favour of the directors and the compatibility thereof with any kind of termination benefit payable upon interruption of the contractual relationship between the company and the director.

There are no such schemes.

B.10. State any compensations or other kind of payment accrued and/or received by directors during the reporting period upon termination of their contracts, at the initiative of the company or the director, early or at the end of the specified term.

No compensation has been arranged or paid for termination of Directors' duties (to Directors for their duties as such or executive Directors for their executive duties).

B.11. State whether there have been any significant modifications in the contracts of senior executives or executive directors and explain those changes, if any. Explain the main terms and conditions of the new contracts signed with executive directors during the reporting period, unless they have been explained in section A.1.

As resolved by the Board of Directors on 27 February 2023 at the proposal of the Nomination and Remuneration Committee (in response to a proposal submitted by the Executive Chairman), the annual variable remuneration of the Executive Chairman was capped at 100% of his fixed remuneration in the event of over-achievement of targets (as opposed to the 150% cap applicable prior to that), with effect from 1 January 2022 (i.e. being applicable immediately to the short-term bonus for 2022, determined in 2023).

That modification of the conditions applicable to the Executive Chairman's annual variable remuneration gave rise to the consequent amendment of the Directors' Remuneration Policy 2022-2024, which was approved at the Annual General Meeting held on 6 June 2023.

B.12. Explain any supplementary remuneration accrued by directors in consideration for services rendered other than those corresponding to their office as such.

As explained earlier, no supplementary remuneration is earned by the Directors (for their duties as such or for executive duties) in consideration for services rendered other than those corresponding to their office or, exclusively with regard to the Executive Chairman, to the performance of executive duties. However, as also mentioned earlier (see section A.1.12 of this Report), the Executive Chairman received in 2023 annual attendance fees as a Director of a Company in the Pastificio Lucio Garofalo S.p.A. Group (a position he no longer has in 2024) and Riso Scotti, S.p.A., an associate that is not part of the Group.

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

B.13. Explain any remuneration deriving from advances, loans or guarantees granted, indicating the interest rate, the essential terms and conditions and the amounts repaid, if any, as well as any obligations assumed on their behalf through guarantees.

Neither the company nor any other companies in the Group have granted any loans, advances or guarantees to members of the Board of Directors (to the Directors for their duties as such or the executive Directors for the performance of executive duties) or contracted any obligations on their behalf through guarantees or bonds.

B.14. Describe the remuneration in kind accrued by directors during the year, including a brief explanation of the nature of the different remuneration components.

As explained earlier (see sections A.1.4 and A.1.5 of this Report), only the Chairman of the Board of Directors, as the only executive Director with executive duties, receives remuneration in kind, consisting of the private use made of the Company car allocated to him. The value of the remuneration in kind for the reporting year (2023), valued at 8,000 euros, is included within the fixed remuneration of the executive Director accrued in 2023.

In addition, the Company has a Flexible Remuneration Scheme, through which it is possible to design the composition of remuneration of the executives included in the Scheme (including the Chairman of the Board of Directors), so that they may receive part of that remuneration in the form of products and services previously selected by the Company. The value of those products and services is deducted from the gross salary of the executive, who is allocated in lieu the corresponding income in kind. These products and services include group medical insurance, housing rental, nursery, vehicle hire/lease and employee training.

Therefore, these items do not entail additional remuneration to that received in cash, since the amounts paid by the Company to the corresponding service providers are deducted from the beneficiary's cash remuneration.

B.15. Explain the remuneration accrued by the director by virtue of the payments made by the listed company to a third entity to which the director renders services, when those payments are intended to remunerate said director's services in that company.

No payments of this nature have been made.

B.16. Explain and provide details of the amounts accrued during the year in connection with any item of remuneration other than those listed above, of whatever nature and provenance within the group, including all benefits in whatsoever form, such as when it is considered a related party transaction or when it may distort the true and fair view of the total remuneration accrued by the director. The amount awarded or pending payment, the nature of the payment received and the reasons, where appropriate, why it has been considered not to form part of the director's remuneration, for their duties as such or for executive duties, and whether or not it has been considered appropriate to include it within the amounts accrued as "other items" in section C.

