



**NON-FINANCIAL
STATEMENT
2021/22**

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GROUP PROFILE

01



Tereos is a cooperative group with proven expertise in the processing of sugar beet, sugar cane and cereal. Operating from 44¹ industrial sites and with 19,8001 employees, Tereos supports its customers as close as possible to their markets with a broad and complementary range of products (sugar and sweeteners, starch, alcohol and ethanol, proteins, dietary fibres, animal nutrition).

¹ Financial scope

For the past 15 years, Tereos has developed its activities and locations in Europe, Brazil, East Africa and Asia, to be closer to its customers and growth markets. In 2021/22, the Group achieved sales of €5.1 billion.

Tereos is an international agribusiness player with approximately 12,000 French cooperative members. Sustainability and responsibility are at the heart of its model and values, whether in terms of agricultural or industrial practices, business model, or involvement

with society or its various stakeholders. This approach is reflected in the Group’s major ambitions:

- Process all the components of agricultural production,
- Offer quality products and services, adapted to the needs of its customers and consumers,
- Develop sustainable production methods.

KEY FIGURES²

Processed agricultural products:

Sugar cane
(Brazil, Reunion Island, Tanzania, Kenya):
18.1 Mt
(down 22.4% compared to 2020/21)



Sugar beet
(France, Czech Republic, Romania):
20.0 Mt
(up 26.2% compared to 2020/21)³

Cereals, potatoes, cassava
(Europe, Brazil, Asia):
4.4 Mt
(down 6.0% compared to 2020/21)



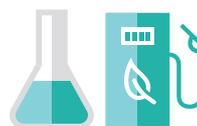
Alfalfa
(France):
0.4 Mt
(up 11.0% compared to 2020/21)

Production of processed materials:

Sugar
3.9 Mt raw value
(down 9.7% compared to 2020/21)



Starch products:
2.3 Mt
(down 12.7% compared to 2020/21)



Alcohol and ethanol:
1.3 Mm³
(down 7.5% compared to 2020/21)

In addition to ethanol, the Group produces renewable energies such as green electricity.

² Scope as at March 31, 2022; financial scope (including minority holdings and joint ventures at rate of ownership in France, Tanzania and Kenya) is different from the scope used for monitoring NFS indicators. The Group divested all its activities in Mozambique in 2021/22.

³ Volume of sugar beets after washing (clean)

1.1

VALUE CHAIN

Tereos is present throughout the entire value chain: from the upstream agricultural activities to the industrial transformation of agricultural raw materials into sugars, alcohols and starches, as well as the final product distribution to customers.

Tereos comprises 12,000 cooperative members in France, who hold the cooperative's share capital and supply it with agricultural raw materials. In order to maintain control of production conditions and ensure the traceability of the various products, most of the agricultural raw materials processed by the Group come from direct channels.

Depending on the specific crop, raw materials are supplied by Tereos' cooperative members (sugar beets, starch potatoes and alfalfa) or by supplier growers (sugar cane, corn, wheat and cassava). The Group itself undertakes agricultural operations in Brazil, directly cultivating part of the land on which sugar cane is produced. Region by region, the following table shows the origin of the raw materials processed by the Group:



RAW MATERIAL	ORIGIN	TEREOS COOPERATIVE MEMBERS	SUPPLIER GROWERS	LAND CULTIVATED BY TEREOS
Sugar beets	France	✓		
	Czech Republic		✓	
	Romania		✓	
Sugar cane	Brazil		✓	✓
	Reunion Island		✓	
Wheat	Multiple origins		✓	
Corn	Multiple origins		✓	
Potatoes	France	✓		
Alfalfa	France	✓		
Cassava	Brazil		✓	✓

To provide essential products to the world’s growth markets, Tereos has chosen to establish a direct international presence. Tereos has eight industrial sites in Brazil, four in Africa and the Indian Ocean, and one in Asia. During the year 2021/22, the Group divested all its activities in Mozambique.

with its members, consisting of sugar-producing companies from the European Union, Switzerland and the United Kingdom. A recognised interlocutor of EU institutions, the CEFS aims at ensuring sustainable sugar production, the proper functioning of the EU Single Market and a level playing field on the world stage.

With an extensive portfolio of products and ingredients, Tereos sells most of its products to its 16,800 customers, who are local and international players in sectors such as food, pharmaceuticals and cosmetics, animal nutrition, paper and cardboard, biofuels and green chemistry.



Tereos products are distributed in 114 countries around the world. Tereos’ presence is also established among B2C consumers with five consumer brands, which are highly regarded by local consumers: Béghin Say, La Perruche, Guarani, TTD, Sucreries de Bourbon and Whitworths.

Tereos is also a member of the European Association of Sugar Manufacturers (Comité Européen des Fabricants de Sucre, or CEFS), an international non-profit organisation, sharing knowledge and technical expertise

1.2

STRATÉGIE

Tereos has introduced a strategic plan leading to 2024 known as *neoTereos*, which is intended to improve the profitability of its operations and reduce its debt. These initiatives will provide Tereos with more room for manoeuvre and strengthen its ability to withstand the cyclical downturns inherent in its sugar businesses, thereby ensuring the Group's long-term viability. Tereos has also confirmed the three strategic pillars (Sugar and Renewables in Europe and Brazil and Starch, Sweeteners and Renewables businesses in Europe), on which it intends to devote all its future investments.

The mission of the Tereos cooperative group is to develop and secure the long-term future of its members' agricultural production (beet, alfalfa, potatoes), a model that creates a real value chain to meet essential daily needs: food, renewable energies, pharmaceuticals and healthcare.

Meeting economic and social challenges

As stated in the 2021/24 strategic plan, the Group intends to be a key player in continuing to meet the economic and social challenges of today.

The principal economic challenges facing Tereos are to complete the transformation of the Group, in the context of the end of sugar quotas and the need to offer better remuneration for sugar beet; to significantly improve productivity in order to withstand market downturns; and to implement business synergies, particularly by strengthening strategies at all levels between the Group's three key activities. As for social challenges, Tereos seeks a positioning that will provide answers to the issues of climate, energy and food. To address the climate emergency, the Group will

continue its decarbonisation policy by actively investing in projects designed to reduce the use of fossil fuels. In terms of energy transition, Tereos will develop its activities in the production of plant energy from biomass (ethanol, anaerobic digestion, distilleries, electricity from cogeneration and bagasse).

As far as the food transition is concerned, the Group plans to respond to consumption patterns with production that is healthier, more local and more sustainable. This involves developing HVE (High Environmental Value) production, while fostering the circular economy and regional development. Tereos also intends to build on its positions in plant protein, where it is already a significant player.

A two-phase strategy

Three audits – financial, industrial and commercial – were carried out by external consultants in spring 2021. The objective was to establish a diagnosis and make proposals and recommendations for action in relation to the findings. The main recommendations of these audits have been integrated by the Group's senior management into the neoTereos strategic plan, which consists of two phases:

- Back to basics in the years 2021-2023, with the aims of restoring financial leeway and meeting economic and social challenges;
- Back to growth from 2024 onwards, once the phase of debt reduction is complete, with new investment in growth drivers.

Following the commercial, industrial and financial audits launched in 2021, the Group has selected three areas for value creation:

- Commercial excellence
 - Shift from a volume strategy to a margin strategy, focusing on profitability
 - Implement innovation capacity (R&D) in all markets
 - Ensure customer satisfaction
- Operational excellence
 - Concentrate on the three business pillars (Sugar & Renewables Europe, Sugar & Renewables Brazil, Starch, Sweeteners & Renewables)
 - Develop synergies between businesses
- Industrial excellence
 - CapEx selectivity
 - Improved competitiveness
 - Rollout of innovative industrial processes (4.0 facilities)

- Continuous improvement plan
- Attaining carbon

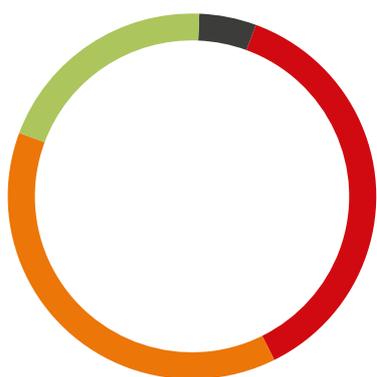
Through these measures, the Group intends to improve its profitability and cash generation to strengthen its balance sheet and reduce its debt. The application of the performance levers identified through the various audits will enable Tereos to achieve its four main objectives for 2024:

- Recurrent generation of positive free cash flow
- EBIT margin of 5%
- Nett debt below €2 billion
- Consolidated net leverage below 3x

Improving the Group's EBITDA remains the main objective and will be primarily achieved thanks to the following levers:

- A reorientation of the commercial policy towards a value strategy rather than a volume strategy, which should result in higher sales prices and better control of the product mix;
- Improved commercial and operational efficiency (particularly energy efficiency);
- Control of fixed costs, in particular structural costs (SG&A) both at plant and central levels (Group and Business Units);
- A capacity to make costs variable, particularly in the event of low equipment utilisation or a reduction in cultivated surfaces.

RESULTS BY ACTIVITY



Revenues by division, fiscal year 2021/22

- Sugar and renewable Europe **37%**
- Starch, Sweeteners and renewable **38%**
- Sugar and renewable international **20%**
- Others (incl. Elim) **5%**

Adjusted EBITDA by division, fiscal year 2021/22

- Sugar and renewable Europe **37%** ■
- Starch, Sweeteners and renewable **22%** ■
- Sugar and renewable international **33%** ■
- Others (incl. Elim) **8%** ■





MODÈLE D'AFFAIRES

02



A cooperative group, Tereos is developing a virtuous economic and human model. As a global agri-food player, the Group is committed to its stakeholders to build long-term solutions. Present across the entire value chain, from field to consumer, Tereos' approach generates shared value between the various partners in this ecosystem.

Our strategic challenges **DIVERSIFYING RANGES // ANTICIPATING**

Our resources

- 42.9** million tonnes transformed worldwide
 - naturelles**
 - sugar beet
 - sugar cane
 - wheat
 - corn
 - potatoes
 - cassava
 - alfalfa
 - human**
 - 19.800 employees
 - 12.000 cooperative members
 - industrial and commercial**
 - 44 industrial facilities
 - € 371m industrial investments (2021/22)
 - 700 fournisseurs stratégiques
 - intellectual**
 - 6 R&D centres
 - 5 consumer brands
 - economic**
 - 114 distributing countries
 - 13 operating countries

Our mission

We meet food and energy needs by transforming agricultural raw materials. Through our presence along the entire value chain, from the field to the consumer, we have developed a virtuous economic and human model with a long-term focus.

6 PRODUCT RANGES



16.800 CUSTOMERS WORLDWIDE

CONSUMER BRANDS

- BÉGHIN SAY • LA PERRUCHE • GUARANI
- TTD • SUCRERIES DE BOURBON

NEW NEEDS // ACCELERATING THE ENERGY TRANSITION

Our strengths

LEADING POSITIONS ON OUR MARKETS

for sugar, starch, alcohol and ethanol, wheat protein

A PRESENCE THROUGHOUT THE ENTIRE VALUE CHAIN

our offer covers the entire value chain, from the field to the consumer: production, processing and distribution

A STRATEGY BASED ON THREE AREAS OF VALUE CREATION

with a shift from a volume strategy to a margin strategy, prioritisation of our three business pillars, improvement of our competitiveness

CIRCULAR ECONOMY AT THE HEART OF OUR MODEL

99 % of raw materials processed

Our impacts

on the regions

- 11.5 jobs on average are sustained in the French economy by one job at Tereos
- local development programmes for neighbouring communities

on the environment

- 75% of raw materials are sustainable (SAI, Bonsucro)
- 46% of renewable energies in our energy mix
- production and marketing launch of organic and HVE beet sugar

on cooperative members and farmers

- tools and services to provide agronomic guidance
- technological innovation programmes to boost performance
- 6,000 experimental micro-plots on the Tereos multi-crop farm
- *Amigo Produtor* loyalty and professionalisation programme in Brazil

on our customers

- 74% of our facilities certified ISO 22000 for food safety
- Sweet&You reformulation service to aid nutritional and dietary balance
- extensive portfolio of products with over 400 references

on our employees

- safety day held throughout the Group
- 34 hours of training on average per employee receiving training

on the economy

- taxes re-injected into the local economy

Data given with regard to "Our resources" and "Our mission" is based on the financial scope (different from the scope used for the NFS indicators), i.e. without the exclusions mentioned in the Methodological Note, chapter 7



CSR POLICY

03



In an effort to address the challenges facing the Group and implement its long-term vision, Tereos is committed to a strategy of sustainable growth. This policy is found throughout the entire value chain. It was devised and is now managed by a dedicated team that coordinates a network of CSR correspondents, based in the Business Units and at the different sites.

To address each aspect of the Group's social and environmental footprint, a new sustainable development strategy was adopted in 2022 and is gradually being rolled out throughout the Group. It is based on a comprehensive roadmap structured around five pillars. Targets for 2030 have been defined, with all Tereos subsidiaries making contributions through individual roadmaps.

Sustainable Agriculture

Combine environmentally friendly agricultural practices with the economic viability of our growers' farms.



Commitments:

- Continuing to implement the certification of our raw materials and the evaluation of our partner farmers
- Calling upon our agronomic know-how to achieve high yields while respecting the environment
- Committing our farms to a low-carbon policy

Our 2030 goals: 90% of our raw materials are assessed/certified as sustainable.

Protection of the environment

Promote a system of production that takes account of the preservation of biodiversity and the production of waste.



Commitments:

- Accelerating the rollout of precision farming
- Limiting our waste and transforming 100% of our raw materials, with no waste
- Restoring the natural habitats of pollinators and endemic species; focusing on crop rotation to improve soil fertility and quality

Our 2030 goals: 100% of our subsidiaries institute a biodiversity protection project based on our biodiversity charter; 100% rate of transformation of our agricultural raw materials.

Positive industry & decarbonisation

Optimise water and energy consumption in our plants and reduce our carbon footprint.



Commitments:

- Reducing energy consumption throughout the value chain
- Optimising the energy efficiency of our production processes
- Supporting the production of renewable energy
- Optimising water recovery within our value chain

Our 2030 goals: reduce the gross CO2 emissions (scopes 1+2) of our European facilities by at least 30% on average compared to 2015; reduce water consumption per unit of product in our facilities by at least 20% compared to 2017.

Responsible, healthy & quality food

Be a leading partner for our customers in nutritional reformulation and develop educational programmes on the responsible consumption of sugar.



Our 2030 goals: a large number of our major customers provided with possibilities for reformulation, offering nutritional benefits⁴ to their customers; 100% of our B2C ranges include information on responsible consumption.

Commitments:

- Creating customised reduced-calorie ranges and optimising sweetening power in order to offer end-users a safer and healthier diet
- Including information and recommendations on responsible sugar consumption on our packaging

Employees & local development

Protect the health and safety of our employees and partners; promote diversity and equal opportunities and fight against discrimination; contribute to regional attractiveness.



Our 2030 goals: reduce the frequency rate of lost-time accidents to 0.5; increase the percentage of female members of the Tereos Management Forum⁴; continue to support local development through our industrial presence and our raw materials derived from local agriculture.

Commitments:

- Continuing to raise awareness about occupational health and safety issues
- Strengthening diversity and access to management positions for women
- Maintaining local supply chains for our plants to support the regional economy



PRINCIPAL NON-FINANCIAL CHALLENGES

04



Background

The system for managing extra-financial issues is integrated into the Group's management system. Tereos' objective is to provide an overall view of its strategy, its organization, and the positive and negative impacts of all of its activities. The analysis of the Group's challenges, the control systems put in place to respond to them and the associated performance indicators, is reviewed annually.

Chapter 10 of the present statement defines each indicator as well as possible exclusions from the reporting scope. The Group’s divestment of its activities in Mozambique, which occurred in 2021/22, had a significant impact on changes in some indicators.

CHALLENGES	THEMES	PRINCIPAL KEY PERFORMANCE INDICATORS	RESULTS
Sustainable agriculture	Quality of supply of agricultural products (suppliers, farming practices, partnerships, security of supply); adaptation to climate change	Tonnage of agricultural products processed	42.8 Mt⁵
		Percentage of agricultural products certified / evaluated sustainable	75%
Protection of the environment	Biodiversity, water management and waste management; noise, odour, soil and air pollution	Percentage of subsidiaries with a biodiversity protection project based on our biodiversity charter	40%
		Percentage of agricultural raw materials processed	99.8%
		Percentage of plants certified ISO 14001	28%
Positive industry & decarbonisation	Energy efficiency, renewable energies, contribution to climate change	Percentage of water returned to the environment	96%
		Water performance	35.4
		Percentage of renewable energies	46%
		(Mt) CO2 emissions	2.55
		Percentage of plants certified ISO 50001	44%
Responsible, healthy & quality food	R&D innovations, nutritional reformulation, responsible consumption and public health, food safety, origin of products, traceability, quality	Percentage of major customers to whom Tereos has offered a nutritional reformulation solution	NP⁶
		Percentage of B2C sugar ranges giving customers information about responsible consumption	0%
		Proportion of customer complaints processed on time	69%
		Percentage of plants certified ISO 22000 / FSSC 22000 (or equivalent)	74%
		Percentage of plants certified ISO 9001	63%

⁵ Following a methodological change in 2020/21, volumes of are now expressed after washing ("clean").

⁶ New indicator currently under construction : NP = data not published this year

CHALLENGES	THEMES	PRINCIPAL KEY PERFORMANCE INDICATORS	RESULTS
Employees & local development	Safety at work, accident prevention, diversity & inclusion, fighting discrimination, employability, skills development, working environment, fighting food insecurity	Overall frequency rate	4.94
		Severity rate	0.07
		Lost-time accident frequency rate	2.24
		Percentage of employees receiving training in health and safety	82%
		Average seniority in years	10.03
		Average number of hours of training per employee trained	34
		Percentage of employees with a disability	3%
		Percentage of women among members of the Tereos Management Forum	NP ⁷
		Number of employees who are “people managers” and gender breakdown	1.736 including 14% females
		Number of employees and gender breakdown	13.876. including 14% females

Scope: the data in this table, as well as in the rest of this statement, is based on the scope of the NFS (excluding the integration of trade investments, joint ventures and administrative sites), unless explicitly specified in a footnote.
⁷ New indicator currently under construction : NP = data not published this year

4.1

METHODOLOGY

In 2018, Tereos worked on identifying and selecting its main non-financial challenges, with the support of an external consultant.

This process was carried out as follows:

- Definition of a spectrum of issues based on the ISO 26000 standards, the GRI (Global Reporting Initiative) standards, the NFS regulations, the Group's main CSR challenges, its competitive environment and market trends.
- On the basis of this work, the Group defined the scope of the CSR challenges in relation to its activities.
- These issues were classified and submitted to a panel of internal stakeholders in France and internationally, who evaluated and selected the issues with the greatest potential impact for Tereos and its stakeholders.
- Two axes were defined to map the issues according to three parameters: severity, probability of occurrence and control of the issue.

The severity of impact was initially rated according to a scale ranging from 1 (limited) to 4 (critical). A second rating was made on the probability of occurrence, ranging from 1 (unlikely) to 4 (certain). The selection of identified challenges was presented to the Group Executive Committee for validation. For the challenges selected, the level of control of each one was assessed to determine whether the procedures and action plans put in place by the Group were sufficient and to identify priority measures for implementation.

In 2021/22, Tereos published its new CSR strategy, and consequently reorganised all its extra-financial issues to ensure that they are presented in a manner consistent with the main pillars of its CSR strategy.

In addition, some other indicators have been added have been added to reflect the focus of the Group's new CSR strategy:

- Addition of "Percentage of subsidiaries with a biodiversity protection project based on our biodiversity charter" for Protection of the environment.
- Addition of "Percentage of major customers to whom Tereos has offered a nutritional reformulation solution", "Percentage of B2C sugar ranges giving customers information about responsible consumption" and "Percentage of customer complaints processed on time" for Responsible, healthy & quality food.
- Addition of "Number of employees who are 'people managers' and gender breakdown", "Percentage of women among members of the Tereos Management Forum" and "Lost-time accident frequency rate" for Employees & local development.

