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EUROPEAN FEDERATION OF FOOD, AGRICULTURE, AND TOURISM TRADE UNIONS

CEFS EU SUGAR

AI

ARTIFICIAL INTELLIGENCE IN THE EU SUGAR SECTOR

THE EU SUGAR INDUSTRY CORPORATE SOCIAL RESPONSIBILITY REPORT 24-25

June 2026

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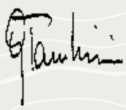
1. MESSAGE FROM THE CHAIRPERSONS

The European Union remains the world's leading producer of beet sugar, accounting for approximately 50% of global production. Our industry is not only a cornerstone of European food security and sovereignty but also a vital engine for the rural economy, providing 25,000 direct jobs and supporting more or less 274,000 across the supply chain.

To remain competitive and resilient, our sector continues to embrace modernisation. This is why CEFS and EFFAT have decided to focus this 18th joint CSR report on the integration of Artificial Intelligence. For the sugar sector, this transition is about more than just technology; it is about ensuring that innovation supports our workforce and strengthens our commitment to a sustainable future.

We recognise that the digital transition brings both opportunities for growth and unique challenges that require careful navigation. This report illustrates how, through long-standing social dialogue, we are working together to ensure that digital tools enhance our industry while keeping people at the heart of our operations.



Giovanni Tamburini
CEFS President

Wiebke Warneck
EFFAT Deputy General Secretary

2. ABOUT THE EU CSR CODE OF CONDUCT

EIGHT MINIMUM STANDARDS ON:

1. **Human Rights**
2. **Education, Vocational and Lifelong Training**
3. **Health and Safety**
4. **Relationship Between the Social Partners**
5. **Fair Pay**
6. **Working Conditions**
7. **Restructuring**
8. **Business Relations and Choice of Suppliers**

GOOD PRACTICES in the implementation of the Code of Conduct are monitored every year and a number of them are added to the list of good practices for each of the eight minimum standards.

Companies aim not only to respect those minimum standards but also to implement those principles **BEYOND** their **LEGAL OBLIGATIONS**.

The Code of Conduct has been **ASSESSED** in accordance with **ISO26000** guidance on social responsibility and the 2011 **UN framework on business and human rights**.