As explained earlier, there are no remunerations other than those listed above, without prejudice to the fees received by the Chairman of the Board of Directors as Director of Pastificio Lucio Garofalo, S.p.A. (a subsidiary of the Ebro Foods Group), of 5,000 euros gross in 2023. As also mentioned earlier, the Chairman of the Board of Directors will no longer receive attendance fees from that subsidiary this year (2024).

It is also put on record that during 2023 the Chairman of the Board of Directors also received Directorship fees from Riso Scotti, S.p.A. in a sum of 5,200 euros gross. As indicated in Article A.1, point 12, above, Riso Scotti, S.p.A. is an associate and does not form part of the Ebro Foods Group.

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

C. DETAILS OF INDIVIDUAL REMUNERATION ACCRUED BY EACH DIRECTOR

Name	Type	Accrual period 2023
ANTONIO HERNÁNDEZ CALLEJAS	Executive Chairman	From 01/01/2023 to 31/12/2023
DEMETRIO CARCELLER ARCE	Proprietary Vice-Chairman	From 01/01/2023 to 31/12/2023
BELÉN BARREIRO PÉREZ-PARDO	Independent Director	From 01/01/2023 to 31/12/2023
MARÍA CARCELLER ARCE	Proprietary Director	From 01/01/2023 to 31/12/2023
FERNANDO CASTELLÓ CLEMENTE	Independent Director	From 01/01/2023 to 31/12/2023
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	Proprietary Director	From 01/01/2023 to 31/12/2023
CORPORACIÓN FINANCIERA ALBA, S.A.	Proprietary Director	From 01/01/2023 to 31/12/2023
MERCEDES COSTA GARCÍA	Independent Director	From 01/01/2023 to 31/12/2023
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Proprietary Director	From 01/01/2023 to 31/12/2023
JAVIER FERNÁNDEZ ALONSO	Proprietary Director	From 29/07/2023 to 31/12/2023
GRUPO TRADIFÍN, S.L.	Proprietary Director	From 01/01/2023 to 31/12/2023
HERCALIANZ INVESTING GROUP, S.L.	Executive Director	From 01/01/2023 to 31/12/2023
MARC THOMAS MURTRA MILLAR	Independent Director	From 31/01/2023 to 31/12/2023
JORDI XUCLÀ COSTA	Independent Director	From 30/03/2023 to 31/12/2023

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

C.1. Complete the following tables regarding the individual remuneration of each of the directors (including the remuneration for executive duties) accrued during the financial year.

a) Remuneration accrued in the reporting company:

i) Remuneration in cash (thousand euros)

Name	Fixed remuneration	Attendance fees	Remuneration as members of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Termination benefits	Other items	Total 2023	Total 2022
ANTONIO HERNÁNDEZ CALLEJAS	238	22	146	1,508	1,500	1,898			5,312	4,483
DEMETRIO CARCELLER ARCE	179	26	183						388	396
BELÉN BARREIRO PÉREZ-PARDO	119	22	35						176	177
MARÍA CARCELLER ARCE	119	18							137	140
FERNANDO CASTELLÓ CLEMENTE	119	30	82						231	221
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	119	19	27						165	169
CORPORACIÓN FINANCIERA ALBA, S.A.	119	18							137	140
MERCEDES COSTA GARCÍA	119	30	74						223	220
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	119	18							137	140
JAVIER FERNÁNDEZ ALONSO	119	29	186						334	333
GRUPO TRADIFÍN, S.L.	119	30	74						223	215
HERCALIANZ INVESTING GROUP, S.L.	119	19	27						165	169
MARC THOMAS MURTRA MILLAR	119	27	170						316	301
JORDI XUCLÀ COSTA	119	18							137	115

Comments

The total remuneration of the Directors in 2023 amounted to 8,079,680 euros gross, rounded off to 8,080 thousand euros. This total sum in thousands differs from the amount indicated in the table as a result of the rounding off to thousands of the individual remuneration of each Director.

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

ii) Table of changes in share-based remuneration schemes and gross earnings on the vested shares or financial instruments.