4.2

NFS COMPLIANCE AND OTHER INFORMATION EXPECTED BY STAKEHOLDERS

Code of Ethics

Tereos has adopted a Code of Ethics, available on the Tereos.com website⁸, in all the languages of the countries in which Tereos operates.

This Code of Ethics highlights the Group's values and ethical principles:

- Respect for dignity and human rights,
- Human safety and food safety,
- Sustainable development,
- Data protection for the Group and all its stakeholders,
- Protection against corruption and money laundering,
- Compliance with the right to competition.

This Code of Ethics is based on several international standards to which the Group is signed up, particularly the United Nations Declaration of Human Rights, the European Convention on Human Rights, various International Labour Organisation agreements and the OECD Guidelines for Multinational Enterprises.

This Code of Ethics enables the Group to undertake major commitments to its various stakeholders (particularly its cooperative members), who, in turn, also commit themselves to Tereos.

A compulsory training course on ethics and compliance was launched in December 2020 with the goal of training all employees targeted (those employees with access to the training platform). This course, accessible via the Tereos Academy online training platform, includes four modules designed to train and raise awareness among employees about rights and obligations arising from various regulations relating to ethics:

- Code of Ethics
- Combating money laundering and the financing of illegal organisations
- Anti-corruption
- Protection of personal data

[8 tereos-ethical-charter-uk-2022.pdf](#)

Sustainable procurement policy

Agricultural raw materials

Tereos has a vertical integration strategy which takes account of the various stages in the value chain, from cultivating agricultural raw materials to marketing the resulting products. Through its control of the entire value chain, the Group can oversee the production conditions and origin of the products (see *chapter 5, Sustainable Agriculture for more details*).

Cooperative members are the principal suppliers of raw materials to Tereos. The sustainable management of agricultural supplies is of the utmost importance to Tereos, which devotes a large part of its efforts to it. Agricultural raw materials purchased by the Group and processed in its plants account for approximately two-thirds of the Group's Cost of Sales. Around 90% of these agricultural raw materials are purchased directly from Tereos' 18,000 cooperative members and partner growers. This integrated approach provides the Group with a better understanding of the issues at stake and an effective collaboration with the agricultural sector.

In addition, the Group relies on the benchmarking of the Sustainable Agriculture Initiative (SAI) Platform to ensure socially and environmentally responsible agriculture (see *chapter 5 below*). This initiative, which is based on self-assessment and verification by an independent third party, was employed for purchases of sugar beet in France, Romania and the Czech Republic, as well as for purchases of sugar cane in Reunion Island. In addition, the Group remains committed to the sustainable production of sugar cane by implementing Bonsucro certification in Brazil, whose specifications guarantee the sustainability of sugar cane cultivation and processing.

Other purchases

Outside of purchases of agricultural raw materials, the rest of the supply chain is monitored by the Group's Procurement Department, by way of the sustainable procurement policy. The Group's objective is to choose industrial and business partners who can guarantee total compliance, in the countries in which they operate, with the ethical principles set out by Tereos in its Code of Ethics.

Tereos' business partners are committed to complying with all of Tereos' ethical principles as

defined in the Code of Ethics, making it an integral part of all Group contracts. Any partner entering into a contractual relationship with Tereos must accept the Group's Code of Ethics. Recognition and respect for the Code of Ethics and the values and principles it advocates by Tereos suppliers is a prerequisite for any supply contract with a Group entity.

The Group pledges to terminate all relations with an industrial and business partner that does not respect one of the ethical principles or objectives set out in the Code of Ethics at the earliest opportunity.

In 2018, the Group's Procurement Department introduced a sustainable procurement policy with three main components:

- Development of a culture of responsible procurement among the internal players in the procurement process:
 - Training sessions for purchasers and extension to other players in the procurement process, specifiers, operational managers.
- Involvement of suppliers in the Group's responsible procurement policy:
 - Commitment of suppliers by signing the Group's Code of Ethics,
 - Encouragement of suppliers to become a force of proposal on issues relating to sustainable development,
 - Regular evaluation of suppliers' CSR performance by EcoVadis (see *below*).
- Implementation of targeted procurement actions with high stakes:
 - Faster referencing of eco-responsible products,
 - Improved waste sorting and energy savings at the Group's industrial sites in keeping with the ISO 14001 certification process,
 - Targeted action on the implementation of a process to recover packaging for reuse.

Integrating and monitoring suppliers

In order to involve suppliers in the Group's responsible procurement policy, the Group's Procurement Department has introduced a strategy to evaluate and monitor major suppliers on their social and environmental performance. The performance of the pairing of product and supplier is assessed as soon as the latter is listed and monitored throughout the relationship through a combination of six-monthly evaluations and audits.

The half-yearly evaluation of suppliers is carried out in April and October by each buyer for all purchases on the list of critical purchases on which Tereos' expenditure has been greater than €100,000 over the previous six months or in the event of a major incident involving the supplier. It provides a means of verifying a supplier's compliance with the Group's needs, but also with changes in regulatory requirements and quality standards. The evaluation of supplier performance is based on indicators and an assessment of major incidents and recurrent minor incidents recorded over the period in question.

The evaluation covers five criteria: quality, safety, logistics, productivity and CSR (the assessment of the latter criterion being carried out by means of EcoVadis audits). The evaluations are then communicated to suppliers, so they can take note of them and provide an action plan for each point of non-conformity identified.

Six-monthly evaluations are supplemented by audits which are intended to confirm that the Group's suppliers are compliant with its demands with respect to the first four criteria listed above: quality, safety, logistics, productivity. An audit can occur at various stages of the relationship:

- At the supplier approval phase,
- Systematically on a three-year cycle for purchases classified as critical, in order to detect risks and secure our purchases (e.g. audits of washing facilities, laboratories, storage warehouses, etc.),
- Following an incident of non-conformity.

In 2021/22, 45 supplier audits were conducted: 8 approval audits, 26 systematic audits and 11 audits following up on non-conformity.

Evaluation of the CSR criterion is carried out as part of an annual exercise in partnership with EcoVadis. This independent platform evaluates suppliers in terms of sustainable development and social responsibility on four themes: environment, labour and human rights, ethics and responsible purchasing. In addition, each company is evaluated on key issues relating to its size, location and business sector.

In March 2022, 548 suppliers were invited to answer the EcoVadis questionnaire, 81% of them were evaluated (and 14% are currently undergoing evaluation), representing more than 90% of the break-even point. With an average score of 55/100, their performance is higher than the average global EcoVadis score of 43/100. The scores obtained by the Group's suppliers are included in the annual performance reviews carried out by the Procurement Department. Suppliers who score less than 45/100 overall or on one of the EcoVadis pillars must submit a corrective action plan.

Benchmarks

For the third consecutive year, the Group was among the top-rated companies by the EcoVadis platform in 2020, with a score of 69/100 (Gold level). Out of the 60,000 companies evaluated by EcoVadis, Tereos ranks in the top 4%. The Group aims to progress and to maintain a score above 70/100, in particular by improving on the least satisfactory pillars according to the EcoVadis criteria.

The Group also relies on the SMETA (SEDEX Members Ethical Trade Audit) standard, and is audited by its customers. In 2020/21, 20 Group plants were certified. This standard encourages the various links in the supply chains to progress towards more ethical and responsible practices. It was drawn up in collaboration with global groups by SEDEX (Supplier Ethical Data Exchange). SMETA audits are conducted by third party organisations and cover environmental management, employee health and safety, labour standards and business ethics.

Positive impact finance

By linking its funding needs to its sustainability performance, Tereos commits itself even further to integrating sustainability into its practices. Since 2020, the Group has contracted several positive impact loans, which are intended to support the development of Tereos' activities with a commitment to achieving specific sustainability targets. Under the terms of these financing agreements, Tereos can benefit from an interest rate reduction on the loans for each year that these sustainable performance targets are met, as validated by an independent audit.

In June 2020, Tereos Sugar & Energy Brazil signed an agreement for the first positive impact loan in Brazil in the sugar and ethanol sector, a new long-term loan of USD 105 million, contracted with a consortium of seven long-standing Tereos partner banks.

In October 2020, Tereos SCA signed a positive impact loan concerning a revolving credit line for 200 million euros.

Two further positive impact loans were recently concluded, one concerning Tereos Sugar France in September 2021, for 390 million euros, the other for Tereos Starch & Sweeteners Europe activities in February 2022, for 190 million euros. These two new loans also incorporate a similar interest rate reduction mechanism in consideration of achieving sustainable development objectives.

This sustainability initiative commits Tereos to achieving a number of performance targets relating to sustainability by 2025/26, calculated according to key indicators: an annual reduction in greenhouse gas emissions, an annual reduction in water consumption, a higher percentage of raw materials certified sustainable, the development of flower strips for the protection of biodiversity and a higher score in the formal assessment of the Group's Environmental, Social and Corporate Governance (ESG) criteria.

Sustainable Development Goals

Since 2017, the Group has been guided by the United Nations Global Compact, striving to comply with its ten core principles in the areas of human rights, labour rights, the environment and fighting corruption.⁹

By integrating these principles into its strategy and action, Tereos also supports the 17 Sustainable Development Goals (SDGs) defined by the United Nations. The Group has adopted nine of these SDGs, presented below, in line with its activity and areas of operation.





SUSTAINABLE AGRICULTURE

05



Background

Tereos supports a sustainable agriculture model that addresses the challenges of tomorrow: by 2050, the worldwide population will be close to 10 billion. To meet the needs of the world’s population, the Food and Agriculture Organization (FAO) of the United Nations¹⁰ has stated that it will be necessary to increase 2012 levels of food, fodder and agrofuel production by roughly 50%. This increase will have to be achieved in parallel with a significant transformation of the agricultural model, in order to ensure the preservation of the planet and its resources.

¹⁰ <https://www.fao.org/3/cb9910en/cb9910en.pdf>

RESULTS



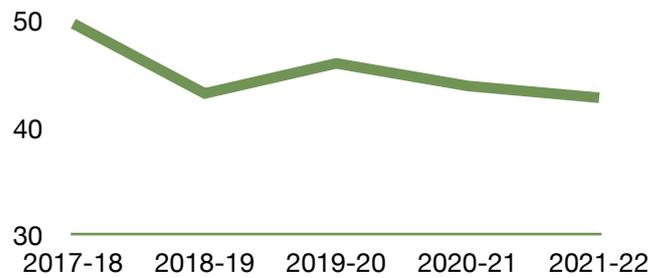
42.8

million tonnes of raw materials transformed in 2021/22 (43.9 million tonnes in 2020/21)



Beet production increased by 26% after a year of low yields in 20/21, while sugarcane production decreased in the same proportions (unfavourable weather conditions in Brazil).

Tonnage of agricultural products processed (Mt)



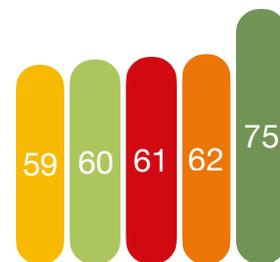
75%

of the Group's agricultural products are assessed or certified as sustainable (62% in 2020/21)



Progress made in sugar beet was amplified by an increase in production. In addition, the percentage of sugarcane assessed as sustainable in Brazil has risen from 30% to 42%.

2017-18 2019-20 2021-22
2018-19 2020-21



Proportion of agricultural products certified or assessed as sustainable (%)

Commitments

Our goal for 2030

_ 90% of our raw materials are assessed/certified as sustainable

- Continuing to implement the certification of our raw materials and the evaluation of our partner farmers
- Calling upon our agronomic know-how to achieve high yields while respecting the environment
- Committing our farms to a low-carbon policy

Policies and action plans

The Tereos model is based on enduring local relationships with its cooperative members, then with all parts of the agricultural world (suppliers, transporters, etc.). This control of the value chain combined with an international presence enables the Group to provide its customers with direct and secure supply chains. To meet climate change challenges, the Group helps growers to improve their resilience while reducing the environmental footprint of their activity through new practices such as precision farming and sustainable agriculture.

Governance of the Sustainable Agriculture pillar is decentralised at Business Unit level. Although they form part of a common framework, the elements relating to this challenge vary from one Business Unit to another. The need for adaptation is explained by the diversity of the raw materials transformed, the profiles of the supply chain and other specific local features.

Nonetheless, Tereos has undertaken a Group-wide review to ensure that these challenges and the related risks are better covered and coherently managed. A study of all Business Units was carried out in 2020 to improve understanding of how the Sustainable Agriculture challenge is managed in terms of leadership and responsibilities.

One of the areas for improvement envisaged is the creation of a network of specialists in agricultural issues, led by the CSR team. Alongside this, the implementation of the Group's new sustainable development strategy, which includes the question of sustainable agriculture, will be regularly monitored at Business Unit level by the committee responsible for steering it. The approach chosen for this strategy, built in consultation with the Business Units, also entails their responsibility for achieving the goals set with each of them.

5.1

INITIATIVES IMPLEMENTED BY TEREOS IN THE UPSTREAM AGRICULTURAL SECTOR

Innovation & new technologies

Agronomic innovation is an ongoing process at Tereos. New production techniques for sustainable agriculture are at the heart of the work of the Agronomy Department, which carries out numerous trials and experiments every year in the Tereos multi-crop farm. Like an open-air agronomy R&D laboratory, the farms tests innovative new techniques that it then rolls out to cooperative members.

In 2021/22, over 6,000 experimental sugar beet, starch potato and alfalfa micro-plots were set up throughout the supply area. The Tereos multi-crop farm makes it possible to develop numerous innovations seeking to improve the performance and profitability of its cooperative members' farms, allowing each cooperative member to benefit from the best techniques available through the personalised advice of their sector manager.

In 2021, the Tereos multi-crop farm hosted trials of the 3rd generation ARA weeding robot, designed and developed in partnership with the Swiss company Ecorobotix. Thanks to its vision system and artificial intelligence, this robot allows for precision treatment and therefore a significant reduction in the use of weedkillers: up to 95% for one pass compared to a sprayer. This innovation also makes it possible to address several issues: improving sustainable cultivation practices, reducing the use of phytosanitary products and therefore production costs.

The Group also relies on digitalisation and other new technologies to increase farm profitability: image capture and analysis by drones and satellites, the use of algorithms, and the installation of mobile workstations to carry out surveys as close as possible to the fields. In particular, the use of drones makes it possible to map the presence of weeds in the fields, to significantly reduce inputs and to estimate the level of biomass, and hence the yield.

In Brazil, Tereos has developed the Galileo advanced analysis project, which aims to increase sugarcane productivity using big data, statistics and machine learning.

Employing several terabytes of data (satellite and drone images, weather stations, equipment sensors, internal and external databases), Tereos Sugar & Energy Brazil applies data science to perform complex statistical analyses and develop advanced artificial intelligence models. Decision-making is improved, to get the best out of sugarcane fields using three approaches:

- Prediction: the analysis, correlations and forecasts provided to teams enable faster and more accurate decisions, resulting in higher agricultural productivity

- **Detection:** by applying deep learning models to drone and satellite imagery, planting holes, weeds and other factors impacting agricultural productivity can be detected quickly and accurately
- **Optimisation:** thanks to powerful algorithms, routes and response times are streamlined, optimising the scenario for the best possible outcome

In Spain, Tereos teams have worked with the University of Zaragoza to develop a biocontrol project to minimise the presence of the corn borer, the main pest in corn fields. The use of biological control methods makes it possible to treat the presence of pests without the need for phytosanitary products.

in France, “My Silos by Tereos”, a smartphone application introduced during the 2020/21 campaign, enables cooperative members to notify Tereos teams in real time of changes in the status of their silos, using GPS technology. This information exchange tool optimises logistics for silo emptying and allows users to compare their key indicators (yield, soil tare, richness) with those of other cooperative members.

Agronomic advice

The role of Tereos Sugar France’s Agronomy Department is to identify and implement potential areas for progress and agronomic innovation, particularly with regard to changes in the agricultural model and regulations. It plays its part as an expert in the cooperative’s various specialist committees and acts as a scientific advisor. Its work chiefly focuses on improving yield and the quality of agricultural production, in order to develop a model of sustainable agriculture. The Agronomy Department conducts experiments in order to identify the best practices to be shared (crop protection, alternative weed control methods, raw material conservation, etc.). Every year, they write summaries of the experiments and recommendations for the following years, which are listed in Agrobks dedicated to each of the Group’s crops.

The Agronomy Department also focuses its trials on the way in which Tereos’ products are integrated into cropping systems (sowing and harvesting dates, etc.), with the aim of creating value at the level of the farm. Varietal experimentation and genetics are major levers for innovation in the face of issues linked in particular to climate change, disease resistance and yield improvement. The Agronomy Department carries out this work on a European scale, in the context of sharing experience with the Czech Republic and Romania, where sugar beet is also processed.

Dedicated teams also work with cooperative members to reduce the use of phytosanitary products by helping them identify sustainable practices based on varietal research, mechanical weed control, biocontrol and soil protection. Tereos also focuses on Phytosanitary Product Savings Certificates (CEPPs), which are designed to incite players from the world of agriculture to reduce their consumption of phytosanitary products. The cooperative is granted a certain number of bonds, depending on its sales volumes, which it must offset with an equivalent number of CEPPs, failing which it is liable to a financial penalty. Once the quota of certificates has been reached, it is possible to sell surplus certificates. Tereos has set a target of collecting 200,000 certificates by 2023.

Commitments made as part of the sugar beet sector's prevention plan

In 2020, the crisis caused by the beet yellows virus transmitted by aphids severely affected the sector, with yield losses around 30% by comparison with the five-year average. The risk of exposure to the beet yellows virus was previously controlled by sugar beet growers through the use of neonicotinoid seed treatment, which has not been permitted since 2018.

Faced with the risk of seeing the sector collapse, a derogation was introduced in 2020 which allows the use of seeds coated with neonicotinoids until 2023 under defined conditions, exclusively for sugar beet crops. In the lack of a viable alternative, this provision is intended to allow sufficient time for research to develop new effective methods to combat beet yellows. The Interprofessional Association of Sugar Beet and Sugar (AIBS), of which Tereos is a member, has published a prevention plan for the entire sector to establish a transition process towards neonicotinoid-free sugar beet cultivation by 2024 at the latest. This plan relates to some 30 players in the sector, with exceptional funding from the Government of €7 million over 3 years.

The National Research and Innovation Plan (PNRI) currently covers 21 projects in four main areas:

- Monitoring the situation on the ground
- Implementation of all alternative solutions to neonicotinoids
- Protection of pollinators and biodiversity
- Sharing knowledge and research results.

As a member of the Technical Coordination Committee of the PNRI, Tereos plays a full part in the management of the research projects. The Tereos Cooperative Division is actively involved in four PNRI projects, in particular via the pilot test farms, where combinations of practices likely to reduce the risk of beet yellows and the ensuing yield losses are evaluated. Alternative solutions developed are based, among other things, on biocontrol, the action of auxiliaries, varietal selection, companion plants and the establishment of strips of perennial flowers.



5.2

MONITORING THE ENVIRONMENTAL PERFORMANCE OF THE UPSTREAM AGRICULTURAL SECTOR

A low-carbon strategy

As part of the fight against climate change, Tereos has set up a feasibility study to explore the opportunities presented by the emergence of a market for agricultural carbon. The launch of a low-carbon label for field crops means that the carbon storage or emission reduction achieved by field crop producers can generate certificates that can be traded with players wishing to offset their carbon footprint.

