

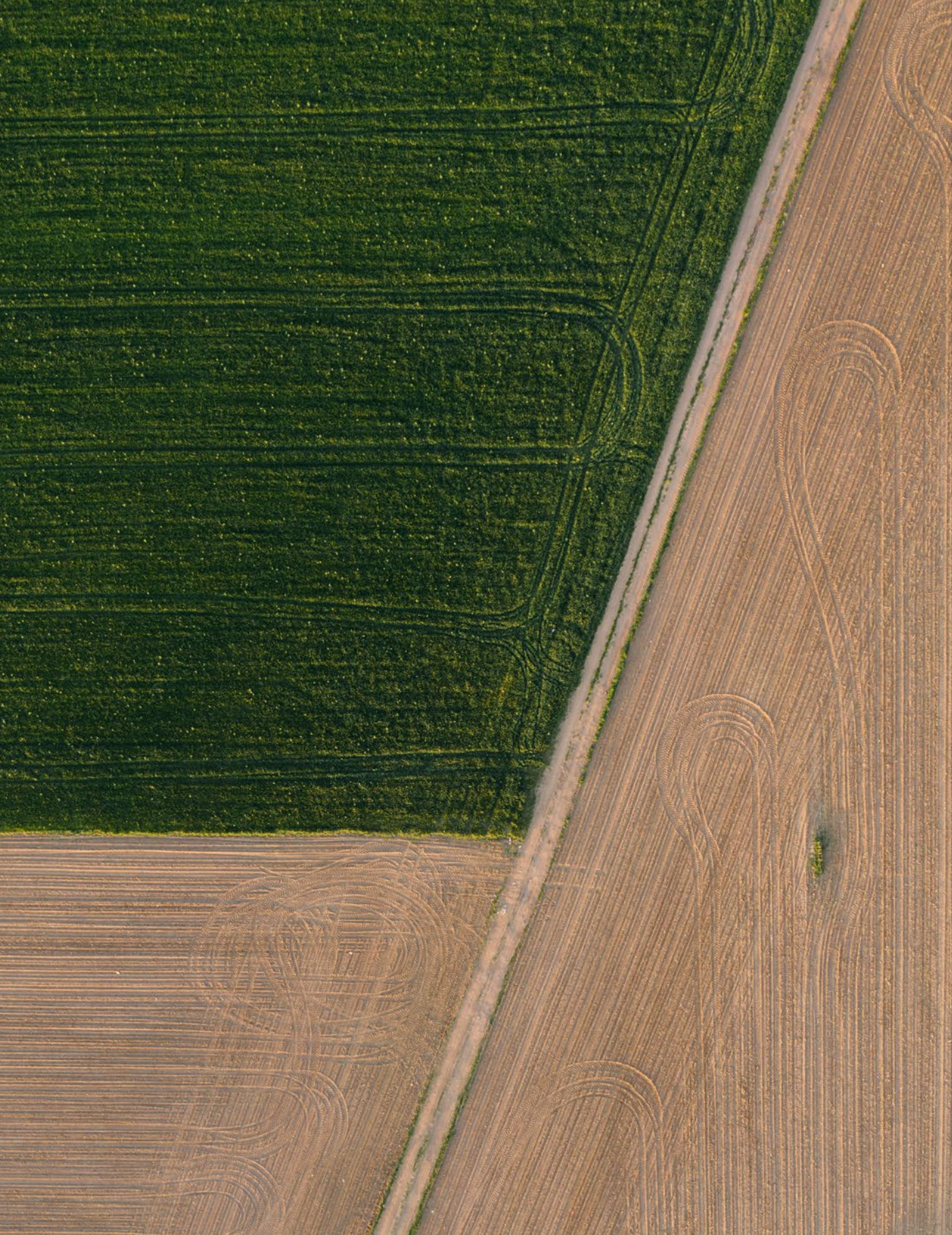


Tereos

Day by day,
cultivating the future.

Annual report

2023/24



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2023/24 Annual Report

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Our Raison d'Être

At a time when our agricultural cooperative has profoundly adapted to societal changes; at a time when Tereos is looking ahead for all its activities, we wish to affirm our raison d'être as the shared foundation that gives meaning to our decisions. Unveiled in the summer of 2024, it is a solid and visible expression of our identity, which anchors us to our values and brings us together on the same cultural base. It answers the question: "what would society be missing if Tereos did not exist?"

Cultivating a shared future for the Earth and People by meeting essential daily needs



Cultivating

We cultivate the world's professions. It's a profession of the heart, a mindset and a passion. Cultivating means sowing and harvesting, nurturing talent and preparing for the future. Nature comes first, but it needs cultivation in every aspect. Cultivation is the driving force behind our actions.

a shared future

We cultivate for today... and for tomorrow: our responsible and resilient agricultural practices prepare us to adapt to changes in the climate, consumption patterns and technologies. As a company, we are collectively involved in society.

for the Earth and People

Without the Earth there is no agriculture—no life. Tereos grew up on the Earth. This is where it all began, with our plant-based raw materials. The Earth ("la Terre" in French) gave its name to our cooperative: Tereos. The Earth... but also the women and men that inhabit it: our cooperative members, our employees, our stakeholders, our customers and consumers. These are the citizens and communities of the regions in which we operate. "For the Earth and People" underscores our interdependence and the reciprocity that governs our relationships and gives our actions their humanity.

by meeting essential daily needs...

This last part expresses all our know-how, the service we provide directly to consumers. It shows our pride in bringing so many products to market that are useful to life. Food, energy, animal feed, green chemistry, pharmaceuticals and cosmetics, paper and cardboard... we meet many everyday needs.

Who are we?

10,700
GROWER
COOPERATIVE
MEMBERS
IN FRANCE

15,800
EMPLOYEES
WORLDWIDE

41
INDUSTRIAL
SITES
WORLDWIDE

ICONIC AND
ESTEEMED
**SUGAR
BRANDS**
AROUND THE WORLD

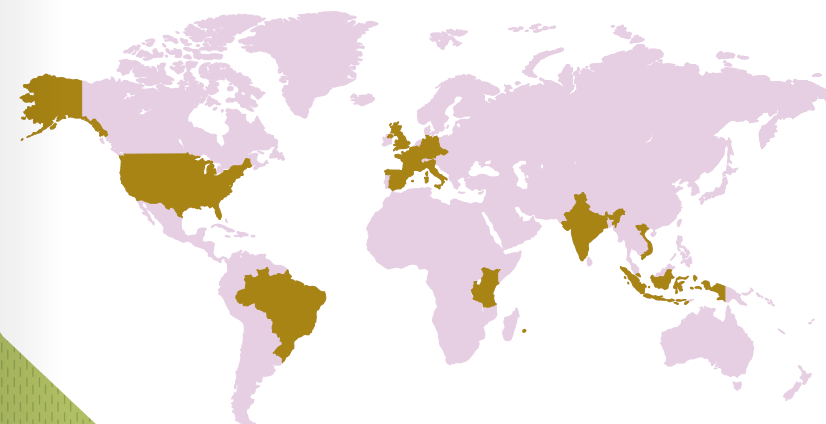
MORE THAN
43 MILLION TONNES
OF RAW MATERIALS
PROCESSED



PRESENT IN **6** MARKETS



OPERATIONS IN **15** COUNTRIES



2nd

largest global producer of sugar

2nd

largest global producer of wheat protein

3rd

largest European producer of starch products



Gérard Clay,
Chairman of the Board
of Directors

Since my appointment as Chairman of the Board of Directors of Tereos in December 2020, an absolute priority has guided both the members of the Board of Directors and myself: to make Tereos a strong cooperative again, committed to the interests of its cooperative members. Between 2021 and 2023, we embarked on a highly ambitious transformation strategy based on three key pillars: improving industrial performance, restructuring our sales organisation and ensuring the necessary financial discipline. This strategy has been pursued with the determination to make our business more sustainable.

However, we have not been spared. Economic, geopolitical and climatic upheavals have hit us hard. But together we have stayed the course, we have resisted and we have moved forward towards a stronger, clearer future together. Each time, we have succeeded in demonstrating our agility. For example, since collectively defining our commitments three years ago, we have kept them, as demonstrated by the good results for 2023/24. We are successfully on track to reduce our debt, excluding changes in working capital. All our targets have been achieved, making Tereos a healthy

cooperative that does what it says and says what it does. Not only have we returned to growth, but it is now part of a long-term cycle.

