

Sustainability

Sustainability strategy

Sustainability is closely linked with our company’s purpose – to contribute to an enjoyable, healthy and sustainable world based on the power of plants. This is why the advancement and implementation of our “Growing in Balance” sustainability strategy is one of the four focus topics in the 2026 PLUS group strategy.



OUR COMMITMENT TO A SUSTAINABLE WORLD.

For us at the Südzucker Group, “Growing in Balance” means harnessing the passion and expertise of all of our employees in their diverse roles to create value that is in harmony with people and the planet. In everything we do, we aim to strike a balance between economic, ecological and social issues, as well as the various expectations of our stakeholders, which we actively include in our efforts. Together we can help create future worth living in.

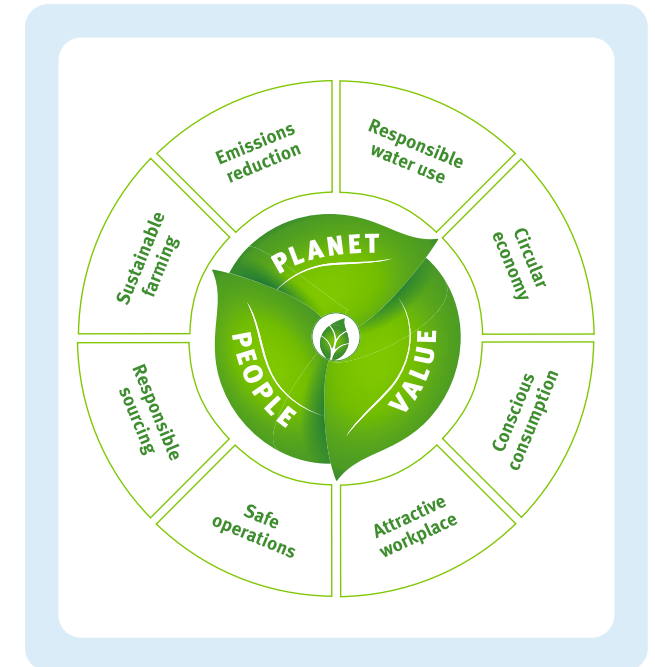
With our operating activities we have direct influence on and therefore a special responsibility for the people around us (“People”), protecting and restoring our environment (“Planet”) and high-quality, innovative products and services as the basis for our economic success (“Value”). To meet this responsibility, we are working on eight impact areas as part of our group-wide sustainability program, including emissions reduction, responsible water use, circular economy, conscious consumption, attractive workplace, safe operations, responsible sourcing and sustainable farming. For each of the areas, group-wide targets and specific measures for achieving these targets will be defined.

We believe it is essential to provide regular communications on the subject of sustainability tailored to the specific target audiences. We also conduct training courses and workshops on selected sustainability topics to improve internal knowledge in this area.

In fiscal year 2023/24, the content of the focus areas was continued, a climate change scenario analysis for the agricultural supply chains was launched and human rights issues were further anchored in the company’s organization and processes. We also managed to improve selected ESG ratings (→ Sustainability rating).

The achievement of selected sustainability targets has already been an integral part of the executive board compensation system since fiscal 2021/22.

Our focus in the 2024/25 financial year will be on preparing for the implementation of the new requirements stipulated in the Corporate Sustainability Reporting Directive, which already apply to Südzucker Group for the 2024/25 financial year.



About the Group

Sustainability management organization

In order to pursue the proper execution of sustainability throughout the group, we have established an organization focused on achieving objectives. Overall responsibility for sustainability rests with the executive board, represented by the Chief Operating Officer (COO), to ensure that sustainability, including climate-related issues, is appropriately considered in strategic corporate decisions.

The sustainability board is responsible for implementing the group-wide sustainability strategy and monitoring the sustainability activities of Südzucker Group on behalf of the executive board. The sustainability board also supports the executive board's efforts to further enhance the group's sustainability strategy and is responsible, among other things, for assessing climate-related risks and opportunities. It is composed of division heads and selected corporate functions and is chaired by the COO.

The corporate function sustainability reports directly to the COO and is responsible for managing the groupwide sustainability program, including the sustainability targets and reports. The corporate function sustainability also defines the strategic direction within Südzucker Group and coordinates the sustainability activities at the operational and divisional level.

At the divisional level, sustainability managers are responsible in their respective departments for implementing the corporate strategic direction policy and the groupwide sustainability targets.

The corporate function sustainability and the divisional sustainability managers form the sustainability team, whose purpose is to establish a forum for cooperation, knowledge exchange and reaching consensus. The team meets every month as well as ad hoc.

The strategy and sustainability committee at the supervisory board level deals especially with sustainability issues surrounding

the principles of corporate management-driven ecological and social sustainability and associated key projects.

The Corporate Human Rights Committee was set up in 2022 to coordinate issues relating to human rights and environmental due diligence within Südzucker Group (→ Respect for human rights).

Sustainability management organization

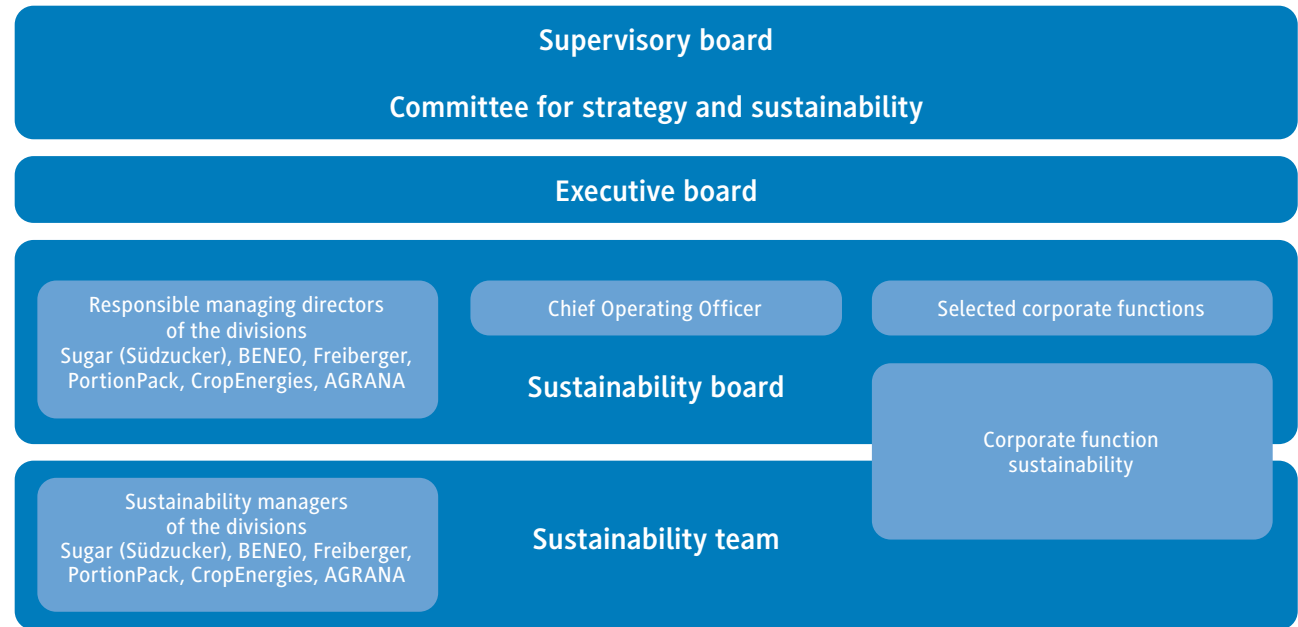
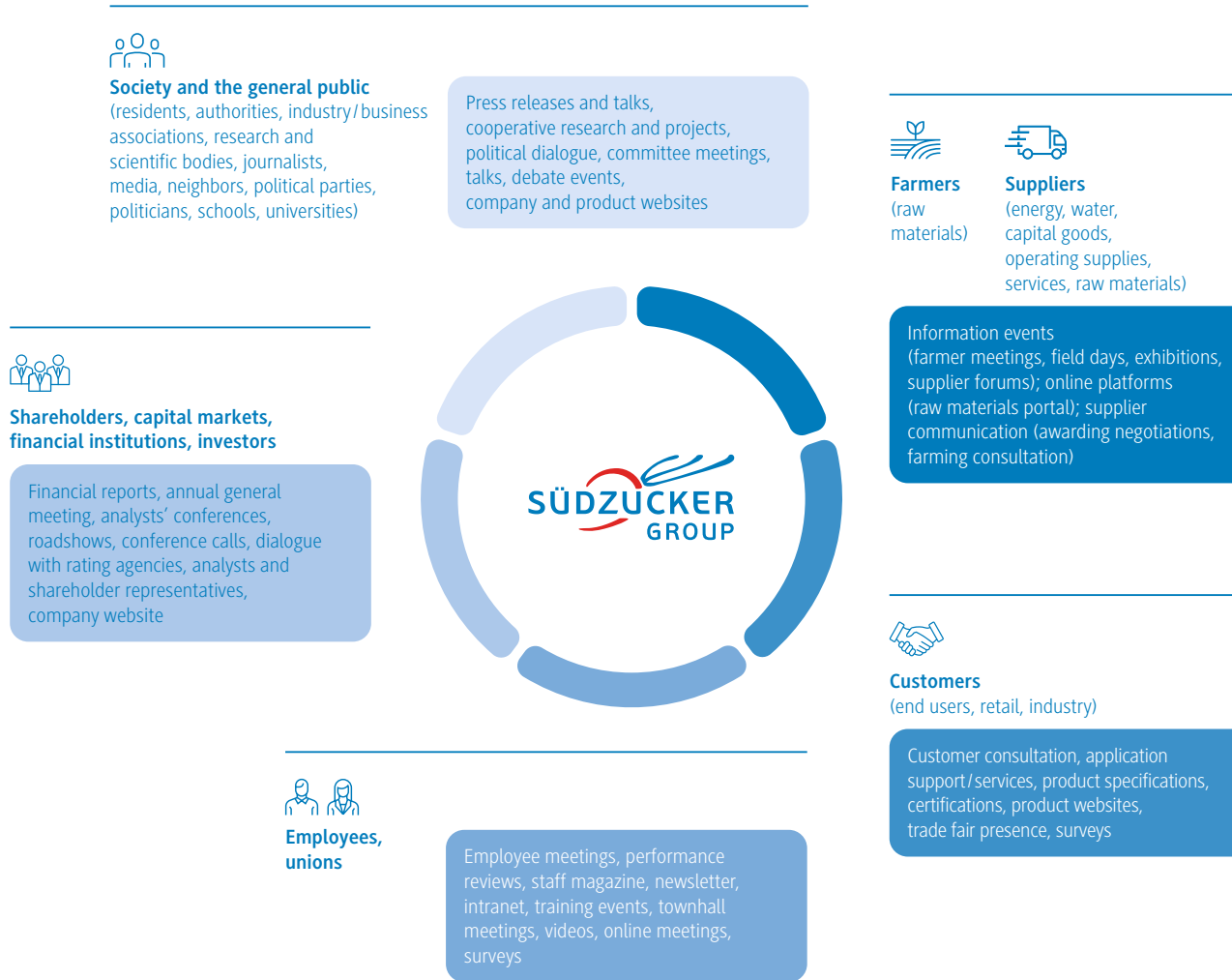


DIAGRAM 004

About the Group

Stakeholder groups and communications methods



Stakeholders

Diagram 005 displays the stakeholder groups and communications methods we consider relevant or important. The stakeholder groups surveyed are the same as in previous years. Further information on stakeholder groups and communications methods can be found in the respective sections of this report (→ "Südzucker shares and capital market", "environment, energy and climate", "employees", "society", "research and development").

Materiality analysis

In accordance with the German Commercial Code (HGB), we conducted a materiality analysis and determined the impact of the company's activities on sustainability issues and their relevance for business success. The materiality analysis combined the external stakeholders' assessments with Südzucker's own evaluations. The internal estimation of relevance incorporated the economic, environmental and social impact of Südzucker Group's business activities. The material topics for Südzucker Group are shown in diagram 006. Within the chart, a distinction is made between topics with high and very high relevance.