This project forms part of Tereos' desire to reduce the carbon footprint of its activities and to promote the good practices of its cooperative members. Three approaches are under consideration, with a view to mastering the methodology and better defining how to support the cooperative members:

- Tereos is a partner in the Carbon Think consortium (Terrasolis): this regional group includes around one hundred field crop farms in Eastern France and aims to assess and promote low-carbon practices. Tereos has carried out ten diagnoses and is involved in discussions on the future use of carbon credits.
- Tereos is also testing Soil Capital, the first carbon payment platform. The programme is used to carry out an annual techno-economic diagnosis and a carbon balance of the farm, using a tool called Cool Farm Tool. The Group will test the methodology on four diagnoses, and will then compare the results with the Low Carbon Label.
- Tereos won a call for projects from Ademe, the French environmental and energy management agency, to carry out carbon diagnoses for some twenty volunteer young farmers. These diagnoses,

carried out using the CarbonExtract tool from Agrosolutions, will be followed by an action plan to reduce the carbon footprint of the farms and then by a carbon balance 12 to 18 months later. The aim is to assess the feasibility of a large-scale Low Carbon Label project by measuring the potential of carbon credits and the costs associated with changes in practices.

The approach initiated by Tereos not only quantifies emission reductions and carbon sequestration, but also aims to inform cooperative members of the agricultural practices that contribute to them. These include emission reduction levers (adjusting nitrogen-based fertilisation, reducing fossil fuel consumption) as well as carbon storage levers (increasing the quantity of biomass restored by plant cover, inserting and expanding temporary artificial grasslands in rotations).

Tereos Sugar & Energy Brazil (TSEB), for instance, which farms its own land, has set a target of achieving a 4.84% reduction in CO₂ emissions by 2026 on scopes 1 and 2 (compared to average results for 2019 and 2020). To this end, TSEB has implemented actions at the industrial level, but also at the agricultural level, such as: replacing nitrogen fertilisers, using organic and organo-mineral fertilisers, and using deficiency corrector fertilisers that have lower emissions. Finally, TSEB is intensifying the practice of crop rotation and, for agricultural machinery, is using diesel additives with a higher concentration of biodiesel.

Sustainability standards

Facing climate and demographic challenges, Tereos supports its cooperative members and partners throughout the world to ensure the long-term preservation of natural resources. In this context, Tereos is committed to socially and environmentally responsible agriculture, applying rigorous standards: SAI Platform, SAI, Bonsucro, 2BSvs.

The SAI (Sustainable Agriculture Initiative) Platform is a standard that was created by Nestlé, Unilever and Danone to promote a common base of competitive sustainable agricultural practices, both upstream and downstream of the supply chain. Tereos was the first sugar cooperative to join the SAI initiative in 2015, and it is an active member. It started by implementing these guidelines among its 12,000 cooperative members in France, to help them gain the maximum value from their agricultural raw materials.

After a first successful evaluation in 2016, this initiative was renewed in 2019, with 100% of the cooperative members rated “gold” or “silver”. With an increase of 8 points over the previous audit, the growing proportion of farms rated “gold” shows Tereos’ cooperative members’ commitment to sustainable and efficient agriculture. The Group extended this initiative to the Czech Republic in 2017 (with a renewal in 2020), then to Romania and Reunion Island in 2019.

In 2020, the Group also assessed its cereals (wheat and corn) against the SAI Platform standard. In Tereos

High Environmental Value (HVE)

Alongside conventional and organic sugar, Tereos continued to develop its range of products in 2020 by offering a line of sugar made from sugar beet with High Environmental Value (HVE) certification. The aim is to support and promote growers’ sustainable development initiatives and to meet society’s expectations in terms of both environmental sustainability and traceability.

HVE certification, introduced in the wake of France’s “Grenelle” environment round table (2008), covers four key areas: protection of biodiversity, phytosanitary strategy, fertilisation management and water resource management. While Level 2 certification entails an obligation of means, Level 3 HVE certification is based on an obligation of results, measured by environmental

Starch & Sweeteners Europe (TSSE), more than 38,000 partner growers already meet the sustainability criteria of the standard. At Tereos Iberia, the Group’s Spanish subsidiary, all suppliers have received a verification certificate, 80% of which were rated “gold” or “silver”.

In Brazil, the Group is encouraging the implementation of Bonsucro, a sustainability standard designed to reduce risks throughout the sugar cane supply chain, from cultivation to end-products (ethanol and sugar). It is a demanding standard that incorporates over 200 parameters, with particular emphasis on respecting human rights and the environment. Sugar cane suppliers must comply with these parameters, reflected in 53 indicators. In 2021/22, 42% of Tereos’ sugar cane production in Brazil, as well as five of its seven sugar plants, received this certification.

The Group also works with the 2BSvs standard, a certification relating to the sustainable production of biomass and which concerns producers of biofuels, bioliquids and biogas in particular. This certification allows international recognition of products marketed according to the sustainability conditions set by the European directive 2009/28/EC: biomass production areas, reduction of greenhouse gas emissions. Tereos can thus certify 100% of its beet production for bioethanol production. In 2021/22, Tereos had twelve 2BSvs certified plants.

performance indicators. This label represents the highest level of environmental certification for farms in France.

In 2021, the second HVE campaign was run at the Artenay plant, with more than 25 cooperative members and approximately 375 hectares of HVE sugar beet. The Tereos multi-crop farm itself was awarded HVE certification in 2022 and to date Tereos is the only sugar manufacturer offering segregated HVE sugar production. The Group markets a complete range for industrial customers (B2B) and end consumers (B2C): since April 2021, HVE beet sugar under the Béghin Say brand has been available in French supermarkets.

Organic farming

Organic products are growing rapidly in popularity, and are becoming increasingly important to consumers. Tereos has been a pioneer in the distribution of organic cane sugar in Europe for more than fifteen years.

In 2018, Tereos Sugar France started developing its own range using French sugar beet, with the key advantage for the Group's European customers of it being a local product. In subsequent years, the Group has stepped up its ambitions, with an increase in organic beet surfaces from 200 to 750 hectares (organic and C2), as well as an increase in the number of growers (over one hundred, spread across four regions).

The Artenay plant, which was awarded organic certification by Ecocert in 2021, produced 3,800 tonnes of French organic beet sugar. Originally sold exclusively to the Group's industrial customers (beverage and confectionery sectors), it has also been available in supermarkets since April 2021 under the Béghin Say brand.

Reflecting the Group's diversification strategy, Tereos' organic development goes further than just the production of organic sugar:

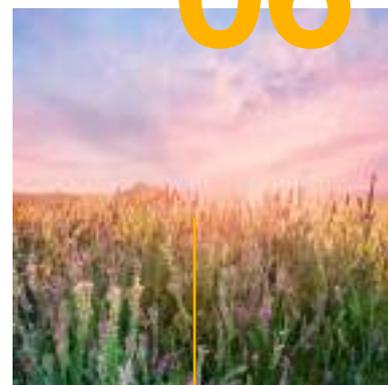
- **Animal nutrition:** in 2019, Tereos began producing and processing organic alfalfa to meet the demand of its producers. This new outlet makes it possible to support organic livestock farmers by offering them an adapted organic animal nutrition product, derived from raw materials processed by the Group.
- **Plant proteins:** since 2019, the Epi&Co and EpiWit ranges of plant-based products have been available in organic-certified versions. Epi&Co was the first Tereos starch-based activity to be awarded organic certification.
- **Organic alcohol:** in 2021, the Group extended its range with the production of organic beet alcohol. For the first time in France, Tereos has been granted Cosmos certification, which is awarded to players in the organic cosmetics industry. This production of French organic beet alcohol meets the expectations of Tereos customers in the perfume and cosmetics sectors.





PROTECTION OF THE ENVIRONMENT

06



Background

The Group’s vision is to produce a safe, quality product with a satisfactory yield and a controlled environmental footprint. Tereos encourages agricultural best practices that promote biodiversity, that contribute to preserving the quality of the environment. With regard to its industrial activities, Tereos has opted to pay particular attention to reducing its environmental impact, particularly by completely transforming natural resources, by controlling its discharges and its water consumption, and by its atmospheric emissions.

RESULTS

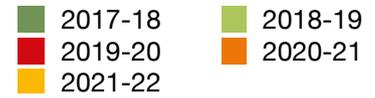


28%

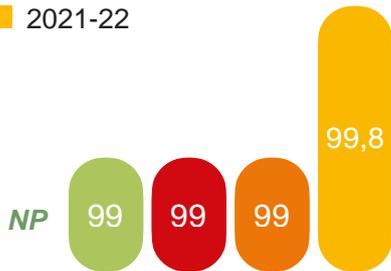
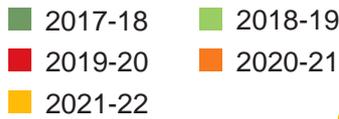
of Group plants are ISO 14001 certified (environmental management system) in 2021/22 (27% in 2020/21)



The number of plants with ISO 14001 certification was stable in 2021/22



Proportion of sites certified ISO 14001 (%)



Proportion of agricultural raw materials processed (%)



The percentage of raw materials processed in 2021/22 in the Group stands at

99,8%

(99% in 2020/21)



The Group continued to improve its utilisation rate (up 0.1%).



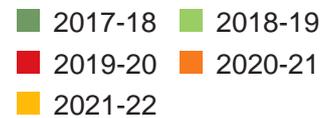
The percentage of subsidiaries with a biodiversity project in line with the Tereos Biodiversity Charter in 2021/22 is

40%

(40% in 2020/21)



For this new indicator, launched in 2021/22, six projects have been selected, implemented in a total of four Business Units.



Proportion of subsidiaries with a biodiversity project in line with the Tereos biodiversity charter(%)

NP = indicator not published

Commitments

Our goals for 2030

- _ 100% of our subsidiaries institute a biodiversity protection project based on the Tereos biodiversity charter
- _ 100% of our raw materials are transformed, with no waste

- Accelerating the rollout of precision farming
- Restoring the natural habitats of pollinators and endemic species; focusing on crop rotation to improve soil fertility and quality
- Limiting our waste and transforming 100% of our raw materials, with no waste

Policies and action plans

In 2019, Tereos worked on a Sustainability strategic plan for its subsidiaries, Tereos Sugar France and Tereos Starch & Sweeteners Europe. This strategic plan was adapted in 2020/21 for use in all Business Units worldwide. This commitment is part of the Group's operational excellence plan.

By way of illustration, Tereos Sugar France has set up an environmental management system that takes these issues into account. The action plans implemented for each of the Business Unit's plants aim specifically to:

- Control and reduce atmospheric emissions: a multi-year investment programme enables the implementation of new techniques associated with combustion installations.
- Control the impact of activities on the aqueous environment by organising regular monitoring of discharges and the ponds into which they flow, maintaining the performance of wastewater treatment facilities and conducting a multi-year programme to optimise water consumption.

- Maintain a waste recovery rate of over 98% by regularly seeking waste processing channels and organising waste sorting.
- Reduce the impact of our plants on local residents through actions aimed at reducing odour nuisance, along with regulatory studies on noise and regular communication with external stakeholders.

The Group also intends to adopt eco-design principles in order to anticipate product end-of-life, rationalise packaging and optimise waste management.

6.1

PROTECTION OF BIODIVERSITY

In 2022, Tereos put the finishing touches to its Biosphère+ plan, which catalogues all the actions undertaken by the Group to promote the protection of biodiversity. Reflecting the cooperative mission of Tereos, this plan is organised around three key areas: preserving pollinators, preserving endemic species and preserving soils.

Preservation of pollinators

The sugar beet sector's prevention plan (see chapter 5.1) entails optimising practices to protect and encourage pollinators and crop protection agents. Tereos is contributing to the sector's commitment made to plant 4,000 hectares of land with melliferous plants (summer alfalfa, wildflower strips, melliferous fallow, etc.) on all sugar beet farms by the end of 2022 on the basis of the expertise of local apiculture networks. The objective is to stabilise these areas, avoid the proliferation of undesirable species and favour a habitat for auxiliary insects. Tereos encourages its cooperative members to plant flower strips with honey-producing seeds in order to provide a food source for pollinators. In 2021, these seed sales represented the theoretical equivalent of 725 hectares sown in the Tereos supply area. This target features among the performance indicators for a green loan concluded in 2021 for Tereos Sugar France.

Tereos is a partner of the Biodiversity for Bees network, RBA, which was set up to maintain pollination services by supporting beekeeping and agriculture. In 2021, RBA trained agricultural technicians to recognise insect pollinators and beneficial organisms.

The Group has also adopted a Tereos Biodiversity Charter, directly derived from the Biosphere+ plan. The objective of this charter is to define the Group's expectations of its subsidiaries, in order to provide a coherent framework for biodiversity preservation actions. The Group's new sustainability strategy includes a performance indicator on the implementation of biodiversity projects, whose relevance and impact will be assessed according to the charter.

In 2021 Tereos signed up to the Apiluz project, led by the Symbiose association, to leave 3-metre wide non-mown strips in its alfalfa plots. The aim is to develop a food resource for pollinators and improve the health of bees thanks to alfalfa. In 2021, for the first year of large-scale testing, the initial objectives of the sector were exceeded, with a total of 550 hectares of non-mown strips (1,800 km), a food reserve that could feed millions of bees.

In Brazil, Tereos has partnered with three organisations (SAA, UNICA and Orplana) and Syngenta to launch *Projeto Apícola*, to protect bees, which are responsible for pollinating hundreds of indigenous plant species and some of Brazil's principal crops. Teams have also identified 43 beekeepers in the vicinity of Tereos sites, who will be invited to participate in training programmes on the reproductive management of bees.

Preservation of endemic species

Deforestation and changes in land use are the primary causes of the degradation of habitats. This is why Tereos is committed to maintaining and restoring the natural habitats in which it operates.

In France, the settling ponds of sugar plants provide refuge for many species of sedentary and migratory birds. Several facilities, such as Lillers, Attin and Boiry-Sainte-Rictrude, have been classified Zone Naturelle d'Intérêt Ecologique Faunistique et Floristique (natural area of interest for ecology, flora and fauna) and as such, they are regularly monitored by local ornithological associations. Tereos is working to guarantee the preservation of these spaces, as illustrated by the contract of mutual commitment signed in 2018 between the Origny-Sainte-Benoîte site and the Picardy natural conservation agency.

In Brazil, Tereos has presented an extensive reforestation plan to restore 1,500 hectares of native vegetation near its seven facilities, with the planting of more than 1.1 million seedlings of indigenous species, an area equivalent to more than 1,000 football pitches. The nursery at the Olímpia site has the capacity to produce 350,000 native seedlings per year, which are used for reforestation, both on the Group's managed

land and elsewhere. In the past five years, Tereos has donated more than 750,000 seedlings to sugarcane growers and local public institutions.

Part of the fight against forest fires in the region involves anticipating and preventing the outbreak of fires. This is the objective of ORION (Observed Remote Information from Orbital Navigation), a project that uses the aerospace technology of 13 satellites to observe in real time the state of the 300,000 hectares of sugarcane fields that supply the factories. Thanks to the ORION system, the response to fires has been greatly improved, enabling the identification of a fire outbreak within 5 minutes, instead of 1 hour 45 minutes previously, which reduces both agricultural losses and field biodiversity.

Tereos is contributing to the "Olhos d'Água" programme, which has already rehabilitated five springs in the northeast region of São Paulo, and is currently working to rehabilitate two more. The purpose of this programme is to reforest natural areas around springs, to give the soil favourable conditions for rainwater to infiltrate, leading to an increase in the quantity and an improvement in the quality of water.

Preserving soils

Soils are involved in numerous ecosystem processes that are vital to humans and to all other living things, which is why it is essential to protect soils. Tereos is committed to promoting sustainable soil management in order to preserve its natural functions.

To address the risk of soil compaction, Tereos has been associated with the Prévibest project since 2020. The primary aim of this initiative, led by the Sugar Beet Technical Institute, is to develop a decision-making support tool for players in the sector to understand the issue of compaction risks generated by harvesting beet crops.

In Reunion Island, the Cultivation Techniques department of the eRcane research centre is working on soil conservation. Among the research and development themes it is developing are:

- Minimal tillage in plantations to limit the risk of water erosion linked to slopes and high rainfall during the cyclone season.

- The recovery of fertilising residual materials in order to preserve and increase the soil's biological activity and thus improve productivity in the field while conserving essential biodiversity.

In Brazil, sugar cane producers use a soil preparation method that consists of loosening compact layers of soil without turning them over. The aim is to restore soil permeability by improving natural drainage and preserving soil biodiversity. This method is sometimes accompanied by a contour cultivation system that reduces the formation of gullies and swales in the event of heavy rainfall. Mechanisation also makes it possible to limit compaction, which affects the amounts of water and air in the soil, to preserve its seepage capacity.

6.2

RECOVERY OF NATURAL RESOURCES

Recovering residues

Tereos transforms all the constituents of the plant-derived raw materials it processes and generates little waste. The Group already succeeds in transforming 99.8% of the agricultural products it processes, and has set itself the target of achieving 100% transformation by 2030. For example, beet pulp in particular is recovered for animal nutrition, to help farmers meet the nutritional needs of their livestock and contribute to the economic competitiveness of their herds. There are many solutions and partnerships in place to conserve resources through a circular economy model.

- **Anaerobic digestion:** vinasses are a product resulting from the production of alcohol from sugar beets. Transforming them into biogas using anaerobic digestion tanks enables the Group to reduce its fossil energy consumption and CO₂ emissions. At the Dobrovice site in the Czech Republic, for example, the anaerobic digestion system covers a part of the distillery's energy needs during the campaign. In addition, wastewater at Origny-Sainte-Benoîte is anaerobically treated before being sent to the treatment plant, producing biogas which partially fuels the site's boilers.
- **Cogeneration:** energy produced from bagasse (residue from sugar cane), which enables sugar cane facilities to be energy neutral during the campaign.
- **Fertigation:** the reuse of water extracted from sugar beets to irrigate and nourish neighbouring cultivated land.

- **Composting:** the installation of composting units at all Tereos Sugar and Energy Brazil sites has decreased the total volume of organic residue by 40%, with the production of 48 tonnes of organic fertiliser annually, applied in particular on green spaces and in nurseries for seedlings at the plants.
- **Biomaterials:** tests are underway to employ beet pulp or bagasse for food packaging (e.g. trays or cartons).

In Brazil, Tereos is focusing its efforts on several initiatives relating to the production of clean and renewable energy, including biogas for power generation and biomethane. The goal is that by 2030, 100% of TSEB's fleet of agricultural trucks will be running on biomethane, a biofuel generated from vinasse.

The first tests were launched in 2021/22, including a tractor and a 410hp Scania truck, both of which are 100% powered by biomethane; a Mercedes truck will also be included in the next test campaign. In parallel, biogas production has started via a pilot plant to ensure energy autonomy. TSEB's ambition is to fully master the technology by 2024 in order to meet the decarbonisation targets for agricultural activities.



Optimising packaging

The Tereos Group, consumers and local authorities all share the same ideal of wanting to see a reduction in packaging. As the majority of the Group's offerings are intended for the B2B market, packaging is a less significant issue than for consumer products. Most of its B2B packaging is reusable, i.e. it is washed and reused, with a lifespan of around five years. The challenge is ensuring the packaging is returned and remains in good condition. In addition, as Tereos products are generally used as ingredients by its customers and consumers, the Group exerts limited influence on the end-of-life of its products.

In Brazil, legislation requires reverse logistics (from consumer to producer) for consumer product packaging, as part of the *Eu reciclo* ("I recycle") initiative. Tereos goes about this by partnering with recycling cooperatives to outsource the logistics aspect of the process, which cannot be done in-house.

In Europe, Tereos is actively working on packaging that meets recyclable criteria, particularly for plastic versions. Currently, approximately 85% of B2C packaging is already 100% recyclable as it is made of paper or cardboard. The Group intends to go further and achieve 100% recyclable packaging by 2025, while ensuring that there is a recycling and reuse stream for materials placed on the market.

A search for alternative solutions has been initiated, in line with the Group's environmental ambitions and consumer demands. Levers for improvement include a change of materials (favouring recyclable materials), a reduction in weight, the elimination of over-packaging, and the search for single-material or single-component packaging.

The Béghin Say Pro division, which serves the restaurant sector, is pursuing its eco-design approach to help its customers manage their waste. In 2020, the weight of the 1kg paper bags that package the crystal and powdered sugar products was reduced by 10%, which represents an annual saving of 28 tonnes of paper. In 2022, the shelf-ready packaging of doypacks (in packs of six) has been discontinued and replaced by packaging in boxes of ten, saving 47 tonnes of cardboard per year.

