

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 Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020, on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (the "**Taxonomy Regulation**").

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 Taxonomy 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 (Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 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 climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives) (the "**Climate Delegated Act**").

On 6 July 2021, the European Commission adopted Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation. This document specifies the content, methodology and presentation of the information to be disclosed by financial and non-financial undertakings. Under this Delegated Regulation, undertakings must disclose the proportion in which their activities are taxonomy-eligible and taxonomy-aligned through the three key performance indicators (KPIs): turnover, capital expenditure or investment in fixed assets (CapEx) and operating expenditure (OpEx), and the accounting policy used to report how the three KPIs have been determined and assigned to the numerator.

On 9 March 2022, the European Commission adopted Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022 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 Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 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. On the same date, it also adopted Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023 amending Delegated Regulation (EU) 2021/2139 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.

On 8 January 2026, the European Commission adopted Commission Delegated Regulation (EU) 2026/73 of 4 July 2025 amending Delegated Regulation (EU) 2021/2178 as regards the simplification of the content and presentation of information to be disclosed concerning environmentally sustainable activities and Delegated Regulations (EU) 2021/2139 and (EU) 2023/2486 as regards simplification of certain technical screening criteria for determining whether economic activities cause no significant harm to environmental objectives. This Regulation introduces changes in the content and format of the Taxonomy information that can be applied voluntarily in 2025, to clarify the disclosure requirements and simplify presentation of the indicators. During this first year, the Ebro Group has decided to apply the new Regulation in the presentation of the results of its Key Performance Indicators (KPIs) explained in this chapter.

To help interpret and implement the Delegated Acts and with a view to reducing uncertainty deriving from the current regulatory framework, the European Commission has published documents on certain Taxonomy legal provisions.

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 2025 non-financial undertakings must report on:

- The eligibility and alignment of the economic activities contemplated in the Climate Delegated Act
- The eligibility of the new activities contemplated in the Environmental Delegated Act and the amendment to the Climate Delegated Act
- The eligibility and alignment of the activities contemplated in the Climate Delegated Act and the activities contemplated in Delegated Regulation (EU) 2021/2178 and the amendment to the Climate Delegated Act

In line with these reporting obligations, in 2025 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

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 are unable to prove that those criteria are met.

DO NO SIGNIFICANT HARM (DNSH)

● **Climate change adaptation**

Appendix A to Annex I of the Climate Delegated Regulation establishes, as one of the general criteria to do no 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. During 2024, the Ebro Group completed its 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. For more information on the assessment of climate risks, see ESRS E1.

● **Sustainable use and protection of water and marine resources**

For high-efficiency combined cooling, heat and power (CCHP) cogeneration 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. However, the Company did not identify such risks in 2025.

● **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 ESRS E1.

● **Pollution prevention and control**

High-efficiency combined cooling, heat and power (CCHP) cogeneration 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. It was not possible to confirm these criteria in 2025.

● **Protection and restoration of biodiversity and ecosystems**

High-efficiency combined cooling, heat and power (CCHP) cogeneration 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. In 2025, it was not possible to make this assessment.

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. For this purpose 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 chapters "5. Human Rights in the value chain" and "6. Anti-corruption and bribery measures" of this Statement. In addition our Group, directed by those responsible for taxation, monitor legislation and possible interpretations, requesting specific reports from specialists when necessary.

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.
- It has not been possible to meet the requirement 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 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. KPIs related to turnover of Annex I to the Commission Delegated Regulation (EU) 2021/2139.

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 to 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 -rights of use-). 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 company or a third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets (denominator).

According to point 1.1.3.2 of Annex I to the Disclosures Delegated Act, where the operating 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 2025, the Ebro Group analysed the eligible proportion of its operating expenditure associated with the economic activities included in the Climate Regulated Act (€421.7 thousand associated with cogeneration and photovoltaic panels), which was 0.43% of the total OpEx in 2025 (€97,689 thousand). Consequently, it has been determined that the OpEx KPI is not material.

