

# ESRS G1

## Business conduct

### LIST OF IROS ASSOCIATED WITH GOV-1

#### Impacts, Risks and Opportunities

CODE	DESCRIPTION	IMPACT	VCH	TIME HORIZON	POLICIES ASSOCIATED WITH THE IRO
<b>RESPONSIBLE VALUE CHAIN</b>					
IP-59	Ability to support respect for human rights and social and environmental development by fostering the assessment and selection of suppliers based on social, ethical and environmental criteria.	I+	A	Up OO Dow	Group Code of Conduct  Sustainability, Environment and Corporate Social Responsibility Policy
IN-06	Positive influence on standards and practices in the food sector by joining sector-specific initiatives or collaborative platforms on sustainability and ethics-related topics (e.g.: Forética and SAI Platform).	I+	A	OO Dow	Sustainability, Environment and Corporate Social Responsibility Policy
IN-63	Increased demands of suppliers, who must strengthen sustainability-related aspects. This is due to the inclusion of new clauses in the Group's contracts in the wake of the new regulations on ESG.	I-	P	Up OO Dow	Medium term  Risk Control and Management Policy  Sustainability, Environment and Corporate Social Responsibility Policy
O-57	Strengthening of risk management in the Group's supply chain through the platform Countryrisk.io, prioritising due diligence with critical suppliers to mitigate identified risks.	O	P	Up OO Dow	Short term  Risk Control and Management Policy  Sustainability, Environment and Corporate Social Responsibility Policy
R-53	Increase in operating costs as a result of unexpected fluctuations in input prices, quality issues in supplies that require additional corrections, or exchange rate fluctuations due to our dependence on suppliers located in different countries.	R	A	Up OO Dow	Short term  Risk Control and Management Policy  Sustainability, Environment and Corporate Social Responsibility Policy
R-55	Loss of existing suppliers who fail to meet the new sustainability requirements.	R	A	Up OO Dow	Short term  Group Code of Conduct

#### KEY: Impact

I+ Positive Impact I- Negative Impact O Opportunity R Risk P Potential A Actual

#### KEY: Value Chain (VCh)

Ups: Upstream OO: Own Operations Dow: Downstream

\*(5a,5b)

The Ebro Foods Group has a sound governance framework that guarantees oversight of and compliance with the principles of business conduct in all our activities. This framework is structured through the Code of Conduct (COC), which establishes the ethical rules and conduct to be followed by all the Group's professionals, regardless of their hierarchical level or geographical location.

#### **FUNDAMENTAL ETHICAL PRINCIPLES OF THE COC**

The essential principles underlying the Group's business conduct are:

- **Regulatory compliance:** respect for the applicable laws in all the countries in which the Group operates
- **Integrity and transparency:** commitment to honesty in trade and financial relations
- **Respect for Human Rights:** especially in the value chain and relations with suppliers
- **Responsible business practices:** prohibition of bribery and corruption and commitment to fair competition.

The Code of Conduct, together with the involvement of its administrative, management and supervisory bodies, guarantees effective application of the Group's principles of business conduct, boosting a sound ethics culture throughout our Organisation.

#### **ROLE OF THE ADMINISTRATIVE AND SUPERVISORY BODIES**

##### **1. Board of Directors**

The Board of Directors is the most senior body responsible for application of the Code of Conduct throughout the Organisation and its integration in the corporate strategy.

Its responsibilities include:

- Define the Group's values and ethical principles and see that they are incorporated in the business strategy and operations
- Approve compliance policies and internal control mechanisms
- Receive regular information on the level of compliance with the Code and any major complaints.

##### **2. Supervision through the Audit, Control and Sustainability Committee**

The Audit, Control and Sustainability Committee has a fundamental role in the supervision of business conduct, including:

- Control correct application of the Code of Conduct in all the Group's operations
- Regularly assess the effectiveness of our internal controls and propose improvements where necessary
- Receive and analyse reports on possible breaches and recommend remedial measures
- Organise training sessions to ensure that the governance and management bodies have adequate knowledge on compliance and business ethics.