The Group is continuing its efforts by working on eco-design and optimising its packaging: for example, in 2021, plastic seals have been removed from the 500g, 750g and 1kg boxes of La Perruche irregular cubes; this new packaging is polyethylene-free and therefore 100% recyclable. This represents an annual reduction of 16 tonnes of paper and six tonnes of plastic.

For its consumer products, which are used as ingredients, product end-of-life is not the most significant issue for Tereos, but it is rather the fight against food waste and the reduction of packaging. The Group wants its final packaging to be recyclable, if not reusable (Béghin Say, La Perruche, Guarani, TTD, Sucreries de Bourbon and Whitworths brands) and is seeking to develop packaging that avoids food waste.

6.3

OTHER TOPICS RELATING TO THE ENVIRONMENT

Atmospheric and CO2 emissions

The most recent carbon balance in France was carried out in 2020, using data from 2019. It showed that the most significant items in terms of greenhouse gas emissions in Tereos Sugar France's supply chain were divided between upstream beet growing (between 20% and 25%), on the one hand, and industrial processing (between 65% and 70%), on the other.

The gradual phasing out of coal in Tereos Sugar France's energy supply through the installation of new gas boilers has contributed to the decrease in atmospheric emissions linked to the industrial activities of the sugar plants and distilleries (reductions of 40% in CO2 emissions and 90% in dust emissions). Following the Chevrières and Lillers facilities, the Escaudœuvres site completed its conversion programme in 2021/22, replacing its coal boiler with a gas boiler.

Tereos Animal Nutrition is rolling out a project across all its sites which consists of installing biomass on its drying lines in order to progressively replace the coal used to dehydrate the alfalfa. The investment is supported by Ademe, the French environmental and energy management agency, and is one of the projects selected for inclusion in the "France Relance" recovery plan. This investment forms part of a wider decarbonisation project involving the entire dehydrated alfalfa sector. Tereos and the other cooperatives involved in the initiative were recognised in 2022 with a Trophy for Cooperative Solutions awarded by La Coopération Agricole.

A number of other investments are also underway. Among these, the Tereos Starch & Sweeteners Europe site in Nesle a installed two new back-up boilers in 2020/21, which ensure that steam is available when other equipment is undergoing maintenance and reduce emissions into the atmosphere, emitting only 35 to 40 mg of NOx (nitrogen oxide), compared with the standard of 100 mg. Meanwhile, teams at the Boiry-Sainte-Rictrude plant (Tereos Sugar France) have replaced the burners on one of the gas boilers with state-of-the-art technology (known as 'low-NOx' burners), which will significantly reduce atmospheric emissions. The environmental impact is positive with a 60% reduction in nitrogen dioxide emissions.

Reduction of odour and noise pollution

In France, in order to combat odour emissions stemming from its industrial activities, Tereos has appointed an internal “nose” on each of its sites to monitor the nuisances caused by sugar beet processing in particular. The efforts made include the installation of odour control devices around the ponds, but above all, better classification and management of effluents in order to limit ill-smelling biological processes (flow separation, aeration, etc.). At other sites (Artenay, Bucy-le-Long, Lillers), Tereos has set up odour surveillance programmes in partnership with Odometric, based on the involvement of volunteer local residents. They report any odour nuisance generated by the Group’s facilities several times a week.

The Aalst site in Belgium has been working in coordination with the Flemish Region’s Environment Agency on a plan to mitigate odour nuisance in residential areas near the plant: Tereos is investing in the installation of a new anaerobic digester for its wastewater treatment plant. This installation will not only increase biogas production by 10%, but also considerably reduce the risk of odour nuisance. This new technology should lead to a significant reduction in hydrogen sulphide (H₂S) emissions as soon as it is commissioned in 2023.

In recent years, the Zaragoza site in Spain has made major investments to reduce the environmental pollution of the plant, which is located near residential areas. In particular, the site has reviewed its industrial processes by eliminating 95% of odours, which are now undetectable outside the factory. The site has also reduced noise pollution by using acoustic protection materials, optimising the maintenance of industrial equipment and installing sound level meters near residential buildings.

The Group is also committed to reducing noise pollution, whether caused by road traffic during the campaign or by the industrial facilities themselves. The Boiry-Sainte-Rictrude plant, for example, works closely with local authorities and residents affected by noise from the site’s pumping station. Fans with sound traps have been installed to cool the pumping station buildings which allows the doors to be kept closed, and additional soundproofing equipment has been installed to reduce noise leakage.





POSITIVE INDUSTRY & DECARBONI- SATION

07



Background

Tereos is seeking to reduce the impact of its operations in two main ways: reducing and optimising energy consumption on the one hand, and water consumption on the other. At the same time, the Group is working to reduce its CO2 emissions through energy efficiency and by replacing fossil fuels. Efforts to reduce consumption also focus on better use of water, with the aim of reducing the amount of water taken from the natural environment.

RESULTS



Consumption of water and return to the environment: the rate of return was

96%

in the Group in 2021/22
(96% in 2020/21)



The rate of return of water stayed stable throughout the Group in 2021/22. The rate rose in Indonesia thanks to the use of more accurate measuring equipment.



Percentage of water returned to the environment



Water performance in 2021/22 stood at

35,4

(40.2 in 2020/21)



This new intensity indicator illustrates efforts to optimise water resources in the Group's plants. Water performance improved by 5 points between 2020/21 and 2021/22.



Water performance

NP = indicator not published



In 2021/22, renewable energies (biomass, biogas) represent

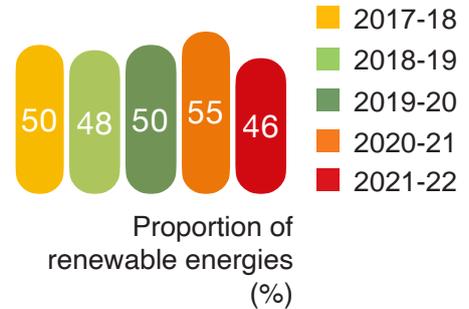
46%

of the Group's energy mix (55% in 2020/21).



The fall in the percentage of renewable energies is primarily caused by a lower level of sugarcane production, the processing of which feeds the cogeneration of the Brazilian plants.

The Group's energy consumption fell by 13.1% by comparison with 2020/21.



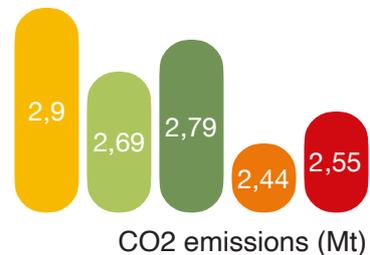
CO2 emissions (direct and indirect) represented

2,55 M

million tonnes of CO2 eq. in 2020/21 (2.44 Mt of CO2 eq. in 2020/21)



The 4.4% rise in CO2 emissions is inverse to the 2.5% decrease in production.

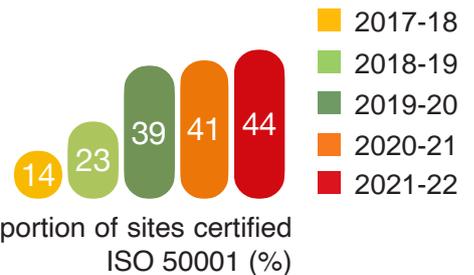


44%

% of the Group's sites have implemented an ISO 50001 (energy management system) process (41% in 2020/21)



One further site in France was certified 50001 in 2021/22.



Commitments

Our goals for 2030

- _ Reduce the gross CO2 emissions (scopes 1+2) of our European facilities by at least 30% on average compared to 2015
- _ Reduce water consumption per unit of product in our facilities by at least 20% compared to 2017.

- Reducing energy consumption throughout the value chain
- Optimising the energy efficiency of our production processes
- Supporting the production of renewable energy
- Optimising water recovery within our value chain

Policies and action plans

Energy management and consumption is central to the Group's environmental challenges. In 2018, Tereos initiated a programme to speed up its efforts in this area. Each Group entity is responsible for implementing action plans relating to its activities and key goals, as well as sustainability reporting.

In 2020, Tereos launched a wide-ranging initiative to define and implement its global decarbonisation strategy. The Group intends to harmonise its ambitions with those of the European Green Deal and France's National Low-Carbon Strategy (SNBC), in line with the 2015 Paris Climate Agreement.

As part of this project, the Group is actively studying techniques and process technologies to optimise its energy consumption and all options for producing renewable energies, in order to drastically reduce its carbon footprint. Tereos is investing in the modernisation of its industrial equipment and capitalising on renewable energies to reduce its energy consumption and fight against global warming. For the first time, the Group went beyond the symbolic threshold of 50% of renewable energies in its energy mix for all its activities.

In 2021, Tereos was awarded a B rating for 2020 by the CDP organisation (formerly known as the Carbon Disclosure Project) for the whole Group. An international non-profit organisation created in 2002, CDP collects data measuring the greenhouse gas emissions of participating companies through an evaluation system based on a comprehensive questionnaire. From this information, CDP assesses each player's environmental impact, as well as the actions and programmes they implement, and assigns them a rating ranging from A to D-. The B rating achieved by the Group on the Climate Change component places it among the best performing companies in this area in its sector. For comparison, the average rating that CDP assigns to companies is B-, as is the average rating for companies in the agri-food sector. Its participation in the CDP survey and the B rating it obtained ensure that the Group is in compliance with the recommendations of the international Taskforce on Climate-related Financial Disclosures (TCFD).

7.1

ENERGY EFFICIENCY & LOW-CARBON ENERGY

Energy costs have made energy efficiency a prerequisite for the Group's long-term competitiveness, especially after the price explosion during 2021/22 and the increased need for independence from Russian sources. There are three key areas where Tereos is working to control its energy consumption and reduce its carbon footprint:

- Reduction of energy consumption throughout the value chain
- Reduction of energy consumption throughout the value chain
- Renewable energy production.

Reduction of energy consumption throughout the value chain

A major lever of Tereos' contribution to the fight against climate change is saving and preserving energy resources. To optimise its production equipment and make it more reliable, the Group has taken several actions:

- Sugar plants: completion of the programme to replace coal-fired boilers with gas-fired boilers, investment in new technologies for motor and variable speed drives to optimise electricity consumption.
- Starch facilities: implementation of an initiative to recover and recycle fatal heat in plants.
- Dehydration units: for the drying units used for alfalfa and dehydrated beet pulp intended for animal feed, the Group is looking into using biomass and optimising the heat transfer process.
- Renewable or alternative energies are an important part of Tereos' energy sourcing, with 50% of its energy mix consisting of renewable energies.

An investment plan was put in place by the Group several years ago to support its efforts to reduce energy consumption. For example, the Origny-Sainte-Benoîte distillery spent money on steam recompression and other exchangers in 2020. These investments have enabled the facility to reduce its energy consumption by 8% for the entire sugar beet campaign over a two-year period. In addition, Tereos invested in two new evaporators for its Nesle starch plant in 2020/21. This new equipment increases the plant's capacity for treating effluent and vinasse and makes it more reliable. The resulting reductions in gas consumption represent an estimated reduction of nearly 38,000 MWh/year, alongside a reduction in annual CO₂ emissions of around 7,500 tonnes.

In March 2021, Tereos and SUEZ announced a partnership project that will result in reduced gas consumption at the Origny-Sainte-Benoîte sugar plant in northern France. SUEZ will supply renewable and recovered energy in the form of steam produced from solid recovered fuels (SRFs), which will be processed from non-hazardous waste (materials rejected by recycling facilities, business waste, wood waste, bulky waste, etc.), much of which is at present sent to landfill.

Built and operated by SUEZ on the Origny-Sainte-Benoîte site, the new boiler will generate about 400 GWh/year of alternative thermal energy in the form of steam, covering nearly 40% of the site's energy needs. The use of this non-recyclable waste as fuel will maximise the production and recovery of energy, while minimising environmental impact. The project to build the recovery plant, which is scheduled to be operational in 2024, will also enable the Group to reduce its consumption of fossil energies.

Tereos was selected for two new pre-projects in 2021 as part of the national "France Relance" recovery

plan, which aids the ecological transition of industry and supports its efforts to reduce greenhouse gas emissions. These pre-projects form part of the "energy efficiency and low-carbon processes" component and are based on the recovery and use of waste heat, in order to reduce needs for steam generated by the boiler:

- **Attin plant:** a project that will result in an energy saving of approximately 42,900 MWh of primary energy, i.e. a saving of 22% within the perimeter of the site and an annual saving in greenhouse gas emissions of roughly 17,400 tCO₂e, or some 26% of the site's emissions.
- **Bucy-le-Long plant:** a project that will result in an energy saving of approximately 53,000 MWh of primary energy, i.e. a saving of 8% within the perimeter of the site and an annual saving in greenhouse gas emissions of roughly 9,000 tCO₂e, or some 7% of the site's emissions.

Optimising production yields and logistics flows and reducing losses

With the aim of reducing its carbon footprint, another one of Tereos' priorities is the optimisation of its logistics flows. In France, production facilities are located in the heart of agricultural production areas. In an effort to reduce transport flows, the supply radii of plants are limited to 35 kilometres, particularly for sugar beet and potato processing activities.

The constant modernisation of sugar plants, including conversion to gas, also significantly reduces transport-related CO₂ emissions. In Attin and Escaudœuvres, the implementation of new-generation on-site milk of lime production units in 2019 – a first in the sugar beet sector – will enable the company to obtain a higher quality of lime while reducing road transport and CO₂ emissions.

Tereos is also working on limiting the number of trucks on the road, in a further effort to limit CO₂ emissions and fuel consumption. Initiatives relating to loading techniques, increasing the raw material's sugar content

or controlling the soil tare (soil and leaves stuck to the sugar beets) contribute to optimising the quantities transported by trucks. Over 35% of the road fleet is also fitted with rear screen doors. Lighter in weight, they allow the tonnage of sugar beets transported by truck to be further optimised. Tereos experimented with operating a 48-tonne truck in 2022 (as compared to 44 tonnes currently). The aim of these trials for the sector is to assess the potential gain in competitiveness by measuring the economic impact but also the reduction in road traffic.

The Logismart tool, launched in France in 2019, aims to optimise the flow of trucks supplying plants with sugar beet during the campaign (26,000 silos to be collected). Following an initial test in Brazil that saw the average supply radius reduced by 5km, the initiative was extended to all the Group's French plants in 2020. Thanks to the use of real-time data and the transmission of streamlined routing to trucks, the initiative optimises truck movements. This was a real benefit in the 2021/22

campaign, when there was a shortage of trucks. The goal is to improve sugar beet transport productivity by 5%.

The Group has implemented multimodal logistics solutions as an alternative to road transport to ensure that its customers receive deliveries under optimal cost and quality conditions: these include road/rail transport, rail transport and a combination of the two. Tereos Sugar France developed a new supply chain with one of its customers to its Marseille plant in 2019, and then to its Toulouse plant in 2021. These two partnerships are based on the combined use of rail and road, have made it possible to secure the customer's supplies, keep logistics costs under control, and considerably reduce the carbon impact of operations. This multimodal logistics initiative, which gives priority to rail, resulted in an 80% reduction in transport-related CO₂ emissions, compared with the exclusive use of road transport.

Renewable energy production

As part of a commitment to a circular economy, Tereos transforms all of its agricultural raw materials, including residues from processing them into human food. These are used to produce renewable energies such as bioethanol and electricity, which reduces the consumption of fossil fuels needed to run the plants.

In Brazil and Reunion Island, the sugar cane transformation process produces energy from bagasse, which is fibrous cane residue. According to the principle of cogeneration, bagasse is burned in high-efficiency boilers, supplying industrial sites with steam and electricity, thus achieving energy self-sufficiency. Any surplus renewable electricity is fed into the grid. In Reunion Island, around 8% of the island's annual electricity consumption is produced from bagasse, supplied by the two local Tereos sugar plants. In Brazil, 1,210 GWh of green electricity was produced in this way in 2021/22 (including the energy consumed by the plant and the portion donated to humanitarian partners), of which more than 770 GWh of electricity were sold to the grid.

Tereos was I-REC certified in 2021, and began trading renewable energy credits. The system, which is recognised by more than 70 countries, enables the Group to guarantee that the energy produced comes

In Brazil, Tereos signed a partnership agreement in 2018 with VLI, an integrated logistics company that operates railways, intermodal terminals and ports. This agreement provides for the rail transport of 1 million tonnes of sugar to the VLI export terminal. The two sugar warehouses at the Guar and Tiplam terminals in the port of Santos, in the state of So Paulo, were commissioned in 2020, increasing the efficiency of the export supply chain. By the end of 2021, a year after both warehouses were commissioned, 955,000 tonnes had been transported over the period. Transport by rail compared to road represents an annual saving of 220,000 tonnes of CO₂.

from clean and renewable sources. This certification comes in addition to the Green Energy Label created by UNICA (the French Sugar Cane Industry Union), awarded to companies that produce electricity from sugar cane biomass and that respect sustainability, energy efficiency and good agricultural and industrial practices.

The Group has been committed to developing bioethanol in Brazil and Europe for a number of years, constantly seeking new outlets for its products and enhancing their value. Bioethanol is a biofuel produced from the fermentation and distillation of agricultural raw materials (wheat, corn, sugar beet, sugar cane) and waste products (molasses and residual starch, for example) from the transformation of plants into food.

Bioethanol is a local renewable energy that helps to support local farm production by boosting agricultural income through diversified outlets. Used as an alternative to fossil energy, which is imported and responsible for greenhouse gas emissions (in E5, E10, E85 and ED95), bioethanol is a sustainable energy that, depending on the raw material used, can reduce greenhouse gas emissions from well to wheel (taking into account emissions over the entire lifecycle) by an average of 75% compared to petrol in Europe¹¹. to diesel in urban areas (according to a study by Ademe, the French environmental and energy management agency, in December 2018). Of plant origin, bioethanol is complementary to food production and presents a concrete, immediate and effective alternative for a high-emission sector that is dependent on diesel, promoting short supply chains and helping to lessen France's dependence on oil imports.

In the context of a strong economic recovery and higher inflation, E85, which carries lower taxation because it is more environmentally friendly, is emerging as the fuel of choice for purchasing power: in 2021, sales of E85 rose by 33% in France, more than the 21% growth in the fuel market. The distribution network has increased with more than 2,725 stations now selling E85, representing 30% of the French network, growth of 19% in one year. More than 30,000 approved Flex fuel conversion units were fitted in 2021, twice as many as in 2020.

At European Union level, the contribution of conventional biofuels is capped at 7%, and France has almost reached this threshold. To enable Member States with agricultural potential, such as France, to go further than the 7% limit, the French and European bioethanol sectors are calling for the 7% ceiling to be applied at European level, given that other Member States are well below this ceiling. Alongside other available solutions, this flexibility will make it possible to further decrease the carbon footprint of petrol vehicles already on the road.

11 ePURE (European Renewable Ethanol Association) study, 2020



7.2

OPTIMISING WATER CONSUMPTION

Water is central to the concerns of the Group, which is committed, on the one hand, to reducing its water use and, on the other hand, to optimising the quality of water discharged from its facilities and to recycling it. Beet sugar production is an industrial activity that is

structurally in surplus in terms of water management. The ability to fully recover this water is one of the key elements of the Tereos sustainable development policy.

Reducing water consumption

The Group has set itself a global target to reduce water consumption per unit of product by at least 20% by 2030. In France, Tereos is working closely with local authorities, on the basis of technical and economic studies, to reduce its withdrawals from rivers and groundwater. Tereos calculates the volumes of water that enter its manufacturing facilities, the quantities used for each piece of equipment and the volumes leaving the plants. This enables Tereos to commit to a quantified trajectory for reducing water consumption and to identify areas for improvement. By the end of the summer of 2022, five Tereos Sugar France plants will have been evaluated and will be able to define their action plans.