Following the introduction of sustainability reporting in recent years, different stakeholder groups have been included in the materiality analysis process and asked to rate the degree of importance of issues relating to various sustainability aspects (environmental concerns, employee concerns, social concerns, human rights and bribes and corruption prevention). Südzucker Group employees, beet suppliers, customers, financial institutions and representatives of the major shareholders have been surveyed to date. The results of all surveys have been incorporated into the diagram 006. The topics were reviewed in the reporting year and considered to remain relevant. These are also material for Südzucker AG.

DIAGRAM 005

About the Group

Assessment of the relevance of sustainability topics

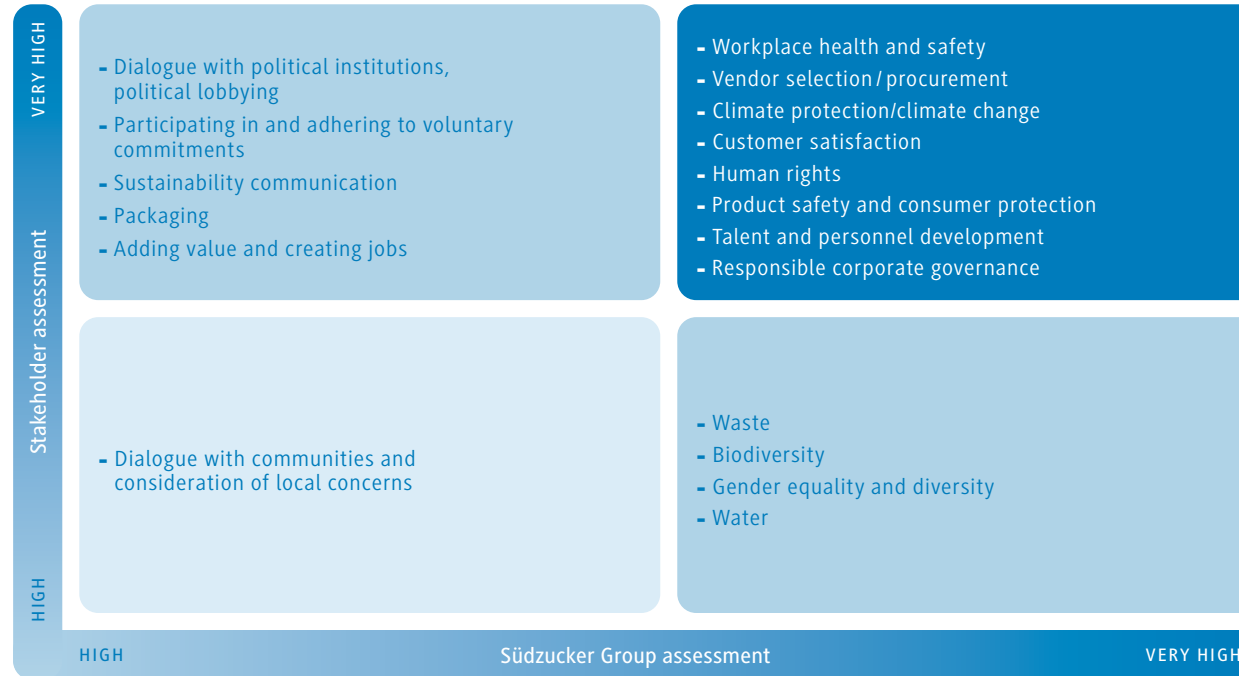


DIAGRAM 006

The identified material topics are assigned to the corresponding sustainability aspects according to the German Commercial Code. Reporting, the respective guidelines and management approaches are integrated into the combined management report. Details can be found in this chapter (Sustainability) and in the respective topic chapters (→ Table 007). A detailed summary is provided in the Corporate Governance chapter in the “combined non-financial statement” section.

Group-wide targets and corresponding action programs have already been defined for the material topics of "climate protection/climate change", "occupational safety/health protection", "gender equality/diversity", "human rights" and "responsible corporate governance". Südzucker Group experts are currently working on a standardized framework as part of our group-wide sustainability program to develop strategies for the other focus areas derived from the materiality analysis. The framework includes specifications for defining key figures, targets and measures.

Summary of aspects subject to mandatory reporting

Sustainability aspects (content of the combined non-financial statement)	Management report chapter/section
Environmental issues	Environment, energy and climate
Employee issues	Employees
Social issues	Employees, Society
Human rights	Employees, Society
Bribery and corruption control	Corporate Governance/ compliance

TABLE 007

Organizational and content-related reporting boundaries

Our reporting in the past was partly based on the calendar year (1 January to 31 December). In the previous financial year, we optimized our data collection processes in the field of sustainability and switched our reporting to the financial year.

This change applies from the 2023/24 financial year. Accordingly, all sustainability reporting for Südzucker Group relates to the financial year (1 March to 28/29 February). There were no significant changes in the environment segment in the previous year.

Organizational reporting boundaries

The sustainability information presented in this annual report applies to all fully consolidated Südzucker Group companies. The information on energy, emissions, water and waste applies exclusively to the main production locations. In the sugar segment, these are the sugar factories in Europe, the wheat starch plant in Zeitz and INSTANTINA Nahrungsmittel- und Produktionsgesellschaft m.b.H., Vienna, Austria. For the special products segment, the report covers the production locations of the BENE0 and Freiburger divisions. All production locations are included in the CropEnergies, starch and fruit segments.

New locations wholly owned by Südzucker Group (either new via an acquisition or established by Südzucker) are recognized as of the fiscal year in which they are recognized in the companies included in consolidation for the full year. For locations that are shut down, data is recorded up to the complete cessation of production; for locations that are sold, data is recorded up to the financial year prior to the sale.

Content related reporting boundaries

(1) Assessment of suppliers regarding human rights aspects, work practices and environmental factors

Because of the importance of agricultural raw materials for production, Südzucker restricts the report to agricultural raw material suppliers (sugar beets, chicory, grain, potatoes, fruits) and to sub-suppliers from the food industry (for example, dairies, vegetable growers and meat processing companies for pizza production).

(2) Energy consumption and emissions

Südzucker processes agricultural raw materials such as sugar beets, chicory, grain, potatoes and fruits of which quantity, sugar and starch contents as well as quality are subject to annual fluctuations due to various influencing factors during the growing and harvesting periods. As a result, information related to total energy consumption and/or emissions between individual reporting periods can fluctuate considerably.

The reports on energy consumption and emissions in line with GRI relate to production and are restricted to direct and indirect energy related emissions classified as Scope 1 and Scope 2 as defined by the Greenhouse Gas Protocol. Direct energy related emissions (Scope 1) comprise the direct use of fossil fuels (gas, oil and coal) and renewable energy fuels (biomass) to generate electricity and process heat in the company's own power stations. Indirect energy related emissions (Scope 2) relate to the consumption of purchased energy such as electricity or steam, that contribute to indirect

energy related emissions. In order to avoid double counting, we report intragroup sales under Scope 2.

(3) Water withdrawal and water discharge

No data is provided on water use with regard to the production of agricultural raw materials in the upstream value chain due to limited data availability and reliability in the international procurement sector.

(4) Waste

The differentiation between products and waste is made in accordance with local waste legislation. Quantities of soil that are separated from the processed agricultural raw materials before processing are reported separately.

Key sustainability-oriented initiatives and organizations

Südzucker Group is a member of the key sustainability-oriented initiatives and organizations (→ Table 008).

Sustainability rating

In addition to financial ratings, sustainability ratings have a key role to play for capital market participants. Südzucker is in regular contact with selected rating agencies.

Südzucker Group has participated in the EcoVadis sustainability evaluation system since 2013. EcoVadis is an initiative that evaluates companies with respect to their acceptance of social responsibility. In the current EcoVadis rating, Südzucker Group was able to improve on last year's scoring result and once again achieve the silver medal. Südzucker Group is among the top 9 % of all rated

Key sustainability-oriented initiatives and organizations

Organization	Registered office	Member	Since	Objective
CDP	London, UK	Südzucker AG	2020	Improve transparency on GHG emissions, climate risks, and reduction strategies of companies and municipalities
Charta der Vielfalt e.V.	Berlin, Germany	Südzucker AG	2008	Promotion of the recognition, appreciation and integration of diversity into Germany's business culture
EcoVadis SAS	Paris, France	Südzucker AG ¹	2013	Supplier assessment considering various aspects of corporate social responsibility
Fairtrade Deutschland / Transfair e.V.	Cologne, Germany	Südzucker AG	2006	Promotion of fair trade
SAI – Sustainable Agriculture Initiative Platform	Geneva, Switzerland	Südzucker AG ¹	2014	Promotion of sustainable agricultural practice
Science Based Targets initiative	New York, USA	Südzucker AG ¹	2022	Define and promote best practices for achieving science-based climate goals
Sedex Information Exchange Limited	London, UK	Südzucker AG ¹	2009	Promotion of good social and environmental practice in the value chain
United Nations Global Compact	New York, USA	Südzucker AG ¹	2022	Promotion of actions to implement the Sustainable Development Goals for a sustainable and inclusive global economy

¹ More than one entity of Südzucker Group endorses this initiative.

TABLE 008

About the Group

companies based on the rating results. Among the rated companies in the "Production of other food products" category, we even rank in the top 5 %. Improvements were achieved particularly in the area of employee and human rights. Südzucker Group was awarded leader status in the "carbon management" area.

Südzucker Group has also participated in the CDP (formerly Carbon Disclosure Project) since 2020 to emphasize its own ambitions to reduce GHG emissions. CDP is a global non-profit organization that operates a worldwide system for disclosing environmental data and evaluates the measures taken by companies to combat climate change, among other things. In 2023, we had been scored with "B" again.

Sustainable Development Goals (SDGs)

Südzucker Group endorses the Sustainable Development Goals of the United Nations, establishing a framework for sustainable economic, ecological and social management. Südzucker AG is a member of the Global Compact, the world's largest initiative for sustainable and responsible corporate management. By joining, we have committed to integrating universal sustainability principles into our daily activities and significantly promoting the Sustainable Development Goals. Our focus is on the four SDGs on which our business model has a particular influence and where we can bring about the greatest change:



SDG 8 Decent work and economic growth: We strive to promote sustained, inclusive and sustainable growth and ensure good working conditions in our company and in our supply chains.



SDG 12 Responsible consumption and production: We aim to contribute to more sustainable production through sustainable cultivation and the efficient use of natural resources and thus enable sustainable consumption.



SDG 13 Climate action: We aim to reduce our emissions along our entire value chain.



SDG 15 Life on land: As a group of companies that creates value from plants, we aim to protect and promote ecosystems.

However, Südzucker Group also considers other United Nations Sustainable Development Goals to be relevant and in line with our "Growing in Balance" sustainability strategy:



ENVIRONMENT, ENERGY AND CLIMATE

We are committed to conducting business sustainably and aim to minimize any possible negative impact of our business activities on the environment.

Management policy

Südzucker Group's environmental, energy, climate and occupational health and safety policies are aimed at reducing the resource requirements and environmental impact of business activities and continuously improving the energy efficiency of production processes. This includes

- Complying with all statutory and internal rules and regulations
- Continuously reviewing and optimizing all plant designs, production processes and associated supply chains
- Ensuring that management establishes strategic and operational targets and programs
- Systematically measuring target achievement and evaluating the effectiveness of the established programs
- Ensuring that management provides the necessary resources and information required to execute the programs and achieve the planned targets

Südzucker AG's ISO 9001 system is in charge of implementation. The corporate climate, environment, health & safety department specifies processes and responsibilities, which are documented in the management system and regularly reviewed internally and externally to determine their effectiveness. Furthermore, Südzucker Group companies rely on the following additional

certified management systems for operational environmental, energy and climate management:

- ISO 50001 energy management system: German and Austrian production plants of Südzucker, AGRANA, BENE0, Freiburger and CropEnergies; sugar production plants in France, Poland, Slovakia, the Czech Republic and Hungary, the remaining fruit juice concentrates division locations in the EU and Freiburger's factory in the UK.
- ESOS – Energy Savings Opportunity Scheme: CropEnergies Wilton, UK
- EN 16247-1 and -3: CropEnergies, Loon-Plage, France
- “Les accords de branche de seconde génération”: production location of BENE0 in Oreye, Belgium and CropEnergies in Wanze, Belgium

Specialist representatives work with the respective plant managers to regularly monitor compliance with legal requirements. Appropriate training courses and instruction is provided on a regular basis.