The Committee is assisted in these duties by the Compliance Unit, which is responsible for management of the Ethics Channel and for analysing any possible breaches.

### 3. Responsibility of Management and the Management Bodies

The Management Committees of our subsidiaries play a key role in the supervision and management of business conduct within their respective areas of action. Their responsibilities include:

- Implement and ensure application of the Code of Conduct in our subsidiaries
- Foster a culture of integrity and ensure that all business decisions respect the Group's ethics principles
- Report any significant incident to the Audit, Control and Sustainability Committee and the Board of Directors
- Provide training for employees and management teams to increase their knowledge on ethics standards and compliance.

#### CONTROL AND GRIEVANCE MECHANISMS

To guarantee transparency and compliance with the principles of business conduct, the Code of Conduct establishes the following:

- A Whistleblowing Channel available for all the Group's stakeholders, through which they can report confidentially any possible breach
- Protection from retaliation for whistleblowers acting in good faith
- A process for analysing complaints, led by the Audit Committee and the Compliance Unit

As mentioned in the indicator GOV-2 of ESRS 2, the governance bodies of the Ebro Group have the necessary expertise and experience to supervise sustainability matters, which includes oversight of business conduct, as both areas are closely linked within the Group's compliance and governance framework.

The members of the Board of Directors and other supervisory bodies have extensive expertise in business and sustainability matters and experience in major companies with similar compliance and corporate ethics requirements.

In addition, apart from their lengthy track record, those responsible for the management of ESG matters in the Group have substantial expertise in the matter, which they update constantly through training courses, participation in webinars and relevant events and monitoring of international standards (OCDE, ONU, ESRS).

**CODE OF CONDUCT OF THE EBRO FOODS GROUP**

<p><b>MDR-P 65 (a)</b></p>	<p><b>Contents:</b> The Code of Conduct sets out the principles and values that should inspire the actions of the companies and persons in the Ebro Foods Group and the rules binding on the Professionals in the performance of their duties (listed in point 7). The most relevant points regarding Governance are:</p> <p><b>Compliance:</b> Point 8 “General principles” Point 27 “Relations with Authorities, Regulatory Bodies and Governments” Point 32 “Whistleblowing channel”</p> <p><b>Integrity and transparency:</b> Point 17 “Gifts” Point 18 “Confidential information” Point 20 “Relations with shareholders” Point 28 “True, adequate information”</p> <p><b>Respect for Human Rights:</b> Point 9 “Commitment to human rights” Point 21 “Relations with suppliers”</p> <p><b>Responsible business practices:</b> Point 16 “Conflicts of interest” Point 23 “Relations with rivals” Point 29 “Anti-corruption, bribery, illegal commissions, influence peddling and money laundering”</p>
<p><b>MDR-P 65 (b)</b></p>	<p><b>Scope:</b> The Group COC, as stipulated in point 4, is applicable to:</p> <ol style="list-style-type: none"> <li>4.1. Each and all of the Professionals, regardless of their hierarchical level, position and geographical location.</li> <li>4.2. Customers, suppliers, shareholders and other stakeholders with which the Ebro Foods Group interacts in its operations.</li> <li>4.3. Extended to any other persons related with the Group or the Professionals whenever, by virtue of the nature of that relationship, their actions may in any way affect the reputation of the Group or any of its companies.</li> </ol>
<p><b>MDR-P 65 (c)</b></p>	<p><b>Most senior level accountable for implementation:</b> The Audit, Control and Sustainability Committee reports regularly to the Board of Directors of Ebro Foods</p>
<p><b>MDR-P 65 (d)</b></p>	<p><b>Disclosure of third-party standards or initiatives to which Group commits</b></p> <ul style="list-style-type: none"> <li>• Universal Declaration of Human Rights</li> <li>• United Nations Guiding Principles on Business and Human Rights</li> <li>• ILO Conventions and Recommendations</li> </ul>
<p><b>MDR-P 65 (e)</b></p>	<p>The interests and expectations of the principal stakeholders were taken into account when drawing up the Code of Conduct, especially employees and executives, suppliers and other business partners, customers, shareholders and society in general, with the aim of establishing common principles of responsible, ethical conduct throughout the Organisation and its value chain</p>
<p><b>MDR-P 65 (f)</b></p>	<p><b>Availability:</b> The COC is available on the Group’s corporate website (<a href="#">Código-de-Conducta</a>). Privately, this Policy is also in the different intranets of the Group and must necessarily be made available to any supplier/service provider in the Group’s supply chain.</p>