A key driver for reducing water consumption in European sugar plants consists in recovering water evaporated during sugar production. Several sites have installed additional storage basins for this condensed water so that it can be reused in the plant, notably Connantre (150,000 m³), Boiry-Sainte-Rictrude (165,000 m³) and Chevières (65,000 m³). For the Connantre and Boiry-Sainte-Rictrude sites, the construction of these storage basins has resulted in water withdrawals in 2020/21 being divided by roughly three compared to 2017/18.

In 2020, the Artenay plant significantly reduced its

withdrawals from the water table by implementing technical improvements and organisational progress (improved recycling of vinasse, reduced consumption of demineralised water, etc.). These measures have reduced the facility's annual consumption by 25%. At the Connantre plant, a new washing facility with a larger capacity of 30,000 tonnes was commissioned in September 2021. It will make it possible to reduce the volume of water in circulation by approximately 50%. The site is aiming to achieve consumption of less than 50,000 m³ by 2024, which will be a six-fold reduction compared to 2018.

By 2030, Tereos Sugar & Energy Brazil aims to reduce the amount of water drawn from the natural environment needed to process one tonne of sugarcane by 21.5% (compared to the 2017/18 campaign). To achieve this, several programmes have been implemented to reduce the Business Unit's water consumption:

- A Kaizen programme allows each department to propose ideas and projects to optimise industrial processes while achieving business and sustainability objectives. In 2021, 49 Kaizen projects involved water management.

- Monthly meetings known as “Water Committees” are held to share best practices and new ideas to create solutions for reusing water and effluent.
- A Water Management, Optimisation and Treatment programme has the goal of reducing the volume of water extracted and increasingly of reusing the wastewater generated by the industrial process.

Developing water recycling

Three industrial sites (Artenay, Boiry-Sainte-Rictrude and Connantre) have set up fertigation networks supplying growers operating in the vicinity of the plants concerned with water from the sugar plant basins. Most of this mineral-rich water comes from beet washing. It provides growers with a double benefit: it prevents drawing on the natural environment and adds mineral elements to the soil. Through fertigation at the Boiry-Sainte-Rictrude site, for example, an average of 90,000 m³ of water is distributed per week over the course of the campaign.

The Aalst starch plant in Belgium is working to identify alternative sources of water supply in order to reduce its consumption from the urban network. The plant is developing a rainwater recovery project, which consists of diverting rainwater and redirecting it to a rain well from which the plant can draw water to feed the glucose cooling tower (roughly 310 m³ of water over a year). The site is also planning to modernise its water treatment plant: a new water softener will be added to the treatment process, in order to reuse up to 35 m³/hr in the plant’s production process, equivalent to more than 300,000 m³ per year.

In Brazil, an industrial water recycling initiative was implemented in 2020 at the São José plant. The project consists of setting up a cascade circuit, in which water collected from rivers and wells is only used in really essential areas. The aim is also to create opportunities for reusing water and effluents: phlegm (distillation liquid), for instance, can be reused to clean the cooling circuits. This system reduces the use of natural resources and optimises the water circuit in the plant.

An initiative at Mandu, in Brazil has made it possible to reuse the cooling water from the pistons of the plant’s high-pressure pump. Instead of being discharged, it is injected into the cooling system of the crusher bearings, turbines and electromagnet, which operates in a closed circuit. Thanks to this improvement, 14.4 m³ per day of water has been saved. The initiative was recognised by a Tereos Excellence Award in 2021.



RESPONSIBLE, HEALTHY & QUALITYFOOD

08



Background

Tereos is committed to working with its customers and consumers to meet new needs and to address changes in economic, social and cultural behaviour when it comes to food. To encourage safer and healthier eating habits, Tereos intends to further develop its innovation approach and the support services it offers its customers, including nutritional reformulation. In addition, the Group wishes to contribute to public health issues by increasing its communication on sustainable consumption habits to its customers. To meet its customers' requirements, the Group also provides products that are safe and comply with regulations and quality standards.

RESULTS

Percentage of major Tereos customers to have been offered a nutritional reformulation solution bringing nutritional benefits to their consumers: new indicator under construction, which was therefore not verified in 2021/22.

The percentage of B2C sugar ranges informing customers about responsible consumption was

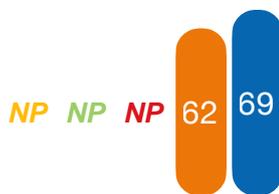
0%
in 2021/22
(0% in 2020/21)



This new metric was launched at the end of the 2021/22 financial year and has therefore not yet been rolled out.



- 2017-18
- 2018-19
- 2019-20
- 2020-21
- 2021-22



Proportion of customer complaints processed on time (%)

The proportion of customer complaints processed on time was

69%

in 2021/22
(62% in 2020/21) ¹⁴



The aim of this new quality indicator is to assess customer satisfaction according to the proportion of their complaints dealt with on time.

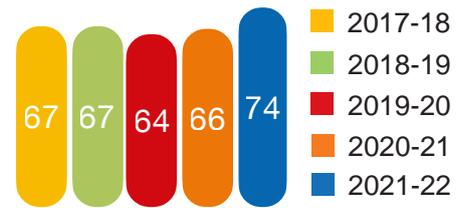
NP = indicator not published

74%

of the Group's sites have implemented an ISO 22000 food safety management system or equivalent (66% in 2020/21)



Four additional sites were included following the addition of the Feed Chain Alliance (animal nutrition) certification.



Proportion of sites certified ISO 22000 or FSSC 22000 (%)



- 2017-18
- 2018-19
- 2019-20
- 2020-21
- 2021-22



Proportion of sites certified ISO 9001 (%)

63%

of Group sites are certified ISO 9001 (quality management system) (61% in 2020/21)



The percentage of sites certified ISO 9001 remained stable in 2021/22.

Commitments

Our goals for 2030

- _ A large proportion of Tereos' key customers will have been provided with an offer to reformulate their products, providing their customers with nutritional benefits ¹²
- _ 100% of our B2C sugar product references will provide information to customers on responsible consumption

- Creating customised low calorie offers to provide safer and healthier food to end consumers
- Including information and recommendations on responsible sugar consumption on our packaging

Policies and action plans

Innovation is at the heart of the Group's business model, with nutrition and health being the main focus of Research & Development (R&D) at Tereos. In addition to developing the potential of its agricultural raw materials, the Group's ambition is to anticipate market developments by positioning itself in the segment of plant proteins and new proteins, dietary fibres and new sweetening agents, as well as by providing its expertise in reformulation, in line with public health recommendations. The roll-out and monitoring of policies and action plans relating to nutrition take place directly at Group level, and not at Business Unit level like other topics.



12 New indicator under construction, which was therefore not verified in 2021/22

8.1

NUTRITIONAL REFORMULATION

Consumers' needs are constantly changing: first and foremost, they want a healthier diet that helps them to exert control over their nutritional intake. They also want more information about the products they consume (social and environmental impact). They are also looking for new flavours, new textures, shorter ingredient lists and more "natural" products. To meet consumer expectations, Tereos customers, major players in the food industry, need to innovate and develop their product ranges. With these new challenges in mind, Tereos supports its customers in optimising the nutritional formulation of their products and improving the Nutri-Score of their finished products.

This reformulation programme is based on four main components:

- Nutritional profile: lower calories and higher fibre and protein
- Sensory preference: the new product should be as good as or better than the old one
- Consumer perception: clear labelling and ingredients in line with consumer expectations of naturalness and simplicity
- Affordability: keeping costs competitive for consumers

Tereos R&D teams do this by optimising the composition and functionality of the various nutrients: sweetening agents (including intense sweeteners such as stevia,

low-glycemic carbohydrates and low-calorie bulking agents), proteins, dietary fibres and native starches of various botanical origins (tapioca, potato, wheat and corn).

In November 2020, Tereos commissioned a consumer survey from the research institute IFOP, which highlighted the extent to which consumers are concerned about the composition and origin of what they eat. European consumers express their desire to buy healthier and more sustainable products while paying attention to their sugar consumption: 55% of them say they check the amount of sugar in their purchases.

This study confirms Tereos' commitment to expanding the opportunities and options available to its customers in striving to meet their expectations. The Group offers a wide range of solutions, from locally produced organic sugar to fibre and protein, as well as low- and zero-calorie sweetening alternatives such as stevia extracts. With a product portfolio of over 400 references, Tereos is currently the only player with such a wide and complementary range in terms of formulation.

This reformulation process covers all food segments: beverages, confectionery, cereal and dairy products. Another advantage is that Tereos teams work on reformulating products in line with public health recommendations: because the fat and sugar content has been reviewed, a product's Nutri-Score rating can be raised from C or D to A.

8.2

PROMOTING RESPONSIBLE CONSUMPTION

Consumer demand for better, more local, more ethical or more nutritionally balanced consumption is growing. In the IFOP study commissioned by Tereos (see above), 92% of the consumers surveyed consider it important to implement sensible consumption, which they spontaneously define as consumption without excess, which is limited and balanced. Meanwhile, a growing number of governments and public health authorities around the world are developing and implementing measures to reduce the population's sugar intake, with a focus on reducing the consumption of sugary drinks. These measures are a real public health issue and their objective is to fight against excess sugar consumption, which can have a negative impact on health (type 2 diabetes, obesity).

Through Cultures Sucre, the interprofessional association of the sugar beet sector in France, Tereos is committed to responding to these expectations and concerns in a factual manner, relying on validated and easily verifiable scientific and statistical data.

In 2018, all players in the sugar beet / sugar cane sector decided to take a stance that is strong and shared by all, in favour of responsible consumption of sugar. In concrete terms, it is consumption in line with the recommendations on levels of sugar intake issued by health authorities such as:

- the World Health Organisation (WHO), which recommends that free sugar intake should be less than 10% of calorie intake
- the French National Agency for Food safety, according to which adults should consume less than 100 g per day of total sugars excluding lactose.

Cultures Sucre supports preventive and educational actions on nutrition. The interprofessional association is also working with health professionals to develop tools and information materials that provide the keys to responsible sugar consumption:

- Recommendations on sugars from the health authorities
- The effect of excessive sugar consumption on health
- Information on labelling and consumption indicators in line with official recommendations.

Along with all professionals in the sugar sector, Tereos is fully aware of food-related public health issues. The Group therefore wishes to strengthen its presence in the public debate on responsible sugar consumption, particularly among its end customers.

For this purpose, Tereos plans to develop a specific information page on this subject on its corporate website. This information will be accessible to all visitors to the website, and will also be highlighted via a QR code, which will gradually be rolled out to all B2C sugar packaging, i.e. to the general public. The aim of this consumer education programme is to provide customers with benchmarks to give sugar an appropriate place in a balanced diet. Sugar is a natural ingredient, produced locally in our regions, and it must remain a source of pleasure that is one of the mainstays of French gastronomy and an integral part of our food model.

The Group also wants to spread a simple and coherent message through all its consumer brands. Tereos supports consumption that is not excessive in either one sense (excessive use, systematically adding sugar, eating sweet foods all the time) or the other (avoiding even the smallest amount). In addition to societal factors (social inequalities, access to education and health), it is also a question of showing good sense in our daily lives, by favouring dietary diversity, where one eats everything in reasonable quantities, according to one's needs. Ultimately, it is a style of consumption in which we have a more relaxed approach to our food, and which is part of an active and balanced lifestyle.

As part of this effort to raise awareness of responsible sugar consumption, the Group is also focusing on the development of stevia. Stevia is a natural sweetener with a very high sweetening power and virtually no calories. Tereos has been marketing stevia extracts for over 10 years. In 2021, the Group reinforced the place of this ingredient in its product range by signing a strategic supply agreement with Firmenich, the world's leading player in the fragrance and flavour sector. This supply agreement has opened up new opportunities: Tereos customers will benefit from Tereos' product reformulation skills and Firmenich's expertise with flavour.



8.3

QUALITY, TRACEABILITY & FOOD SAFETY

Tereos is committed to providing its customers with safe products that meet regulatory, quality and food safety standards. The Group's goal is to maintain zero product recalls. To achieve this, Tereos maintains close relations with upstream agricultural producers and implements a continuous improvement process for food quality and safety at all its sites. This approach aims to anticipate the demands of consumers who are increasingly sensitive to the origin of the food they consume.

The Group's policy roadmap has been defined and rolled out on all sites. The aim is to adopt and share the same quality and food safety standards throughout the Group. This roadmap is supported by all Quality teams at Business Unit level as well as on industrial sites, and is based on three main areas:

- The Quality Charter is a founding document signed by the Chairman of the Management Board that sets down three quality principles shared by the entire Group:
 1. Ensuring product quality and safety,
 2. Strengthening product quality and safety culture,
 3. Ensuring customer satisfaction and continuous improvement.
- The eight Golden Rules of Group Quality remind employees of the essential attitudes and measures to be taken to ensure the quality and safety of products: wearing clean and appropriate work clothes; complying with rules specific to the work area; applying work instructions; protecting products from sources of contamination; keeping

the work area clean and tidy; preventing the risk of vermin; complying with rules relating to allergens; and identifying and reporting any anomalies to management.

- The eight Group Quality Priorities consist in: applying the eight Golden Rules of Quality; updating procedures and instructions and monitoring their implementation; ensuring the regulatory compliance of products and compliance with specifications; handling and communicating about product complaints and incidents; defining employee roles and responsibilities relating to product quality and safety; providing product quality and safety training; developing the management of product quality and safety issues (indicators, rituals, audits); and managing the activities of external parties having an impact on products.

The Group's industrial sites have implemented management systems that are based on international standards and benchmarks (ISO 9001, FSSC 22000, BRC/IFS, etc.) and are regularly audited by third-party certification bodies. Feed Chain Alliance (FCA) certifications, applicable to animal nutrition, have also been taken into account. These certifications assure the Group's customers that they are buying products that meet their technical requirements, and ensure that Tereos products are recognised by high standards. In addition, Tereos Sugar France's three packaging plants (Artenay, Nantes and Thumeries) renewed their IFS (International Featured Standard) / BRC (British Retail Consortium) certification; the Normanton

site (UK) obtained BRC certification and the Mělník site (Czech Republic) IFS certification. These two standards, developed by European retailers, are aimed at companies producing private label food products, to ensure that safe and compliant products are put on the market.

Tereos created a Group Quality Department in 2019 in support of the quality teams deployed in all Group units. It is responsible for setting up and rolling out the quality roadmap and leading the quality networks on cross-disciplinary issues.

Quality and food safety policies are implemented in all subsidiaries with a focus on continuous improvement. The aim is to control contamination risks throughout the production process, implement preventive and corrective measures, and monitor compliance with control standards and alert systems. Processes have been developed and implemented at all levels of the supply chain to ensure the traceability of agricultural products. These procedures are audited by an independent third party.

Tereos Sugar France and Tereos Starch & Sweeteners Europe have implemented a certified quality and food safety management system on all their industrial sites, for example, based on a risk analysis of their activities. Particular attention is paid to these main challenges:

- Increasing finished product food safety by making sure that all production processes for sugar and pulp (TSF) and all production processes for starch products, proteins, sweeteners and products used for animal feed (TSSE) comply with the best practices identified by HACCP, Food Defence and Food Fraud.
- Ensuring product quality and conformity by analysing samples according to various criteria (physico-chemical and microbiological) and according to the defined control plan.
- Loading and deliveries: achieving a service rate of at least 95% by improving operational performance from the time products are made available for loading to the time they are delivered to customers.

To reinforce the quality culture within the Group, training courses in product quality and food safety are organised by the Business Units to maintain a high level of commitment and knowledge. A self-assessment questionnaire was also set up in 2020 and renewed in 2021, enabling all Business Units to assess their compliance with the principles laid down in the Quality and Food safety Charter, the eight Golden Rules and the eight Priorities. This enables each site to assess its level of maturity and identify areas needing improvement. In addition, dialogue and exchanges between the various Business Units are encouraged, as part of a process of cross-fertilisation. For example, the TSF and TSSE quality teams have combined their internal audit plans in order to maximise the efforts of each business unit.

To genuinely make food quality and safety the priority for everyone, the Group is committed to making everyone more accountable for preventing product safety risks. In September 2021, Tereos Sugar France organised quality days in all its facilities: employees were able to participate in workshops on food safety, pest risks and hand washing. These events are a good opportunity to bring the teams together to remind them of the golden rules of quality, hygiene and food safety before the start of the sugar beet campaign.

The Group's marketing teams conducted a second survey of Tereos Sugar France and Tereos Starch & Sweeteners Europe customers in 2021 to assess their satisfaction levels and identify areas for improvement. More than 600 professionals were surveyed, in nine languages. The customer satisfaction rate was 90%, 4 points higher than the first such survey, which was carried out in 2019.

In addition to assessing the image that customers have of Tereos and its services, the survey analysed the Group's position relative to its competitors and identified areas for improvement. A number of measures have already been identified, such as the creation of a task force to improve customer experience, still greater standardisation of processes and additional proactive communication. Tereos teams in Brazil also monitor the level of satisfaction of their partner customers through an NPS (Net Promoter Score) system set up three years ago.



EMPLOYEES & LOCAL DEVELOPMENT

09



Background

Tereos believes in making a positive impact on its employees and on the communities in which it operates. The Group has made the health and safety of its employees, temporary workers and subcontractors its priority. At the same time, the Group, which is present in 13 countries, wishes to strengthen its diversity and in particular the access of women to positions of management and leadership within the company. The Group is also proud of its local roots and actively contributes to local economic growth.

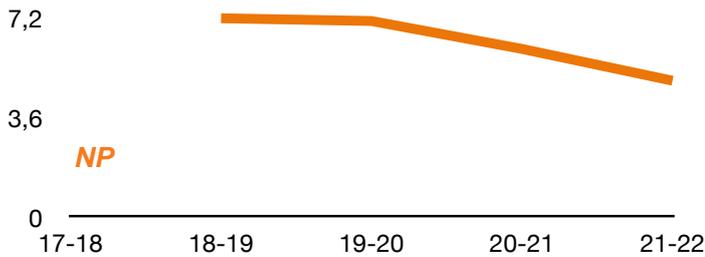
RESULTS

Overall frequency rate with or without lost time (2021/22):

4.94

(6.09 in 2020/21)

— Overall frequency rate



The overall frequency rate has been falling constantly since 2018/19 thanks to the Group's proactive safety policy.

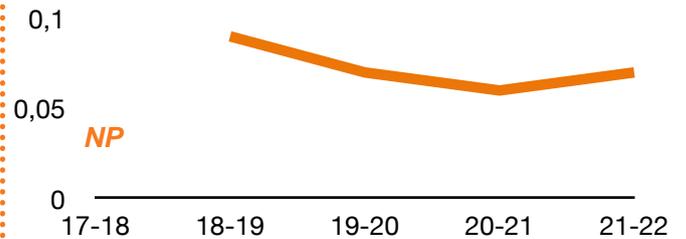


Severity rate (2021/22):

0,07

(0.06 in 2020/21)

— Severity rate



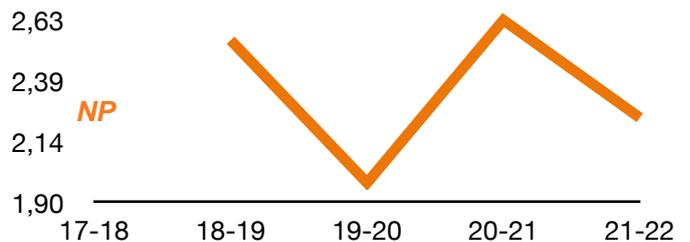
On a like-for-like basis (excluding Mozambique), the severity rate remained almost stable in 2021/22.

Lost-time accident frequency rate (2021/22):

2,24

(2.63 in 2020/21)

— Frequency rate of lost-time accidents



Reflecting efforts made by the Group on its top priority, the lost time accident frequency rate fell in 2021/22 (newly published indicator).

NP = indicator not published

Proportion of employees receiving training in health and safety (2021/22):

82%

(64% in 2020/21)



With regard to safety, the proportion of employees trained rose sharply as a result of the inclusion of training courses other than e-learning.



