

## 2023 Supply Chain Act Annual Report

This document constitutes the inaugural Annual Report (the “**Report**”) pursuant to section 11(1) of the *Fighting Against Forced Labour and Child Labour in Supply Chain Act* (the “**Supply Chain Act**” or the “**Act**”) and is filed on behalf of Riviana Foods Canada Corporation (“**Riviana**”) and Riviana Foods Inc. (“**Riviana US**”) (each a “**Reporting Entity**” and collectively, the “**Reporting Entities**”, “we”, “us” or “our”) covering the twelve-month financial year ended December 31, 2023 (the “**Reporting Period**”).

The Reporting Entities are committed to the highest level of ethical standards and sound governance arrangements, and set high standards of impartiality, integrity and objectivity in relation to the management of their activities.

As a Canadian business, Riviana fully supports the Canadian government’s objectives to eradicate forced labour and child labour. This Report includes details of our activities, our supply chains and the actions we are taking to support the government in its objectives.

### 1. The steps we have taken during the Reporting Period to prevent and reduce the risk of forced labour and child labour

Ebro Foods S.A. (“**Ebro**”), a Spanish corporation and the ultimate parent company of Riviana and of the other corporations part of the Ebro group of companies, including Riviana US, has enacted multiple measures at the group level in 2023 which bind the Reporting Entities.

#### (a) Code of Conduct

First, Ebro revised the group’s [Code of Conduct](#) in 2023. Such Code of Conduct is binding not only on all professionals, shareholders and stakeholders, but also on its suppliers. It clearly states that the Ebro group will not employ anyone under age and rejects any form of direct or indirect child labour. It also states that forced or compulsory labour is not permitted in any group company. Furthermore, the Code of Conduct sets the abolition of child labour and the elimination of forced labour as principles on which Ebro will base itself in the selection of suppliers.

Ebro’s Code of Conduct is supplemented by a specific Supplier Code of Conduct. The latter was not modified in 2023 and will thus be addressed in section 3 of this Report, “Policies, due diligence and controls”.

#### (b) Corporate Whistleblowing Channel

A mechanism for the reporting to the Audit, Control and Sustainability Committee of Ebro of any infringement of the principles set out in the Code of Conduct has been in place in one form or another since 2008. Following new regulations enacted by Spanish authorities, Ebro has adopted a [Policy on the Internal Reporting System and Whistleblower Protection](#).

This Policy enables any person who has a professional or contractual relationship with any company in the Group to report any facts or circumstances, of which they may become aware in a work-related context, if they consider in good faith that there are reasonable grounds to believe that events have occurred or may occur that constitute an irregularity or breach of the laws, regulations or internal provisions applicable to Ebro and the companies in its group.

The internal reporting system is structured as a Corporate Whistleblowing Channel. This takes the form of a free and public tab within Ebro’s website ([ebrofoods.integrityline.com](https://ebrofoods.integrityline.com)) and on Riviana US website (<https://riviana.com/contact-us/>). Riviana does not have a website. The Channel allows anonymous reporting or confidential reporting when the reporter is identified.

### **(c) Subsidiary Due Diligence Questionnaire**

Ebro is in process of creating a questionnaire on the topic of due diligence which will require the individual with the highest seniority position at each of its subsidiaries, including the Reporting Entities, to complete. The due diligence questionnaire will be utilized to review the subsidiary's own internal policies, management and suppliers processes dealing, among other things, with forced labour and child labour.

### **(d) Training of Ebro's direct employees**

A training on the topic of human rights has been launched in most of the countries in which Ebro has an industrial presence. It will be launched in Canada and the United States in early 2024. Completion of the training will be mandatory for employees of the Reporting Entities.

## **2. Our structure, operations and supply chains**

The Reporting Entities covered by this Report are corporations. The Reporting Entities are either producing goods in Canada, selling goods in Canada or abroad, distributing goods in Canada or abroad, or importing into Canada goods produced outside of Canada.

Riviana is a wholly-owned subsidiary of Riviana US, which is the largest processor, marketer and distributor of branded and private label rice products in the United States. Riviana US is itself a subsidiary of Ebro.

Riviana only operates in Canada, where it employs over 290 people. Riviana operates two manufacturing facilities located in Hamilton, Ontario and Delta, British Columbia and two offices located in Toronto, Ontario and Montreal, Quebec.

Riviana produces, distributes and exports fresh pasta and rice products and operates three (3) well known and respected brands: Minute Rice<sup>®</sup>, Tilda<sup>®</sup> and Olivieri<sup>®</sup>. It markets its own brands, but also develops private label products for the supermarket and food service channels of trade.

As a supplier and processor of food products, we source ingredients from around the world, which along with transport and packaging are key elements in our supply chain. The goods and services sourced to meet the needs of our business and those of our customers extend to the following:

- Plant and maintenance: equipment and services at our two manufacturing facilities;
- Corporate goods and services: consultants, tax advisors, legal counsel, telecommunications, information technology, and consumables; and
- Warehousing and distribution services.