**SUSTAINABILITY, ENVIRONMENT AND CORPORATE SOCIAL RESPONSIBILITY POLICY**

MDR-P 65 (a)	<p><b>Contents:</b> The Group thus undertakes, as an essential principle in its actions, the creation of a business model that is respectful of and sustainable for the environment and society overall and, while ensuring value, profitability and competitiveness, it promotes diversity, respect for human rights, tax responsibility and the prevention of corruption, thus contributing towards the progress of society and generating trust among our stakeholders.</p> <p><b>Principles of action (point 5)</b> The most relevant points for Governance are:</p> <ul style="list-style-type: none"> <li>5.1. With regard to good corporate governance and ethical business management</li> <li>5.2. With regard to financial sustainability and long-term focus</li> <li>5.4. With regard to human rights</li> <li>5.6. With regard to sustainability of the value chain</li> <li>5.7. With regard to suppliers and customers</li> <li>5.10. With regard to the rendering of accounts and transparency</li> </ul> <p><b>Specific areas of action (point 6)</b> The Policy establishes: "(i) the five pillars of action identified, (ii) the business practices required of our suppliers and (iii) the Group's practices in respect of diversity, risks, including tax risks, prevention of corruption and bribery and illegal conduct, and the communication of information." The most relevant points for Governance are:</p> <ul style="list-style-type: none"> <li>6.8. With regard to tax risks</li> <li>6.9. With regard to corruption and bribery</li> <li>6.10. With regard to the communication of information</li> </ul>
MDR-P 65 (b)	<p><b>Scope:</b> The Policy is applicable to the Company and the Group. The Group companies may also develop their own internal regulations on any subject-matter falling within the scope of this Policy, provided they do not contradict the principles established therein or in other applicable internal Policies or Codes related with this one and lay down more stringent requirements.</p>
MDR-P 65 (c)	<p><b>Most senior level accountable for implementation:</b> The Board of Directors is responsible for its approval and the Audit, Control and Sustainability Committee for its oversight and implementation</p>
MDR-P 65 (d)	<p><b>Disclosure of third-party standards or initiatives to which Group commits</b></p> <ul style="list-style-type: none"> <li>• Universal Declaration of Human Rights</li> <li>• United Nations Guiding Principles on Business and Human Rights</li> <li>• ILO Conventions and Recommendations</li> <li>• Conformity with section 529 ter of the Corporate Enterprises Act ("LSC")</li> </ul>
MDR-P 65 (e)	<p>The interests and expectations of the principal stakeholders were taken into account when drawing up the Code of Conduct, especially shareholders, employees, customers, suppliers, regulators and society in general, considering the economic, social and environmental aspects related with the performance of the activities of the Group and its value chain.</p>
MDR-P 65 (f)	<p><b>Availability:</b> This Policy is available on the Group's corporate website (<a href="#">Politica-sostenibilidad-medioambiente-y-responsabilidad-social-corporativa</a>) Privately, this Policy is also in the different intranets of the Group and must necessarily be made available to any supplier/service provider in the Group's supply chain.</p>