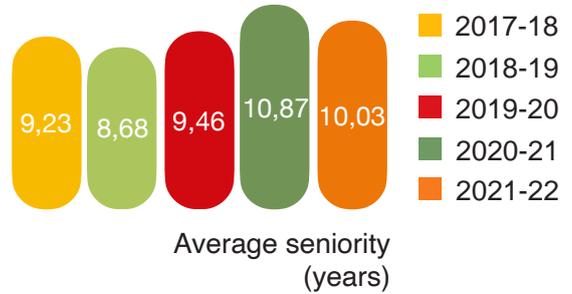
Average seniority of employees:

10,03

years in 2021/22 at Group level (10.87 years in 2020/21)



Although the average seniority of Tereos employees has fallen, it nonetheless remains higher than 10 years.



2017-18 2018-19 2019-20 2020-21 2021-22



34,3

hours of training on average per employee receiving training (24.3 hours in 2020/21).



Training has returned to its pre-pandemic level. The number of employees receiving training rose 7%, and the total number of hours of training rose 39%.

Proportion of women among members of the Tereos Management Forum: this new indicator under construction was not verified in 2021/22.



Proportion of women among employees who are “people managers” (en %)

NP = indicator not published

Proportion of women among employees who are “people managers”:

14%

in 2021/22 (12% in 2020/21)

This new indicator on the proportion of “people manager” positions held by women slightly rose in 2021/22.



Gender distribution of personnel:

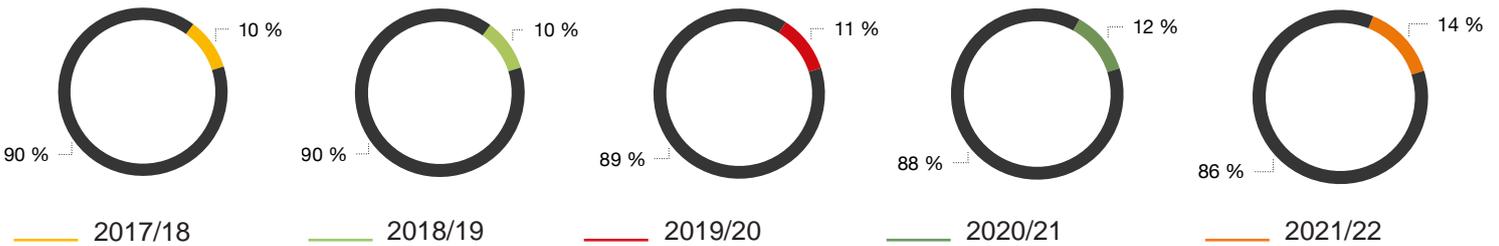


14%
in
2021/22



86%
in
2021/22

(12% women, 88% men in 2020/21)



The proportion of women in the Group has gradually increased over the past few years.

Proportion of employees with a disability:

3%

in 2021/22, or 411 people, at Group level (excluding the United Kingdom and Ireland) (2%, or 377 people, in 2020/21)



Proportion of employees with disabilities (%)



The proportion of employees with a disability has slightly increased.

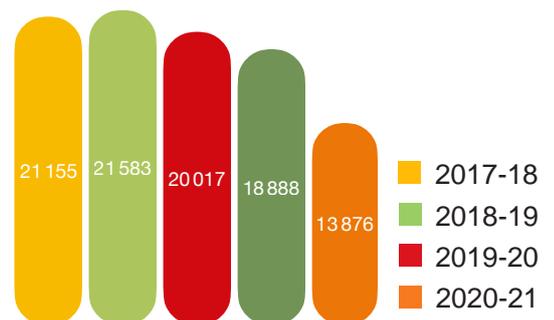
Number of employees in 2021/22:

13,876

(NFS scope) (18,888 in 2020/21)



The number of employees (including seasonal employees) has been impacted by the sale of operations in Mozambique.



Number of employees

Commitments

Our goals for 2030

- _ Reduce the frequency rate of lost-time accidents (LWC-FR) to 0.5
- _ increase the percentage of female members of the Tereos Management Forum ¹⁵
- _ Continue to support local development through our industrial presence and our raw materials derived from local agriculture

- Continuing to raise awareness about occupational health and safety issues
- Strengthening diversity and access to management positions for women by encouraging our employees to benefit from internal mobility
- Maintaining local supply chains for our plants to support the regional economy

9.1

OCCUPATIONAL HEALTH AND SAFETY

At Tereos, safety performance is the Group's priority. The goal is to develop a genuine safety culture to make all employees accountable for risk prevention

and compliance with the rules and behaviours to be adopted.

Policies and action plans

Management, employees and subcontractors are involved in a continuous health and safety improvement process. A roadmap structuring the Group's policy has been deployed at all sites with the aim of adopting and sharing the same safety standards on all sites. The roadmap is circulated by all Health, Safety and Environment teams, whether at the level of Group entities or of industrial sites, and is based on three main pillars:

- The Health and Safety Charter is a founding document signed by the Chairman of the Management Board, which sets out three safety principles common to the entire Group:
 1. Develop and strengthen our health and safety culture,
 2. Take ownership of our responsibilities,
 3. Adapt our organisations and procedures.

- The eight Golden Rules of Group Safety remind employees of the essential initiatives and measures to be taken to avoid serious accidents: obeying safety pictograms; taking care when moving around the site; complying with traffic regulations; never working under the influence of drugs or alcohol; ensuring that handling operations are safe; using fall protection safeguards for working at height; carrying out safety checks for work in confined spaces; and not interfering with equipment while it is running.
- The eight Group Safety Priorities consist of: deploy the eight Golden Rules of Group Safety; report and act on dangerous actions and conditions and near misses; manage external personnel; implement the work permit and LOTO (Lock Out Tag Out) procedures; assess and manage workplace risks; record and deal with process incidents; assess and manage process risks; and identify, write and implement key HSE procedures.

Tereos has identified the following levers to manage these priorities: developing site safety governance, implementing continuous improvement, conducting audits and developing day-to-day safety dialogue.

All Group sites have measured their level of safety maturity using a self-assessment grid, based on the safety roadmap. Depending on the results, the sites then identified the improvement actions required to make progress. Examples of the actions taken include:

- Safety leadership training for all management categories, from plant managers to team leaders. This two-day training course is run with an external partner.
- The implementation of safety cross-audits between Group units to encourage the exchange of best practices between peers. The roll-out plan for these cross-audits was severely curtailed as a result of the pandemic.
- Monthly safety reporting highlighting the main indicators and actions taken.

- Safety audits conducted by an external company have been in place since January 2019. All Tereos Sugar France and Tereos Animal Nutrition sites plus the French sites of Tereos Starch & Sweeteners have been audited at least once each.

In 2021/22, Tereos continued its efforts and focused on risk management: process risk management and workplace risk management, as well as a review of key procedures.

With regard to process control, the Group has launched a new indicator, the PSI (Process Safety Incident), which is a tool for recording all incidents (loss of containment, explosion, implosion, fire outbreak, etc.). 46 process incidents were recorded in 2020/21, 12 of which were classified as 'high' or 'very high', requiring immediate corrective action. As far as risk management is concerned, two areas need to be strengthened:

- Raising awareness of risks at the workstation through on-the-job training programmes and through the use of the single risk assessment document as a management tool.
- The absolute necessity for our operational teams to carry out risk analyses, in particular by applying work permits to the letter, and also carrying out risk assessments in pairs in the event of unforeseen technical incidents.

The Group has established an annual safety week, which is an awareness-raising operation dedicated to instilling an internal health and safety culture. "Safety starts with me" was the main theme of the third awareness week, which was scheduled during the second half of 2021 according to public health restrictions in force at each site. The programme included a corporate video, visits by senior management to the various sites and educational workshops and events dedicated to safety.

9.2

PROMOTING DIVERSITY

With operations in 13 countries, Tereos is a multicultural group. Such diversity contributes to the creativity of its teams and to a mindset that promotes openness and inclusion, which is one of the cooperative's core values.

The Group intends to build on this diversity, and in particular improve the access of women to management and leadership positions within the company.

Policies and action plans

To improve the representation of women within the Group, particularly in positions of leadership, Tereos aims to significantly raise the percentage of women in the Management Forum by 2030. This forum, created in June 2021, brings together approximately 140 managers of the Group, 14% of whom are women (2022). The Management Forum provides an opportunity, on a six-monthly basis, to share best practices within the Group, to measure the overall performance of the various actions and to share key managerial issues.

More broadly, the Group is striving to increase the proportion of women in its workforce by ensuring equal access for women:

- to recruitment (by encouraging female profiles during phases of recruitment),
- to training (by ensuring that the proportion of women receiving training is at least equal to their proportion in the workforce),
- to promotion (by ensuring that the proportion of women benefiting from promotion is at least equal to their proportion in the workforce).

The Group's diversity action plan seeks to accelerate this transformation through a number of measures. In the first place, it aims to change people's opinions on diversity by raising awareness among employees through training. It also seeks to promote the Group's commitment to diversity among future female employees. The action plan envisages increasing the commitment of senior management teams and developing internal synergies (sharing best practices via an internal network and availability of mentoring for female employees).

In Brazil, Tereos Sugar & Energy Brazil launched a programme in 2021 called Diversifica Tereos, a series of initiatives intended to encourage inclusion and diversity. One of its pillars focuses on the place of women within the company, but it also deals with other key aspects of diversity, particularly discrimination based on ethnicity, disability, age and sexual orientation. Tereos Sugar & Energy Brazil has set a target of 15% women in its workforce by 2029/30 (8% in 20/21) and 17.5% women among its managers (6.7% in 20/21). The Business Unit also created a focus group, "Women in Agri-Food", which will work alongside other initiatives to increase the representation of women and boost their career opportunities within the Group.

The Code of Ethics prohibits any form of discrimination against employees, particularly on the basis of gender, disability, family situation, sexual orientation, age, political opinions, and racial, social, cultural or national origins. Collective agreements relating to generation contracts and gender equality signed by certain Business Units extend this document.

On the occasion of the publication of the update of its Code of Ethics (see *chapter 4.2*), Tereos has set up an alert system and the appointment of an Ethics Officer to collect alerts relating to violations of the Code of Ethics, in accordance with French legislation (known as the *Sapin 2 Law*).

In 2019, Tereos Participations and Tereos Starch & Sweeteners Europe signed an agreement on gender equality and quality of life at work. Through this agreement Tereos is committed to:

- Ensuring equal treatment between women and men in the company and fighting against any form of discrimination (in recruitment, professional training, remuneration and career development, professional development)
- Promoting a good work-life balance for employees
- Implementing measures for professional integration and job retention applying to employees with a disability.

In compliance with the French law "*For the freedom to choose one's professional future*", passed in September 2018, Tereos has published an Equality Index for those entities concerned since 2019. The index calculation method makes it possible to compare the treatment of male and female employees. An overall score out of 100 points is calculated on the basis of five criteria: the gender pay gap (40 points), the gap in individual pay rises (20 points), the gap in promotions (15 points), increases on return from maternity leave (15 points) and the presence of women among the highest paid company employees (10 points).

Results of the Tereos Equality Index in France as at December 31, 2021:

- Tereos Operations: 75 points
- Tereos Participations: 66 points
- Tereos Services Europe: 97 points
- Tereos Starch & Sweeteners Europe (UES Starch & Sweeteners in France): 78 points
- Tereos Sugar France: 73 points

In 2022, the Group marked International Women's Day with the announcement of the launch of a first gender equality meeting, focusing on women in management at Tereos. In addition, from June 2022, the first of a series of coaching sessions will welcome a group of women who wish to be supported in their development towards managerial positions. Working with a professional coach and in a spirit of collaboration, the participants will learn to help each other and to develop through their peers, to develop their network, to increase their personal confidence and to find the right balance and fulfilment between their professional and personal lives.

9.3

SUPPORTING LOCAL DEVELOPMENT

Committed to making a positive impact in the 13 countries where it operates, Tereos contributes to local economic development, both in France and

internationally. As a creator of direct and indirect jobs, the Group actively contributes to regional attractiveness.

Policies and action plans

Tereos is the world's second largest sugar group, but it is also an industrial player at a local level. The Group's sites are countryside factories for processing agricultural raw materials, for which they offer indispensable outlets and value-added services that retain added value in, and for the benefit of, the regions.

The Group's plants are located in rural areas that have in many cases been hard hit by deindustrialisation. They are vehicles for employment, training and social progress. They provide surrounding rural populations with opportunities to work locally, helping to sustain endogenous sources of employment in rural areas. In all, in mainland France alone, there are around 4,000 men and women working each day for Tereos.

The preservation of this industrial activity also makes it possible to support indirect jobs, both in agriculture and in services, at the level of local labour markets. This makes Tereos sites the backbone of a richer and more varied economic ecosystem which enables families, public services, associations and other economic activities to survive in rural areas. Indeed, the flows injected into the economy generate indirect and knock-on benefits, thus making a contribution to local development.

To gain a better understanding of these benefits, Tereos has decided to deploy a Local Footprint study on nine industrial sites in France from 2018 to 2020. The local impact of a site is measured through several indicators: direct impacts (investments), indirect impacts (suppliers) and finally induced impacts (how Tereos and its suppliers' employees contribute to the local economy, through their expenses and taxes: education, health, infrastructure etc.).

On the nine sites studied (Tereos Sugar France and Tereos Starch & Sweeteners Europe), an average of 11.5 additional jobs are supported in the French economy for each Tereos employee. In total, more than 25,000 jobs are sustained by the activity of these sites. More than a third of these jobs (35%) are located in the department where the Tereos plant is located. The four main sectors of activity that are supported are agriculture; health, education and social services; industry and logistics; and trade and commerce.

Part of the Group's territorial roots is the fight against economic fragility in local communities, in connection with the issues of access to employment and inclusion. In particular, the Group supports solidarity and inclusion initiatives. One example is the Zaragoza plant in Spain,

where around twenty people with disabilities have been regularly employed by the teams since 2015, in partnership with six Special Employment Centres. These people carry out gardening, industrial cleaning, logistics and packaging tasks on the Tereos site.

The Group is also deeply involved in combating food insecurity. As a long-standing partner of the Food Banks, Tereos signed an agreement with the French Federation of Food Banks (FFBA) in 2020 to donate 25 tonnes of sugar annually. This represents more than double the average amount previously donated by Tereos plants in France. As a local industrial player, Tereos has a very strong local presence. By supporting the Food Banks, the leading food aid network in France, the Group is providing help to local associations that are distributing meals to the most disadvantaged families.

This donation corresponds to 5% of the Food Banks' annual needs for sugar. In addition, 5 tonnes of sugar are also donated annually to the Reunion Island Food Banks by Tereos Sugar Indian Ocean, for redistribution to a number of organisations working in the area of food relief.

For the fifth year, Tereos employees in France who receive a parcel of sugar as a new year's gift were invited by the Group to donate all or part of it to Food Banks helping single-parent families, the elderly, isolated people and students. In 2021, the Group's employees donated approximately 6.1 tonnes of sugar during this operation, more than twice the amount donated the previous year.

In October 2021, the Group also launched an operation called "Eat Well Without Waste" at all its sites, to raise employees' awareness of the fight against food waste and to encourage more responsible consumption and greater solidarity. Under restrictions imposed by the pandemic, a collection was organised at certain sites, resulting in the donation of roughly three tonnes of non-perishable food products to local associations working to combat food insecurity.



9.4

OTHER TOPICS RELATING TO HUMAN RESOURCES

Tereos' human resources policy is based on the dual ambition of developing the skills of each individual, while encouraging the emergence and adoption of a common culture and behaviour within the Group. Every single employee is a key player in the success of Tereos. The management of human capital is essential for supporting the development and evolution of the

cooperative, which wishes to build a common culture based on the history, values and expertise of its many talents. Tereos has developed a policy of managing and retaining its 19,800¹⁶ employees which values the diversity and richness of its businesses. Tools and processes enable employees to develop their employability and move forward within the Group.

HR tools and internal mobility programmes

The systematisation of existing HR policies and tools, such as the performance review and career committees, is one of the levers used. These tools, which are applied at the level of each Group entity, enable a detailed diagnosis of individual career development plans, the securing of succession plans for key positions and the management of internal mobility.

At all levels of the company, Tereos encourages and promotes internal mobility as a lever for both the development of its employees (hiring and retaining them) and the vitality of its organisation and competitiveness. Internal mobility facilitates the transfer of skills between sites and Business Units, while contributing to the development of employees' know-how.

This commitment of the Group was made more concrete in 2021/22 through the launch in France of a specific programme, Mobili'T, designed to offer employees new career opportunities, while promoting synergies within the Group and optimising internal organisation. An Internal Mobility Charter has been signed to support the roll-out of Mobili'T. Its objective is to provide a framework for the commitment of all

stakeholders to respect a certain mindset, values and rules that are essential for an internal mobility process to run smoothly.

Alongside the internal career site, Jobeos, where all job offers are presented, specific actions have been organised to raise awareness among employees and make job vacancies more visible internally. A first Mobili'T Forum was organised in October 2021 at the Tereos Campus Europe, to inform employees in France of internal mobility opportunities, to enable them to meet managers looking for candidates, and to receive advice from recruitment experts on successful interview techniques.

The Mobili'T programme has not been implemented in Brazil, where there is a relatively high rate of internal mobility because of the existence of a Career Committee, a mechanism that helps to match employees' wishes for mobility with the company's needs. In order to reward the performance of employees who are committed to the Group's strategies and values, Tereos Sugar & Energy Brazil has set a target of filling 70% of vacancies from the internal talent pool.

Work environment

Tereos is also investing in improving the work environment, and is seeking to identify opportunities for improvement for its employees. One of the tools used in Brazil is the Mercer survey, which provides input for the Best for People Management awards, organised in association with the Brazilian business newspaper, *Valor Econômico*. For the fifth year running, Tereos Sugar & Energy Brazil has been ranked among the best five companies in the 7,001-17,000 employee category.

Training

Tereos operates in an environment that requires advanced technical skills. Processing agricultural products requires relatively long learning cycles and expertise that it is important to develop over a number of years when taking up a position. The availability of various forms of professional training, allowing the transfer of know-how through classroom training or tutoring, whether based on Tereos Academy programmes or taking the form of specific actions, is also part of the measures to retain talents.

The Tereos Academy was created in 2015, with the aim of contributing to the Group's operational performance over the long term. Employees with online access can thus directly follow a training course offered by this training platform, which offers modules that can be followed in face-to-face sessions or online. The Group

This success is due, among other things, to the efforts made to improve the working environment, to which the Business Unit attaches great importance: a range of benefits is offered to employees, such as medical and dental assistance, discounts at the pharmacy, etc. Seasonal employees are recruited according to the same rules as permanent employees, and they are given the opportunity to change their contracts to make a career at Tereos.

organises short-format workshops for employees without access to the platform, which are based on the on-line training modules and run in conjunction with local human resources teams, as well as an annual "Learning Week".

Tereos encourages its employees to acquire new skills through specialisation courses. In Brazil, for example, since 2020 Tereos has invested approximately BRL 2.2 million (€400,000) in professional training and development. Because of the pandemic, these initiatives have for the most part been delivered through distance learning. The Business Unit has also put in place several training performance indicators to measure the success of employees in training programmes, and to provide clear information on development opportunities within the company.

Talent development

In Brazil, Tereos operates a number of talent, training and career development programmes. *Jovens Talentos* ("Young Talents") is a programme specifically developed to support university students entering the Group as interns. This programme gives recent graduates an opportunity to learn more about career opportunities within the Group. Tereos Sugar & Energy Brazil also offers the Tereos Summer Experience, a programme of summer internships for undergraduate students who can take part in agricultural and industrial operations.

The Tereos Apprenticeship Programme, meanwhile, helps to improve the employability of young people by offering theoretical courses in schools and practical training courses in plants. Around 315 students took part during the last campaign. In collaboration with the Pescar Foundation, the programme also provides courses for young people from disadvantaged backgrounds. Through this partnership, Tereos in Brazil offers these young people theoretical training, delivered by volunteer employees.