Cultivating the future

This new-found stability has allowed us to reflect on our core identity. We are now in a position to express this identity simply, as a matter of course, but above all as a compass, through our *raison d'être*. To do this, we asked ourselves two questions: "What would society be missing if Tereos did not exist?" and, by extension, "What is our mission?". And we responded with this phrase: "Cultivating a shared future for the Earth and People by meeting essential daily needs". Cultivating with passion, every day and whatever the weather; cooperating from farm to plant, from grower to employee right up to our customers; strengthening our link with nature by protecting our resources: a demanding *raison d'être*, of which we are proud and for which we are collectively responsible.

Resolutely driven by this *raison d'être*, Olivier Leducq has continued to ramp up the achievement of this mission since his appointment as Managing Director. The partnership with Futerro, about which we are delighted, is an excellent example of this: it will allow for the creation of the first bioindustrial platform in the heart of Normandy.

Beets: historically high prices but difficult production conditions

The beet campaign has been challenging and difficult, with heavy rainfall from October 2023 onwards. Thanks to a highly effective commercial and industrial strategy,



the purchase price for beets has risen to an all-time high of €48.16/tonne at 16% sugar, including a €2 dividend from diversification.

We are well aware of the constraints weighing on productions: rising production costs; a crisis of confidence in the growing profession; the new Common Agricultural Policy (CAP) 2027; regulatory overtranspositions; climate change; agronomic developments; and customer expectations for increased sustainability. This is why, at the beginning of the year, we supported the efforts of French and European growers by making concrete proposals to political decision-makers for a revamping of the agricultural model in France. We have a burning obligation to defend agricultural sovereignty.

Against this backdrop, and despite heavy pressure on the markets from imports of Ukrainian sugar and Pakistani alcohol, our sales team has endeavoured to keep our selling prices in line with the high level of agricultural production costs, ensuring fair remuneration for the efforts made by our cooperative members.

Alfalfa: a new high-performance organisation

The price of alfalfa has also reached an all-time high thanks to new agreements with France Luzerne applied during the 2023 campaign, and favourable market conditions. Last year, the price per tonne of dry matter continued to rise, increasing to €138 from €102 the previous year, as a result of continuing pressure on supply and a very buoyant market. In addition to this price, Tereos paid a dividend of €6/t DM, bringing the final remuneration for alfalfa to €144/t DM. Not only does alfalfa contribute to sustainable agriculture and biodiversity, it also illustrates our animal feed know-how.

Beyond our borders, I would also like to commend the performance of our Brazilian subsidiary, which had an exceptional sugarcane crushing campaign, with a harvest of 21.1 million tonnes, 22% more than the previous year.

Ongoing industrial restructuring

Finally, the year was marked by the last starch campaign at Haussimont, due to the lack of a serious and viable buyer for this business. For some years now, the potato starch industry has been experiencing difficulties in Europe, due to a major deterioration in yield linked to weather conditions. The results of this latest campaign demonstrate these difficulties.



The drop in income per hectare is too great to be offset by the margin generated by sales of starch, proteins and coproducts. Faced with this situation, Tereos has assumed its responsibilities and made a commitment to support the 62 employees of the Haussimont potato starch mill with significant measures. Once again, I would like to thank the cooperative members and teams for their renewed commitment during this year's campaign.

Meanwhile, the former Escaudœuvres sugar factory is about to undergo a change of use, with plans to establish a food production unit for a Belgian group. Tereos has provided support for the employees affected, with 117 of the 123 jobs impacted being redeployed, 99 of them internally. We are very keen to see the business recover in order to ensure that jobs in the region are maintained and that the local economy remains dynamic. We have the same desire for the Morains and Haussimont plants.

For 2024/2025, I hope we can continue creating a sustainable future for everyone, a future that is built every day and cultivated over time. We will still face challenges, but our momentum is real and our cooperative is solid.



Olivier Leducq,
Managing Director

Operational and strategic transformation: a successful shift

In 2021, Tereos embarked on a bold transformation to adapt to a highly volatile environment. Thanks to the support of our Board of Directors, and the commitment of our teams and Management Committee, we are now reaping the first benefits of this courageous and determined strategy to improve our competitiveness through commercial, operational and industrial excellence. This has meant striving for better performance in all our activities, and in particular: transitioning from a volume strategy to a value strategy, driven by margins and greater selectivity in our decision-making; the grouping of all our commercial activities under a single entity, allowing us to generate greater synergies between our businesses and geographical regions, as well as between our trading and sales activities in the B2B and B2C markets; our industrial reorganisation in Europe; and the sale of assets seeing recurrent losses.

While our main end-markets, particularly sugar, have been favourable and allowed us to exceed our targets, we have also been able to demonstrate agility and creativity in the face of numerous adverse events such as the energy crisis, climate change, regulatory constraints etc. Our very good financial results for

2023/24, which helped us to return to growth for the second year running, are a testament to our ability to reap the benefits of ever-changing markets, but also to effectively adapt to events, in order to exceed our performance targets. They also reflect the relevance of our decisions.

4 areas of development to build a sustainable future

These positive results are a solid foundation on which we can continue building. We will continue to improve our industrial and commercial performance, which is an ongoing challenge! This will allow us to take full advantage of our European organisation, particularly in terms of synergies and efficiency. Finally, we will maintain our financial discipline, so that we can face less favourable market conditions. As an agricultural cooperative and a player in primary processing, Tereos has a number of assets to exploit in order to develop new growth drivers with one common challenge: the need to adapt to the climate. This is a burning issue for the Group. So, as we look ahead to 2024/25, our roadmap is built around four key areas: **operational excellence, an ambitious approach to sustainability, the long-term growth and development of our business, and ongoing support for the development of agriculture and our cooperative members.**

The first French sugar and starch manufacture to make such an ambitious decarbonisation commitment throughout its value chain

Maintaining our competitiveness in the agribusiness requires an unwavering commitment to sustainability. That is why we have set ourselves an ambitious target: NET ZERO EMISSIONS by 2050 worldwide, from the fields to finished products. The first step towards becoming carbon-free will be taken in 2033, with an €800 million investment plan to reduce greenhouse gas emissions from European industrial activities by 65% (compared to 2023), amounting to a 50% reduction across the Group's global scope. This first stage is very concrete: 78 major investment projects have been identified and phased over time; they will be rolled out over the next 9 years at 16 Tereos industrial facilities in Europe.

As a cooperative, we also want to play an active role in developing a sustainable and resilient agricultural model, with the aim of reducing our emissions by 36%

across all our operations by 2033 (vs. 2023). To achieve this, we will need to provide pragmatic and progressive support to our cooperative members as they make the transition to low-carbon farming practices. This year, Tereos will finance 1,000 carbon footprint assessments of beet farms in order to offer solutions tailored to the individual needs of each cooperative member.

We are also making this carbon-free commitment on behalf of our customers, in order to provide them with guarantees, and so that they themselves commit to this necessary approach throughout their value chain. For our part, this also implies major investment in our industrial sites, as well as in support for our growers as they move towards a more resilient, low-carbon agricultural model. For these reasons, this must be reflected in the prices of our products (sugar, starch, ethanol, sweeteners etc.). This is the only way we will be able to offer our customers carbon-free products that meet their sustainability requirements and commitments. This is essential if we want to make a success of our industry's climate transition.



A ten-year vision for the development of our activities to create new growth drivers

In addition to our carbon-free ambitions, which make our Group a key partner in supporting our customers in their efforts to protect the climate, as a processor



of plant-based raw materials, we also want to play our part in decarbonising industries that have historically relied on fossil fuels, such as transport and chemicals.

We are thus strategically positioned to capitalise on the growing opportunities in the emerging biofuel and plant chemistry sectors (as illustrated by our recent partnership with Futerro), from plant to plastic.

Our commercial strategy is also driving us to explore new offerings for a more sustainable food supply, and to strengthen our leadership position in the agro-industry through constant innovation in fibre, plant proteins and low-calorie sweeteners. This vision should help us increase the profitability of our diversification activities.