We benchmark our production processes in order to set targets for the continuous reduction of their negative impact on the environment. Selected key figures are compared across all of Südzucker Group's material plants. In addition, targets and measures are set at plant level and adjusted in line with internal and external requirements.

Climate protection

Climate strategy

The groupwide climate strategy is an integral part of our long-term business strategy. Our approach is consistent with the Paris Agreement on climate protection and the targets of the European Green Deal and aligns with national climate legislation requirements. The overall goal is to achieve climate-neutral operations by 2050 at the latest.

In addition to climate-neutral production, the measures to progressively achieve our climate targets also include minimizing the GHG emissions in our supply chains and providing climate-friendly, biomass-based products for the non-food sector.

Our action areas to achieve our climate goals:

- Climate neutral production (GHG emissions Scope 1 and 2)
 - **Increase energy efficiency**
 - **Reduction of Scope 1 GHG emissions**
 - Continuation of the coal phase-out no later than 2032
 - Fuel substitution (natural gas instead of coal or heating oil)
 - Use of renewable fuels (biogas, biomass, hydrogen)
 - (Partial) electrification of process heat generation
 - **Reduction of Scope 2 GHG emissions**
 - Purchase of electricity from renewable/non-fossil sources
 - Purchase of heat from renewable/non-fossil sources

- Supply chain decarbonization (Scope 3 GHG emissions)
 - **Reduction of GHG emissions from agricultural raw material production**
 - **Reduction of GHG emissions from raw material and product transportation**
- Provision of biomass-based products for the non-food sector (substitution of fossil-based products)
 - Production of **bioenergy**
 - Production of intermediate products for the manufacture of **bio-based plastics and/or bio-based chemicals**
 - **R&D measures** for the (further) development of technologies for the production of bio-based products
 - Production of **bio-based chemicals**

Climate-neutral production

With regard to Scope 1 and 2 emissions, we are addressing three issues. Our primary aim is to boost energy efficiency, i.e. by the

A fundamental prerequisite for converting from fossil-based products to products from renewable sources is a suitable political and economic framework.

replacement of existing units with highly energy-efficient ones, followed by projects to reduce Scope 1 and/or Scope 2 GHG emissions. A major contribution here will come from replacing our coal-fired equipment step-by-step, but latest until 2032 the electrification and gradually converting to renewable fuels. In addition, we prepared a group-wide roadmap to obtain electrical energy from renewable sources. The list of actions is reviewed annually and updated if necessary.

Ultimately, selecting the climate neutrality path will depend on the policy framework in the respective country and the technical requirements at each site. The projects needed to reach the

emission reduction targets that we identify in the various divisions will be sequentially included in the company's investment plans.

We are building on the experience gained from projects already implemented, such as the biomass power plant at the Wanze site in Belgium and the biogas plants in the sugar segment.

We are still planning to invest about € 600 million in the period from 2022 to 2030 – based on the 2022 action plan – to achieve our climate target for Scope 1 and 2 emissions.

Supply chain decarbonization

A further lever to implement our climate neutrality target for 2050 consists in taking steps to decarbonize our supply chains (reduction of Scope 3 emissions). Our Scope 3 emissions include all other indirect emissions generated by the production and transportation of procured raw materials and goods, the provision of required energy¹ and the distribution of manufactured products.

Emissions calculations in the upstream and downstream parts of the value-added chain are subject to significant uncertainty, particularly when it comes to agricultural activities. This is due to the methodology on the one hand and on the other, the limited availability of data on emissions due to cultivation. Subject to these limitations, we determined that our Scope 3 emissions in 2018 totaled about 9.4 million tonnes of CO₂eq. In other words, almost three quarters of Südzucker Group's total emissions comprise emissions in the upstream and downstream parts of the value chain, over which Südzucker has no direct control.

¹ Where not allocated to Scope 2.

Südzucker Group's emission reduction targets validated by Science Based Targets initiative (SBTi)

In February 2022, Südzucker Group joined the Science Based Targets initiative (SBTi) and thus made a demonstrable commitment to reduce its own greenhouse gas emissions in line with the latest climate science findings.

In February 2023, our GHG emission reduction targets were declared scientifically sound and in line with the Paris Agreement. Südzucker Group has committed to reducing absolute GHG emissions from its own business operations (Scope 1) and from the purchase of energy (Scope 2) by 50.4 % by 2030 – based on 3.7 million tonnes of CO₂ in the base year 2018 used for comparison. Südzucker Group is thus the first European sugar producer with validated emission reduction targets (Scope 1 and 2) in line with the 1.5 degree target.

Südzucker Group has also set a group reduction target for absolute GHG emissions in its value chain (Scope 3). In line with SBTi criteria, we aim to reduce these emissions by at least 30 % by 2030 compared to the base year 2018.

Diagram 007 shows the distribution of our calculated emissions of 13.1 million tonnes of CO₂eq across Scope 1, 2 and 3 in 2018.

As anticipated, the most significant emissions in the value chain (Scope 3) came from the cultivation and procurement of agricultural raw materials at around 76 % and the purchase of other goods and services (Category 1). In order to achieve our Scope 3 targets, it is thus essential for us to work hand-in-hand with our raw material suppliers.

In fiscal 2023/24, several expert workshops were conducted in order to discuss how to proceed in the area of Scope 3 emissions. Key starting points include, for example, taking into

Composition of Südzucker Group's Corporate Carbon Footprint for base year 2018

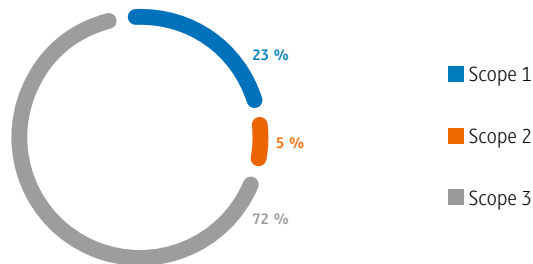


DIAGRAM 007

account the product carbon footprint (PCF) and implementing regenerative farming practices in the procurement of raw materials (→ carbon farming project), reducing the product carbon footprint of delivered semi-finished goods (e.g. dairy) and reducing GHG emissions from transportation. We are also committed to harmonizing the methodological approaches for recording the Scope 3 emissions of processed agricultural raw materials in the food sector.

Carbon Farming Project

The agricultural sector will also have to cut its emissions to comply with the climate policy directives. Concurrently, CO₂ must be increasingly sequestered in the soil and the release of CO₂ stored in the soil must be avoided.

In 2022, we provided the first pilot plant GHG balances in Germany and Belgium. We used the Cool Farm Tool to collect standardized GHG data. Primary data is to be collected in order to replace the emission factors for agricultural raw materials taken from international data bases used to calculate our Scope 3 emissions in the future.

We also want to find out which agricultural practices are assessed by a common CO₂ accounting system and to what extent, and which are the most effective and feasible for sequestering carbon or reducing CO₂ emissions when growing sugarbeet and chicory. This gives us a good basis for best practices that we can use to support other farmers in climate-optimized production as part of our cultivation consulting services.

We will moreover use the data obtained for our Scope 3 emissions reduction roadmap.

Provide biomass-based products for the non-food sector

We aim to expand our product portfolio to include biomass-based products to exploit the opportunities arising from the transition to a lower-emission economy (→ Research and Development).

Energy use and emissions from our production plants in the 2023/24 financial year

Since many of our manufacturing processes are very energy intensive, we have already focused on improving energy efficiency and thereby reducing GHG emissions for many years. Südzucker Group underscores its ambition to further reduce emissions by participating in the CDP (formerly the Carbon Disclosure Project) and the SBTi.

We report energy use and emissions (Scope 1 from direct energy use and/or direct emissions and Scope 2 from indirect energy use and/or indirect emissions). These are parameters we can directly control. The emissions are calculated in accordance with the Greenhouse Gas Protocol.

In fiscal 2023/24, energy consumption in the Südzucker group was below the previous year's level at 49.1 (49.7) million GJ. At 2.8 million tonnes of CO₂eq, absolute Scope 1 and 2 GHG emissions were also below last year's level. The share of renewable energies in the energy mix increased by around 8 % compared to the previous year, mainly driven by a larger amount of electrical energy from renewable sources and a higher amount of biomass for heat production.

In fiscal 2023/24, Südzucker AG's energy use totaled 10.5 million GJ, of which 0.4 million GJ was renewable energy. The GHG emissions Scope 1 and 2 of Südzucker AG amounted to 0.75 million tonnes of CO₂eq.

Südzucker successfully issued its first bond under the new Sustainability-Linked Financing Framework with a volume of € 400 million in October 2022. With the sustainability linked bond format, Südzucker is committed to the sustainability target anchored in its 2026 PLUS strategy and has pledged to reduce Südzucker Group’s CO₂ emissions (Scope 1 + 2) (key performance indicator) by –32 % as of the observation date of 31 December 2026 compared to the historical reference date of 31 December 2018. Emissions (Scope 1 + 2) in 2023 totaling 2.8 million tonnes of CO₂eq could be reduced by about 23 % compared to the base year 2018 with CO₂ emissions (Scope 1 + 2) totaling 3.7 million tonnes of CO₂. More information on the Sustainability-Linked Financing Framework can be found on Südzucker’s website at www.suedzucker.com/en/investor-relations/anleihen/übersicht.

Implemented and ongoing programs to boost energy efficiency and cut emissions:

- We operate biogas plants at the sugar factories in Strzelin, Poland, Kaposvár, Hungary and Drochia, Moldova, which generate renewable energy from biomass – primarily fresh or fermented beet pellets or beet pellet silage – and partially feed it into the public grid. In addition, many sites generate biogas in anaerobic wastewater treatment plants and use it to reduce the demand for fossil fuels
- A biomass boiler at the Pemuco, Chile site generates steam and electricity mainly from forestry and wood processing waste.
- Combined heat and power (CHP) plants in the sugar segment to cut emissions
- Use waste heat to operate low-temperature drying systems at seven locations.
- Transition in part to electrical energy from renewable sources
- Coal phase-out at the locations in Sered, Slovakia, and Étrépagny, France
- Start of the coal phase-out at the Tienen location in Belgium (coal volume reduction of approx. 80 % compared to the baseline year 2018)

- Waste heat is used to heat the wastewater treatment plant at the Offstein factory
- Generation of electrical energy from hydropower at the Offenau location

In 2023, the following measures in particular were implemented:

- Commissioning of biomass power plant in Wanze, Belgium, to generate thermal and electric process energy from wood instead of natural gas
- Implementation of energy efficiency measures in Pemuco, Chile
- Fuel switch from coal to natural gas in chip drying at the Roye, France location
- Switch to electric power from renewable sources at additional locations
- Replacement of existing equipment with highly energy-efficient units, e.g. replacement of the extraction tower at the Tienen site in Belgium

The variety of products manufactured in the Südzucker Group requires different manufacturing processes and therefore different types of energy requirements; however, overall, most require heat as a process input.

Heat requirements are mostly covered by in-house generation in highly efficient CHP plants. The electricity produced in parallel to heat generation covers part of the electrical energy requirement, while the remaining electrical energy requirement is covered by grid supply. The main fuel used is natural gas.

Supply chain emissions in the 2023/24 financial year

We systematically capture the emissions of our supply chain (Scope 3 emissions) (→ Climate strategy).