Name	Name of Scheme	Financial instruments at beginning of 2023		Financial instruments awarded during 2023		Financial instruments vested during the year				Instruments mature and not exercised	Financial instruments at end of 2023	
		No. instruments	Equivalent shares	No. instruments	Equivalent shares	No. instruments	Equivalent/ vested shares	Price of vested shares	Gross earnings on vested shares or financial instruments (€ thousand)	No. instruments	No. instruments	Equivalent shares
ANTONIO HERNÁNDEZ CALLEJAS	Scheme							0.00				
DEMETRIO CARCELLER ARCE	Scheme							0.00				
BELÉN BARREIRO PÉREZ-PARDO	Scheme							0.00				
MARÍA CARCELLER ARCE	Scheme							0.00				
FERNANDO CASTELLÓ CLEMENTE	Scheme							0.00				
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	Scheme							0.00				
CORPORACIÓN FINANCIERA ALBA, S.A.	Scheme							0.00				
MERCEDES COSTA GARCÍA	Scheme							0.00				
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Scheme							0.00				
JAVIER FERNÁNDEZ ALONSO	Scheme							0.00				

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

Name	Name of Scheme	Financial instruments at beginning of 2023		Financial instruments awarded during 2023		Financial instruments vested during the year				Instruments mature and not exercised	Financial instruments at end of 2023	
		No. instruments	Equivalent shares	No. instruments	Equivalent shares	No. instruments	Equivalent/ vested shares	Price of vested shares	Gross earnings on vested shares or financial instruments (€ thousand)	No. instruments	No. instruments	Equivalent shares
GRUPO TRADIFÍN, S.L.	Scheme							0.00				
HERCALIANZ INVESTING GROUP, S.L.	Scheme							0.00				
MARC THOMAS MURTRA MILLAR	Scheme							0.00				
JORDI XUCLÀ COSTA	Scheme							0.00				

Comments

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

iii) Long-term savings schemes

Name	Remuneration from vesting of rights in savings schemes
ANTONIO HERNÁNDEZ CALLEJAS	
DEMETRIO CARCELLER ARCE	
BELÉN BARREIRO PÉREZ-PARDO	
MARÍA CARCELLER ARCE	
FERNANDO CASTELLÓ CLEMENTE	
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	
CORPORACIÓN FINANCIERA ALBA, S.A.	
MERCEDES COSTA GARCÍA	
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	
JAVIER FERNÁNDEZ ALONSO	
GRUPO TRADIFÍN, S.L.	
HERCALIANZ INVESTING GROUP, S.L.	
MARC THOMAS MURTRA MILLAR	
JORDI XUCLÀ COSTA	

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

	Contribution by company during the year (€ thousand)				Accumulated amount of funds (€ thousand)			
Name	Savings schemes with economic rights vested		Savings schemes with economic rights not vested		Savings schemes with economic rights vested		Savings schemes with economic rights not vested	
	2023	2022	2023	2022	2023	2022	2023	2022
ANTONIO HERNÁNDEZ CALLEJAS								
DEMETRIO CARCELLER ARCE								
BELÉN BARREIRO PÉREZ-PARDO								
MARÍA CARCELLER ARCE								
FERNANDO CASTELLÓ CLEMENTE								
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL								
CORPORACIÓN FINANCIERA ALBA, S.A.								
MERCEDES COSTA GARCÍA								
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.								
JAVIER FERNÁNDEZ ALONSO								

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

Name	Contribution by company during the year (€ thousand)				Accumulated amount of funds (€ thousand)			
	Savings schemes with economic rights vested		Savings schemes with economic rights not vested		Savings schemes with economic rights vested		Savings schemes with economic rights not vested	
	2023	2022	2023	2022	2023	2022	2023	2022
GRUPO TRADIFÍN, S.L.								
HERCALIANZ INVESTING GROUP, S.L.								
MARC THOMAS MURTRA MILLAR								
JORDI XUCLÀ COSTA								