**POLICY AGAINST CORRUPTION AND BRIBERY OF THE EBRO GROUP**

MDR-P 65 (a)	<p><b>Contents:</b> The Policy is based on the principle of "zero tolerance" of corruption and fraud in business. This principle is absolute and prevails over any kind of economic benefit that may be obtained for the Group and/or its professionals. Over and beyond mere observance and compliance with the laws and standards applicable to each of the companies in the Ebro Group because of the business they perform or the countries in which they operate, this Policy is governed by principles of maximum transparency, honesty, integrity and responsibility.</p> <p>In point 5, "<b>Obligations and prohibited conduct</b>", the Policy prohibits the conduct described below in the following areas, among others:</p> <ul style="list-style-type: none"> <li>5.1. Fight against corruption, bribery, illegal commissions, influence peddling and money laundering</li> <li>5.2. Gifts and courtesies</li> <li>5.3. Authorities, regulatory bodies and government agencies</li> </ul>
	<p>This Policy is structured in accordance with the Code of Conduct of the Ebro Group, the latter being an essential part of the Ebro Foods Group crime prevention model and all employees, executives and directors of each and every company in the Ebro Group, including permanent representatives of corporate directors (the "Professionals") are obliged to know and comply with it.</p>

**POLICY AGAINST CORRUPTION AND BRIBERY OF THE EBRO GROUP**

<b>MDR-P 65 (b)</b>	<p><b>Scope:</b> 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. This Policy is extensive to the Ebro Foods Foundation (the "Foundation") through the professionals of the Ebro Group that collaborate with the Foundation and any third parties who intervene, collaborate or participate in the business of the Group's companies and the activities of the Foundation.</p>
<b>MDR-P 65 (c)</b>	<p><b>Most senior level accountable for implementation:</b> The Audit, Control and Sustainability Committee</p>
<b>MDR-P 65 (d)</b>	<p><b>Disclosure of third-party standards or initiatives to which Group commits</b> Act 11/2018</p>
<b>MDR-P 65 (e)</b>	<p>The interests and expectations of the principal stakeholders were taken into account when drawing up the Code of Conduct, especially employees and executives, business partners and suppliers, shareholders and public authorities, with a view to ensuring an integral common framework for action compliant with applicable laws in all the Group's operations.</p>
<b>MDR-P 65 (f)</b>	<p><b>Availability:</b> This Policy is private. It is also available in the different intranets of the Group.</p>

**EBRO FOODS RISK CONTROL AND MANAGEMENT POLICY**

<b>MDR-P 65 (a)</b>	<p><b>Contents:</b> This Policy lays down the basic principles and general framework for control and management of the business risks, including tax risks, and internal control of financial reporting to which the Ebro Foods Group is exposed. By setting these basic principles and rules of the system it is intended to establish the criteria to be observed by the management of the Group businesses in the handling and management of the risks to which they are exposed. In point 4, "Identification of risks", the following points are applicable to Governance:  <b>4.1. Operating risks:</b> <ol style="list-style-type: none"> <li>a. Health and environmental risks</li> <li>b. Raw material supply risk</li> <li>c. Market risk (prices)</li> <li>d. Customer concentration risk</li> </ol> <b>4.2. Compliance risks:</b> <ol style="list-style-type: none"> <li>a. Regulatory risks</li> <li>b. Reputational risks</li> <li>c. Tax risks</li> </ol> <b>4.3. Strategic risks:</b> <ol style="list-style-type: none"> <li>a. Market risk</li> </ol> <b>4.4. Financial risks:</b> <ol style="list-style-type: none"> <li>a. Customer credit risk</li> </ol> <b>5. Risk control and management system</b> <ol style="list-style-type: none"> <li>5.1. Business risks</li> <li>5.2. Internal control of financial reporting</li> <li>5.3. Tax risks</li> </ol> <b>6. Risk mitigation measures and tolerance</b></p>
	<p>This Policy is structured in accordance with the Code of Conduct of the Ebro Group, the latter being an essential part of the Ebro Foods Group crime prevention model and all employees, executives and directors of each and every company in the Ebro Group, including permanent representatives of corporate directors (the "Professionals") are obliged to know and comply with it.</p>
<b>MDR-P 65 (b)</b>	<p><b>Scope:</b> The Policy is applicable to all the companies in the Group, without prejudice to any specific regulation that may be binding on the foreign subsidiaries in their respective countries. The provisions of the Policy are applicable to its foreign subsidiaries, Although those local regulations are applicable at all times, the foreign subsidiaries will also be bound by the principles, criteria and control structures established in this Policy insofar as compliance therewith will not result in infringement of the local laws and regulations.</p>
<b>MDR-P 65 (c)</b>	<p><b>Most senior level accountable for implementation:</b> The Board of Directors The Audit, Control and Sustainability Committee</p>
<b>MDR-P 65 (d)</b>	<p><b>Disclosure of third-party standards or initiatives to which Group commits</b> Code of Good Governance for Listed Companies</p>