Energy use (direct and indirect) at Südzucker Group

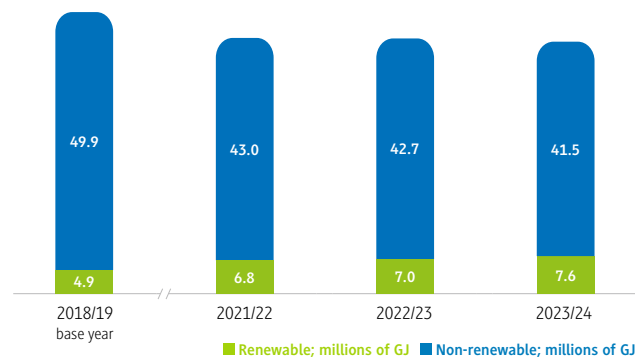


DIAGRAM 008

GHG emissions (Scope 1 and 2) at Südzucker Group

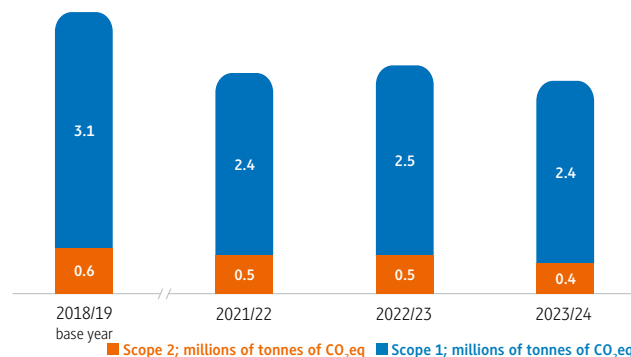


DIAGRAM 009

In fiscal 2023/24, we initiated the process of determining the reduction measures required to achieve our goal of reducing absolute GHG emissions in the value chain by at least 30 % by 2030 compared to 2018.

We use product carbon footprint analyses to determine the life cycle emissions and emission priorities of our products, for example for our organic beet sugar, based on demand.

Climate change adaption

In fiscal 2022/23 we conducted a climate change scenario analysis for a nearly 100 production locations in the Südzucker Group. The aim of the survey was to determine the climate risk for each location. The SSP1-2.6 and SSP5-8.5 scenarios recommended by the Intergovernmental Panel on Climate Change (IPCC) were used; current conditions were considered along with both an optimistic and a pessimistic scenario through to 2040 and 2060 for each.

The following hazards are classified as relevant for the Südzucker Group: heat waves, tornadoes/storms, forest fires and wildfires, droughts, water shortages, floods and rising sea levels. In a second step, standardized questionnaires were used to assess the exposure of production locations and the potential impact on production processes – triggered by the various hazards. The potential physical climate risk of a location was assessed based on this information.

Alongside the climate change scenario analysis for our production locations, we started analyzing climate risks across our agricultural value chains in the 2023/24 financial year.

A specific risk model was developed for Südzucker Group for this purpose, which can be used to systematically determine climate risks. As an initial step, we used selected indicators to determine the physical climate risk for sugar beet and examined the initial potential impact on yields. At the same time, we also evaluated options for increasing resilience.

The SSP1-2.6 and SSP5-8.5 scenarios were also used in this case; the current conditions and an optimistic and a pessimistic scenario up to 2029, 2040 and 2060 were considered. The analysis is based on the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) in the relevant sectors (→ Table 126).

The next steps are derived on the basis of this analysis.

Sustainable use and protection of water resources

Water in the upstream value added chain

The sugar beets and wheat Südzucker Group mainly processes are planted in temperate climates, and most fields do not require watering. Sugar beets and corn also need very little water for cultivation.

Limited data availability and reliability in the international procurement sector mean that key figures on water use in the production of agricultural raw materials have not yet been reported.

Südzucker Group understands the increasing importance of water availability and quality requirements from a climate change perspective and has conducted an initial climate change scenario analysis for the agricultural value chains in fiscal 2023/24 (→ Climate change adaption).

Water withdrawal and water use

Water is one of the resources we need for the production processes in our plants. Since it is – globally speaking – the most important resource, we aim to reduce the freshwater requirements of our factories – especially in areas with water stress – or to switch to alternative sources. Therefore, instead of drinking water or groundwater, for example, we aim to use rainwater, river water or wastewater.

We are able to largely cover freshwater requirements at our sugar factories and fruit juice concentration production plants by using the water contained in the raw materials themselves: sugar beets consist of 75 % water and apples about 85 %.

Water withdrawal to cover the remaining freshwater requirements varies according to local water availability.

At some locations we operate once through cooling systems. About 38 % of the water extracted is used exclusively for this purpose. This water is only used for cooling processes and then fed directly to the receiving streams.

Water drainage

Südzucker Group operates biological industrial wastewater treatment plants – both aerobic and anaerobic – at numerous production locations. The biogas produced in the anaerobic plants is used to generate energy. The treated water is discharged into neighboring rivers. We deliver excess process water at some locations, which can be used for irrigation or fertilization. In doing so, we comply with the requirements for wastewater discharge or discharge for irrigation or fertilization specified by the relevant approval authority.

The remaining wastewater volume flows into municipal or third-party wastewater treatment plants used to monitor environmentally friendly wastewater management.

Water balance

Strictly speaking, the difference between the water withdrawn (surface water, groundwater and drinking water from the public supply) and the wastewater discharged delivered for irrigation or fertilization purposes cannot really be defined as water consumption, since it continues to be part of the natural water cycle. In fact, the water is released to the atmosphere; for example, by cooling or drying processes, or is contained in the final product itself.

The following table outlines the water balance at Südzucker Group's production plants:

Difference between water withdrawal and water discharge/ Production location's water balance at Südzucker Group

Million m ³	2020/21	2021/22	2022/23	2023/24
Surface water	27.2	28.2	29.3	29.7
Groundwater	12.7	12.1	12.6	12.0
Water supplier	3.6	3.8	5.1	4.7
Water withdrawal	43.5	44.1	46.9	46.4
Water discharge	54.5	54.5	54.3	56.2
Water balance	-11.0	-10.4	-7.4	-9.8

TABLE 009

The water balance figure of -9.8 million m³ for the Südzucker group reflects the fact that the company returns much more water than it extracts, as the raw materials processed at the locations, such as sugar beet, chicory roots and apples, supply a great deal of water. Water withdrawal decreased by 0.5 million m³ compared to the previous year. Water withdrawal at Südzucker AG was 15.2 million m³ and water discharge 19.7 million m³, resulting in a water balance of -4.5 million m³.

Water balance in regions with water stress

In fiscal 2023/24, a total of 28 plants within the reporting boundaries (→ Sustainability/Organizational and content related reporting boundaries section) were located in areas with high or very high water stress according to the definition of the Aqueduct Water Risk Atlas – the majority of them in the global fruit segment. In the areas with water stress, the water balance is - 3.5 (-2.3) million m³. We therefore also returned significantly more water than we withdrew in the areas with water stress.

Water storage

Normally, the water withdrawn at the production locations is directly discharged after being used in the production process, without any intermediate storage. The water design concept is based upon pond management, especially in connection with the sugar factories, so there is a delay before the water is discharged. As a result, there are positive aspects from a water management perspective; for example, in addition to being able to supply water to third parties when water is scarce, the flow rate to the receiving streams is held constant. The cooperative project to build water fields in Tienen, launched by Raffinerie Tirlemontoise and others together with the Flemish government and a water company in April 2022, provides one example. Here, the aim is to treat the water from the beets produced in sugar production to generate drinking and irrigation water.

Circular economy

Utilization of raw materials

Every year we procure over 30 million tonnes of renewable agricultural raw materials such as sugar beets, grains, chicory and fruit. Our goal is to process them into high-quality products for the food and non-food sectors. For us, this also includes marketing secondary streams such as molasses, sugar beet pellets, gluten,

protein-rich animal feed, flavorings, carbocalk and biogenic carbon dioxide. On the one hand, they make a significant contribution to the financial success of the company. On the other hand, the optimal use of raw materials promotes the circular economy.

We use synergy effects to operate our production plants – especially at the interconnected sites where we operate multiple industrial plants. In Zeitz and Pischelsdorf, for example, secondary streams from the wheat starch plants are valorized by processing them into ethanol in the ethanol plants.

We also rely on innovation to further develop our product streams. One key component is close cooperation with start-ups from the food and circular economy sectors, such as the EIT Food Accelerator Network. Moreover, "Mission KickStart!" is an internal program to accelerate collaboration with startups.

We intend to expand our portfolio in particular in the area of biomass-based products for the non-food sector as a substitute for fossil-based products.

Soil adhesion

Our aim is to remove the soil that adheres to beets prior to delivery, ideally from all sugar beets, chicory and potatoes because it positively impacts both transportation volumes and wastewater processing and treatment. Despite our best efforts, some soil still enters the factory. This soil is washed off and returned to the material cycle (for example after sedimentation in soil holding ponds is returned to the field as high-grade soil to maintain soil fertility).

Depending on weather conditions and soil composition, the volume of soil adhering to the raw material varies. In fiscal year 2023/24, the proportion was 0.07 tonnes of soil/tonnes of raw material.

Avoiding and reducing environmental pollution

Waste

Virtually all the raw materials used by Südzucker Group are processed into high-quality products. The total amount of waste is therefore very low in relation to the raw materials processed. Most of the waste is recycled, composted or used for energy. In terms of the quantity of raw materials processed, only 1.5 (1.4) kg of waste per tonne of raw material or 0.15 (0.14) % were generated in the 2023/24 financial year that were not recycled, composted or used for energy. The reason for this is that the majority of the waste produced can be used in the sense of a circular economy and is already being used. The amount of waste defined as hazardous within the meaning of the EU Waste Framework Directive is very low at 0.08 (0.1) kg/t raw material or 0.008 (0.01) %. This figure decreased slightly due to lower construction work.

The total amount of waste in the Südzucker group increased by around 26,000 tonnes year-on-year and is thus within the range of previous years. The recovery rate is on a par with last year at around 92 (90) %, and the recycling rate is at the same level as last year at around 86 (83) %. The volume of waste at Südzucker AG totaled 103.3 thousand tonnes in fiscal 2023/24, including 0.5 thousand tonnes of hazardous waste.

Waste by disposal type in the Group

Thousands of tonnes	2020/21	2021/22	2022/23	2023/24
Recycling	236.8	251.9	252.1	290.1
Landfill	53.7	48.8	20.5	22.4
Composting	94.4	92.2	91.9	89.7
Incineration	32.9	28.2	24.5	12.7
Other	9.7	21.1	25.9	26.0
thereoff dangerous waste ¹	2.4	2.5	3.5	2.7
Total	427.5	442.2	415.0	440.9

¹ Mainly used lubricants from production.

TABLE 010

Packaging

Our raw materials are largely supplied in bulk and/or unpackaged.

To minimize negative impacts of our product packaging we are avoiding disposable packaging as much as possible and we are giving strong preference to environmentally friendly packages. Our aim is to increase the proportion of recycled material or renewable raw materials in packaging and the proportion of recyclable and home-compostable packaging material in the necessary packaging we place on the market, for example when selling small quantities or to end consumers.

In the financial year 2023/24 all paper and cardboard packaging used in the sugar segment in Germany, France, Poland and Belgium has been made of FSC-certified material.

The sugar segment shipped about 60 % of its total volume in bulk (solid and liquid sugar).

Freiberger has been committed to promoting the circular economy and conserving resources since 2018 as part of the "Rethinking plastic" initiative. The use of recyclable packaging materials, which have already been successfully tested in the facilities and are already being used in some cases, is a key part of this. The initiative aims to systematically separate plastic waste, increase the proportion of recycled materials and reduce the amount of plastic used.

As part of the initiative, Freiberger is also working with research institutions and other Südzucker Group companies on various research projects on plastic substitutes. In particular, possible applications for films based on renewable raw materials are being tested.

PortionPack is also working on optimizing packaging and minimizing material thickness as much as possible. Another goal is to use sustainable packaging material for all product groups, provided it is available.

The CropEnergies segment shipped almost all of its products in bulk.

The starch segment shipped around 78 % of its products in bulk and the fruit segment shipped around 80 % of its products in bulk resp. in reusable packaging.

Protection of biodiversity and ecosystems

Intact ecosystems are of fundamental importance to us as a group of companies that creates value from plants. This is why protecting and promoting biodiversity and ecosystems are integral parts of our sustainability strategy.

Sustainable procurement of agricultural raw materials

Südzucker uses agricultural raw materials that are predominantly sourced from European production and thus meet the cross compliance standards that apply to agricultural production in the EU.