The recent evolution of the Tereos management team – which has been further reinforced with the arrival of strong, experienced individuals, particularly in CSR and processing matters – reflects this desire to integrate sustainability and growth targets more deeply and systematically into all our practices. Safety also remains an absolute priority. We need to step up our efforts in this area and aim for a 20% reduction in accidents every year. Achieving this goal will require unwavering commitment and determination from everyone, from operators to managers.

Together, with our cooperative members and our customers, who are the cornerstone of Tereos, we look forward to this new year with optimism and momentum. Better equipped than we were a few years ago, we are ready to meet the challenges of a market under pressure, in the service of our cooperative members, customers and partners.

2023/24 financial performance

Historical results



2023/24 was another historic financial year for Tereos: in terms of the income statement, with a recurring EBIT of €836 million (11.7% margin) and a net profit of €448 million; and in terms of cash generation, with operating cash flow of €456 million.

As a result, our net debt fell sharply by €329 million, despite having bought out the minority interests in Tereos Agro Industrie* for just over €160 million.

This debt reduction was a result, on the one hand, of our working capital requirement (WCR) beginning to decline (reduced by €140 million), following the very sharp increase in WCR in 2022/23, mainly due to a cost effect (notably gas and grain prices) and, on the other hand, of the continued reduction in our structural debt, which stood at €1,034 million at the end of March 2024 (since 2021, we have thus reduced our structural debt by almost €800 million).

The targets for March 2024 that we set ourselves three years ago have been achieved ahead of schedule: net

debt leverage has been below 3 since September 2022; the recurring EBIT margin has been above 5% since October 2022; structural debt has been below €1.2 billion since September 2023; and we have systematically generated positive free cash flow, before changes in working capital, since the 2021/22 financial year.

This continued improvement in our performance is the result of tighter management in a volatile market environment. It stems from the effectiveness of our commercial reorganisation and industrial restructuring, which has allowed us to manage costs more tightly. In particular, the integration of trading into the commerce department has had a decisive impact on the quality of our margin management, thanks to gas and grain purchasing policies developed as part of global commercial strategies.

The improvement in our operating performance has helped us significantly increase our investment efforts, which totalled almost €400 million compared with €261 million the previous year, while maintaining positive cash generation, with operating cash flow standing at €456 million. This clearly sends a strong message to our creditors and banking partners. Following two bond issues (in January 2022 and January 2023), which resulted in a sharp fall in Tereos' risk premium, we finalised the renegotiation of two syndicated bank lines in early 2024 for an amount in excess of €800 million, against a global backdrop of constrained bank financing.

After three years of hard work, our Group is in a stronger financial position: this means we can execute our commercial strategy (margin management) without constraints, i.e. with the means to finance margin calls linked to significant exposure on the markets,

particularly sugar (on the sale side), gas and grains (on the purchase side, as we are one of France's leading consumers).

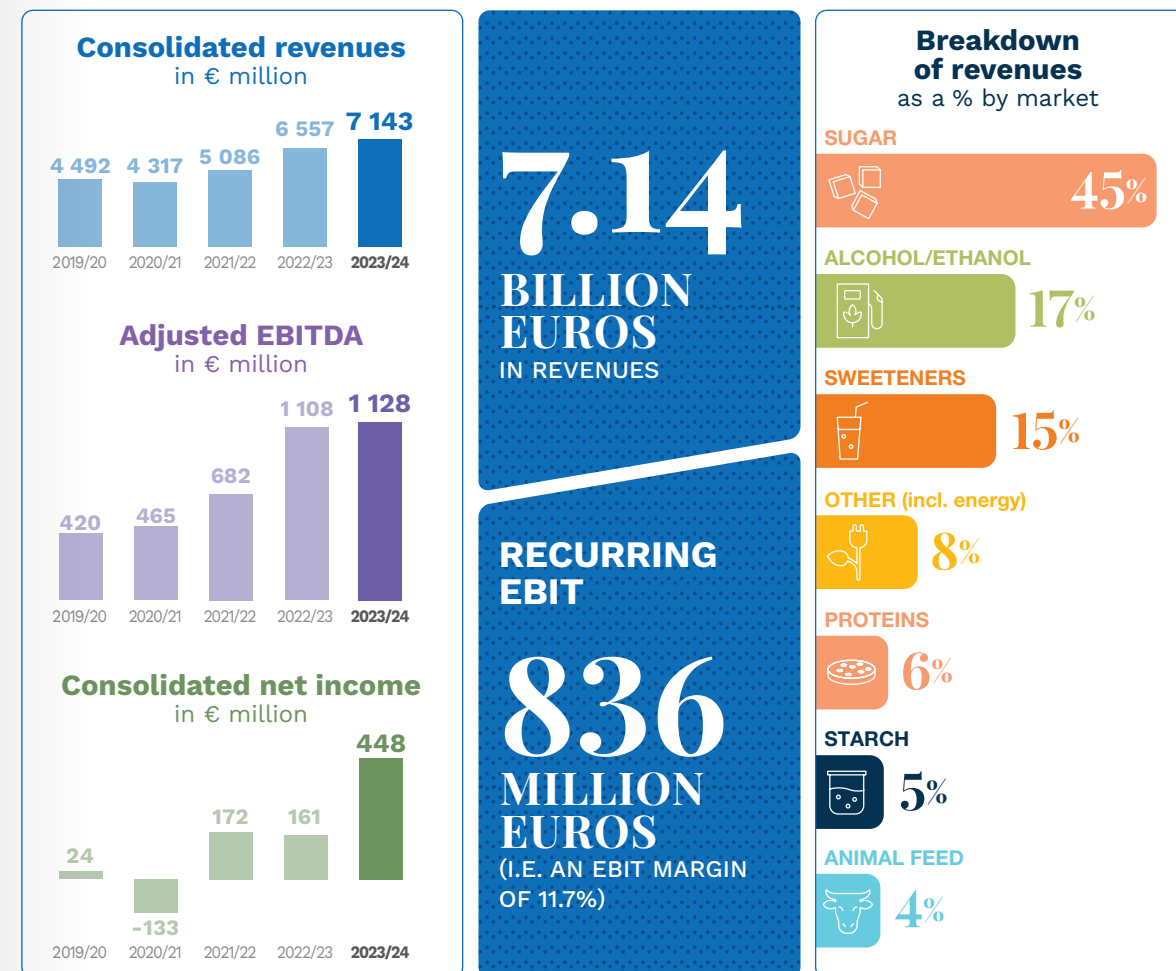
Our increased financial strength has also helped us, as mentioned above, to embark on a strong investment policy. Last year, we began to ramp up our investments, in order to prepare for the future, and roll out our ambitious decarbonisation programme.

In this context, once our commitment to the Science Based Targets initiative (SBTi) has been approved, we will be in a position to issue green bonds.

At the same time, we have digitalised our Environmental, Social and Governance (ESG) reporting to enhance the

traceability of our data and to prepare us for the eventual release of reporting in line with the Corporate Sustainability Reporting Directive (CSRD).

Finally, in terms of financial processes, our main challenge remains to consolidate and strengthen our management control. Because our Group was built mainly on external growth, it is crucial not only to analyse the past but also to anticipate the future. This transformation, which includes the introduction of digital tools and proactive support for our business lines, is under way. It will help us further refine our pursuit of performance.



Acting sustainably

Our commitments for tomorrow

In 2022, Tereos unveiled its new road map designed to provide a tangible response to the environmental changes that can be seen in the fields, consumers' new expectations in terms of food, healthcare and mobility, and the social challenges relating to work and diversity.

It is essential that we continue and ramp up these actions in order to play our part in this transformation and make sustainability a real driver of value creation.

“Cultivating a shared future for the Earth and People”

1 Sustainable agriculture

Promote the development of regenerative and low-carbon agriculture that is favourable to soil and biodiversity

OUR AMBITIONS*

- 1 000** growers in north-eastern France will be assisted in moving towards regenerative, low-carbon agriculture by 2026
- 20%** of our beet cultivation areas will roll out regenerative agriculture by 2033
- 90%** of our agricultural raw materials will be assessed or certified as sustainable (vs. 60% in 2018)

2 Protection of the environment

Conserve and integrate biodiversity into our production processes, implement a “zero deforestation” strategy and minimise our waste by making the most of our agricultural raw materials.