3. WORKING FOR THE EU SUGAR SECTOR: KEY FIGURES

Figure 1: Sugar industry employment during the beet processing campaign 2024/25

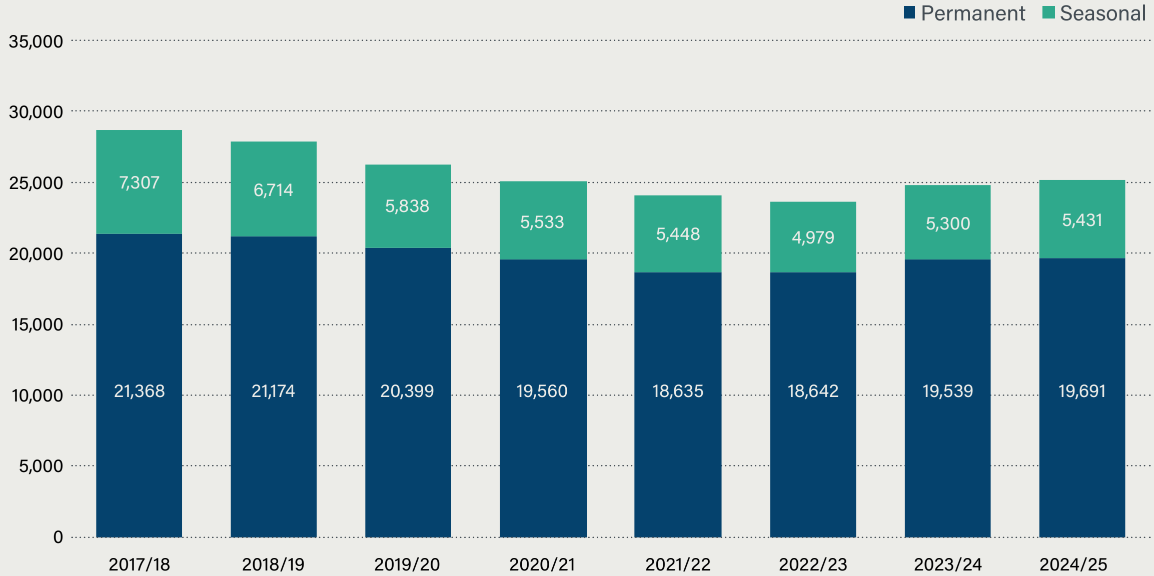
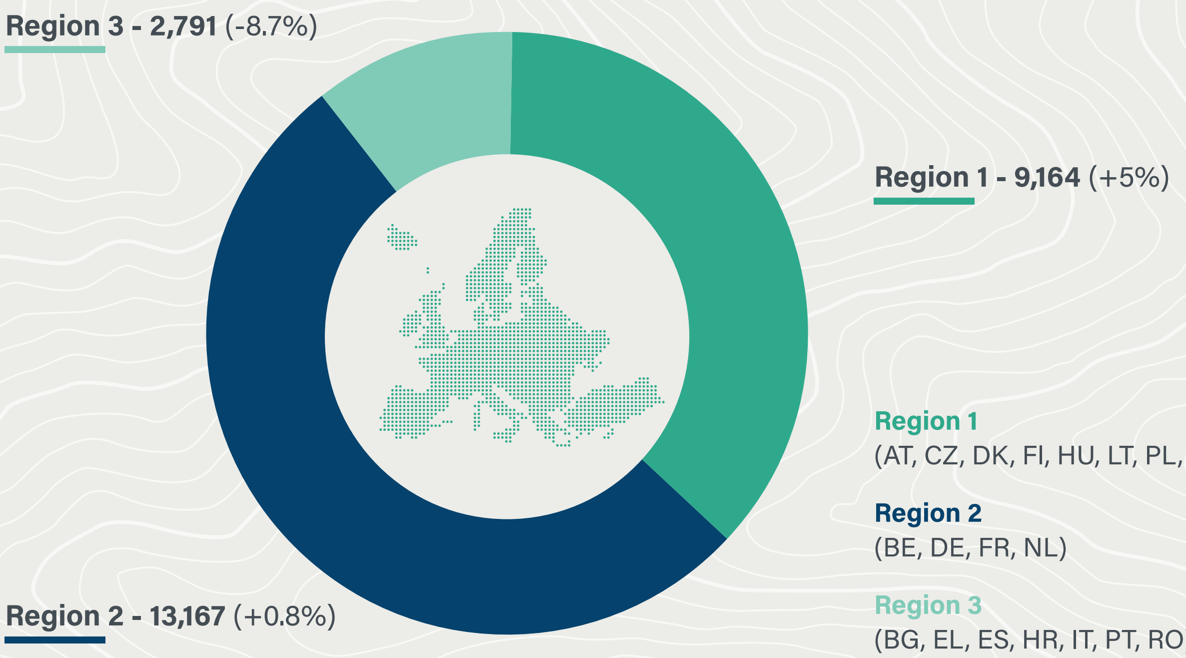


Figure 2: Sugar industry employment during the beet processing campaign by Region 2024/25 (and change YoY in brackets)