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**EBRO FOODS RISK CONTROL AND MANAGEMENT POLICY**

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<b>MDR-P 65 (e)</b>	The interests and expectations of the principal stakeholders were taken into account when drawing up the Code of Conduct, especially shareholders, employees, customers, suppliers, regulators and society, considering the risks that might affect performance and business continuity.
<b>MDR-P 65 (f)</b>	<b>Availability:</b> This Policy is private and not available to the public. It is available in the different intranets for professionals of the Group.

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**G1-2 MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS**

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\*(14,15)

The Ebro Group manages its relationships with suppliers with a focus on responsibility and sustainability, integrating social, environmental and business ethics criteria to mitigate the risks associated with our supply chain. This commitment is reflected in our Code of Conduct and in our Supplier Code of Conduct, which establish the principles and requirements governing collaboration with their business partners.

**AVOIDANCE OF LATE PAYMENTS**

Although the Group does not have a formal policy to avoid late payments to suppliers, we systematically apply a practice of making monthly payments to all our suppliers on pre-set dates. (Ver G1-6)

**ETHICAL AND SOCIAL COMMITMENT TO SUPPLIERS**

The Group's Code of Conduct stipulates that suppliers and collaborators must act with integrity and responsibility in line with the Group's values. In particular, they are required to:

- ➔ Respect for human and labour rights, guaranteeing safe, decent working conditions
- ➔ Avoid any form of labour exploitation, including child and forced labour
- ➔ Comply with all applicable standards in respect of health, safety and well-being at work
- ➔ Prevent bribery and corruption, guaranteeing transparency in our trade relations

The Group also promotes trade relationships base on trust, fairness and transparency, avoiding conflicts of interest and ensuring that suppliers are selected according to objective criteria.

The specific articles referring to all these commitments are:

- 21.1.** The Group shall promote 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 described in this Code
- 21.4.** When selecting its suppliers, the Group shall value those that (i) comply with the laws and regulations in place, (ii) respect internationally proclaimed human rights and (iii) make sure they do not violate or abuse any human rights within their business operations.

21.7. In the selection of suppliers, the Group shall assess the promotion and respect by candidates of the following principles:

- Abolish all forms of child labour
- Eliminate all forms of forced and compulsory labour
- Avoid discrimination in any job
- Respect the maximum working hours and minimum wages established in the national laws in place in the country in which they operate
- Ensure that their employees do their work according to occupational safety and hygiene standards

21.8. The Group shall also assess potential suppliers' commitment to minimising the environmental impact of their operations and promote the development and propagation of environmentally friendly technologies.

#### **EVALUATION OF RISKS IN THE SUPPLY CHAIN AND SUSTAINABILITY CRITERIA**

The Supplier Code of Conduct supplements these requirements by establishing specific standards for our business partners, especially those operating in regions with greater social or environmental risks. The Code requires suppliers to:

- Comply with the applicable environmental laws and regulations and take measures to reduce their environmental impact
- Foster efficient use of natural resources and reduce waste and polluting emissions
- Implement due diligence policies in their supply chains to guarantee compliance with these principles among their own suppliers and subcontractors

To ensure compliance with these commitments, the Ebro Foods Group makes regular audits and controls, requiring our suppliers to heed these principles and implement improvement plans whenever any deviations are detected.