OUR AMBITIONS*

- 100%** of our guaranteed supply coming from non-deforesting agricultural raw materials by December 31, 2025
- 100%** of our raw materials utilised

3 Preservation of resources

Achieve net zero GHG emissions throughout the responsible value chain, from the fields to finished goods by 2050

OUR AMBITIONS*

- 65%** reduction in greenhouse gas emissions from our European industrial facilities by 2033
- 50%** reduction in greenhouse gas emissions from our industrial activities worldwide by 2033
- 36%** reduction in emissions from our agricultural activities worldwide by 2033

4 Responsible consumption

Become a leading player in developing responsible value chains and an innovative partner in nutritional reformulations and Nutri-Score improvements

OUR AMBITIONS*

- Develop** our sustainable product sales
- Increase** the percentage of our revenues linked to products with positive Nutri-Scores

5 Employees and local development

Protect the health and safety of our employees and promote diversity, equality and inclusion. Make the regions in which we operate more attractive.

OUR AMBITIONS*

- a 20% annual decrease** in the lost-time accident frequency rate (vs. 2023/24)
- 40%** women members in our Management Forum (vs. 14% in 2022)

CSR Governance:

A dedicated team defines and manages the projects and actions related to our cooperative's roadmap:

- **The Ethics and CSR Committee, made up of members of the Board of Directors, the Cooperative Board and the Management Committee, sets ambitions and monitors non-financial performance;**
- **The Sponsors, who are members of the Management Committee, ensure that the objectives set are achieved;**
- **The Leaders coordinate the policies and action plans for each CSR theme;**
- **The Specialists contribute to the roll out of actions and measure non-financial performance.**

Climate and decarbonisation

Tereos has submitted its roadmap to the Science Based Targets initiative* (SBTi FLAG) to confirm its commitment to accelerating emissions reduction across the Group and achieving zero net greenhouse gas emissions across its value chain by 2050 at the latest.

* The Science Based Targets initiative is the benchmark for allowing companies to set ambitious targets for reducing greenhouse gas emissions in line with the latest scientific knowledge on the climate.

Acting for the agricultural world

Innovateur pour l'avenir de nos filières

Taking action

Tereos alongside its cooperative members, beet producers

In view of the extreme weather conditions this year, Tereos has introduced five support measures for its cooperative members:

- **Soil tare support** for all plants (rate capped at 14.91%* for harvests between October 23 and December 1) – Total amount: €900,000
- **Soil tare cost capped** at €180/ha for silos with beets harvested from December 4 on – Total amount: €135,000.
- **Increase in the storage period** for silos, with the rate doubling for the period between December 15 and 25 – Total amount: €535,000
- **Exceptional payment of storage fee** for silos with delayed availability – Total amount: €650,000
- **Silo protection** in the face of certain tricky situations, related in particular to difficulties encountered with tarpaulin services.

In total, support for beet growers amounted to more than €2.2 million.



*Tereos average soil tare from 10 to 19/11.



Beet yellows virus: the PNRI-C, a new stage in the fight for sustainable solutions

Faced with the continuing threat of beet yellows virus, the French government is launching the Consolidated National Research and Innovation Plan (Plan National de Recherche et Innovation Consolidé, PNRI-C), the successor to the PNRI. With an additional three years of research (2024/26), this new plan aims to consolidate the achievements of the initial phase (2020/23) and finalise sustainable solutions to protect sowing.

Launched in 2020 following unprecedented outbreaks of the beet yellows virus, which affected almost 30% of yield, the PNRI has allowed significant progress to be made in understanding the disease and the means to fight it. The absence of alternative solutions to NNI (neonicotinoids) with comparable efficacy is motivating further research.

Tereos is a major player in the PNRI, and our Agronomy Department is fully involved in this research plan in order to protect the income of cooperative members and guarantee the long-term future of the sector.

A victory for the European sugar industry

Since June 2022, the liberalisation of trade between the EU and Ukraine has led to a major destabilisation of the sugar market, with zero-duty imports from

Ukraine reaching unprecedented levels, creating an imbalance that is seriously threatening the future of French producers.

In April 2024, the adoption of a European regulation limiting Ukrainian sugar imports to 260,000 tonnes for the 2024/25 campaign was a relief for French producers in the face of growing competition. Tereos welcomes this decision, which aims to guarantee the competitiveness of national production and the long-term future of the beet industry. The company reaffirms its commitment to supporting French growers and finding sustainable solutions to ensure the future of this crucial sector.



A pause in organic campaigns

Faced with falling demand on the organic market, and in order to clear its inventories, the Cooperative Board has decided not to run an organic beet campaign in 2024/25.

However, the 15 organic growers continue producing organic beets for Tereos, which will be collected and processed in the conventional sector.

Innovation: Two new sugarcane varieties released on La Réunion Island!

R589 and R590 are the latest two sugarcane varieties to be created by natural hybridisation and released in November 2023 by eRcane, the R&D centre for the sugarcane sector on La Réunion Island. In addition to their natural resistance to the main diseases present in the recommended planting areas, these two new varieties offer planters excellent prospects, with higher yields than previous varieties.

“These new varieties are promising because they are particularly productive. Their release is in line with the plan to boost sugarcane tonnage, in response to the current challenges facing the sugarcane sector”.

Bernard Siegmund, Director of eRcane



In Brazil, A record sugarcane campaign and unprecedented agricultural performance

A total of 21.1 million tonnes of sugarcane were processed, a 22% increase compared to last year. Favourable weather conditions, innovative investments and the commitment of our teams all contributed to this success. Almost 67% of the sugarcane was used for sugar production, resulting in a total production of around 1.9 million tonnes of sugar! This performance has allowed Tereos to affirm its position as the second largest Brazilian sugar producer in the 2023/24 campaign.

Tereos acts for sustainable agriculture

Since the end of 2022, Tereos has been committed to the FLAG* decarbonisation approach of the Science Based Targets initiative, and is defending a resilient, low-carbon agricultural model. By 2033, the cooperative has set itself the target of reducing the GHG emissions from its agricultural activities by 36%.

*Forest, Land, Agriculture.

1,000 carbon footprint assessments starting in 2024!

As of this year, Tereos has undertaken to finance 1,000 carbon footprint assessments in order to identify concrete ways of reducing carbon emissions at the farm level. This approach is already paying off, as a number of agronomic levers were identified during the first 65 pilot assessments carried out last year. These include reducing the amount of mineral nitrogen fertiliser used and developing long-term intercropping, which contributes to carbon sequestration.

Regenerative, low-carbon agriculture: the future of our supply chains!

Voluntary cooperative members can now commit to a five-year Low Carbon Label (LBC) project to reduce their carbon footprint over the long-term and generate carbon credits (crops excluding beet), with the added benefit of receiving a sector premium (beet crop) from the cooperative. Tereos supports these local initiatives in order to facilitate the transition to sustainable agricultural practices. The nine-year target is the implementation of regenerative farming practices in 20% of its cooperative members' beet cultivation areas.

To meet this target, growers in north-eastern France will be supported as part of the Transitions initiative, launched by the Vivescia group, which Tereos joined in 2023. This approach will allow Tereos to offer its customers a “Transitions” programme from the 2024 sowing season onwards. This year, the Group also joined the “Pour une Agriculture du Vivant” association to develop regenerative agriculture in Hauts-de-France, as well as the CultivUp programme south of Paris with Axéreal.

In Brazil, Moving towards agriculture 4.0

Intelligent robots to weed fields

Tereos' Brazilian subsidiary recently invested in two robots from Solinftec for its sugarcane plantations. Thanks to their sensors and to AI, they are able to identify weeds and apply the required quantity of pesticides, thus rationalising their use even further. Tereos Brazil is the first company in the sector to operate the new Solix weed control robot, in partnership with Solinftec.



Connected Field: connectivity at the heart of plantations

Tereos Brazil has also just signed a partnership agreement with Claro and Sol Internet of People to expand 3G/4G coverage in its sugarcane fields. Thanks to the Connected Field solution, several aerials will be installed in 2024, offering 97% coverage of our production areas, in order to better manage performance by accessing data in real time.

Cultivating is preparing for the future



To Tereos, cultivating the fields means strengthening its connection to nature. Today, growers need to think long-term to protect the Earth and safeguard the future of their industries. With this in mind, the cooperative is committed to a sustainable approach, reducing the environmental impact of its activities as far as possible.