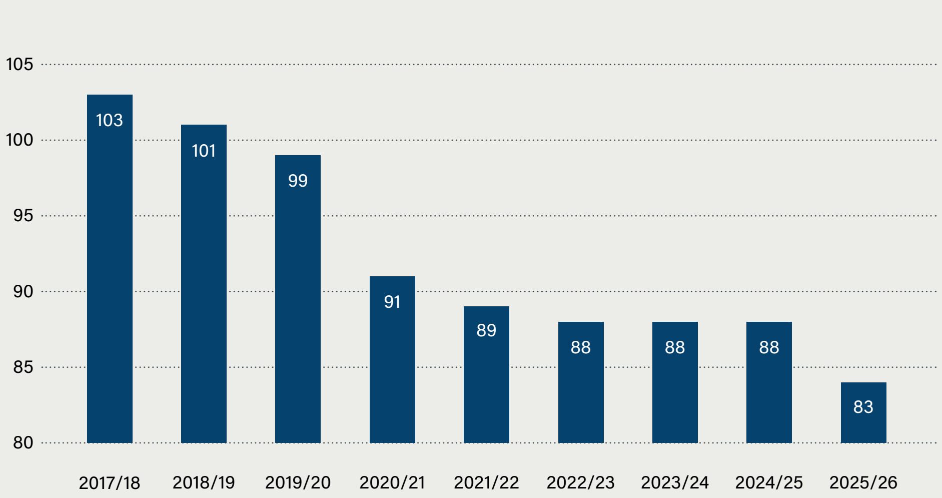


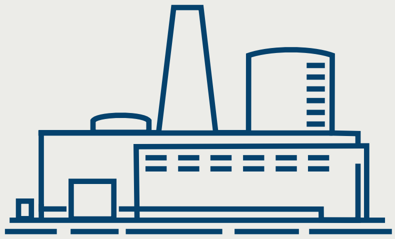
Region 1
(AT, CZ, DK, FI, HU, LT, PL, SE, SK)

Region 2
(BE, DE, FR, NL)

Region 3
(BG, EL, ES, HR, IT, PT, RO)

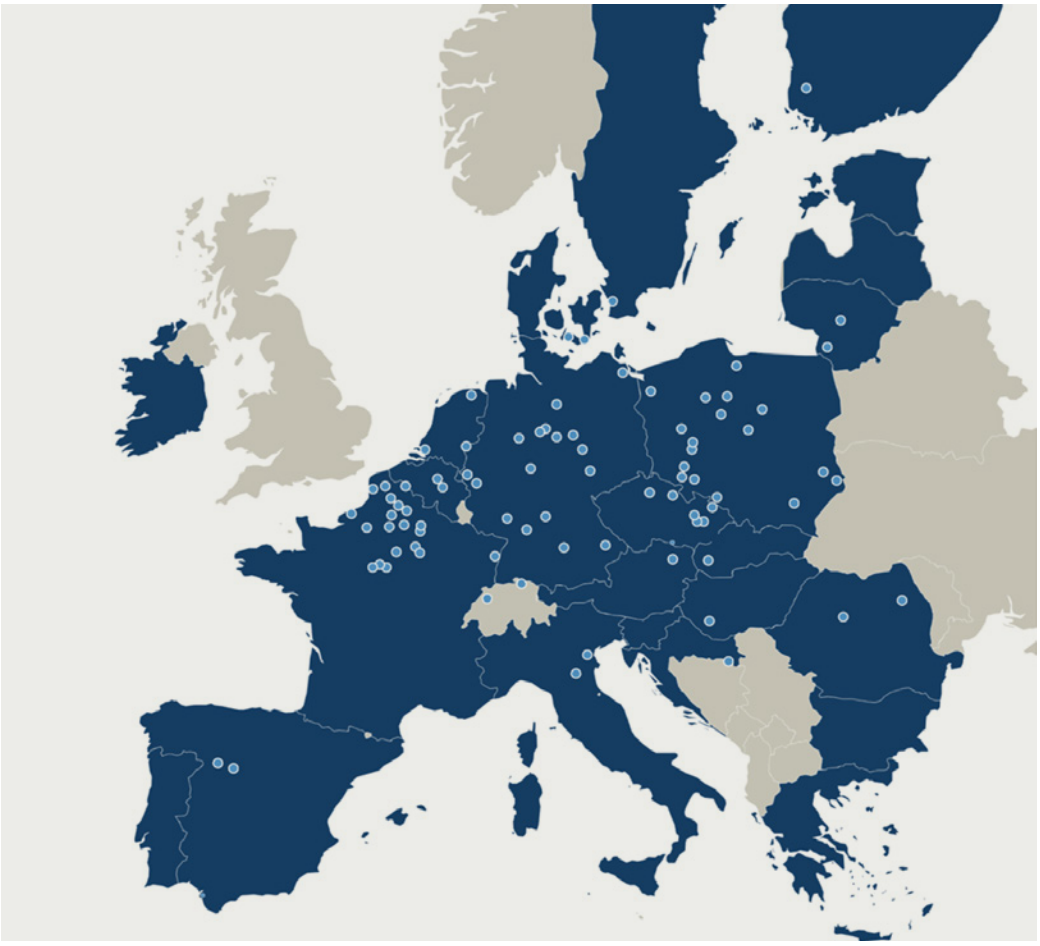
+ **Figure 3:** Number of EU beet sugar factories since the end of quotas