## **3. Policies, due diligence and controls**

Ebro has in place a myriad of codes and policies applicable to the Reporting Entities which tackle the topics of forced labour and child labour.

### **(a) Code of Conduct**

As stated in section 1(a), Ebro strongly forbids any of its stakeholders to engage in forced labour or child labour.

**(b) Policy on the Internal Reporting System and Whistleblower Protection**

As stated in section 1(b), Ebro seeks to uncover any instance of forced labour or child labour within its supply chain through the usage by any stakeholder of its Corporate Whistleblowing Channel.

**(c) Supplier Code of Conduct**

A [Supplier Code of Conduct](#) is in place at the group level. It states that children below 15 years of age, or below the minimum age of employment permitted by the International Labour Organization (“ILO”) conventions, shall not be contracted or employed.

Moreover, it expressly prohibits all forms of labour exploitation and forced or compulsory labour. According to the Supplier Code of Conduct, suppliers need to take all the necessary measures to comply with the rules and recommendations stipulated by the government and/or local authorities. They cannot employ workers who do not have the necessary work permits. Finally, it prohibits all threats of violence, sexual harassment and any other threats or abuse, including verbal abuse.

Suppliers need to accept and comply with the Supplier Code of Conduct. Ebro reserves the right to make acceptance and compliance with the Supplier Code of Conduct a prerequisite for entering into a commercial relationship with the supplier. In the event a supplier fails to respect the Supplier Code of Conduct, Ebro has the right to demand implementation of corrective measures and to bring any legal action to which it may be entitled.

The Reporting Entities’ long-term goal is to obtain from all of its current suppliers signature of the Supplier Code of Conduct. We plan to update our onboarding process in 2024 to have new suppliers sign the Supplier Code of Conduct.

**(d) Supplier Registration in Sedex**

Ebro pays a corporate fee to make the SEDEX website available for registration by suppliers of the group. SEDEX is an ethical supply chain auditing database. SEDEX stores information on ethical and responsible practices covered by ILO Conventions, Ethical Trading Initiative Base Code, SA8000, ISO14001 and other industry specific codes of conduct. This enables vigilant and self-reliant monitoring.

In the long-term, the Reporting Entities will ensure that all of their suppliers are registered with SEDEX, starting with the current suppliers in the high-risk category, as described in section 4 of this Report.

**(e) Policy on Sustainability, Environment and Corporate Social Responsibility**

Ebro’s [Policy on Sustainability, Environment and Corporate Social Responsibility](#) establishes as a principle underpinning the group’s activities the respect of fundamental human rights and the rejection of their abuse among any stakeholder.

Specifically, Policy on Sustainability, Environment and Corporate Social Responsibility requires suppliers to respect the Code of Conduct, the Supplier Code of Conduct and to act in keeping with the principles of Ebro in regards to child labour and forced labour.

**(f) Sustainable Rice Platform**

Ebro is a corporate member of the Sustainable Rice Platform (“SRP”). This program is co-convened by the United Nations Environmental Programme and the International Rice Research

Institute to promote resource efficiency and sustainable trade flows, production and consumption operations, and supply chains in the global rice sector.

SRP includes socio-economic elements as part of its sustainable farm assessment tools. Its aim is to achieve constant improvement towards a more sustainable supply chain. SRP provides standards and outreach mechanisms contributing to the increase production of rice, the improvement of income for rice farmers and the reduction of the environmental impact of the production activities.

#### **4. Risk Assessment Methodology and Results of Assessment**

In 2024, Riviana will perform a risk assessment utilizing a matrix to sort its suppliers into categories of low, medium, and high risk for their participation in forced labour or child labour. This initial assessment will focus on suppliers that supply more than \$100,000 in goods and/or services to Riviana. Suppliers in the high risk category will be closely monitored and if they have yet to sign the Supplier Code of Conduct, will be required to sign the Supplier Code of Conduct on a high priority basis in 2024 and register with SEDEX, if not already registered, in the subsequent year. Suppliers in the medium risk category will also be closely monitored and where needed, requested to sign the Supplier Code of Conduct and register with SEDEX after the completion of such efforts with the high risk category of supplier. Suppliers in the low risk category will be monitored and where needed, requested to sign the Supplier Code of Conduct and register with SEDEX after the completion of such efforts with the high and medium risk category suppliers. In the longer term, Riviana will utilize the SEDEX database to perform more comprehensive evaluations, categorizations, and monitoring of suppliers.

We will routinely analyze existing or potential risks which could have a direct impact on our value chain in order to prevent and mitigate potential adverse impacts, give solutions to existing adverse impacts and establish grievance procedures.

Riviana understands the importance of having clear and concise information on our products, not only from a traceability perspective but also on how they are produced and the labour practices involved in providing these goods and services. We hope the future use of SEDEX as a central database will give us the transparency to recognize good practices as well as identify any supplier that falls short of the Act and the standards required by Ebro.

If a Reporting Entity is made aware of a non-conformity that is reported by an employee or third party, self-reported by a supplier, or identified in an audit performed by or made available to such Reporting Entity, the affected Reporting Entity will conduct an investigation and propose corrective actions to the supplier, and if the non-conformance(s) persist, the Reporting Entity may cease to do business with the supplier. These corrective actions and possible termination will be imposed to the supplier to the extent that it is allowed under the contractual obligations binding the parties.