Acting for industry

More efficient and responsible production

Decarbonisation

Tereos is aiming to reduce its GHG emissions in Europe by 65% by 2033

Tereos is firmly committed to the fight against climate change, targeting a 50% reduction in greenhouse gas emissions from its industrial activities by 2033 compared to 2023. Most of this target is being met by its European plants, which are aiming for a 65% reduction, as Europe alone accounts for 80% of the Group's total emissions. This ambitious plan will be supported by €800 million in investments and the implementation of 78 major projects.

Concrete initiatives include work under way at the Bucy-le-Long (-10,000 tCO₂e/year) and Attin (-17,000 tCO₂e/year) sugar factories to recover waste heat and electrify workshops. The Lillers plant will benefit from a new carbonation sludge press (-2% GHG emissions), which already proved its worth at the Boiry plant in 2023. These examples illustrate Tereos' determination to achieve its ambitious targets and take concrete action to protect the environment.



Energy: Tereos Brazil, a responsible player in a market under pressure

In November 2023, Tereos was authorised by the Brazilian Chamber of Commerce and Electricity to supply local SMEs with clean, sustainable energy, produced from sugarcane, as of January 2024. Already autonomous in supplying its own plants, Tereos Brazil has the capacity to supply 1,500 GWh to the Brazilian market.

At the end of 2023, the subsidiary was also honoured at the MasterCana Brasil Awards for three innovative projects: its biogas plant ("Bioenergy-Technology and Innovation" category); its pioneering initiative to supply renewable electricity to sporting and cultural events ("Bioelectricity-Technology and Innovation"); and its programme to optimise internal processes, Process Visit ("Sugar Production-Management").

Tereos on the road to more responsible transport...

Tereos has joined the FRET21* initiative, which encourages companies to better integrate the impact of transport into their sustainable development strategy. By 2026, the cooperative is committed to reducing its greenhouse gas emissions from the distribution of its products to its European customers by 6%, i.e. by 6,300 tonnes a year. Its action plan focuses on three areas: optimising loading, adopting alternative modes of transport to lorries, and scaling up more responsible purchasing. Twenty-two concrete initiatives will be launched over the next three years.

... and eco-designed pallets

Tereos has already adopted EcoPGS 80X120 eco-designed pallets as part of its "3R" circular economy strategy: "Reduce", with -25% of wood raw material used; "Reuse", with 30% of pallets recovered; and "Recycle", through their energy recovery in a short food-supply chain.





Beets, a fantastic natural water reserve!

Faced with increasing water stress, Tereos is committed to preserving water. In 2023, the cooperative reduced water consumption in its French sugar factories* by 28%, thanks in particular to the construction of basins to store and reuse condensed water from beet processing. Beets consist of 75% water! By reinjecting it into the production process, for example, the Lillers plant has cut its consumption by half**.

From plant to plastic: a first in Europe with Futerro!

Tereos has joined forces with Belgian company Futerro, which specialises in the production of PLA, a bio-based plastic, to create a biomanufacturing platform dedicated to green chemistry in the heart of Normandy. The aim is to create a short food-supply chain in a single geographical region, comprising the extraction of dextrose (from sustainably grown French wheat) and its transformation into industrially compostable and recyclable bioplastics. Each year, Tereos will supply 150,000 tonnes of dextrose, produced directly at the Lillebonne starch manufacture, to feed the future Futerro biorefinery nearby. This centre of excellence is due to open in 2027.

Tereos Aalst doubles its high-fructose syrup capacity

Tereos is one of only two European producers of F95, a high-fructose syrup (95% compared with 42% for a conventional syrup). With its high sweetening power, F95 not only meets our customers' requests for reformulation, but will also be used in the near future for the production of bioplastics. In 2025, Tereos Aalst will double the capacity of its F95 production line, thanks to a €17 million investment, in order to support the development of Avantium, a pioneer in the renewable chemical industry. Tereos Aalst is therefore strengthening its position in the syrups market and affirming its active contribution to plant chemistry.

*Versus 2019/20. **2023 versus 2022.



Acting for society

Adapting to the new challenges of today and tomorrow

Ensemble™: driving growth in plant proteins

After increasing its revenues by 50% in 2023, the plant protein brand launched just two years ago intends to continue its strong development in a booming market. Internationally, Ensemble™ also aims to double its revenues outside the EU by 2028. The opening of offices in Chicago last year was the first step towards this goal. With a range made up of just five ingredients (wheat protein, chickpeas, sunflower oil, potato fibre and vegetable broth), Ensemble™ is the perfect answer to the new generations looking for plant-based alternatives to limit their environmental impact and reduce their consumption of animal proteins.



Solidarity at the heart of our actions

The great Brazilian carnivals go green with Tereos!

The *Camarote Bar Brahma samba* school parades are one of the highlights of the São Paulo carnival, and the OBA festival in São José do Rio Preto is one of the biggest carnivals in Brazil. To combine the festive spirit with respect for the environment, Tereos has issued renewable energy credit certificates to the organisers of these two events, covering the amount of energy consumed during the festivals. Certified I-REC, the energy produced by Tereos comes from sugarcane biomass, a renewable source. Over the last two years, the cooperative has supplied more than 400,000 renewable energy credits through cultural and sporting partnerships.



Nothing goes to waste – everything is processed: the residual energy of the Tereos plants, shared with its neighbours

After Belgium, Tereos is now building a heating network in Dobrovice, Czech Republic, using waste heat from its sugar and alcohol production. The heat will be used to supply energy to the medical centre located just a few metres from the Tereos distillery and sugar factory, via the heat exchanger in the town's museums. Covering up to 80% of the facility's heating consumption, it will generate annual savings of €12,300. Above all, it will significantly reduce CO2 emissions by replacing fossil fuels.





Tereos Indian Ocean: taking action in response to the water crisis in Mayotte

MTI (Mascareignes Transport International), a subsidiary of Tereos Indian Ocean specialising in sea and air transit, has responded to the outpouring of solidarity in the face of the water shortages that have been affecting Mayotte since mid-2023. To provide the population with large volumes of water quickly, MTI has made available a dozen tanker lorries and around thirty containers, which are usually used for exporting rum. In total, 7 million litres of water were delivered to the people of Mayotte!

Sustainable mobility: Tereos partners with Tenda and Volvo

At the end of 2023, Tereos Brazil inaugurated its first electric car charging station at its Ceasa do Tenda plant in Campinas. Developed in partnership with Tenda Wholesale and Volvo Car Brazil, the project is part of Tereos' drive to promote renewable energies. At Tereos, electricity is obtained from the cogeneration of sugarcane biomass, its main raw material. During the 2022/23 harvest, the company recorded a volume of 1,400 GWh of electricity generated from this waste.

Building a shared future



Meeting new consumer expectations, anticipating and adapting to future social and environmental challenges... Beyond its economic role, Tereos is committed to building a sustainable future for future generations.



Acting together

With our cooperative members, employees, customers and territories

Supporting new generations of growers

Since 2023, 344 young cooperative members have benefited from the startup assistance programme launched by Tereos. This includes support measures over three years: immediate access to interest on membership shares and dividends; extended payment terms for seeds, with a 30% discount in the first year; and discounts on the purchase of coproducts. The aim of this programme is to ensure the next generation of growers!

Relationships and proximity at the heart of our cooperative values

More than 820 cooperative members at the Journées Coop' event

The fourth edition of Journées Coop' took place from January 17 to March 8: more than 820 beet and alfalfa cooperative members took part in the event, which provided an opportunity for friendly discussions with agricultural teams, plant managers and local councillors. These are moments that create relationships between the field and the cooperative, and



also provide an opportunity to discuss current topics, such as the campaign reports and agronomic lessons learnt, as well as industrial figures.

Success for Brazilian "Amigo Produtor"

Faced with competition in the sugarcane market, Tereos launched the "Amigo Produtor" programme five years ago. Training courses, technical meetings, the creation of websites and mobile apps... this support system is based on six pillars: communication, technical assistance, purchasing, sustainability, safety and services. This initiative was rewarded at the Tereos Leadership Forum on February 7, then celebrated in Barretos on December 14 at an end-of-campaign meeting attended by 700 people. Pierre Santoul, Director of Tereos' activities in Brazil, and Carlos Martins, Agricultural and Planning Director, took the opportunity to highlight the excellent performance achieved.