In order to be able to improve sustainability aspects together with the growers, as much of the agricultural raw materials as possible should be purchased regionally and directly from the farmers. Contract farming already takes place in sugar beets, chicory, potatoes and, to some extent, fruits. For example, annual beet supply contracts are concluded committing beet growers to comply with cultivation measures in the interests of sustainable agricultural management. To keep the soil healthy, sugar beets may only be planted in the same field every third year at the earliest. Plant protection programs comply with the guidelines of integrated pest management. Farmers use only GMO-free seed. Farmers produce and maintain plot records in order to ensure crops are documented and traceable. Organic beets are cultivated in accordance with the EU Organic Farming Directive and the guidelines of the organic farming associations Bioland, Naturland, Biokreis, Gää and Demeter.

Special sustainability criteria apply to agricultural raw materials for ethanol production, compliance with which is stipulated in the contracts with raw material suppliers. This ensures that the biomass cultivation does not take place in areas requiring protection or that it negatively impacts biological diversity. Certification systems recognized by the EU, such as REDcert EU, ISCC EU and 2BSvs are used to ensure factual adherence to these practices. The company's factories are certified and undergo external audits.

Freiberger is the only division of the Südzucker Group that uses products of animal origin. Here as well, the focus on sustainability

in the supply chain is increasing. For example, Freiberger intends to use dolphin-safe tuna and/or tuna with the Marine Stewardship Council (MSC) seal. Freiberger also has organic certification and produces organic pizzas with animal products from ecological farming.

Sustainable Agriculture Initiative Platform (SAI)

Südzucker AG is a member of the Sustainable Agriculture Initiative Platform (SAI), the leading global initiative for promoting sustainable farming methods. By actively participating in SAI, we document our adherence to comprehensive environmental and social sustainability criteria in compliance with the Farm Sustainability Assessment (FSA) in the sugar, special products, starch and fruit segments.

Südzucker and its sugar beet growers were again able to demonstrate adherence to the SAI sustainability criteria in 2023 by receiving the RedCert2 certificate. Every year, more than 200 external audits are carried out at the growers' premises as part of the certification process. In fiscal 2023/24, FSA Gold status – the highest FSA rating for sustainability – was achieved in Germany, Belgium, France and Poland. Chicory growers in Belgium also have FSA Gold status.

Within AGRANA, all farmer groups – with a few exceptions – achieved AGRANA's target of silver or higher FSA status.

Since 2021, Südzucker also is an active member of SAI's regenerative agriculture task force which aims to identify findings that can be used to improve the quality of agricultural products. The objective of this group is to collect and share findings based on results-oriented key performance indicators in order to drive forward the scaling of regenerative processes together with all partners in the supply chain.

Sustainable land use and management

Since its founding, Südzucker has operated its own farms close to its processing locations in Germany, and later also in Poland, Moldova and Chile. Own experimental farms have existed since 2018 in Kirschgartshausen, Germany and since 2020 in Étrépagny, France. Südzucker continuously works on topics surrounding sustainable and innovative crop production on its farms, and in particular on the experimental farms in Kirschgartshausen and Étrépagny. Our initiatives aim to protect ecosystems, promote biodiversity and reduce emissions in our agricultural supply chains. The main focus is therefore on trials of modern farming methods, environmentally friendly crop protection, diverse crop rotations, biodiversity, water and climate protection, and digitalization.

The results of this in-house research are directly implemented in practice. Thanks to our research activities on the Board of Trustees for Sugar Beet Trials and Advice and our close links with the Institute for Sugar Beet Research in Göttingen, we are able to offer farmers a broad range of expertise. We have our own raw material consultants working throughout Europe. Support for decision-making on catch crop planning and weed identification as well as site-specific variety recommendations are offered via various communication channels. In 2023/24, we further developed our own app, in which the information from the advisory service is made available to growers digitally. We also offer special consulting services for organic growers.

Südzucker also uses soil samples and EUF analyses performed by its own subsidiary Bodengesundheitsdienst GmbH to precisely tailor fertilizer application in sugar beet cultivation to the arable crop and the respective location. We aim to optimal use of soil nutrients and at the same time reduces nutrient input to a minimum.

Promoting biodiversity

We have a wide range of measures to promote biodiversity in agriculture.

In 2022, we developed our own biodiversity standard and implemented it in a pilot project near our production location in Offstein, Germany. In 2023/2024, we rolled out the project to the Wetterau region. Our goal is to promote agricultural biodiversity in partnership with farmers and customers. To achieve this goal, we have partnered with the Mannheim Institute for Agro-Ecology and Biodiversity (IFAB) to draft a catalog of biodiversity measures that exceed the minimum statutory requirements and are measurable and verifiable. Each measure is assigned a certain score depending on how effective it is in protecting biodiversity. Based on their scores, participating farmers receive a biodiversity premium per hectare of sugar beet cultivation area for implementing the measures. The measures are continuously evaluated for their feasibility and effectiveness and participating operations receive professional support.

Experience gained from the pilot project will serve as a basis for further optimization of the biodiversity standard and provide a clearer picture of the efforts that farmers must make. Our objective is to further expand the biodiversity standard and increase the number of participating farms.

We have offered our beet growers free seed mixtures for flower strips specially adapted to sowing in the sugar beet crop rotation since 2014. Flower strips not only beautify the surrounding landscape, but also create a habitat for insects, birds and small animals. In 2023, Südzucker purchased around 16 tonnes of flowering seed for planting flower strips; this amount enables the planting of 2,500 flower strips. This seed was distributed free of charge to sugar beet growers in Germany, France, Belgium and Poland.

We have been planting flower strips inside sugar beet fields at the Kirschgartshausen experimental farm, Germany, since 2018 in order to determine the benefits and influence of biodiversity. The Institute of Agroecology and Biodiversity is also providing scientific support for this project. The results indicate that integrating flower strips positively impacts biodiversity. They create habitats for pollinators and beneficial insects, as well as birds and other animals such as deer, rabbits, pheasants and partridges. For example, it has been determined that perennial flower strips are home to five times more invertebrates than beet fields. An increasing number of wild bees can be observed among pollinators, in addition to honeybees and bumblebees. Beneficial insects, such as the ladybug, are also increasingly found in the flowering strips.

We continued to monitor the flower strips during the reporting year. We evaluated flower strips from different years and examined their respective influence on biodiversity within crop rotation. In addition to mapping the diversity of the species, we compared agronomic measures such as spring and fall planting dates. Biodiversity-friendly measures are also being implemented and tested on our experimental farm in Étrépany. The results of the research are being used to advise our farmers.

We target and promote biodiversity, for example, by designating habitats for partridges in sugar beet fields, implementing multilayered crop rotations, planting hedgerows and woods and taking steps to improve the field hamster population. In addition, we have continuously reduced the use of mineral nitrogen by applying site-specific, needs-based fertilizers and further expanded the cultivation of legumes.

The Südzucker Group is not only committed to increasing biodiversity in agriculture, but also at its own production locations. The focus in 2023/24 was on maintaining the projects implemented in previous years.

Disclosures as per EU Taxonomy

Information on taxonomy-eligible and taxonomy-aligned revenues, capital expenditure and operating expenses (maintenance, research and development) in accordance with the EU taxonomy is provided below. As already in the 2022/23 reporting year, Südzucker Group's economic activities had to be examined and analyzed with regard to their taxonomy eligibility and alignment with the climate-related environmental objectives. The four non-climate-related environmental objectives had to be examined and analyzed for their taxonomy eligibility for the first time in the reporting year. A transitional period also applies to the newly added economic activities under the climate-related environmental objectives, which means that only taxonomy eligibility is required to be reported for the 2023/24 reporting year. From the 2024/25 reporting year, taxonomy alignment must also be reported for the non-climate-related environmental objectives. The following key figures relate to the companies fully consolidated in the consolidated financial statements and were derived uniformly throughout the group using the IFRS data on which these consolidated financial statements are based.

An economic activity is considered taxonomy-aligned if it makes a substantial contribution to at least one of the following environmental objectives: climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems. In addition, the economic activity must not significantly harm the other environmental objectives (DNSH = do no significant harm) and must meet minimum safeguards, such as human rights. Taxonomy alignment is verified using the technical screening criteria per economic activity. These have been available for all environmental objectives since mid-2023.

The individual Südzucker Group divisions worked with the support of the corporate functions to identify the relevant taxonomy-eligible economic activities and determine the taxonomy-eligible and taxonomy-aligned shares for all six environmental objectives. The analysis steps for the identification and assessment of the relevant economic activities and the necessary interpretation of the EU taxonomy were performed according to central guidelines. The individual revenues, capital expenditures and operating expenses are each assigned to an economic activity. The economic activities "Construction of new buildings" and "Renovation of existing buildings" are taxonomy-eligible for both the environmental objective of climate change mitigation and the transition to a circular economy. Taking into account the technical screening criteria, the environmental objective of climate change mitigation was considered as more relevant for new construction and renovation projects carried out, so that project were assigned to this economic activity in the reporting form. Double counting when determining the key figures is therefore excluded. Where necessary, allocation keys were used to derive taxonomy-eligible and taxonomy-aligned revenues, capital expenditures and operating expenses.

The Scope of the report refers to the environmental objectives of climate change mitigation and transition to a circular economy, as no taxonomy-eligible economic activities were identified for the other environmental objectives. As in the two previous years, a large part of Südzucker's activities were not covered by the EU taxonomy in fiscal 2023/24 due to the legislative process still not being completed for all areas of activity, which is why they are not considered taxonomy-eligible. Our own sustainability targets, on the other hand, cover all of the group's economic activities and thus form the central steering tool in the further development of our business model and are therefore also relevant for the further development of our sustainable activities.

Due to outstanding definitions and unclear wording, application of the EU taxonomy requires our interpretation. The FAQ documents published by the EU Commission were considered accordingly.

Taxonomy reporting of revenues

The reference values for the share of taxonomy-eligible and taxonomy-aligned revenues are the external revenues reported in the consolidated group income statement, which are explained in more detail under note (06).

As in the previous year, the largest contribution in taxonomy-eligible revenues was attributable to the manufacture of ethanol for transport in the CropEnergies and starch segments (economic activity 4.13.). The share of the reported taxonomy-aligned revenues of € 146 million or 1.4 % also mainly relates to revenues from self-produced fuel ethanol from waste and residual materials.

The relatively low share of taxonomy-aligned revenues compared to the share of taxonomy-eligible revenues is due to the fact that, according to technical screening criteria under economic activity 4.13., only revenues from residue-based fuel ethanol are classified as taxonomy-aligned. The EU taxonomy regulation does not recognize the contribution that biofuels from arable and field crops make to reducing greenhouse gas emissions from transport. Nor does it take into account that ethanol must be certified as sustainable under the requirements of the Renewable Energy Directive, which is also an EU regulation.

The contribution to climate change mitigation and the impairment of other environmental goals for the taxonomy-aligned revenues from residue-based fuel ethanol was reviewed according to activity-specific criteria. Among other things, the review included an analysis of climate risks using a climate change scenario analysis

(→ Climate change adaptation). To prove the avoidance of the adverse effects with respect to the environmental objectives of water protection, pollution prevention and biodiversity protection, factory-specific queries were used. One of the factors taken into account was that the CropEnergies BioWanze plant is less than one kilometer away from a biodiversity-sensitive area. The documents and expert opinions issued as part of the approval procedures for the plants concerned, e.g. in the area of emissions to air and water, formed the basis for checking compliance with the DNSH criteria. Finally, the criteria for minimum social safeguards, including a human rights-related due diligence process, were reviewed for the entire group across all activities. (→ Society/Compliance with human rights). Taxonomy-aligned ethanol revenues were generated exclusively from contracts with customers.

EMPLOYEES

Corporate responsibility

People from widely differing backgrounds and cultures work hand in hand at our globally active group of companies. We focus on their individual skills and talents. Every day, we work to create a climate of mutual trust at our group of companies, as well as a work environment free of any type of prejudice and discrimination, where everyone is accepted and can contribute with their talents, knowledge, experience and opinions. Südzucker Group's values – responsibility, creativity, respect and cooperation – also help us achieve our overarching goal: to leverage more power from the group.