In this regard, the Group's strategy with suppliers combines a preventive approach based on due diligence and risk evaluation with the development of initiatives that promote sustainable business practices, thereby guaranteeing a supply chain aligned with our values and commitments to social and environmental responsibility. *(for more information see ESRS-S2)*

## TAKING ACTION TO MANAGE IROS

(68,69,81)

### MDR-A: Governance

	ACTION	SCOPE*	SUPERVISION	TIME HORIZON	MEASURES
Audit, Control and Sustainability Committee of the Ebro Group	Oversight and monitoring of: <ul style="list-style-type: none"> <li>Group internal risk control system.</li> <li>Financial information.</li> <li>Risk Management Systems.</li> </ul>	Ups OO Down	Board of Directors.	Inherent functions that have always been done. Reports regularly.	It is a measure of continuous tracking, control and monitoring. <ul style="list-style-type: none"> <li>Propose to the Board possible measures to improve control and/or management.</li> </ul>
Communication and Sustainability Department of the Ebro Group	Develop/complete and monitor: <ul style="list-style-type: none"> <li>Country Risk in Human Rights and Environment (countryrisk.io).</li> <li>Sustainability Indexes that the Group has joined.</li> <li>Due Diligence in Social Responsibility.</li> </ul>	Ups OO Down	Audit, Control and Sustainability Committee.  Risks Committee.	Established since creation of the department.  Continuous.	It is a measure of continuous tracking, control and monitoring. <ul style="list-style-type: none"> <li>Mitigate and/or avoid risks related to Human Rights and Environment.</li> <li>Analysis of possible improvements in respect of the value chain.</li> </ul>
Internal Audit Department of the Ebro Group	Supervision of the following activities: <ul style="list-style-type: none"> <li>Testing.</li> <li>Control of risk management systems.</li> <li>Financial information of our subsidiaries.</li> </ul>	OO	Audit, Control and Sustainability Committee.	Inherent functions that have always been done.  Continuous.	It is a measure of continuous tracking, control and monitoring. <ul style="list-style-type: none"> <li>Reports any Non-Compliance.</li> </ul>
Risks Committee of Ebro Foods	Specific unit for: <ul style="list-style-type: none"> <li>Coordination and monitoring of the risk control and management system (including tax risks).</li> <li>Control of the Group's financial information.</li> <li>Analysis and evaluation of risks associated with new investments.</li> </ul>	OO Down	Audit Committee.  Board of Directors.	Inherent functions that have always been done. Continuous.	It is a measure of continuous tracking, control and monitoring. <ul style="list-style-type: none"> <li>Reports any Non-Compliance.</li> <li>Proposes measures to address possible risks.</li> </ul>

#### KEY: Scope

Ups: Upstream OO: Own Operations Dow: Downstream

The actions described are implemented continuously and are not subject to a specific time horizon, as they form part of permanent improvement and management processes.

The financial information related with these actions is included in their budgets, as they are cross-cutting actions over the different departments involved and are not part of a specific action plan related with the business conduct standard. There are no tracking metrics or quantitative targets associated with the development of these actions. At present there is no further information available regarding the allocation of financial resources.

The company did not identify any material actual negative impacts during the reporting period that had caused harm to persons, communities or other stakeholders, so no remediation actions were required or cooperation in the provision of remediation.

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## G1-6. PAYMENT PRACTICES

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\*(33)

The Ebro Group is committed to prompt payment of suppliers, complying with the applicable laws in each country and promoting business relations based on trust and fairness. Although there is currently no formal policy on responsible payment, the Group has developed a framework that guarantees fair payment times, especially for SMEs, in line with Directive 2019/633 on unfair trading practices.

### **CURRENT PRACTICES**

- Immediate payments in purchases of raw materials from growers and small cooperatives, including advance payments to guarantee loyalty and quality
- Adaptation to local laws:
- EU: payment times of between 30 and 60 days depending on whether the products are perishable or not
- USA: preference for prompt payment

The average payment period of the Group in 2025 was 29.85 days, compared to 28.62 days in 2024. For our Spanish companies, the average payment period estimated in 2025 was 25.9 days, compared to 31.1 days the previous year, as indicated in [Note 27](#) to the Consolidated Annual Accounts.

As we have no policy or standard payment terms, it is not possible to state the percentage of payments aligned with those terms.

The Ebro Group has no significant legal proceedings currently outstanding for late payments. The Group's legal proceedings are described in [Note 20.1](#). Litigation and disputes in the accompanying consolidated annual accounts.