Employer brand

Since 2018, Tereos has been creating an employer brand to encourage a sense of pride in belonging to the Group and increase its attractiveness. To initiate this project, more than 250 people were surveyed, including employees, recruitment agencies and applicants. This study made it possible to identify the Group's characteristics, such as its corporate culture, its career opportunities and team work. In 2021, Tereos was awarded first place as the "favourite company of students and young graduates" in its sector of activity (Agriculture/Cooperative) in the annual Harris Interactive / Epoka / L'Étudiant ranking

Managerial and leadership transformation challenges

In a world undergoing profound changes, the Group needs the talents of each and every individual in order to strengthen its performance and develop its operating model. To help create a shared momentum, the Group is modernising and standardising its business practices and introducing new, more collaborative working methods.

The Group's operational governance was adjusted in June 2021, to give it greater capacity to execute the strategy. It is made up as follows:

- Executive Committee: defines the strategy proposed to the Supervisory Board
- Management Committee: ensures that the strategy determined by the Supervisory Board is implemented by teams and Business Units
- Group Leadership Team: puts the strategy into practice and chooses leadership issues for debate
- Management Forum: discusses management issues, good practices

The different levels of management of the Group meet according to a regular schedule (every three months for the Group Leadership Team and every six months for the Management Forum). They ensure the implementation and proper execution of strategic and operational decisions.

Industrial relations

Tereos encourages good industrial relations in all its subsidiaries to help resolve major social and economic issues arising within the Group. This includes all forms of negotiation, consultation and simple exchanges of information between employee representatives and management to promote better understanding on these issues of common interest. This approach is accompanied by a coherent and dynamic social policy at subsidiary level, focusing on compensation and its evolution, individual recognition and redistribution, professional equality, complementary health insurance, and the quality of life at work.

In 2018, Tereos appointed a Director of Social Affairs, who is responsible for the implementation of a Group-wide social policy at all Tereos sites in France and for guaranteeing that all entities adopt a consistent approach. The main duties related to the role are:

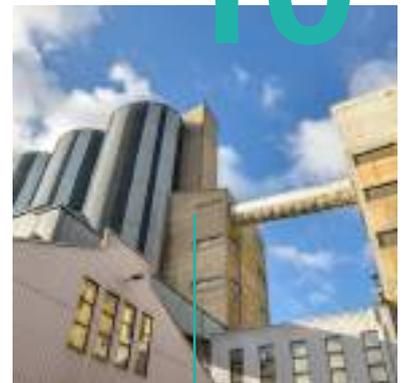
- Conducting preliminary studies for projects and negotiations
- Preparing and organising meetings with central employee representative bodies (Group Works Council, European Works Council)
- Taking part in discussions within the subsidiaries on social relations issues linked to the Group's strategy
- Developing negotiations in France on Group-wide issues, such as working from home, stress prevention, quality of life at work, etc.
- Supporting social transformation projects

A Tereos European Works Council was created in 2017. Its purpose is to structure the process of consultation and dialogue on a transnational level. This body brings together some twenty employee representatives in Europe, including France (including Reunion Island), Spain, the Czech Republic, Romania and Belgium. Its aim is to improve access to information for employees and to foster dialogue with the employee representatives of the European Business Units. It meets twice a year to discuss economic and social issues. It also provides an opportunity for the Chairman of the Management Board to discuss the Group's strategy and dialogue with the trade unions.



METHOD- OLOGICAL NOTE

10



The Tereos Group has collected workforce-related, environmental and social information from its Business Units annually since 2013/2014. These indicators are used to measure progress, analyse areas for improvement and define the Group's action plans with regard to social and environmental responsibility.

Internally, the objectives of this collection of information are to assess and compare the non-financial performance of the Group and its Business Units and to measure the progress made towards achieving the Group's sustainability objectives. Externally, this information gathering allows the Group's stakeholders to access qualitative and quantitative information in order to evaluate the Group's performance against its commitments on sustainability.

The Tereos Group's obligations on non-financial communications

Tereos SCA is subject to the requirements of Article R. 225-105 of the French Commercial Code and is required to publish an annual Non-Financial Statement, or NFS (*Déclaration de Performance Extra-Financière*, or DPEF) which includes workforce-related and environmental information and information relating to the company's commitments to sustainable development, as listed in Article L. 225-102-1:

- the consequences for climate change of the Group's activity and the use of the goods and services it produces,
- social commitments to sustainable development, the circular economy and the fight against food waste,

- collective agreements and their impact on the Group's economic performance as well as on the working conditions of employees,
- actions intended to combat discrimination and promote diversity.

The NFS presents the Group's business model and also, for the workforce-related, social and environmental consequences:

- a description of the principal challenges
- a description of policies applied by the Group
- the results of these policies, including Key Performance Indicators.

This information must be submitted for verification by an Independent Third Party accredited by the COFRAC and designated by the Chairman of the Management Board. The Independent Third Party's report includes a reasoned opinion on the compliance of the NFS and the fairness of the information together with the due diligence procedures performed.

Organisation of Tereos Group reporting

The Tereos Group asks all its Business Units to report annually on social and environmental responsibility information. The indicators and reporting protocol have been defined for all the Group's Business Units. This protocol is used as a reference for the various correspondents and in all the Business Units for the preparation of this report. It describes the challenges, roles, indicators, the mechanics and scope of collection, the principal challenges identified and the procedure for controlling and regulating these challenges. The information published in the present report follows the rules and definitions established by the Group in order to ensure uniformity.

The collection of data is organised at three levels:

- At each site, a reporting manager is responsible for collecting, controlling and consolidating data at the level of the site. The consolidated data is then communicated to the Business Unit to which the site reports.

- In each Business Unit, a reporting coordinator is responsible for collecting, verifying and validating the quality of the data reported by the reporting managers at the level of the sites it supervises. The consolidated data is then communicated to the Group CSR and Group Industrial Excellence departments.

- At Group level, the CSR and Industrial Excellence departments are responsible for consolidating the data reported by the Business Units.

At the end of this process, the Group CSR department is responsible for consolidating, analysing and publishing this data.

Scope of collection

The indicators cover all Tereos Group entities that are fully consolidated for accounting purposes.

Entities are included in the scope when:

- the Group holds a majority stake in them, or
- the Group exerts operational control even though its stake is 50% or less.

As a result, 42 of the Group's industrial sites are included in the scope of reporting, out of a total of 44 sites (the overall consolidation). All agricultural, industrial, commercial and

service activities are included in the scope of reporting. However, entities whose commercial activities are coordinated by Tereos Participations for sugar beet derivatives, Tereos Commodities, as well as the Group's administrative and tertiary sites are excluded from the scope. Entities sold, closed, purchased or created during the reporting year are not included in the scope: in particular, the Group divested its activities in Mozambique during 2021/22. Accordingly, 13,828 Group employees are included in the scope of reporting, out of a total of 19,800 (the overall consolidation, including Mozambique), representing a coverage rate of more than 82%.

The indicators of consolidated subsidiaries are presented without the application of a share or proportionate consolidation. Data for the entities is reported in full even when the Group's stake is less than 100%.

Period covered

Unless indicated for a specific indicator, all Tereos Group Business Units are included in the reporting. The data presented in this statement is consolidated for the Group's fiscal year, which runs from

01/04/2021 to 31/03/2022, except for the indicators "Number of employees and breakdown by gender", "Number of employees who are 'people managers' and gender breakdown", "Average

number of hours of training per employee receiving training" and "Percentage of employees with a disability", which are calculated for the calendar year 2021.

Limitations of data collection and reliability

The reporting protocol has been progressively structured and implemented in the Group's Business Units since 2014 and certain definitions are currently undergoing standardisation. Nonetheless, the consolidated indicators used remain consistent and meaningful.

The methodologies used for some workforce-related, environmental and social indicators may entail limitations. For example, there may be slightly different definitions of workforce-related indicators from one country to another, depending on local legislation. The Tereos Group

is constantly working on harmonisation. The methods used to collect and input information and changes in definition may affect the comparability of indicators.

Methodological clarifications relating to workforce-related data

The indicators relating to the total number of employees, the number of people with a disability (for countries where this information is available) and the average number of hours of training for every trained employee are calculated on the basis of the 2021 calendar year, and not on the basis of the fiscal year 2021/22.

The indicator relating to the seniority of employees only concerns employees with permanent contracts. The indicator relating to training concerns all employees, whatever their type of contract.

In addition, there have been clarifications to the reporting protocol concerning the

indicator on training: it has been clarified so as to establish the ratio between the average number of hours of training in relation to the number of employees receiving training (instead of to the total number of employees).

Exclusions

Following consultations carried out by the Tereos Group for its materiality analysis, some of the information requested in the framework of the NFS was found to be of little significance. Thus, the following information is not published: “*Respect for animal welfare and responsible, fair and*

sustainable food”.

Meanwhile, the issue of “*Animal welfare*” was also excluded from the stakeholder consultations. As the Group’s activity is exclusively based on producing and processing plant-derived raw materials,

the relevance of this issue has not been established and it does not call for any special treatment by the Group.

KPI definitions and specification of scope

● Tonnage of agricultural products processed

Definition: the total tonnage of agricultural products processed by the Group, i.e. sugar beet (including sugar beet pulp), sugar cane, wheat, corn, cassava, potatoes, alfalfa. The volumes taken into account are expressed after materials have been washed (“clean”). Until 2019/20, this was reported in gross weight (“dirty”). In 2020/21, following a methodological change, the volumes of raw materials from beet used in dehydration are now expressed after washing (“clean”). This change in calculation method was applied retrospectively to 2019/20 volumes and had an impact of approximately -1.2%.

Scope: no exclusions

● Share of certified/assessed sustainable agricultural products

Definition: the percentage of agricultural products processed by the Group from sources that have been assessed or certified as sustainable. To be deemed sustainable, an agricultural product must be based on agriculture that is economically viable, ecologically sound, socially just and humane. Tereos’ approach is based on the Bonsucro evaluation/certification standards, Sustainable Agriculture Initiative (SAI), 2BSVS Standard 1 (for the Lillebonne site only) and Organic Agriculture.

Scope: excludes third-party agricultural products that are not processed by Tereos.

● Percentage of subsidiaries with a biodiversity protection project based on the Tereos biodiversity charter

Definition: the percentage of Group subsidiaries that have implemented a biodiversity project. These projects must comply with the stipulations of the Tereos Biodiversity Charter. Only projects in progress or implemented after January 1, 2022 are taken into account.

Scope: no exclusions

● Share of ISO 14001 certified sites

Definition: the percentage of industrial sites in the scope of consolidation with ISO 14001 certification (environmental management system) valid during the financial year.

Scope: no exclusions

● Share of agricultural raw materials processed

Definition: the percentage of agricultural raw materials processed relative to total processed agricultural raw materials. Processing includes all products, food or not, energy produced by cogeneration, gas produced by anaerobic digestion, fertigation water, fertilisers.

Scope: no exclusions

● Percentage of water returned to the environment

Definition: the percentage of water returned to the environment, including by means of fertigation, out of the total volume of water taken from the public water supply network, pumping from rivers or groundwater. In 2020/21, following a methodological change, the volumes of water returned by Tereos Sugar Indian Ocean are now included in this metric. This change in calculation method was retrospectively applied to 2019/20 volumes and had an impact of approximately +3%.

Scope: excluding captured and stored rainwater

● Water performance

Definition: the performance of water consumed during industrial transformation processes so that the Group’s performance can be monitored and improved. It is calculated differently from one Business Unit to another in order to reflect the diversity of the industrial processes and the raw materials that are transformed. Tereos’ aim is to be able to produce more

while consuming the least water possible in the facilities. As a matter of principle, cooling water is not taken into account, except for the subsidiaries TSEB, TSOI and TSSB, which are not yet able to dissociate these volumes from the total volumes of water withdrawals.

Scope: excluding Tereos Animal Nutrition

● Share of renewable energy

Definition: the percentage of renewable energy consumed by industrial sites within the scope and in relation to the total volume of energy consumed to process the above-mentioned agricultural products. Renewable energies are considered to be: solar energy, wind energy, hydraulic energy, biomass, bagasse, geothermal energy, electricity and steam produced from renewable energies.

Scope: no exclusions

● CO2 emissions

Definition: the total of CO2 emissions from fossil fuel consumption (coal, coke, anthracite, lignite, heavy fuel oil, natural gas, oil) and the production of steam and electricity from fossil fuels. The emissions factors for the different countries in which the Group operates are those published by the French Agency for Environment and Energy Management (Ademe), in line with the GHG Protocol calculation method.

Scope: excluding company vehicles; HFC, PFC and CH4 emissions; greenhouse gas emissions from biomass combustion and those not included in the Kyoto Protocol

● Share of ISO 50001 certified sites

Definition: the percentage of industrial sites in the scope of consolidation with ISO 50001 certification (improvement of energy performance) valid during the financial year.

Scope: no exclusions

● Share of ISO 22000 or FSSC 22000 certified sites (or equivalent)

Definition: the percentage of industrial sites in the scope of consolidation with ISO 22000 certification or its equivalent FSSC 22000 (food safety management system) or GFSI (Global Safety Initiative) recognised equivalent, valid during the financial year. For animal nutrition, la Feed Chain Alliance (FCA) certification is taken into account for this indicator.

Scope: no exclusions

● Share of ISO 9001 certified sites

Definition: the percentage of industrial sites in the scope of consolidation with ISO 9001 certification (quality management system) valid during the financial year.

Scope: no exclusions

● Proportion of customer complaints processed on time

Definition: the percentage of customer complaints relating to product quality which are treated within a period considered acceptable by Tereos, i.e. 16 working days.

Scope: no exclusions

● Percentage of major customers to whom Tereos has offered a nutritional reformulation solution

Definition: [indicator under construction] the percentage of major customers of Tereos who are offered a nutritional reformulation for one of their products. The reformulation results in an improvement of the nutritional profile of the final product (reduction of simple sugars and/or fats, and/or calories, and/or enrichment in fibre or protein). This indicator is currently under construction, as is the definition of major customer, according to classifications being developed by the Tereos Marketing Department.

Scope: not applicable

● Percentage of B2C sugar ranges giving customers information about responsible consumption

Definition: the percentage of sugar ranges providing information of responsible consumption in the context of a healthy and balanced diet. The ranges concerned cover the Group's B2C sugar brands: Béghin Say, Guarani, La Perruche, TTD, Whitworths, Blonvilliers and Sucreries de Bourbon.

Scope: no exclusions

● Overall frequency rate

Definition : the number of accidents reported with and without lost time during the financial year in relation to the number of hours worked during the period in question, according to the following formula:

$$\frac{\text{Number of cases recorded (LWC + RWC + MTC)} * 1,000,000}{\text{Number of hours worked}}$$

The overall frequency rate covers all Tereos employee categories (permanent, fixed-term, temporary and subcontractors) as well as contractors working on Tereos sites. Fatal accidents are included. It is based on actual hours worked and not theoretical hours, except for fixed-rate employees.

LWC (Lost Work Cases) = work-related accidents, causing an injury that prevents the employee from working for more than 24 hours.

RWC (Restricted Work Cases) = work-related accidents that prevent the employee from performing his or her regular duties and requires reassignment to an adapted position.

MTC (Medical Treatment Cases) = work-related accidents requiring medical attention but not preventing the employee from returning to work.

Scope: this indicator applies worldwide and includes the associated industrial and administrative sites within the scope of consolidation

● Severity rate

Definition: the number of days compensated per 1,000 hours worked over the financial year, i.e. the number of days lost due to temporary incapacity per 1,000 hours worked, according to the following formula:

$$\frac{\text{Number of days of work lost} * 1,000}{\text{Number of hours worked}}$$

The severity rate covers all Tereos employee categories (permanent, fixed-term, temporary and subcontractors) as well as contractors working on Tereos sites. It is based on actual hours worked and not theoretical hours, except for fixed-rate employees.

Scope: this indicator applies worldwide and includes the associated industrial and administrative sites within the scope of consolidation

● Frequency rate of lost-time accidents

Definition: the number of accidents during the financial year with more than 24 hours of lost time, occurring during a 12-month period per million hours worked, according to the following formula:

$$\text{LWC} * 1,000$$

$$\frac{\text{LWC} * 1,000}{\text{Number of hours worked}}$$

The frequency rate of lost-time accidents covers all Tereos employee categories (permanent, fixed-term, temporary and subcontractors) as well as contractors working on Tereos sites. The calculation of hours worked is based on actual hours worked and not theoretical hours, except for fixed-rate employees.

Scope: this indicator applies worldwide and includes the associated industrial and administrative sites within the scope of consolidation

- **Percentage of employees who have received health and safety training**

Definition: the percentage of employees who have completed a health and safety training module. This can be either a module offered by the in-house Tereos Academy e-learning tool or on-site, face-to-face training. This indicator previously only took account of provided via the Tereos Academy, but it was modified in 2021/22 to include both all employees and training provided offline.

Scope: no exclusions

- **Average seniority in years**

Definition: the total of the periods of presence of Tereos' permanent employees (expressed in FTEs) on the last day of the financial year, divided by the number of permanent employees (expressed in FTEs)

Scope: excluding employees on fixed-term contracts, interns and apprentices

- **Average number of hours of training per employee receiving training**

Definition: the total of hours of training in relation to the number of employees receiving training during the financial year. The indicator includes all categories of permanent and temporary employees, as well as contractors and those no longer working at Tereos by the end of the calendar year. The training hours considered are those planned and carried out by the employee.

Scope: excluding seminars, conferences, integration days, working groups and open days

- **Number of employees and gender distribution**

Definition: the total of the Group's permanent and temporary employees at the end of the calendar year; this data is broken down by gender.

Scope: no exclusions

- **Number of employees who are 'people managers' and gender breakdown**

Definition: the total of the Group's permanent and temporary employees at the end of the calendar year holding a 'people manager' position; this data is broken down by the employees' gender. Whatever the job title or job description of his or her position, an employee is considered as a 'people manager' when he or she supervises at least one other employee and carries out an annual performance review.

Scope: no exclusions

- **Proportion of women members of the Tereos Management Forum**

Definition: [indicator under construction] the proportion of female members of the Tereos Management Forum, which is a Group-wide internal body consisting of approximately 140 managers. the end of the financial year, after subtracting any unfilled positions (e.g. recruitment in progress) at the time of reporting.

Scope: not applicable

- **Percentage of employees with a disability**

Definition: the total of the Group's permanent employees at the end of the calendar year recognised as being in a situation of disability according to the local legislation in force.

Scope: excluding the United Kingdom and Ireland.



INDEPENDENT THIRD PARTY'S REPORT

11



TEREOS
Year ended 31st March 2022

Independent third party's report on consolidated non-financial statement presented in the management report

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the General Meeting,

In our quality as an independent third party, accredited by the COFRAC under the number 3-1681 (scope of accreditation available on the website www.cofrac.fr), and as a member of the network of one of the statutory auditors of your entity (hereinafter "entity"), we conducted our work in order to provide a conclusion expressing a limited level of assurance on the compliance of the consolidated non-financial statement for the year ended March 31st 2022 (hereinafter the "Statement") with the provisions of Article R. 225-105 of the French Commercial Code (Code de commerce) and on the fairness of the historical information (whether observed or extrapolated) provided pursuant to 3° of I and II of Article R. 225-105 of the French Commercial Code (hereinafter the "Information") prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), included in the management report pursuant to the requirements of articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

Conclusion

Based on the procedures performed, as described in "Nature and scope of the work", and on the elements we have collected, we did not identify any material misstatements that would call into question the fact that the consolidated non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Preparation of the non-financial statement

The absence of a generally accepted and commonly used framework or established practices on which to base the assessment and measurement of information allows for the use of different, but acceptable, measurement techniques that may

affect comparability between entities and over time. Therefore, the Information should be read and understood with reference to the Guidelines, the significant elements of which are presented in the Statement.

Limitations inherent in the preparation of the Information

The information may be subject to uncertainty inherent in the state of scientific or economic knowledge and the quality of external data used. Certain information is sensitive to the methodological choices, assumptions and/or estimates made in preparing it and presented in the Statement.