Südzucker's code of conduct

The basis for Südzucker Group's interaction with employees and for the employees' behavior towards each other and towards external persons is the company's code of conduct. With the exception of AGRANA, which as a listed company has its own code of conduct, our code of conduct applies to the entire group and combines applicable law and international standards, operating procedures and rules, Südzucker corporate guidelines and employment-contract-related obligations toward Südzucker. Its contents are communicated via training measures and the provision of appropriate documents. Executives therefore take on a special role as both mentors and multipliers. They are trained specifically on this topic as part of management training courses. Adherence to Südzucker's code of conduct is supported by an anonymous whistleblower system. Parts of the code of conduct are also included in the planned and ad hoc audits by the internal audit department (→ Compliance).

Human rights protection

Strict adherence to applicable human rights protection regulations is an integrative component part of Südzucker Group's corporate responsibility. Every employee is obliged to respect the dignity and personal rights of every other employee and colleague, as well as other third parties (→ Society / Respect for human rights).

Group-wide HR strategy

Our group-wide HR strategy forms the basis for numerous measures and programs that cover topics such as leadership, digitalization, diversity, internationalization, talent management, incentive systems, teamwork and the work environment. The measures and programs are continuously developed and expanded.

Open communication

Südzucker Group fosters open communication with its employees. We use a group-wide magazine, townhall meetings, newsletters, video messages and our intranet to provide information about key developments within the company. In fiscal 2023/24, the focus was on implementing our corporate strategy along with working conditions and our compensation policy. Employee surveys were also conducted again on topics such as food safety culture in the sugar segment and the employee satisfaction at AGRANA. Another measure was to enhance the employee suggestion program to create a new, digital and transparent idea management system. Almost 1,000 (500) ideas were submitted via the group-wide idea management system last calendar year.

Number of employees¹

Employees by segment at balance sheet date

The total number of Südzucker Group employees increased to 19,204 (18,341) as of 29 February 2024. At Südzucker AG, the number of employees grew to 2,368 (2,241).

Employees by segment at balance sheet date

28/29 February	2024	2023	+/- in %
Sugar	6,458	6,206	4.1
Special products	5,422	5,262	3.0
CropEnergies	515	480	7.3
Starch	1,167	1,148	1.7
Fruit	5,642	5,245	7.6
Group total	19,204	18,341	4.7

TABLE 022

Employees by region, relationship and gender

In fiscal 2023/24, the number of the company's workers permanently employed remained virtually unchanged to around 86 (88) %. Around 14 (12) % of employees were on fixed-term contracts. The majority of these were hired seasonally, mainly to help with harvesting and/or during processing campaigns. In fiscal 2023/24, Südzucker AG continued to employ around 87 % of its employees on permanent contracts and around 13 % on fixed-term contracts.

¹ The information on employees by segment is stated as full-time equivalents. All other information relates to employee headcount at the balance sheet date.

Employees

Germany had 4,784 (4,562) employees, as the country's share of the total increased moderately. The share of permanent employees thus rose slightly to 4,292 (4,028), or 90 (88) %. The remaining EU countries accounted for 7,870 (7,648) employees or around 39 (40) % of the total, while the other foreign countries accounted for 7,460 (6,813) or around 37 (36) %. About 7,476 (7,274) or unchanged around 95 % of employees in the rest of the EU and 5,579 (5,529) or around 75 (81) % of employees in countries outside the EU remain permanently employed. The share of part-time employees throughout the group remained unchanged at about 5 %; at Südzucker AG the figure remained unchanged at about 12 %.

Employees by region at balance sheet date (headcount)

28/29 February	2024	2023	+/- in %
Germany	4,784	4,562	4.9
Other EU	7,870	7,648	2.9
Other countries	7,460	6,813	9.5
Total	20,114	19,023	5.7

TABLE 023

As of 29 February 2024, the number of employees according to employment relationship and gender for the group overall were as follows:

Employees by contract type and gender

29 February 2024		Total	Permanent	Non-permanent
Full-time	Male	13,140	11,975	1,165
	Female	6,020	4,488	1,532
Part-time	Male	230	194	36
	Female	724	690	34
Total		20,114	17,347	2,767
28 February 2023				
Full-time	Male	12,899	11,767	1,132
	Female	5,251	4,279	972
Part-time	Male	170	152	18
	Female	703	663	40
Total		19,023	16,861	2,162

TABLE 024

Südzucker Group has committed to the goal of increasing the proportion of women at the first and second management levels below the executive board to 25 % by 2027. In fiscal 2023/24, the proportion was 21 %. The measures that specifically address the subject of gender were expanded.

We also pushed ahead with the group-wide Empowering Women program launched in 2020, which aims to support women in management positions and foster networking between them. A total of 23 (11) women from different divisions, levels of hierarchy and international locations participated in 2023/24. A women's network has also recently been set up that aims to strengthen and support women within and outside the network in their career paths. The "Women in Tech" network has also been set up within the IT department to provide a platform for women in our technical professions.

On the occasion of International Women's Day in 2023, colleagues of all genders pledged to promote equal opportunities between the sexes in companies as part of a video campaign titled "Embrace Equity". On Girls' and Boys' Day in April 2023, students had the opportunity to visit our German production locations or learn more about careers in administrative areas at our headquarters in Mannheim.

Südzucker Group's very first cross-divisional mentoring program was launched in June 2023. A total of 12 tandem pairs, each comprising an experienced mentor and a young female professional, are supported and guided through a year-long mentoring process. There are plans to expand the project in the coming fiscal year.

To raise awareness across every dimension of diversity, the "Unconscious Bias" workshops were initiated in the spring of 2023, aiming to uncover and challenge unconscious forms of bias. Plans are in place to further expand these workshops in the coming fiscal year.

Promoting diversity

As a signatory to the Diversity Charter, Südzucker AG has committed to promoting diversity and inclusion on behalf of the entire Südzucker Group. We are convinced that our ability to bring together a wide range of backgrounds and perspectives increases our company's innovative strength and our employees' motivation. We take a comprehensive, group-wide approach that encompasses the dimensions of age, gender, sexual orientation, physical and mental abilities, religion and ideology, social background, ethnic origin and nationality.

Employees

A virtual event on German Diversity Day as well as interviews on diversity management and the distribution of roles in the family are examples of communication measures carried out in the past fiscal year to heighten awareness among Südzucker Group employees regarding the topics of diversity, inclusion, family and career.

To respond even more decisively to the needs of our locations, an “Ambassador Program” was launched aimed at strengthening international networking efforts in the area of diversity and inclusion at the various locations.

Equality

The entire Südzucker Group has enshrined its policy of equal treatment and the prohibition of discrimination in its code of conduct. Employees are hired and promoted according to their suitability, qualifications and performance along with their willingness to learn. Equal opportunities are of paramount importance to us in the hiring process – we actively strive to ensure that all candidates receive equal opportunities and do not experience any form of direct or indirect discrimination. For instance, our job postings encourage all candidates (m/f/d) to apply, irrespective of their gender, nationality, religious or social background, sexual orientation or identity, origin, or physical or mental abilities.

In our standardized application process, all incoming applications undergo the same process, in which the candidates are compared with the requirements of the job profile. New employees are recruited based on their suitability and qualifications for the position to be filled, as well as their willingness to perform and learn. In Germany, a member of the local representative body for the severely disabled is consulted whenever people with a recognized severe disability apply for a job. As a result of the company’s extraordinarily strong production and technology orientation, male employees still account for a significantly higher proportion of the workforce in almost all segments.

With collective bargaining agreements and a job architecture, we contribute to a transparent wage structure.

We inform all employees equally about continuing education, vacancies and promotion opportunities throughout the entire course of their careers.

The 41 % share of women in the group-wide trainee programs is encouraging. In the junior management programs, the proportion of women is 50 %.

Management ¹					
29 February 2024	Total		Male		Female
1 st management level	128	117	91%	11	9%
2 nd management level	330	246	75%	84	25%
Total	458	363	79%	95	21%
28 February 2023					
1 st management level	131	122	93 %	9	7 %
2 nd management level	347	260	75 %	87	25 %
Total	478	382	80 %	96	20 %

¹ 1st management level: management of the corporate departments and executive board/management of the segments/divisions; 2nd management level: management level that reports directly to the management of the corporate departments and management level that reports directly to the executive board/management of the segments/divisions.

TABLE 025

Women accounted for around 33 (31) % of the total workforce at Südzucker Group. The share of women working at management levels 1 and 2 increased slightly to 21 (20) %. At Südzucker AG, the share of women in the total workforce remained unchanged at around 24 %. The proportion of women working at management levels 1 and 2 rose slightly to 12 (11) %.

Age structure and length of service

The company’s age structure continues to be relatively balanced and the average length of service within the group is almost unchanged from last year. Nearly 55 % have been working for the company for more than five years. The average length of service at Südzucker AG is significantly higher; about 65 % have worked for the company for more than five years and almost 12 % for more than 35 years. These figures are also reflected in the age structure. At just under 32 %, the number of employees over the age of 50 is higher than in the group.

Employees according to age group in %

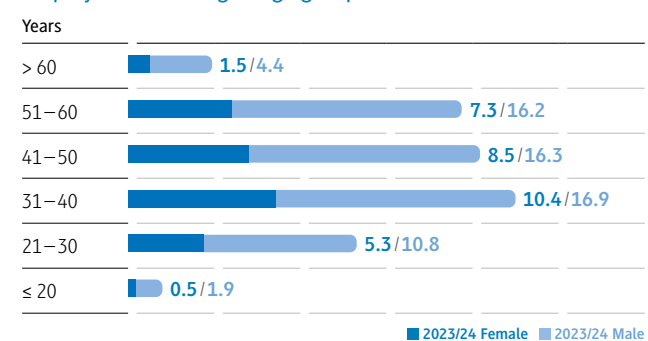


DIAGRAM 010

Employees

Length of service in years in %

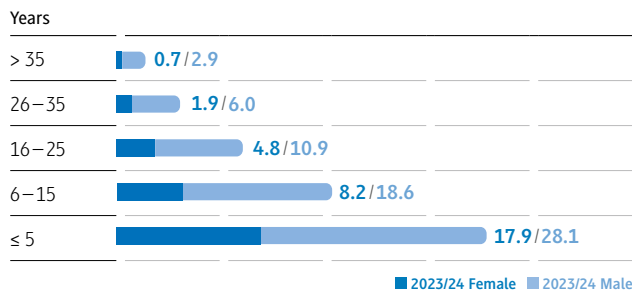


DIAGRAM 011

Südzucker – an attractive employer

As an attractive employer, we aim to give as many employees as possible access to a wide range of learning and development opportunities. In addition to providing the appropriate hardware and software, this also includes developing a culture of learning that enables employees to select educational opportunities within a certain framework and use them in a self-directed manner in order to advance their own personal and professional development. To jointly establish a culture of learning within the commercial sector, we will form a committee with various representatives from the production environment during the 2024/25 fiscal year to discuss the general conditions and measures required to establish and promote successful learning activities.

Apprenticeship

Südzucker AG’s training initiative was continued in 2023/24 in order to simultaneously increase its visibility and appeal as a training company. Among other things, marketing measures were implemented throughout Germany and partnerships with schools and educational institutions were expanded.

¹ The number of trainees is reported in FTEs.

Südzucker Group’s apprenticeship program in about 20 different professions continues to be a key building block toward securing its own skilled workforce for the long term. The number of apprentices remained unchanged at 370 (370)¹ as of 29 February 2024. In total, 199 apprentices were enrolled in the dual system or as part of an in-company study program at Südzucker AG, Freiburger Group and AGRANA in Germany as of 29 February 2024. Here too, the focus is on sustainability. Last fiscal year marked the first time we offered an international business course focusing on sustainable business. In our companies in Algeria, France and Austria, 126 people are trained according to a system comparable to one in Germany. The remaining 45 trainees are employed in accordance with the training modalities applicable in the respective countries.

Personal development

We further expanded the range of group-wide and division-specific learning opportunities and development measures in the 2023/24 financial year. Our ambition is to develop a holistic, modular training program that supports both our managers and our employees in their individual development by means of different levels and formats. Our group-wide digital learning platform, the Südzucker Group Campus, plays a crucial role in providing this support.

On the one hand, Südzucker Group Campus provides support for the regular, documented mandatory training, as well as for the adherence to legal and other code requirements (work safety, compliance, data security, hygiene, environmental protection, human rights, etc.).