#### **5. Risks of forced labour and child labour in our operations and supply chains**

The sector of activities in the supply chain of the Reporting Entities that is the most at risk of forced labour and child labour is the cultivation of rice in India (child labour and forced labour) and Pakistan (child labour), which are countries from which the Reporting Entities source Basmati rice.

## **6. Remedial Action Taken during the Reporting Period**

Neither of the Reporting Entities undertook any remediation measures in 2023, as there were no identified or reported incidents of forced labour or child labour in our activities and supply chains during the year.

## **7. Our remediation processes**

Our Code of Conduct requires all persons bound by it (employees, suppliers and other stakeholders) to report defaults or infringements of the Code of Conduct through the appropriate channels, such as the Corporate Whistleblowing Channel. These persons cannot take individual action to solve the incident. Reports received through the Corporate Whistleblowing Channel are diligently investigated by the System Administrator (which is the person or body corporate responsible for oversight and management of the applicable Reporting Entity internal reporting system or Corporate Whistleblowing Channel) in accordance with the handling procedures appropriate for the subject matter of the report. The whistleblower and, where appropriate, the persons concerned receive feedback on the progress and outcome of the investigations, in the form and within the times established in the corresponding handling procedures. All reports received through the reporting channels and the identity of whistleblowers and any third person mentioned in the reports are confidential, and all procedures taken to follow up those reports ensure respect for that confidentiality. Protection against retaliation and dismissal is guaranteed to secure the rights of the person reporting in good faith. Any reported improper conduct that is confirmed through the investigation is addressed in a manner consistent with applicable corporate policy(ies).

Apart from the Corporate Whistleblowing Channel, the Human Resources Departments of the Reporting Entities also have channels enabled to process, investigate and solve any incidents that may arise within their respective activities.

There were no forced labour or child labour related reports through the Corporate Whistleblowing Channel or to the Human Resources Departments of the Reporting Entities during the Reporting Period.

## **8. Remediation actions for the loss of income to the most vulnerable families that results from any measure taken to eliminate forced labour and child labour from our operations and supply chains**

Not applicable, we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

## **9. Our training**

A training on the topic of human rights is in process of being launched in most of the countries in which Ebro has an industrial presence. It is anticipated to be launched in Canada and the United States in early 2024. Ebro aims to train 100% of its direct employees in the topic of human rights.

All employees of the Reporting Entities have reviewed and signed a copy of the Code of Conduct during the onboarding process. This demonstrates that they have read and understood its contents which includes sections relating to forced labour, child labour and whistleblowing. Employees must complete the Code of Conduct training that consist of a review and acknowledgment of the Code of Conduct annually. We leverage this mandatory annual refresher to ensure that all employees are reminded and encouraged to look for indicators of possible

violations of human rights. Each Reporting Entity works to identify, investigate and report potential cases of forced labour and child labour as a predicate offence.

## **10. Assessing our effectiveness**

We intend to continue to assess and refine key performance indicators to measure our success in operationalizing the commitments in our Code of Conduct and Supplier Code of Conduct and continuously improve our approach to human rights. The effectiveness of a Reporting Entity's industry-specific due diligence process is regularly evaluated to confirm it remains current and aligned with business activities, regulatory developments, industry standards and best practices. By doing so, each Reporting Entity adheres to all applicable laws and regulatory requirements in the jurisdictions in which we operate, including guidance on risk related to forced labour and child labour.

In 2024, the Reporting Entities intend to conduct risk-based screening of all suppliers, which will allow us to baseline a supplier's risk profile and subsequently flag and assess any activities that would violate our Supplier Code of Conduct.

To assess the effectiveness of our approach to risks, we consider input from relevant internal and external stakeholders, including investors, clients, civil society and community representatives.

## **11. Our consultation and governance process**

In preparing this Report, each Reporting Entity engaged other entities it owns or controls. It also consulted with key areas of our organization to prepare this Report, including Procurement, Human Resources, the Legal Department and our external legal counsel. These teams operate across our enterprise, including across the Reporting Entities to which this Report applies. This consultation process has supported our enterprise-wide approach to forced labour and child labour.

## **12. Conclusion**

Each Reporting Entity remains committed to preventing forced labour and child labour from taking place in our businesses and in our supply chains. We will continue to review our policies, procedures and practices periodically to determine any enhancements we can make to help prevent forced labour and child labour and any other forms of human rights abuse.

**13. Attestation**

This Report was approved by the Board of Riviana US pursuant to section 11(4)(b)(ii) of the Act on May 22, 2024.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the Report for the Reporting Entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

For clarity, I am making this attestation not in my personal capacity, but in my capacity as a director of Riviana US.

Dated this 24<sup>th</sup> day of May, 2024

**Riviana Foods Inc.**

Per: /s/ E. Moses Vejil

E. Moses Vejil, Director, I have the authority to bind Riviana Foods Inc.