General table

2025					Breakdown by environmental objectives of Taxonomy-aligned activities										
KPI (1)	Total (2)	Proportion of Taxonomy-eligible activities (3)	Taxonomy aligned activities (4)	Proportion of Taxonomy-aligned activities (5)	CLIMATE CHANGE MITIGATION (6)	CLIMATE CHANGE ADAPTATION (7)	WATER (8)	POLLUTION (9)	CIRCULAR ECONOMY (10)	BIODIVERSITY (11)	Proportion of enabling activities (12)	Proportion of transitional activities (13)	Activities not assessed considered not material (14)	Taxonomy-aligned activities in previous financial year (N-1) (15)	Proportion of Taxonomy-aligned activities in previous financial year (N-1) (15)
Turnover	€3,013,559 thous.	0%	€0 thousand	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	€0 thousand	0%
CapEx	€151,021 thous.	1.18%	€0 thousand	0%	0%	0%	0%	0%	0%	0%	0.77%	0.41%	0%	€0 thousand	0%
OpEx	€97,689 thous.	0.43%	€0 thousand	0%	0%	0%	0%	0%	0%	0%	0.02%	0.41%	0%	€0 thousand	0%

Proportion of CapEx

2025					Environmental objectives of Taxonomy-aligned activities								
ECONOMIC ACTIVITIES (1)	Code (2)	Taxonomy-eligible KPI (Taxonomy-eligible proportion of CapEx) (3)	Taxonomy-aligned KPI (Monetary value of CapEx) (4)	Taxonomy-aligned KPI (Taxonomy-aligned proportion of CapEx) (5)	CLIMATE CHANGE MITIGATION (6)	CLIMATE CHANGE ADAPTATION (7)	WATER (8)	POLLUTION (9)	CIRCULAR ECONOMY (10)	BIODIVERSITY (11)	Enabling activities (12)	Transitional activities (13)	Taxonomy-aligned proportion of Taxonomy-eligible (14)
High-efficiency combined cooling, heat and power from gaseous fuels	CCM 4.30	0.41%	€0 thousand	0%	0%	0%	0%	0%	0%	0%		T	0%
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.77%	€0 thousand	0%	0%	0%	0%	0%	0%	0%	F		0%
SUM OF ALIGNMENT BY OBJECTIVE					0%	0%	0%	0%	0%	0%			
TOTAL KPI (CAPEX)		1.18%	€0 thousand	0%	0%	0%	0%	0%	0%	0%	0.77%	0.41%	0%

Proportion of OpEx

2025					Environmental objectives of Taxonomy-aligned activities								
ECONOMIC ACTIVITIES (1)	Code (2)	Taxonomy-eligible KPI (Taxonomy-eligible proportion of OpEx) (3)	Taxonomy-aligned KPI (Monetary value of OpEx) (4)	Taxonomy-aligned KPI (Taxonomy-aligned proportion of OpEx) (5)	CLIMATE CHANGE MITIGATION (6)	CLIMATE CHANGE ADAPTATION (7)	WATER (8)	POLLUTION (9)	CIRCULAR ECONOMY (10)	BIODIVERSITY (11)	Enabling activities (12)	Transitional activities (13)	Taxonomy-aligned proportion of Taxonomy-eligible (14)
High-efficiency combined cooling, heat and power from fossil gaseous fuels	CCM 4.30	0.41%	€0 thousand	0%	0%	0%	0%	0%	0%	0%		T	0%
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.02%	€0 thousand	0%	0%	0%	0%	0%	0%	0%	F		0%
SUM OF ALIGNMENT BY OBJECTIVE					0%	0%	0%	0%	0%	0%			
TOTAL KPI (OpEx)		0.43%	€0 thousand	0%	0%	0%	0%	0%	0%	0%	0.02%	0.41%	0%