Since November 2023, the Südzucker Group Campus has also offered a new, significantly more extensive and steadily expanding range of online training courses to develop soft skills, such as presentation techniques, remote working and personal branding.

The catalog of training and further education courses is augmented by new self-directed online language training courses and additional face-to-face events aimed at improving specialist and methodological knowledge (e.g. conducting job interviews, agile project management) or strengthening personal or social skills (e.g. modern self-management and time management, strengthening personal resilience).

Naturally, employees receive support when selecting external seminars that extend beyond the Scope of our training catalog.

In addition, Südzucker conducts trainee programs and junior management development programs at regular intervals.

At regular feedback meetings, managers and their employees are encouraged to jointly develop ideas for their further training and individual development, among other things.

Executive development

A basic qualification for executives is intended to convey a modern, standardized management model based on the newly developed leadership principles to provide guidance on how to take appropriate action in their role as managers. In addition, new training courses such as “Lateral leadership – leading without disciplinary responsibility” and “From employee to manager” were developed and introduced. In order to address some of the special challenges in the production environment, additional specific training courses are also offered for foremen. Virtual training courses on labor law and occupational safety for managers were offered during the 2023/24 fiscal year to make it easier for interested parties to participate.

Succession planning

Südzucker Group has identified the shortage of skilled workers as a strategic risk and has introduced preventive measures. A concept has been in place since the 2023/24 fiscal year to ensure that key positions in the company are filled in good time and in line with requirements. Systematic succession planning should also help secure valuable expert knowledge, motivate and retain employees by highlighting internal promotion/career opportunities and reduce recruitment costs.

Vacancies are advertised internally and, if appropriate, preference is given to employees from within. This is how we promote career mobility, retain know-how and experience within the Group, and encourage the transfer of knowledge and experience between locations and divisions.

International collaboration

The group-wide IOP onboarding program is designed to facilitate the networking of employees from different departments and locations, deepen insight into international group structures and promote mutual understanding and personal growth.

In order to share experience and knowledge and to support the timely implementation of key projects, we have held regular international, sometimes group-wide meetings of various group functions for many years.

Work-life balance

Our working conditions and the associated agreements offer – if possible – in all business areas a basis for work-life balance; for example, policies regarding remote work, flex time or temporary part-time work, childcare options during vacation periods or special leave for important family events.

Compensation and benefits

Südzucker Group's pay system is based on fixed and variable components plus a benefit plan. Depending on the region and corporate company, they comprise monetary and non-monetary components, such as a company pension plan, profit sharing, Christmas bonuses, share ownership plans and various insurance policies, some of which also apply in the private sector. In addition, Sunday, holiday and night work are paid separately.

Südzucker – a reliable employer

Occupational health and safety is a high priority throughout the Südzucker Group. The company is committed to implementing worker protection policies that guarantee employees a high level of health and safety at the production plants. The importance of this topic is also underscored by the fact that occupational safety is one of the eight focus areas in the group-wide sustainability strategy. We aim to reduce the accident rate¹ for the entire group by more than half from 11.1 in 2021 to 5.0 by 2026. Accordingly, our focus in fiscal 2023/24 was on cross-company initiatives and measures to further develop our safety culture. The group-wide target forms the framework for the group; there is no holistic management system for occupational health and safety.

Management policy

The occupational health and safety management systems of the divisions or companies, including Südzucker AG, describe processes and responsibilities and provide ways to evaluate and continuously improve them. The processes defined therein ensure compliance with occupational health and safety requirements. Our safety policy involves the employees of the partner companies working at our production locations in that safety rules are already contractually agreed and appropriate instructions are given on site.

Those responsible for ensuring compliance with all occupational safety measures required by law or stipulated by the company are defined in the management system and receive technical support both from internally appointed occupational safety experts and, if required, from external specialists. Südzucker Group occupational health and safety experts work closely with one another to ensure a comprehensive exchange of ideas, problems and resolutions. The focus is on ways to implement best practice solutions, hazard analyses and training for employees and managers. Südzucker has also drawn up an action plan for occupational health and safety, which is implemented by the divisions and locations. Developing proactive management indicators (leading KPIs) is closely linked to these measures, which, in addition to accident/incident-related key figures, should also enable an assessment of prevention performance in the respective area.

We conduct internal audits to verify practical implementation of the management system processes and determine improvement potential.

¹ Lost working days are recorded if they lead to one or more days' absence. Accident rate and lost working rate are both based on one million work hours.

Workplace safety

We regularly identify and evaluate risks in the workplace with regard to occupational and plant safety. The necessary risk assessments are implemented to provide a basis for determining protective and preventive measures.

Established checklist-based procedures are used to assess the severity of possible injuries and their probability of occurrence. In addition, we are especially careful with machines and systems maintenance processes, where we use so-called work approval procedures to also identify hazards.

Equipment and systems are regularly maintained and inspected in accordance with specifications in order to ensure they are safe. Specially trained personnel conduct additional tests where necessary in cases of severe potential hazard.

Learning from events

We document and investigate work-related accidents. We also intend to include so-called “near misses”. Events are communicated throughout the company by way of accident reports and lessons learned newsletters. In the event of serious accidents and incidents with a high hazard potential, a “Safety Flash” is also prepared and distributed in a timely manner to provide information about particular risks at short notice.

Safety culture

A strong traditional Südzucker safety culture is a prerequisite for accident-free work. Efforts must be made to systematically prevent unsafe work practices, to convert unconscious, improper actions into conscious and safe actions, and to create a common understanding of the values of occupational health and safety at all levels and in every division throughout the company. Therefore, we launched a process designed to further develop the Südzucker Group safety culture last fiscal year.

Besides workshops and seminars on safety culture, so-called Safety Days were held, for example at CropEnergies in Belgium and at the sugar division in Poland and Germany. We have introduced and refined various communication tools. One such tool is the so-called safety moment, in which a topic relevant to occupational safety is addressed at the beginning of meetings or conferences. Five plants in the Freiburger division were certified in accordance with ISO 45001 (occupational health and safety).

The following production locations, among others, operated accident-free during the past fiscal year: In the sugar segment, the factories in Drochia, Moldova; Étrépagny, France; Roye, France; Roman, Romania; and Ropczyce, Poland; in the starch segment, Tandarei, Romania; and Szabadeyhaza, Hungary; and in the CropEnergies segment, the plants in Loon-Plage, France, and Wilton, UK, as well as a number of other locations in the fruit segment. Accident-free plants were awarded as part of the annual occupational safety competition.

Occupational safety indicators¹

	2020/21	2021/22	2022/23	2023/24
Injury rate	11.1	11.3	9.6	10.1
Lost working day rate	187	186	192	214
Number of injuries	377	383	366	377
Occupational fatalities	0	1	1	0

¹From 2023/24, the figures are based on the financial year (March 1 to February 28/29), previously on the calendar year. Accident rate and lost working rate are both based on one million work hours. Lost working days are recorded if they lead to one or more days' absence. Estimates may be made for new sites.

TABLE 026

The group-wide number of accidents rose to 377 (366). Accordingly, the accident rate climbed year-on-year from 9.6 to 10.1. Lost time per accident increased from 192 to 214. The number of hours worked in the reporting year was 37.3 million. There were no fatal accidents among our own employees. Unfortunately, one person from a partner company had a fatal accident in fiscal 2023/24. Fatal accidents at work are accidents at work that are considered to have caused the death of the injured person within one year. The number of accidents at Südzucker AG rose to 54 (41). The time lost per accident at work fell from 216 to 186. The number of hours worked totaled about 3.7 million and the accident rate was 14.3.

The most frequent work-related injury types were bruises, contusions and sprains followed by cuts, lacerations, punctures and abrasions, scalds and burns, and fractures. The main factors contributing to injuries in the reporting period were the handling of mechanical work equipment and physical movement (tripping, falling, slipping). We conduct risk assessments to identify and evaluate possible risk of injury and determine ways to reduce these risks (Management policy).

Health protection

We strive to protect the health of our employees to the best of our ability.

The expertise of occupational physicians makes an important contribution to reducing the risks of work-related diseases; for example, external occupational health service providers or external physicians are commissioned within the framework of legal requirements. Occupational medical examinations are carried out to determine physical fitness for certain activities where necessary. Company doctors strictly adhere to personal health information confidentiality when advising on workplace design. Mental stress is also assessed as part of the risk assessment process. Organizational adjustments are made if necessary and employees are offered prevention training, such as stress management courses. Part-time retirement programs help older workers manage the transition to retirement according to their individual state of health.

Südzucker offers individualized programs to protect physical and mental health at its locations as part of its company health management, such as preventive measures (strong back exercises, yoga, health days, nutrition and non-smoking courses, cooperation with gym facilities, participation in running events) or reintegration measures after long-term absence. The seminars and training are intended to heighten employee awareness of the importance of maintaining healthy professional and personal daily lifestyles.

We also offer these programs online. Furthermore, offers for flu vaccination are also provided.

Exceptional regulations associated with the coronavirus pandemic were lifted in the course of the past financial year, although the situation with regard to the occurrence of infectious respiratory diseases is still being closely monitored. Specific protective measures will be taken if necessary. The aim is to continue to achieve a high level of protection for the health of our employees.

Communication and training

The company sees communication and the participation of employees or their representatives in developing occupational safety and health protection programs as a high priority. For example, we have committees in which managers, experts and employees or their representatives regularly discuss topics relevant to occupational health and safety. Over 63 % of the workforce is represented by formal occupational health and safety committees. We actively practice the ways of co-determination described by law in a spirit of partnership. Employees also have access to systems for the structured communication of ideas and suggestions for improvement, such as digital idea management, which is accessible to employees via company PCs.

Employees receive initial instructions dependent on the hazards associated with their jobs, followed by regular reinforcement. Checklists are normally used to identify and systematically record any need for training, which is subsequently provided either by supervisors, representatives or external specialists at the sites. Training courses are also held externally when necessary. We also have theme days with occupational safety topics and communicate occupational safety aspects as monthly topics on the intranet, using posters, brochures or classroom training.

We developed a comprehensive group-wide communication concept to support the measures in the past financial year in line

with the high importance of occupational health and safety in the company. The newly developed slogan is "Safety First. Because you matter". The aim is to make the topics of occupational safety and health protection prominently known to all employees, create identification and recognition effects and make them an integral part of the corporate culture.

Further information and motivation campaigns with the new slogan are planned, e.g. a campaign to raise awareness of tripping and falling accidents.

Dialogue with employee representatives and unions

We consider social dialogue with the elected representation of our employees to be important. Regular working meetings are held to inform the delegates of employee representation at plant, company and European levels. Key co-determination issues such as organizational changes, structural or cost efficiency programs are generally decided by consensus.

Half of the board seats are held by representatives of the company's own employees and members of the trade union, who are thus involved in all key corporate decisions.

The unions negotiate annual or multiyear collective bargaining agreements at almost all European sites as well as some locations around the world.

Südzucker Group has a total of 63 (62) % of its employees worldwide who are covered by collective bargaining agreements; in Germany, the ratio is 77 (71) %, and in the rest of the EU, 85 (88) %. Broken down by segment, the share in the starch segment is 99 (99) %, followed by the sugar 96 (89) %, CropEnergies 59 (71) %, fruit 41 (43) % and special products 40 (39) % segments.

Bargaining agreements cover issues such as occupational safety, profit sharing, flexible working hours and employee training.

Südzucker Group established a European Works Council over 25 years ago. It meets regularly with the executive board to discuss cross-border topics.

SOCIETY

Business success and the acceptance of social responsibility belong together in our view and are a key prerequisite to sustainably conducting business.

We attach high priority to responsibility toward our employees (→ Employees) as well as compliance with human rights. Equal attention is given to responsibility with regard to the people who consume our products, social commitment and dialog with our stakeholder groups.

Respect for human rights

We are aware of our corporate responsibility and are committed to respecting human rights not only in our own business activities, but also throughout our global supply and value chains. Our business activities and our due diligence processes aimed at ensuring compliance with human rights are aligned with the following internationally recognized standards: The United Nations Universal Declaration of Human Rights, the International Labour Organisation (ILO) Conventions, the OECD Guidelines for Multinational Enterprises and the Supplier Ethical Data Exchange (SEDEX) regulations. Our business conduct conforms with laws governing working conditions in every country in which it is active and rejects child, forced and compulsory labor.