80

Number of EU beet sugar factories operating in 2026/27



Sugar factories in Europe provide around

25,000

Direct jobs

4. ARTIFICIAL INTELLIGENCE IN THE EU SUGAR SECTOR

In 2024, the European Union adopted the EU AI Act, establishing a legal framework for the development and use of artificial intelligence. This regulation provides a basis for ensuring that AI applications are reliable and respect safety and data standards. Within this evolving context, the European sugar sector is exploring how AI can support goals related to both environmental sustainability and digital modernisation. Rather than a purely technical shift, the integration of these tools is being looked at as a way to support operational efficiency, precision agriculture and the adaptation of the workforce to a changing professional landscape.

To better understand the impact of this transition CEFS launched a survey to gather an overview of AI adoption across European sugar factories. The results reveal a clear consensus on the primary strategic drivers: environmental sustainability and operational efficiency. AI is becoming an essential tool for optimising resource use, from energy consumption in factories to precision farming in the fields, helping to reduce the industry's carbon footprint while maintaining a resilient production process.

Beyond operational efficiency, AI is a strategic tool for enhancing working conditions and employee well-being across the sector. By automating monotonous and time-consuming tasks like data entry and manual reporting, AI allows employees to focus on more meaningful, value-added work, which reduces stress and improves job satisfaction. These technologies also support health and safety through predictive monitoring and early risk detection in production environments. Furthermore, intelligent assistance systems help reduce mental workload and break down language barriers, fostering a more inclusive workplace.

While AI will transform the nature of work over the next five years, CEFS members insist that it remains an extension of human decision-making and not a replacement. New competencies, such as data literacy, process optimisation and ethical technology governance, will become crucial, requiring a human-centric approach to digital transformation. In addition, soft skills such as critical thinking, creativity and change management will gain importance as employees navigate evolving roles and workflows. In short, the future workforce will need a blend of technical expertise and human-centric skills to manage and collaborate effectively with AI systems, ensuring that technology enhances, not diminishes, the human contribution to the sugar sector.

> **The European sugar sector is exploring how AI can support goals related to both environmental sustainability and digital modernisation.**

To ensure AI adoption is both responsible and competitive, CEFS members see a need for targeted support from EU institutions. A key priority is the provision of clear, practical and sector-specific guidance on the implementation of the EU AI Act, helping companies translate regulatory requirements into day-to-day operations. Members also emphasise the importance of investment in AI infrastructure, pilot projects and dedicated funding for upskilling and digital literacy programmes to support employees in adapting to evolving roles and responsibilities. In addition, greater support for knowledge-sharing platforms, benchmarking initiatives and cross-sector collaboration would help accelerate responsible innovation across the industry. Exchanges on ethical AI practices, transparency standards and bias mitigation could contribute to building trustworthy and human-centric AI systems aligned with European values.