The entity's responsibility

It is the responsibility of the Executive Board to:

- select or establish appropriate criteria for the preparation of the Information;
- prepare a Statement in accordance with legal and regulatory requirements, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks as well as the results of these policies, including key performance indicators;
- and to implement the internal control procedures it deems necessary to ensure that the Information is free from material misstatement, whether due to fraud or error.

The Statement has been prepared in accordance with the entity's procedures, the main elements of which are presented in the Statement.

Responsibility of the independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with article R. 225 105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks.

As it is our responsibility to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information, as this could compromise our independence.

However, it is not our responsibility to comment on :

- the entity's compliance with other applicable legal and regulatory requirements, in particular the French duty of care law and anti-corruption and tax avoidance legislation
- the compliance of products and services with the applicable regulations.

Regulatory provisions and applicable professional standards

The work described below was performed in accordance with the provisions of articles A. 225-1 et seq. of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements with ISAE 3000.¹⁷

Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional guidance.

Means and resources

Our verification work mobilized the skills of six people and took place between October 2022 and May 2022 on a total duration of intervention of about 18 weeks.

We conducted four interviews with the persons responsible for the preparation of the Statement including in particular the Corporate Social Responsibility Management, Energy and Climate, R&D, Human Resources, Health Safety and Quality.

Nature and scope of the work

We planned and performed our work taking into account the risks of material misstatement of the Information.

In our opinion, the procedures we have performed in the exercise of our professional judgment enable us to provide a limited level of assurance:

- we obtained an understanding of all the consolidated entities' activities and the description of the principal risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of social and environmental information set out in article L. 225 102 1 III of the French Commercial Code as well as compliance with human rights and anti corruption and tax avoidance legislation;
- we verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- we verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with its business relationships, its products or services, as well as its policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- we referred to documentary sources and conducted interviews to
 - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and

- corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1. Our work was carried out on the consolidating entity and on a selection of entities: São José plant, Business Unit Tereos Sugar & Energy Brazil, Palmital plant, Business Unit Tereos Starch & Sweeteners Brazil, Anglure plant and Business Unit Tereos Nutrition Animale;
- we verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code;
- we obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix 1, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
 - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities and covers between 20% and 60% of the consolidated data relating to the key performance indicators and outcomes selected for these tests (38% of raw agricultural material, 60% of headcount, 43% of energy consumption and 20% of water consumption);

- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Paris-La Défense, May 31, 2022

French original signed by:

Independent third party
EY & Associés



Christophe Schmeitzky
Partner, Sustainable Development



APPENDIXES



Appendix 1: information considered to be the most important

WORKFORCE-RELATED INFORMATION	
<i>Quantitative information (including key performance indicators)</i>	<i>Qualitative information (actions or results)</i>
Overall frequency rate Severity rate Lost-time accident frequency rate Percentage of employees who have received health and safety training Average seniority in years Average number of hours of training per employee receiving training Number of employees and distribution by gender Percentage of employees with a disability Number of employees who are ‘people managers’ and gender breakdown Percentage of women among members of the Tereos Management Forum	Employment (attractiveness, retention) Occupational health and safety Labour relations (industrial relations, collective bargaining) Training Loyalty and commitment of talents Equal treatment (gender equality, fight against discrimination, integration of people with disabled)
ENVIRONMENTAL INFORMATION	
<i>Quantitative information (including key performance indicators)</i>	<i>Qualitative information (actions or results)</i>
Percentage of renewable energies CO2 emissions (scopes 1 and 2) Percentage of ISO 50001 certified sites Tonnages of agricultural products processed Percentage of certified/assessed sustainable agricultural raw materials Percentage of agricultural raw materials processed Percentage of water returned to the environment Water performance Percentage of ISO 14001 certified site Percentage of subsidiaries with a biodiversity protection project based on our biodiversity charter	Results of environmental / energy policy (certifications, means) The energy transition Environmental impacts (water, air, soil) Actions related to sustainable Protection of biodiversity
SOCIAL INFORMATION	
<i>Quantitative information (including key performance indicators)</i>	<i>Qualitative information (actions or results)</i>
Percentage of sites certified ISO 22000 or FSSC 22000 (or equivalent). Percentage of sites certified ISO 9001 Percentage of major customers to whom Tereos has offered a nutritional reformulation solution Percentage of B2C sugar ranges informing customers about responsible consumption Percentage of customer complaints clients processed on time	Site certification Quality and traceability of products and food safety Nutrition Public health challenges Quality of customer service

Appendix 2: table of concordance with the ten principles of the Global Compact

Tereos is committed to the ten fundamental principles of the United Nations Global Compact. In 2022 the Group published a COP (Communication on Progress) for 2021 on the Global Compact website.

No.	PRINCIPLES OF THE UN GLOBAL COMPACT	NFS CHAPTERS
<i>Human rights</i>		
1	Businesses should support and respect the protection of internationally proclaimed human rights.	4.2 NFS compliance and other information expected by stakeholders
2	Businesses should make sure they are not complicit in human rights abuses.	4.2 NFS compliance and other information expected by stakeholders
<i>Labour</i>		
3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	9.4 Other topics relating to human resources
4	Businesses should uphold the elimination of all forms of forced and compulsory labour.	4.2 NFS compliance and other information expected by stakeholders
5	Businesses should uphold the effective abolition of child labour.	4.2 NFS compliance and other information expected by stakeholders
6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	4.2 NFS compliance and other information expected by stakeholders 9.2 Promoting diversity
<i>Environment</i>		
7	Businesses should support a precautionary approach to environmental challenges.	5. Sustainable agriculture 6. Protection of the environment 7. Positive industry & decarbonisation
8	Businesses should undertake initiatives to promote greater environmental responsibility.	5. Sustainable agriculture 6. Protection of the environment 7. Positive industry & decarbonisation
9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	5. Sustainable agriculture 6. Protection of the environment 7. Positive industry & decarbonisation
<i>Anti-corruption</i>		
10	Businesses should work against corruption in all its forms, including extortion and bribery.	4.2 NFS compliance and other information expected by stakeholders

Appendix 3: table of correspondence with the Sustainable Development Goals (SDGs)

Through its CSR policy, Tereos contributes to the Sustainable Development Goals (SDGs), established by the United Nations. The Group has incorporated nine of the SDGs into its CSR strategy on the basis of

its business, its impacts and geographical profile. The following table shows how the Group’s commitments contribute to the most significant indicators with respect to its business.

Sustainable Development Goal	Significant indicators	Tereos non-financial challenges	Tereos commitments
 <p>No. 2 Zero hunger</p>	End hunger, achieve food security and improved nutrition, and promote sustainable agriculture		
	2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change [...] and that progressively improve land and soil quality	Sustainable agriculture	<ul style="list-style-type: none"> - Continue efforts to certify raw materials - Combine agricultural competitiveness and respect for the environment - Commit to a low-carbon policy on our farms
 <p>No. 3 Good health and well-being</p>	Ensure healthy lives and promote well-being for all at all ages		
	3.4 By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being	Responsible, healthy & quality food	<ul style="list-style-type: none"> - Create tailor-made offers to reduce calories and to optimise sweetness - Promote information on the responsible consumption of sugar
 <p>No. 5 Gender equality</p>	Achieve gender equality and empower all women and girls		
	5.5 Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	Employees & local development	<ul style="list-style-type: none"> - Strengthen diversity and the access of women to management positions by promoting internal mobility for our employees
 <p>No. 6 Clean water and sanitation</p>	Ensure availability and sustainable management of water and sanitation for all		
	6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity	Positive industry & decarbonisation	<ul style="list-style-type: none"> - Optimise water recycling within our value chain

Sustainable Development Goal	Significant indicators	Tereos non-financial challenges	Tereos commitments
 <p>No. 8 Decent work and economic growth</p>	<p>Promote inclusive and sustainable economic growth, employment and decent work for all</p> <p>8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with a disability, and equal pay for work of equal value</p> <p>8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment</p>	<p>Employees & local development</p>	<ul style="list-style-type: none"> - Continue raising awareness of health and safety issues - Maintain local sourcing in our facilities
 <p>No. 9 Industry, innovation and infrastructure</p>	<p>Build resilient infrastructure, promote sustainable industrialisation and foster innovation</p> <p>9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes [...]</p>	<p>Protection of the environment</p>	<ul style="list-style-type: none"> - Limit our waste and transform 100% of our raw materials without any waste
 <p>No. 12 Responsible consumption and production</p>	<p>Ensure sustainable consumption and production patterns</p> <p>12.2 By 2030, achieve the sustainable management and efficient use of natural resources</p> <p>12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse</p>	<p>Positive industry & decarbonisation</p>	<ul style="list-style-type: none"> - Speed up the roll-out of precision farming - Limit our waste and transform 100% of our raw materials without waste
 <p>No. 13 Climate action</p>	<p>Take urgent action to combat climate change and its impacts.</p> <p>13.1 Strengthen resilience and adaptive capacity to climate related hazards and natural disasters in all countries</p>	<p>Positive industry & decarbonisation</p>	<ul style="list-style-type: none"> - Reduce energy consumption across the entire value chain - Optimise the energy efficiency of our production processes - Support the production of renewable energies
 <p>No. 15 Life on land</p>	<p>Protect, restore and promote sustainable use of terrestrial ecosystems, [...] halt and reverse land degradation and halt biodiversity loss</p> <p>15.5 Take urgent measures to reduce natural habitat degradation, halt the loss of biodiversity and, by 2030, protect and prevent the extinction of threatened species</p>	<p>Protection of the environment</p>	<ul style="list-style-type: none"> - Implement projects intended to preserve biodiversity - Favour the use of organic inputs from processing residues in the fields - Support farmers in their sustainable agricultural practices

Appendix 4: table of correspondence with the Global Reporting Initiative (GRI) 2016.

Tereos has devised its strategy and reporting in accordance with the principles of the Global Reporting Initiative (GRI) in order to ensure the completeness of its approach. This report has been prepared in accordance

with the GRI standards: essential compliance option. Some of the elements of the framework are therefore not presented.

Organisational profile

No.	GRI DISCLOSURES	CORRESPONDENCE	REFERENCE
102-1	Name of the organisation	Total	Tereos SCA
102-2	Activities, brands, products, and services	Total	1. Group profile 2. Business model
102-3	Location of headquarters	Total	Origny-Sainte-Benoîte, France
102-4	Location of operations	Total	Tereos website
102-5	Ownership and legal form	Total	SCA (agricultural cooperative company) with share capital of €506,980,834
102-6	Markets served	Total	1. Group profile 2. Business model
102-7	Scale of the organisation	Total	1. Group profile 2. Business model
102-8	Workforce of the organisation	Total	1. Group profile 2. Business model
102-9	The organisation's supply chain	Total	1.1 Value chain
102-10	Significant changes to the organisation and its supply chain	Total	1.1 Value chain 4.2 NFS compliance and other information expected by stakeholders
102-11	Precautionary Principle	Partial	6. Protection of the environment 8.3 Quality, traceability & food safety
102-12	Charters, principles and other external initiatives	Total	4.2 NFS compliance and other information expected by stakeholders
102-13	Membership of national and international associations	Total	4.2 NFS compliance and other information expected by stakeholders
102-14	Statement from the most senior decision-maker about the relevance of sustainability to the organisation and its strategy	Total	CSR Report 2020/21
102-16	Values, principles, standards, norms of behaviour and rules of the organisation, such as codes of conduct and ethics	Total	4.2 NFS compliance and other information expected by stakeholders

No.	GRI DISCLOSURES	CORRESPONDENCE	REFERENCE
102-18	Governance structure of the organisation, including committees of the highest governance body	Total	Tereos website
102-40	List of stakeholder groups with whom the organisation has engaged in dialogue	Partial	4.1 Methodology
102-41	Percentage of total employees covered by collective bargaining agreements	Total	Tereos website
102-42	The basis for identifying and selecting stakeholders with whom to engage	Partial	4.1 Methodology
102-43	Approach to stakeholder engagement	Partial	4.1 Methodology
102-44	Key topics and concerns raised	Total	4. Principal non-financial challenges
102-45	Entities included in the consolidated financial statements, including reasons for exclusion	Total	10. Methodological note
102-46	Defining report content and topic boundaries	Total	4. Principal non-financial challenges 10. Methodological note
102-47	List of material topics	Total	4. Principal non-financial challenges
102-48	Restatements of information	Total	10. Methodological note
102-49	Changes in reporting	Total	4.1 Methodology 10. Methodological note
102-50	Reporting period	Total	10. Methodological note
102-51	Date of most recent report, if applicable	Total	May 2021
102-52	Reporting cycle	Total	10. Methodological note
102-53	Contact point for questions regarding the report or its contents	Total	Xavier Huchet, Group CSR Manager
102-54	Option of “compliance” chosen by the organisation and content index	Total	Appendix 4
102-55	GRI table of correspondence	Total	Appendix 4
102-56	External verification of the report	Total	11. Independent third party’s report

Specific elements .

No.	GRI DISCLOSURES	CORRESPONDENCE	REFERENCE
200	<i>Economic topics</i>		
201	<i>Economic performance</i>		
201-1	Direct economic value generated and distributed	Total	1. Group profile
203	<i>Indirect economic impacts</i>		
203-1	Development and impact of infrastructure investments and services supported	Total	2. Business model
204	<i>Procurement practices</i>		
204-1	Proportion of spending on local suppliers	Total	4.2 NFS compliance and other information expected by stakeholders
300	<i>Environmental topics</i>		
301	<i>Materials</i>		
301-1	Materials used by weight or volume	Total	5. Sustainable agriculture
301-2	Recycled input materials used	Total	6.2 Recovery of natural resources
302	<i>Energy</i>		
302-1	Energy consumption within the organisation	Total	7. Positive industry & decarbonisation
302-4	Reduction of energy consumption	Total	7. Positive industry & decarbonisation
303	<i>Water</i>		
303-1	Interactions with water as a shared resource	Total	7.2 Optimising water consumption
303-4	Water discharge	Total	7.2 Optimising water consumption
304	<i>Biodiversity</i>		
304-2	Significant impacts of activities, products, and services on biodiversity	Total	5. Sustainable agriculture
305	<i>Emissions</i>		
305-1	Direct (Scope 1) GHG emissions	Total	7. Positive industry & decarbonisation
305-2	Energy indirect (Scope 2) GHG emissions	Total	7. Positive industry & decarbonisation
305-5	Reduction of GHG emissions	Total	7. Positive industry & decarbonisation
306	<i>Effluents and waste</i>		
306-2	Waste by type and disposal method	Total	6.2 Recovery of natural resources

No.	GRI DISCLOSURES	CORRESPONDENCE	REFERENCE
307	<i>Environmental compliance</i>		
307-1	Non-compliance with environmental laws and regulations	Partial	4.2 NFS compliance and other information expected by stakeholders (issue treated but not explicitly presented in this report)
308	<i>Supplier environmental assessment</i>		
308-1	Suppliers that were screened using environmental criteria	Total	4.2 NFS compliance and other information expected by stakeholders
400	<i>Social topic</i>		
401	<i>Employment</i>		
401-1	New employee hires and employee turnover	Partial	9.4 Other topics relating to human resources (issue treated but not explicitly presented in this report)
402	<i>Labour/management relations</i>		
402-1	Minimum notice periods regarding operational changes, indicating whether the notice period is specified in collective agreements	Partial	9.4 Other topics relating to human resources (issue treated but not explicitly presented in this report)
403	<i>Occupational health and safety</i>		
403-1	Occupational health and safety management system	Total	9.1 Occupational health and safety
403-5	Worker training on occupational health and safety	Total	9.1 Occupational health and safety
403-9	Work-related injuries	Total	9.1 Occupational health and safety
404	<i>Training and education</i>		
404-1	Average hours of training per year per employee	Total	9.4 Other topics relating to human resources
404-2	Upgrading employee skills	Total	9.4 Other topics relating to human resources
405	<i>Diversity and equal opportunity</i>		
405-1	Diversity of employees and governance bodies	Total	9.2 Promoting diversity
406	<i>Non-discrimination</i>		
406-1	Incidents of discrimination and corrective actions taken	Partial	4.2 NFS compliance and other information expected by stakeholders 9.2 Promoting diversity

No.	GRI DISCLOSURES	CORRESPONDENCE	REFERENCE
407	<i>Freedom of association and collective bargaining</i>		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Total	Tereos Code of Ethics
408	<i>Child labour</i>		
408-1	Operations and suppliers at significant risk for incidents of child labour	Total	Tereos Code of Ethics
409	<i>Forced or compulsory labour</i>		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Total	Tereos Code of Ethics
410	<i>Security practices</i>		
410-1	Security personnel trained in human rights policies or procedures	Partial	9.1 Occupational health and safety
411	<i>Rights of indigenous peoples</i>		
411-1	Incidents of violations involving rights of indigenous peoples	Total	Tereos Code of Ethics
414	<i>Supplier social assessment</i>		
414-1	New suppliers that were screened using social criteria	Total	4.2 NFS compliance and other information expected by stakeholders
416	<i>Customer health and safety</i>		
416-1	Assessment of the health and safety impacts of product and service categories	Total	8.3 Quality, traceability & food safety
417	<i>Marketing and labelling</i>		
417-1	Requirements for product and service information and labelling	Partial	8.3 Quality, traceability & food safety
418	<i>Customer privacy</i>		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Partial	8.3 Quality, traceability & food safety
419	<i>Socioeconomic compliance</i>		
419-1	Non-compliance with laws and regulations in the social and economic area	Partial	4.2 NFS compliance and other information expected by stakeholders (issue treated but not explicitly presented in this report)

Elements omitted

202 - Market presence
205 - Anti-corruption

206 - Anti-competitive behaviour
412 - Human rights assessment

413 - Local communities
415 - Public policy

Appendix 5: table of correspondence with the Sustainability Accounting Standards Board (SASB) 2018-10.

Below, the Group presents a table of correspondence with the SASB. The standards applicable to Tereos have been determined according to the SASB materiality

map: on the basis of the Group’s main business sector, i.e. the Food and Beverage sector standards, in the Agricultural Products category.

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	REFERENCE
<i>Greenhouse Gas Emissions</i>				
Gross global Scope 1 emissions	Quantitative	Tonnes (t) CO2-e	FB-AG-110a.1	7. Positive industry & decarbonisation
Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	N/A	FB-AG-110a.2	7. Positive industry & decarbonisation
Fleet fuel consumed, percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	FB-AG-110a.3	7. Positive industry & decarbonisation (issue treated but not explicitly presented in this report)
<i>Energy Management</i>				
(1) Operational energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	FB-AG-130a.1	7. Positive industry & decarbonisation
<i>Water Management</i>				
(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m³), Percentage (%)	FB-AG-140a.1	7. Positive industry & decarbonisation
Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	N/A	FB-AG-140a.2	7. Positive industry & decarbonisation
Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	Quantitative	Number	FB-AG-140a.3	7. Positive industry & decarbonisation (issue treated but not explicitly presented in this report)

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	REFERENCE
<i>Food Safety</i>				
Global Food Safety Initiative (GFSI) audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	Quantitative	Rate	FB-AG-250a.1	8.3 Quality, traceability & food safety (issue treated but not explicitly presented in this report)
Percentage of agricultural products sourced from suppliers certified to a Global Food Safety Initiative (GFSI) recognized food safety certification program	Quantitative	Percentage (%) by cost	FB-AG-250a.2	5. Sustainable agriculture
(1) Number of recalls issued and (2) total amount of food product recalled	Quantitative	Number, Tonnes (t)	FB-AG-250a.3	8.3 Quality, traceability & food safety (issue treated but not explicitly presented in this report)
<i>Workforce Health & Safety</i>				
(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) seasonal and migrant employees	Quantitative	Rate	FB-AG-320a.1	9.1 Occupational health and safety
<i>Environmental & Social Impacts of Ingredient Supply Chain</i>				
Percentage of agricultural products sourced that are certified to a third-party environmental and/or social standard, and percentages by standard	Quantitative	Percentage (%) by cost	FB-AG-430a.1	5. Sustainable agriculture