Management policy

We take a systematic, integrated and risk-based approach to meet our responsibility toward respecting and protecting human rights. Our objective is to identify, prevent, minimize or eliminate human rights violations and environmental risks.

Our code of conduct was also updated with regard to human rights in the 2023/24 financial year¹. This applies to the entire group, with

the exception of AGRANA, which has its own code of conduct as a listed company. The code of conduct sets out rules for our employees. They are binding for all managers and employees in the respective area of application. Among other things, the code of conduct bans child and forced labor and discrimination, and includes a requirement to protect human dignity. Its contents are communicated to employees via the intranet and posters among other means. Employees or third parties; for example, customers and business partners, may report code of conduct violations confidentially – even anonymously – by way of a whistleblower program (→ Compliance).

As a signatory of the UN Global Compact, we actively participate in the networks offered there to promote the exchange of best practices and experiences. We have taken these findings into account in the further development of our organizational structure and the design of new processes.

The Group Human Rights Committee convened four times in fiscal 2023/24. Various specialist departments collaborate closely under the chairmanship of the Compliance Officer of the Südzucker Group. This committee advises on and coordinates issues relating to human rights and environmental due diligence in the Südzucker Group. In particular, this includes consulting and coordinating on the assessment of risk analysis, further developing risk management and internal processes, drafting information and training offers and advising the divisions and specialist departments on how to anchor the topic within the company. These efforts help us ensure that we take a holistic approach to our responsibility for protecting human rights and that we continuously improve.

Südzucker Group further developed its management approach to respecting human rights in the 2023/24 financial year. Thus, for

¹ This update is to be published and applied in the 2024/25 financial year.

example, we developed a specific Südzucker training course on human rights due diligence for management in fiscal 2023/24, which was rolled out at the beginning of the 2024/25 financial year. We have also raised awareness of human rights among Südzucker Group employees by implementing further communication measures.

Similarly, the standardized group-wide risk analysis approach developed in the previous year was used for all of our own locations and our supply chains. This approach was also partially updated, with a focus on the detailed risk analysis for specifying, weighting and prioritizing the risks identified in the first step. We rely on close cooperation with the respective suppliers and have specifically surveyed selected suppliers on the implementation of their human rights obligations. For all Südzucker Group suppliers (with the exception of AGRANA), the code of conduct for suppliers¹, which was also amended in the 2023/24 financial year, applies as part of the orders. It includes guidelines for sustainable procurement and defines binding environmental, labor and social standards. Compliance with social criteria in material agricultural supply chains is evaluated and documented as part of the Red-Cert2 certification process, which demonstrates compliance with the sustainability criteria of the Sustainable Agriculture Initiative (SAI) (→ Environment).

We see due diligence as it relates to respect for human rights as an ongoing task. As such, we regularly review our processes and actions and adapt them as necessary. We are currently investigating measures for further embedding human rights-related issues in the relevant corporate processes.

We are not aware of any indications of human rights violations in the 2023/24 financial year.

SEDEX

Social audits are essential in the implementation of human rights due diligence. Südzucker is a member of the SEDEX² platform for improving responsible and ethical business practices in global supply chains and is regularly audited by independent institutions using the SMETA³ methodology. This approach enables us to demonstrate compliance with the principles of social sustainability, especially respect for and observance of human and employee rights, and makes our sustainability management processes more transparent.

In addition to reviewing working conditions and health and safety standards, a SMETA audit examines business ethics, including compliance with the law and prevention of bribery, corruption and fraud. Comprehensive information is also provided on environmental practices at the sites.

SMETA audits are usually held every three years. At the end of the 2023/24 financial year, a total of 63 (61) of Südzucker Group's locations had valid SMETA or comparable social audits in place. All production locations registered with SEDEX also conduct a SEDEX self-assessment.

Product responsibility and quality

Management policy

At Südzucker the quality and safety of the entire product portfolio – from food and animal feed all the way to ethanol – are top priorities. This is why product responsibility and quality are firmly anchored in the corporate principles. Quality management systems are implemented in all areas of the Südzucker Group to ensure that our products meet legal requirements and customer specifications. These processes encompass every area from management responsibility, product development, procurement and production to marketing and sales.

Key elements of quality management

HACCP

The HACCP (Hazard Analysis Critical Control Point) concept is a key element of our food and animal feed safety system. The system is used to systematically analyze product hazards and critical control points associated with raw material properties and end products, each individual production step, as well as transportation and storage factors. If necessary, appropriate steps are taken on the basis of this analysis to prevent hazards to consumers from occurring.

Employee expertise

It would not be possible to produce safe, high-quality products without skilled employees who identify with corporate objectives. This is why further certifying and qualifying employees through regular training and instruction plays such an integral part in our quality management systems. Employees are also encouraged to make suggestions for improvements to help optimize existing processes as part of the company's ideas management system.

¹ This update is to be published and applied in the 2024/25 financial year.

² Supplier Ethical Data Exchange.

³ SEDEX Members Ethical Trade Audit.

Employees at the various sites are surveyed regularly to continuously advance the subject of food safety culture in a targeted manner. A survey on food safety was conducted among the employees of the sugar division (Südzucker) in the 2023/24 financial year.

Customer relationships

Precise end product specifications contribute to reaching a common understanding of product properties for Südzucker and its customers. Building on this concept, Südzucker also offers customers application-related advisory services, as well as help with developing products. Customer requirements are analyzed before commitments are made and documented alongside the corresponding specifications. Customer satisfaction surveys are conducted within the Scope of quality management and the appropriate steps are taken based on this information.

Supplier management

The quality of the raw materials and services used directly influences the quality of our products. This is why the raw materials and services used to manufacture these products are handled fully by our supplier management system. Integral parts of this system include defined accreditation criteria, raw material specifications, traceability and supplier assessments.

Certification

The review of our processes and products by external certification organizations is key for both Südzucker Group and its customers.

Accordingly, our food quality management systems are geared toward internationally recognized standards with extensive specifications and standardized assessment processes. The normative

framework is provided by the Global Food Safety Initiative (GFSI) benchmarking and validation system. Certifications recognized by GFSI and used within Südzucker Group include FSSC 22000, IFS Food, BRC Global Standard Food Safety and SQF. All Südzucker Group food production facilities have at least one such certificate; several production facilities have multiple certifications.

Various production locations have specific additional certificates for certain product groups, according to special customer requirements; for example, bio, fairtrade, Roundtable on Sustainable Palm Oil (RSPO), Kosher, Halal Marine Stewardship Council or free of genetic modifications.

The feed production facilities have certificates of internationally recognized feed safety standards GMP+International, QS Quality and Safety and FEMAS.

Complaint, incident and crisis management

Complaint, incident and crisis management is embedded in our quality management systems. Special teams have been appointed with responsibility for all measures required to process the respective cases. Core building blocks include comprehensive root cause analysis and subsequent corrective actions that result in continuous improvements to processes and products. These processes are consistently practiced and regularly reviewed in internal and external audits to ensure reliable functioning.

In fiscal 2023/24, there was 1 (2) recall affecting end consumers of products manufactured by the Südzucker Group. In this case as well, we analyzed the root causes, reviewed processes and adjusted them as needed.

Value added in rural areas

Südzucker group generates gross value added worldwide of up to € 4.5 billion¹ per annum. The company's production sites generate growth and employment. Furthermore, the company's positive impact on upstream sectors, especially agriculture, is above average compared to other industries (gross value added multiplier: 4.4). Südzucker Group's business activities create about 90,000 direct, indirect and induced jobs, of which over two-thirds are generated by the sugar segment. The remaining 30,000 jobs are provided by the special products, CropEnergies, starch and fruit segments.

Social commitment

Südzucker Group is deeply committed to fostering social and community engagement. This is why we actively support projects that promote science and education – at universities and other organizations. In addition, we are helping to preserve the historical heritage of the sugar industry through our commitment to the Oldisleben Sugar Factory Cultural Heritage Foundation and the company archive in Offstein. We are also involved in various sports sponsorship activities and make donations to a wide range of social projects in the immediate vicinity of our locations.

¹ 2017, WifOR Research Institute and Thinktank, Darmstadt, Germany.

In the 2023/24 fiscal year, Südzucker Group continued to support a number of events and associations in the region around its headquarters in Mannheim, such as Sportregion Rhein-Neckar e.V., Freunde der Universität Mannheim e.V., Förderkreis für die Reiss-Engelhorn-Museen and the Nationaltheater Mannheim. As part of the “Südzucker for Kids” initiative, Südzucker’s German locations upheld their commitment to charitable projects for children that were proposed by employees and selected by a panel of judges at the respective location. The “Grant 5000” program, which also enables employees to suggest projects that are close to their hearts as recipients of corporate donations, was continued at Südzucker’s locations in Poland. As part of Südzucker Group, BENEО sponsors a variety of health and medical projects in Belgium, for example with an annual blood drive for employees and a bicycle tour to raise money for children’s cancer research. Freiburger supported the Sportclub Magdeburg athletics department in Osterweddingen during the 2023/24 fiscal year with a donation to help them on their journey to the 2024 Olympics in Paris. As part of a long-standing partnership with the DOBRÝ ANDĚL (Good Angel) Foundation in Prague, the PortionPack Group provided assistance again last year to families who found themselves in financial need due to illness. During the call for projects by the Agency for Local Development (ADL) in the municipality of Wanze, CropEnergies provided financial support to companies from Wanze at the BioWanze site in Belgium together with the Tienen refinery and helped them deploy projects in the areas of sustainable development, energy efficiency and renewable energies.

Dialogue with various stakeholder groups

Südzucker is in close contact with various social stakeholders. We are fully committed to maintaining a dialogue with politicians, institutions and nongovernment organizations. We are not only a member of relevant industry associations, but are also committed to supporting the work of these associations through active participation (→ Table 027). Here we also want to contribute to solving regulatory issues in a practical manner. Our communication is based on scientifically founded factual positions.

The group website provides the general public with extensive information about the company. Press releases regarding current

developments at the company are also posted there. We directly respond to inquiries from media representatives.

The management of each of our production locations is available to respond to local inquiries and concerns, and to exchange information with local political bodies and interest groups.

Südzucker is listed in the EU transparency registers and the Federal German Parliament, which track and monitor the activities of German and European stakeholders.

Selected memberships in industry associations and advocacy organizations

Industry association or interest groups	Registered Office	Member ¹	Scope
BDBe – Bundesverband der deutschen Bioethanolwirtschaft e.V.	Berlin, Germany	CropEnergies Bioethanol GmbH	Germany
BVE – Bundesvereinigung der Deutschen Ernährungsindustrie e.V.	Berlin, Germany	Südzucker AG	Germany
CEFS – Comité Européen des Fabricants de Sucre	Brussels, Belgium	Südzucker AG	EU
DLG – Deutsche Landwirtschaftsgesellschaft e.V.	Frankfurt am Main, Germany	Südzucker AG	Germany
dti – Deutsches Tiefkühlinstitut e.V.	Berlin, Germany	Freiburger Lebensmittel GmbH	Germany
ELC – Federation of European Specialty Food Ingredients Industries	Brussels, Belgium	BENEО GmbH	EU
ePURE – European Producers Union of Renewable Ethanol	Brussels, Belgium	CropEnergies AG	EU
FoodDrinkEurope	Brussels, Belgium	Südzucker AG	EU
Forum Moderne Landwirtschaft e.V.	Berlin, Germany	Südzucker AG	Germany
Lebensmittelverband Deutschland e.V.	Berlin, Germany	Südzucker AG	Germany
Renewable Carbon Initiative	Cologne, Germany	Südzucker AG	EU
Starch Europe	Brussels, Belgium	AGRANA Stärke GmbH	EU
VdZ – Verein der Zuckerindustrie e.V.	Berlin, Germany	Südzucker AG	Germany
WVZ – Wirtschaftliche Vereinigung Zucker e.V.	Berlin, Germany	Südzucker AG	Germany

¹ More than one entity of Südzucker Group is a member.

TABLE 027