Our employees: players in sustainable development

All taking action for the Climate Fresk!

On February 6 and 7, the Management Forum 2024 brought together managers and elected cooperative members in Le Touquet, Hauts-de-France. The focus of the discussions was climate change. The 150 people present were able to discover the Climate Fresk created by their peers. This fresk will be rolled out more widely from summer 2024 at all Tereos industrial sites in order to raise awareness among various stakeholders (employees, elected representatives and cooperative members). A total of 50 people have been trained since September 2023 to become "freskers" and be eligible to lead training courses themselves. 250 employees have already benefited from this fresk, with this number expected to reach 600 in June.

Safety: everyone's business

AI-equipped cameras to prevent accidents in Brazil

Tereos Brazil has fitted the cabs of its sugarcane lorries with "smart" cameras equipped with sensors, which detect the risk of drowsiness based on the drivers' facial expressions. Drivers are immediately alerted by a voice message and invited to park and rest for 30 minutes. Tereos Brazil has invested nearly €200,000 in this innovative initiative, which should help to reduce the number of accidents.





to its facilities. Preventive equipment and smoker's receptacles were made available, and educational advice was given to residents and public school children. These actions, combined with technological investments and prevention in the field, helped to reduce the area burnt during the last harvest by 69%.

Listening to customers and building lasting relationships

A new digital portal for customers in Europe

In March 2024, Tereos launched a new B2B portal to enhance the customer experience. Ultimately, it will centralise all contract and order data, providing real-time access to all information for a simplified and much smoother follow-up. As of today, the portal allows customers to submit claims online and then track their progress. The portal will be rolled out gradually until 2025, as the first stage in an ambitious plan to digitalise customer relations.

Prevention: Tereos cultivates dialogue!

To take better account of the human factor, which is often the cause of accidents, Tereos has implemented Safety Dialogue training courses. The idea? To change behaviours by encouraging simple but crucial actions, such as reporting problems to your superiors, helping your colleagues or knowing when to stop when fatigue is looming. At the same time, Tereos has strengthened its Environmental and Industrial Hazards department to further improve its prevention approach.

Acting against fire risks: the example of Brazil

In August 2023, Tereos Brazil conducted a fire risk awareness training campaign in nine towns close



91% of Tereos customers satisfied!

In 2023, our periodic satisfaction survey assessed the level of satisfaction of Tereos' BtoB customers over the past two years and the results are encouraging, showing an overall satisfaction rate of 91%, up one point compared to 2021. Since the very first survey conducted in 2019, Tereos has recorded a significant improvement of five points. These results reflect the cooperative's commitment to constantly improving its products and services.

Acting for diversity and inclusion

Tereos Brazil, a great place to work!

Tereos Brazil is ramping up its inclusion initiatives: the creation of an executive committee for diversity; the formation of all-female reforestation teams; dedicated training for women on agricultural equipment; and coaching groups to support female Tereos employees in their professional careers. In the field of disability, Tereos has launched the "We need to talk about it" campaign in order to collectively seek solutions to promote the employment of disabled workers. Lastly, several affinity groups have been established, focusing on the LGBT+ community, ethnic origins and the place of women in the food industry.

This focus on the well-being of all employees is paying off. For the second year running, Tereos Sugar & Energy Brazil has been awarded the "Great Place to Work" certification!



Resilience and perseverance: a message of pushing your limits from Muriel Hurtis

A leading French figure in the sprint event, Muriel Hurtis, was a guest of Tereos on International Women's Rights Day. At a conference on pushing your limits, the champion recounted her inspiring career in front of more than 200 employees. She placed particular emphasis on resilience and perseverance, two essential qualities for achieving one's goals. An example of success for women, which sparked enthusiasm within Tereos!

Working together to devise innovative solutions

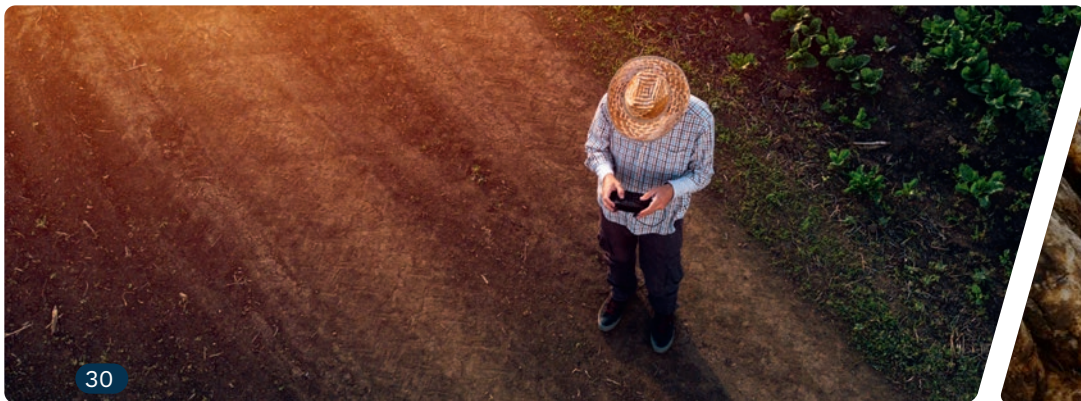


Tereos consists of more than 15,800 women and men who represent the strength of the cooperative. To take full advantage of their expertise, it is essential to create relationships between them. Solidarity and cooperation are therefore part of Tereos' DNA, helping us find the best solutions to meet our customers' needs.



Campaign reports

2023/24





France

The 2023/24 campaign was marked by extreme rainfall. However, 100% of the beets were processed, i.e. 13.97 million tonnes. Average yield increased, standing at 80.13 tonnes/ha at 16% sugar, while the historically low level of sugar content fell to 16.55%. To compensate for the difficult weather conditions, Tereos rolled out support measures to the tune of €2.3 million, in addition to the €2.2 million in extra industrial costs.

The 128-day campaign was marked by heavy rainfall, making the conditions for harvesting and collection difficult. Sowing began late on March 8 and continued until mid-April. However, crops were satisfactory until the end of October, despite a rainy summer. Heavy rainfall then affected all regions, followed by two bouts of frost in early December and mid-January. As a result, the harvests had to be postponed until mid-February. Despite these conditions, yields rose from 77 t/ha at 16% sugar to 80.16 t/ha at 16% sugar. This compensated for the very low level of final sugar content, which was down to 16.55%, and the high level of soil tare, at 11.6%. The low sugar content is linked to the late mineralisation of the nitrogen fertiliser, the lack of summer sunshine, and a widespread cercospora infection in mid-September. In order to honour contracts with breeder and methaniser cooperative members, priority was given to the production of pressed pulp.

The organic beet campaign saw average yields of 69.9 tonnes/ha at 16% sugar. It involved 88 certified growers on 466 hectares, down 60%. There were also 183 HEV-certified* cooperative members, covering acreage equivalent to 3,430.52 ha, or 296,172.3 tonnes of beets at 16% sugar.

On the industrial side, the heavy rain led to a slowdown of 15% at plants in the Nord and Origny regions. Logistics needed to be optimised between the plants in order to balance production rates. Thanks to these adjustments and the strong engagement of our cooperative members and employees, we were able to deliver optimal performance. The maxi sugar plan demonstrated the flexibility of our production tools. At Connantre, 5% more sugar was produced per day; at Artenay, volumes increased by 25%, or 25,000 tonnes of additional sugar. The investments made between campaigns have paid off: a new filter press workshop and heat recovery system at Boiry, with a 7% reduction in consumption; renovation of the washing facility and boiler room at Artenay, reducing the breakdown rate to 0.7%, compared with 2.2% by 2022; renovation of the gas boiler at Chevrières (1.1% improvement in yield). At Lillers, these were down by 3%, while at Attin, the first phase of decarbonisation will take place in the coming months.

To offset rising costs and extreme weather conditions, the beet purchase price has been increased once again. It now stands at €42.10**, compared with €41.61 in 2022. Campaign premiums and allowances have fallen from €1.58/t at 16% sugar to €1/t at 16% sugar. The Beet Committee and the Cooperative

*High Environmental Value. **Up to 110% of the commitment.