Comments

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

iv) Details of other items

Name	Item	Amount
ANTONIO HERNÁNDEZ CALLEJAS	Item	
DEMETRIO CARCELLER ARCE	Item	
BELÉN BARREIRO PÉREZ-PARDO	Item	
MARÍA CARCELLER ARCE	Item	
FERNANDO CASTELLÓ CLEMENTE	Item	
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	Item	
CORPORACIÓN FINANCIERA ALBA, S.A.	Item	
MERCEDES COSTA GARCÍA	Item	
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Item	
JAVIER FERNÁNDEZ ALONSO	Item	
GRUPO TRADIFÍN, S.L.	Item	
HERCALIANZ INVESTING GROUP, S.L.	Item	
MARC THOMAS MURTRA MILLAR	Item	
JORDI XUCLÀ COSTA	Item	

Comments

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

b) Remuneration of directors of the company for directorships in other group companies:

i) Remuneration accrued in cash (€ thousand)

Name	Fixed remuneration	Attendance fees	Remuneration as members of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Termination benefits	Other items	Total 2023	Total 2022
ANTONIO HERNÁNDEZ CALLEJAS		5							5	5
DEMETRIO CARCELLER ARCE										
BELÉN BARREIRO PÉREZ-PARDO										
MARÍA CARCELLER ARCE										
FERNANDO CASTELLÓ CLEMENTE										
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL										
CORPORACIÓN FINANCIERA ALBA, S.A.										
MERCEDES COSTA GARCÍA										
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.										
JAVIER FERNÁNDEZ ALONSO										
GRUPO TRADIFÍN, S.L.										
HERCALIANZ INVESTING GROUP, S.L.										
MARC THOMAS MURTRA MILLAR										
JORDI XUCLÀ COSTA										

Comments

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

ii) Table of changes in share-based remuneration schemes and gross earnings on the shares or financial instruments vested.

Name	Name of Scheme	Financial instruments at beginning of 2023		Financial instruments awarded during 2023		Financial instruments vested during the year				Instruments mature and not exercised	Financial instruments at end of 2023	
		No. instruments	Equivalent shares	No. instruments	Equivalent shares	No. instruments	Equivalent/ vested shares	Price of vested shares	Gross earnings on shares or financial instruments vested (€ thousand)	No. instruments	No. instruments	Equivalent shares
ANTONIO HERNÁNDEZ CALLEJAS	Scheme							0.00				
DEMETRIO CARCELLER ARCE	Scheme							0.00				
BELÉN BARREIRO PÉREZ-PARDO	Scheme							0.00				
MARÍA CARCELLER ARCE	Scheme							0.00				
FERNANDO CASTELLÓ CLEMENTE	Scheme							0.00				
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	Scheme							0.00				
CORPORACIÓN FINANCIERA ALBA, S.A.	Scheme							0.00				
MERCEDES COSTA GARCÍA	Scheme							0.00				
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Scheme							0.00				
JAVIER FERNÁNDEZ ALONSO	Scheme							0.00				
GRUPO TRADIFÍN, S.L.	Scheme							0.00				
HERCALIANZ INVESTING GROUP, S.L.	Scheme							0.00				
MARC THOMAS MURTRA MILLAR	Scheme							0.00				
JORDI XUCLÀ COSTA	Scheme							0.00				

Comments

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

iii) Long-term savings schemes

Name	Remuneration from vesting of rights in savings schemes
ANTONIO HERNÁNDEZ CALLEJAS	
DEMETRIO CARCELLER ARCE	
BELÉN BARREIRO PÉREZ-PARDO	
MARÍA CARCELLER ARCE	
FERNANDO CASTELLÓ CLEMENTE	
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	
CORPORACIÓN FINANCIERA ALBA, S.A.	
MERCEDES COSTA GARCÍA	
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	
JAVIER FERNÁNDEZ ALONSO	
GRUPO TRADIFÍN, S.L.	
HERCALIANZ INVESTING GROUP, S.L.	
MARC THOMAS MURTRA MILLAR	
JORDI XUCLÀ COSTA	

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

Name	Contribution by company during the year (€ thousand				Accumulated amount of funds (€ thousand)			
	Savings schemes with economic rights vested		Savings schemes with economic rights not vested		Savings schemes with economic rights vested		Savings schemes with economic rights not vested	
	2023	2022	2023	2022	2023	2022	2023	2022
ANTONIO HERNÁNDEZ CALLEJAS								
DEMETRIO CARCELLER ARCE								
BELÉN BARREIRO PÉREZ-PARDO								
MARÍA CARCELLER ARCE								
FERNANDO CASTELLÓ CLEMENTE								
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL								
CORPORACIÓN FINANCIERA ALBA, S.A.								
MERCEDES COSTA GARCÍA								
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.								
JAVIER FERNÁNDEZ ALONSO								
GRUPO TRADIFÍN, S.L.								
HERCALIANZ INVESTING GROUP, S.L.								
MARC THOMAS MURTRA MILLAR								
JORDI XUCLÀ COSTA								