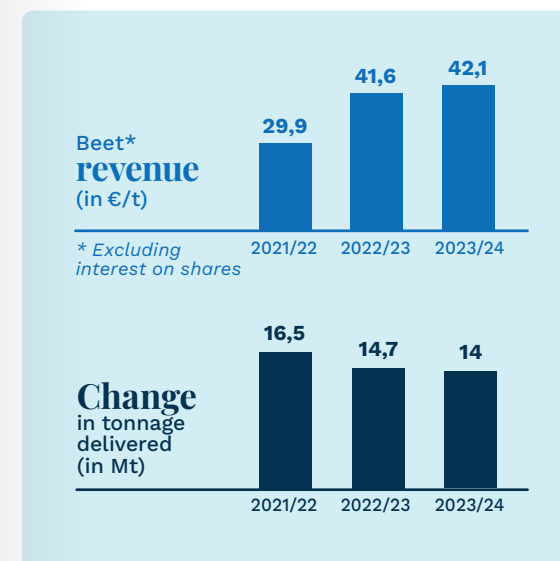
14
million tonnes
of beets processed in France

Exceptional remuneration for sugar beet

€48.16/t
vs. €43.10/t in 2022/23

Yield:

80.16 t
vs. 77 t at 16/ha in 2022/23



Board have also implemented support measures, for an average amount of €0.18/t at 16% sugar. Lastly, Tereos decided to pay business rebate (€2.10/t at 16% sugar), in view of Tereos Sugar France's good results, supplemented by the distribution of interest on shares and dividends (€2.38 per membership share). These measures have brought the final remuneration to €48.16/t at 16% sugar, an all-time high.



Czech Republic

Despite unfavourable weather conditions, 2.7 million tonnes of beets were able to be harvested and processed at the two sugar factories in Dobrovice and České Meziříčí. However, the average yield was down to 72.8 tonnes per hectare at 16% sugar, compared with 77.4 last year.

The campaign, which lasted 125 days at Dobrovice and 136 days at České Meziříčí, was marked by heavy rainfall. After a dry spring characterised by late sowing, record rainfall was recorded in November and December, with levels not seen in 60 years. Nevertheless, all the beets grown on 37,000 hectares were able to be processed, with an average yield of 72.8 t/ha and a sugar content of 17.4%. Careful monitoring of cercospora, which was implemented 2021 in collaboration with the Beet Institute, has helped limit the consequences of this disease, despite the appearance of new threats such as rhizoctonia. A "toptex" covering system was also tested to protect crops from bad weather, with positive results. Finally, on the industrial side, the expansion of the capacity of the Dobrovice beet facility has allowed orders to be fulfilled smoothly, while reducing weekend deliveries. An improvement much appreciated by local residents.



Alfalfa

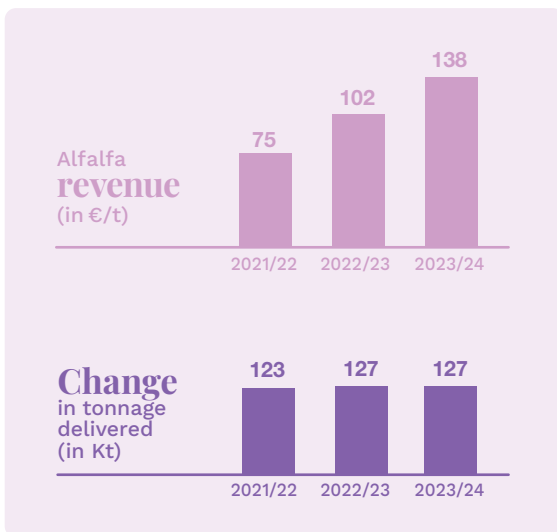
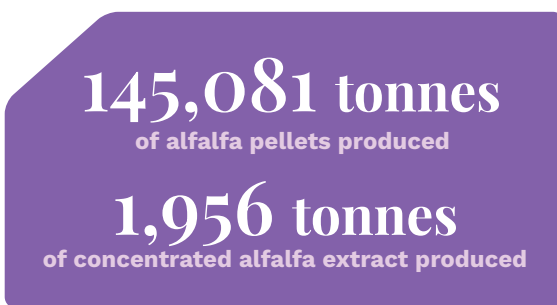
campaign report

The 2023 campaign was marked by higher yields, thanks to summer rainfall that encouraged alfalfa growth.

The 182-day campaign ended with an average yield of 13.9 tonnes of dry matter per hectare, well above the five-year average of 12.7 t DM/ha. This improved result can be explained by the return of summer rainfall. Between April and August, between 100 and 150 mm more rain fell than historical averages. On the other hand, there was a slowdown in harvest progress in order to optimise the dry matter content and preserve the structural condition of the soil. Protein levels stood at 17.6%, identical to the five-year average.

On the industrial side, the high level of yields led the sites to become organised: for several weeks, teams worked seven days a week at the Pleurs, Montépreux and Allemanche plants. At 47.2%, the good dry matter content also helped optimise energy consumption at the plants. The rates of substituting fossil energy with biomass exceeded targets, with Allemanche at 91%, Pleurs at 86% and Montépreux at 63% since the first campaign. Work is also under way to optimise energy consumption at the Aulnay aux Planches plant.

In 2023, the price per tonne of dry matter paid to cooperative members continued to rise, reaching €138 compared with €102 the previous year. In addition to this price, Tereos paid a dividend of €6/t DM, bringing the final remuneration for alfalfa to €144/t DM.

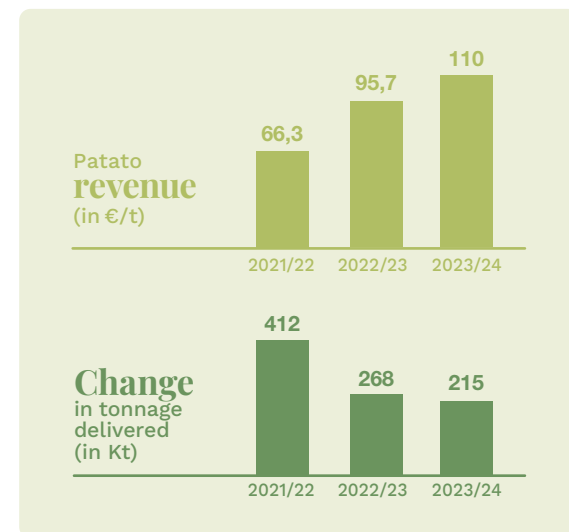
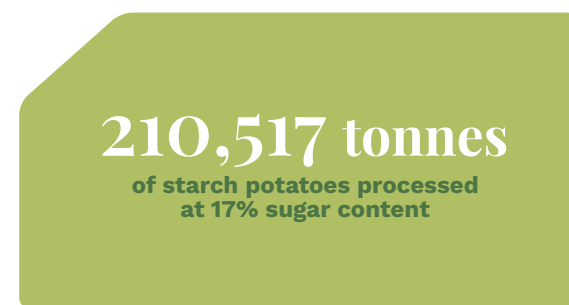


The 2023/24 campaign was marked by the end of Tereos' starch business, given the low yields in recent years. The 96-day campaign nevertheless ran smoothly. A total of 5,716 hectares of potatoes were planted, for a contracted tonnage of 214,900 tonnes.

This year, the campaign led by the Tereos cooperative members once again resulted in low yields. Yields stood at 37.5 T/ha at 17% sugar (38.1 T/ha at 17% sugar in Champagne and 36.3 T/ha at 17% sugar in Picardy). This decline is mainly due to poor weather conditions, which have been causing problems for the starch potato industry as a whole in Europe for several years. In terms of quality, sugar content remained at a satisfactory level, at 19.8%, as did soil tare, at 11.1%.

Of the 5,716 hectares cultivated, 136 hectares were earmarked for deliveries to Mousline, for a final volume of 7,500 net tonnes. Contracts were therefore honoured. 18,182 tonnes of pulp were also delivered, including 8,395 tonnes for methanisation and 9,787 tonnes for customers specialising in animal feed. Protamylasse production totalled 9,350 tonnes, of which 1,760 tonnes has already been spread. On the industrial side, the production rate stands at 1,946 tonnes a day.

The planned closure of the plant was announced in August 2023. An agreement was unanimously reached to provide social support for the 62 employees of the Haussimont potato starch mill, who remained committed throughout the campaign. They will benefit from strong support measures, as well as internal redeployments.





Cereal campaign report

Europe

This year, Tereos' six starch manufactures processed 2.7 million tonnes of cereals, down 10% from the previous campaign.

In 2023/24, our revenues and EBITDA have fallen significantly compared with 2022/23, a historic year which significantly exceeded projections. However, the level remains high.

Sales volumes have fallen against a backdrop of reduced demand in Europe. Higher input prices were offset by higher sales prices.

Finally, the fire at the Nesle mill, which prevented production for several months, led us to reorganise part of our logistics flows in order to meet customer demand. Finally, we have seen a decline in the external effect of electricity sales.

At Nesle, in the Hauts-de-France region, the mill fire disrupted production for several months. However, the rapid, coordinated joint action of our teams allowed us to control the impact of the crisis by finding production alternatives in our other plants.

In particular, the Lillebonne plant in Seine-Maritime and the Aalst plant in Belgium were heavily involved in the temporary reorganisation of our flows.

In Spain, the Zaragoza plant achieved new yield records for corn protein.

In the Bas-Rhin region, the Marckolsheim plant was able to meet demand steadily, with rising yields.

We continued to keep our fixed costs under control in a persistently inflationary environment.

Selling prices for our products were very buoyant in the first half of the year, before falling in the second half. Market prices for raw materials and energy followed this trend.

Despite these challenging operating conditions, our plants were able to meet demand and maintain satisfactory margins throughout the year.



Brazil

Tereos Starch & Sweeteners Brazil processed approximately 197,100 tonnes of corn in 2023/24, slightly more than the previous year. 930 tonnes of cassava were processed in the first half of April alone, coinciding with the closure of cassava processing operations.

The Group has boosted its competitiveness by optimising raw material purchasing costs, which are around 9% below market levels. Despite the slowdown in the global corn market, sales volumes were up compared to the previous year, helping to control the decline in the contribution margin.

As well as producing corn starch and syrups, the subsidiary distributes dextrose monohydrate, sorbitol powder and wheat gluten, produced by Tereos facilities in Europe.

Indonesia

The first half of the campaign was marked by increased competition, with the emergence of tapioca starch as a more competitive alternative to corn, whose price exceeded \$300/tonne and which captured almost 30% of the starch market in Indonesia.

However, market dynamics shifted in the second half of the year as corn prices fell below \$300/tonne, while higher prices for Indian starch imports helped to create an even more favourable environment for Tereos Starch & Sweeteners Indonesia. Excellent performance in the second half of the year allowed this subsidiary to exceed its performance targets for the year. Over the next two years, market conditions are also expected to be favourable, marking the start of a prosperous era.



Sugarcane

campaign report



Brazil

This year's sugarcane campaign in Brazil achieved record results: 21.1 million tonnes were processed, 22% more than last year. In order to optimise its production mix, the business continues to focus mainly on sugar production. 67% was used for this purpose (1 million tonnes), while 33% was used to produce ethanol (580 million litres). 1,500 GWh of electricity were also generated from sugarcane biomass. Tereos has also passed the 60% mark for certified sugarcane, from its own fields and those of its suppliers. Last but not least, 100% of its production units have been certified by Bonsucro, an international organisation that certifies commitment to sustainable manufacturing.

These excellent results have been made possible by very favourable weather conditions, as well as innovative investments that have improved productivity.

Reunion Island

On the island, the 2023 sugar campaign was marked by one of the warmest and wettest austral winters in history. These weather conditions favoured sugarcane growth, but had a negative impact on sugar content, which was one point lower than the ten-year average.

The campaign also highlighted the difficulties growers face in running their farms. They have to combat weed infestations, a major problem in tropical environments, at a time when the number of plant protection solutions available is shrinking significantly. They are also faced with a shortage of farm labour. These challenges led to the adoption of a recovery plan for the sector by the Reunion Island's sugarcane and sugar inter-industry association in October 2023.

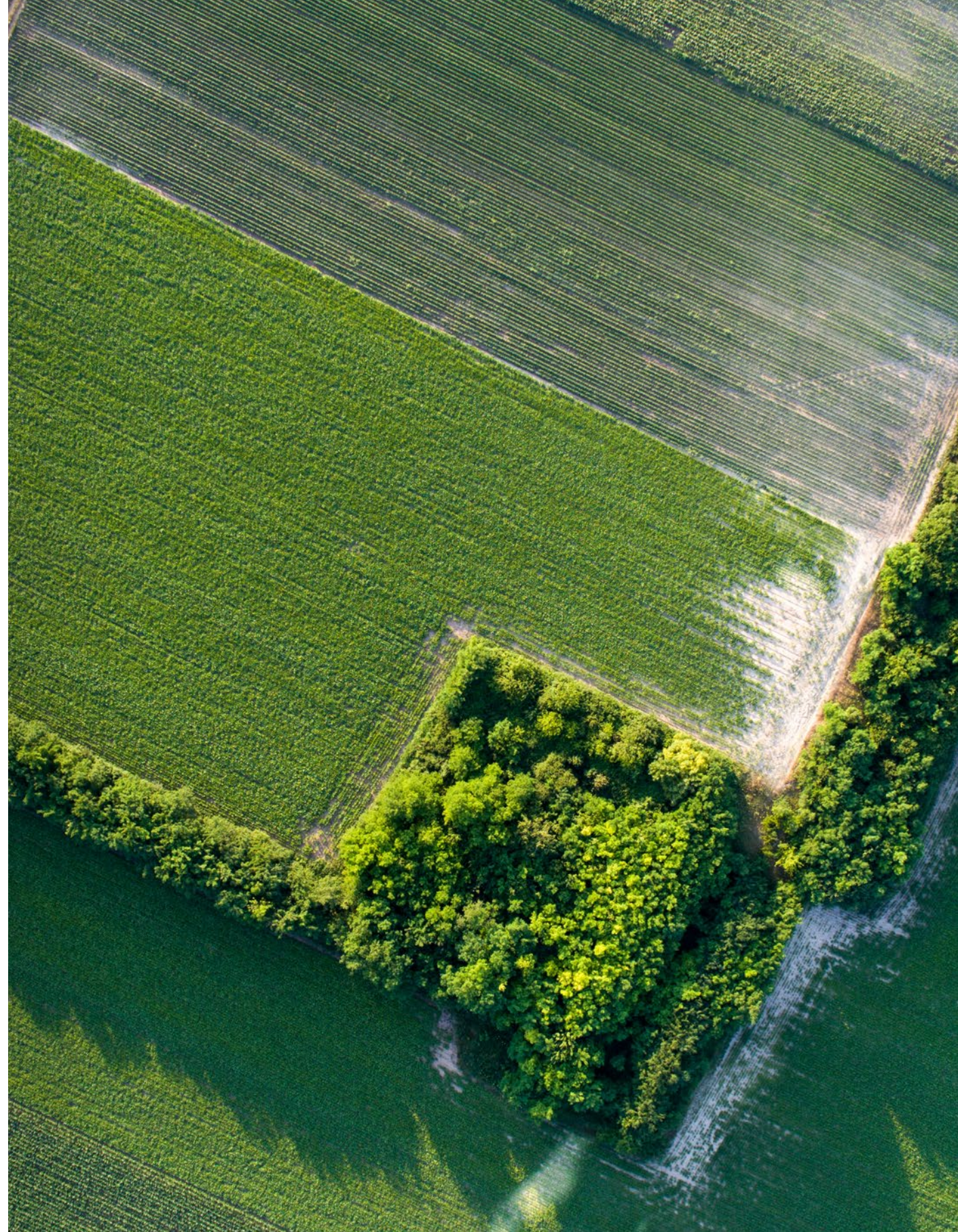
This campaign nevertheless produced 1,436,226 tonnes, an increase compared to 2022. The two sugar factories on the Reunion Island produced 139,469 tonnes of sugar.

Kenya

The Transmara sugar factory, operated in partnership with Alteo, recorded a sharp increase in the sugar campaign: 1,004,725 tonnes of sugarcane were crushed, resulting in 99,711 tonnes of sugar.*

Tanzanie

For the TPC sugar factory, owned in partnership with Alteo, the campaign produced 1,131,073 tonnes of crushed sugarcane and 115,224 tonnes of sugar*.



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