Comments

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

iv) Details of other items

Name	Item	Amount
ANTONIO HERNÁNDEZ CALLEJAS	Item	
DEMETRIO CARCELLER ARCE	Item	
BELÉN BARREIRO PÉREZ-PARDO	Item	
MARÍA CARCELLER ARCE	Item	
FERNANDO CASTELLÓ CLEMENTE	Item	
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	Item	
CORPORACIÓN FINANCIERA ALBA, S.A.	Item	
MERCEDES COSTA GARCÍA	Item	
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Item	
JAVIER FERNÁNDEZ ALONSO	Item	
GRUPO TRADIFÍN, S.L.	Item	
HERCALIANZ INVESTING GROUP, S.L.	Item	
MARC THOMAS MURTRA MILLAR	Item	
JORDI XUCLÀ COSTA	Item	

Comments

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

c) Summary of remunerations (thousand euros):

Include in the summary the amounts corresponding to all items of remuneration included in this report that have been accrued by the directors, in thousand euros.

	Remuneration accrued in the Company					Remuneration accrued in Group companies					
Name	Total cash remuneration	Gross earnings on shares or financial instruments vested	Remuneration from savings schemes	Remuneration for other items	Total 2023 company	Total cash remuneration	Gross earnings on shares or financial instruments vested	Remuneration from savings schemes	Remuneration for other items	Total 2023 group	Total 2023 company + group
ANTONIO HERNÁNDEZ CALLEJAS	5,312				5,312	5				5	5,317
DEMETRIO CARCELLER ARCE	388				388						388
BELÉN BARREIRO PÉREZ-PARDO	176				176						176
MARÍA CARCELLER ARCE	137				137						137
FERNANDO CASTELLÓ CLEMENTE	231				231						231
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	165				165						165
CORPORACIÓN FINANCIERA ALBA, S.A.	137				137						137
MERCEDES COSTA GARCÍA	223				223						223
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	137				137						137
JAVIER FERNÁNDEZ ALONSO	334				334						334
GRUPO TRADIFÍN, S.L.	223				223						223
HERCALIANZ INVESTING GROUP, S.L.	165				165						165
MARC THOMAS MURTRA MILLAR	316				316						316
JORDI XUCLÀ COSTA	137				137						137
TOTAL	8,081				8,081	5				5	8,086

Comments
The total remuneration of Directors accrued in the Company in 2023 was 8,079,680 euros gross, rounded off to 8,080 thousand euros. This differs from the amount indicated in the table as a result of the rounding off to thousands of the individual remuneration of each Director. The total remuneration accrued by the Directors in the Company plus the Group in 2023 was 8,084,680 euros gross, rounded off to 8,085 thousand euros. This differs from the amount indicated in the table as a result of the rounding off to thousands of the individual remuneration of each Director.

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C.2. Indicate the evolution over the past 5 years of the amount and percentage variation of the remuneration accrued by each of the directors who were directors of the listed company during the year, the consolidated earnings of the company and the average remuneration on a base equivalent to full time of the employees of the company and Group companies who are not directors of the listed company.

	Total amounts accrued and % annual variation								
	2023	% Variation 2023/2022	2022	% Variation 2022/2021	2021	% Variation 2021/2020	2020	% Variation 2020/2019	2019
Executive directors									
ANTONIO HERNÁNDEZ CALLEJAS	5,317	18.47	4,488	1.72	4,412	6.13	4,157	36.21	3,052
HERCALIANZ INVESTING GROUP, S.L.	165	-2.37	169	2.42	165	-4.07	172	1.18	170
Non-executive directors									
DEMETRIO CARCELLER ARCE	388	-2.02	396	1.80	389	-2.75	400	-0.25	401
BELÉN BARREIRO PÉREZ- PARDO	176	-0.56	177	0.57	176	-2.22	180	1.12	178
MARÍA CARCELLER ARCE	137	-2.14	140	0.72	139	-3.47	144	5.11	137
FERNANDO CASTELLÓ CLEMENTE	231	4.52	221	-1.34	224	0.00	224	-0.88	226
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	165	-2.37	169	2.42	165	-4.07	172	1.18	170
CORPORACIÓN FINANCIERA ALBA, S.A.	137	-2.14	140	0.72	139	-45.91	257	-23.28	335
MERCEDES COSTA GARCÍA	223	1.36	220	-2.65	226	0.00	226	0.44	225
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	137	-2.14	140	0.72	139	-3.47	144	5.11	137
JAVIER FERNÁNDEZ ALONSO	334	0.30	333	-0.30	334	138.57	140	-	0
GRUPO TRADIFIN, S.L.	223	3.72	215	-1.38	218	-0.91	220	-0.92	218
MARC THOMAS MURTRA MILLAR	316	4.98	301	-	0	-	0	-	0
JORDI XUCLÀ COSTA	137	19.13	115	-	0	-	0	-	0
Consolidated earnings of the company									
	186,964	53.18	122,059	-48.85	238,629	24.02	192,415	35.74	141,752
Average remuneration of employees									
	43,681	2.16	42,759	3.39	41,356	-3.71	42,948	1.63	42,261

ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

Comments

See Explanatory Note in section D of this Report regarding the classification of Hercalianz Investing Group, S.L. as an executive Director.

CNMV COMISIÓN NACIONAL DEL MERCADO DE VALORES

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D. OTHER INFORMATION OF INTEREST

If there are any material aspects relating to directors' remuneration that could not be disclosed in other sections of this report but that are necessary to provide a more comprehensive and fully reasoned picture of the remuneration structure and practices for the company's directors, describe them briefly.

CONTINUATION OF SECTION A.1.1 OF THIS REPORT

The principles behind the Directors' Remuneration Policy 2022-2024 are set out in section 3 thereof. Based on those principle, in the Directors' Remuneration Policy 2022-2024, the Directors' remuneration for this year (2024) is structured as follows:

a) All the Directors, as such, receive the fixed remuneration established each year by the General Meeting. The relevant proposal submitted by the Board of Directors to the Annual General Meeting will take account of the importance of the Company and its economic situation. Pursuant to Article 22 of the Articles of Association regarding Directors' remuneration, it is up to the General Meeting to set the annual fixed sum to be received by all the Directors, for their duties as such. Then, following a report by the Nomination and Remuneration Committee, the Board of Directors establishes the individual remuneration of each Director for their duties as such, taking into account the positions held by the Directors on the Board of Directors, their membership of Board Committees and any other objective circumstances that the Board of Directors may consider appropriate, within the framework of the Articles of Association and the Remuneration Policy. The Board of Directors will also decide on the timing of payments. For this purpose, a points system has been established in the terms described hereinbelow.

The Directors also receive, for their duties as such, fees for attending the meetings of the Board and any Board Committees they are on. The amount of those fees is also set by the General Meeting and remains in force until amended.

b) Non-executive Directors do not receive any variable remuneration based on the profits of the Company or Group.

c) The executive Directors (only the Executive Chairman for his executive duties), just like the other senior executives of the Group, also receive an annual remuneration for their executive duties according to the terms of their respective contracts. The remuneration structure of executive Directors (and other senior executives in the Group) includes the following components:

- annual fixed remuneration;
- short-term variable remuneration;
- deferred annual variable remuneration, linked to the Strategic Plan 2022-2024, as explained in this Report.

The fixed remuneration is the remuneration established in the corresponding contract signed between the Company and the Executive Committee. With regard to the variable remunerations, both short-term annual and deferred annual, the Nomination and Remuneration Committee rates each year the degree of achievement of the targets to which they are linked (established in the Remuneration Policy 2022-2024), taking account of any reports submitted by other Committees, and submits the corresponding proposal and report to the Board of Director in respect of the individual remuneration of the Executive Director in that year.

For this year (2024):

- The annual variable remuneration of the Executive Chairman (the only executive Director with executive duties) will be determined according to the level of achievement of the EBITDA (80%) and ROCE (20%) targets established in the consolidated annual budget 2024. That annual variable remuneration will be capped, in the event of over-achievement of targets, at 100% of the annual fixed remuneration.

- The deferred annual variable remuneration of the Executive Chairman will be determined according to: (i) the level of achievement of the EBITDA (80%) and EBITDA-CAPEX (20%) targets established for 2024 in the Group's consolidated Strategic Plan 2022-2024; (ii) the level of achievement of the aggregate consolidated EBITDA target for the three-year period established in the consolidated Strategic Plan 2022-2024; (iii) the level of achievement of the non-financial targets established for the three-year period; and (iv) the qualitative assessment of overall fulfilment of the Strategic Plan 2022-2024. In 2024, if the targets are achieved in the terms established in the Policy, a deferred annual bonus will accrue of up to 50% of the total remuneration subject to the Long-Term Incentive Plan, capped at 100% in the event of over-achievement of targets. The distribution of that percentage among the targets indicated is as follows:

--- Level of achievement of the EBITDA (80%) and EBITDA-CAPEX (20%) targets established for 2024 in the Group's consolidated Strategic Plan 2022-2024: 25%;

--- Level of achievement of the aggregate consolidated EBITDA target for the three-year period established in the consolidated Strategic Plan 2022-2024: 12.5%:

--- Level of achievement of the non-financial targets established for the three-year period: 6.25%: and

--- Qualitative assessment of overall fulfilment of the Strategic Plan 2022-2024: 6.25%.

The current Directors' Remuneration Policy 2022-2024 does not contemplate the application of any temporary exceptions.

EXPLANATORY NOTE REGARDING THE CLASSIFICATION OF HERCALIANZ INVESTING GROUP, S.L. AS EXECUTIVE DIRECTOR

As mentioned throughout this Report, although Hercalianz Investing Group, S.L. is classified as an Executive Director, it has never performed executive duties in Ebro Foods, S.A. or any subsidiary of the Ebro Group, so has never received and does not receive any remuneration as such.

Hercalianz Investing Group, S.L. has been classified as an Executive Director because its representative on the Board of Directors of Ebro Foods, S.A. (pursuant to section 212 bis of the Corporate Enterprises Act) is an executive and Director of several subsidiaries of the Ebro Group.

This annual remuneration report was approved by the board of directors of the company at its meeting on:

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22/03/2024

State whether any directors voted against or abstained in connection with the approval of this Report.

[√] Yes
[] No

Name of board member (s) who did not vote for approval of this report	Reasons (against, abstention, non-attendance)	Explain the reasons
Jordi Xuclá Costa	Abstention	Jordi Xuclà Costa, proprietary director for Alimentos y Aceites, S.A. abstained in the Board of Directors vote on this Report, declaring that the vote to be cast by SEPI, as shareholder of Ebro Foods, S.A. is determined by the Board of Directors of SEPI (as controlling shareholder of Alimentos y Aceites, S.A.).

The English version of this document is purely informative.
In the event of any discrepancy between the Spanish and English versions of this document, the Spanish version will prevail.

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Disclaimer

Disclaimer by the Directors of Ebro Foods, S.A.
Regarding the contents of the Annual Financial Report 2023

The members of the Board of Directors of Ebro Foods, S.A. (the "Company") declare that, to the best of their knowledge and belief, the Company's Annual Financial Report 2023 containing the separate and consolidated annual accounts and Directors' reports has been prepared in accordance with the applicable accounting principles and gives a true and fair view of the equity, financial position and earnings of the issuer and the companies in its consolidated Group overall, and that the directors' report includes an accurate analysis of the business development and results and the position of the issuer and consolidated companies overall, together with a description of the main risks and uncertainties to which they are exposed.

This declaration is made in respect of the separate and consolidated annual accounts of Ebro Foods, S.A. for 2023, as authorised for issue by the Board of Directors of the Company on March 22, 2024.

I, the Secretary, put on record that this disclaimer is signed following by each and all of the directors, personally or through their representatives, against their respective names and surnames.

Madrid, March 22, 2024.