Südzucker - Governance, ethical framework and social dialogue on AI

The introduction of AI at Südzucker is being actively discussed with the workforce through information and consultation procedures, where required. This early involvement ensures transparency and allows employees to address concerns and develop solutions together. The company has established clear internal policies and ethical principles aligned with the EU AI Act, focusing on fairness and data protection. A formal governance structure monitors compliance with these principles, which are accessible to all employees via the intranet. To mitigate non-commercial risks, the company utilizes a dedicated corporate policy, an AI Application registry for risk assessment, and conducts data protection impact assessments before introducing any new AI applications.

Cosun Beet Company - Optimising efficiency from field to factory through AI

At Cosun Beet Company, AI plays an increasingly important role in making sugar production more sustainable. By leveraging advanced data analytics and predictive models, it helps optimise energy use in factories, reducing consumption and lowering CO_2 emissions.

In agriculture, AI supports precision farming by analysing soil, weather and crop data to optimise irrigation and fertiliser application, improving yields while minimising resource waste. It also enhances traceability across the supply chain, enabling better monitoring of environmental impact and compliance with sustainability standards.

Furthermore, predictive maintenance and process optimisation reduce downtime and waste, ensuring that raw materials are used efficiently. Together, these capabilities contribute to greater energy efficiency, improved crop optimisation, reduced waste and a more resilient, low-carbon production process for Cosun Beet Company.

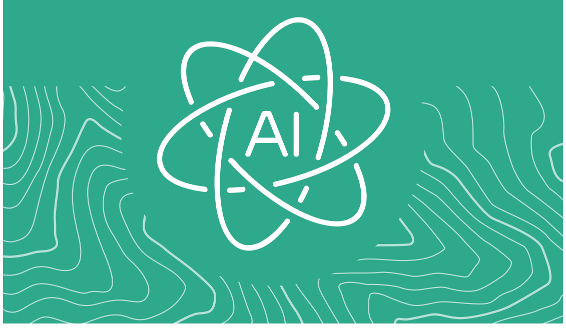
Südzucker Polska - Digital skills and workplace AI integration

Südzucker Polska provides various practical applications of AI to enhance daily productivity and employee skills through several key initiatives:

- The pAIoneer Program launched in October 2025 appointed Ambassadors to provide practical tips on daily work applications and collect feedback for continuous system improvement.
- Employees use tools like Microsoft M365 Copilot for automated meeting notes, data analysis in Excel and the creation of presentations and translations.
- and advanced algorithms that analyse pronunciation and adapt learning materials in real-time to each employee's specific level and progress.The company organises workshops and trainings as part of the AI4Everybody project and training. In addition, employees can take advantage of trainings organised by specialist companies, such as for example: "Practical application of artificial intelligence in the purchasing department".

© Saint Louis Sucre

To ensure AI adoption is both responsible and competitive, CEFS members see a need for targeted support from EU institutions.



5. ENVIRONMENTAL SUSTAINABILITY: IN PRACTICE

Sugar manufacturing is a unique and complex industry, characterised by its seasonal nature and high capital intensity. Today, the sector faces many challenges: rising carbon costs, increasing prices for essential inputs (such as energy, fertilisers and plant protection products) and a tightening regulatory framework regarding crop protection and environmental standards. Additionally, the industry must navigate significant market volatility and increasing competition from non-EU imports. However, CEFS members are taking proactive, large-scale action across Member States to improve sustainability from the field to the factory. Between 1990 and 2021, the sector achieved a remarkable 59% reduction in CO2 emissions. This progress is the result of massive investments in innovation and infrastructure, as demonstrated by the following concrete initiatives currently being implemented across Europe.

Iscal (Belgium): World's first B Corp certified sugar company

In a landmark achievement, iscal has become the world's first sugar producer to earn B Corp certification. This follows a rigorous three-year transformation involving deep reforms to governance and industrial processes. Key ecological investments include a new wind turbine, digesters and a large-capacity beet silo to optimise logistics. Beyond the factory, iscal is driving regenerative agriculture by working closely and practically with farmers and other suppliers. With revised by laws and the ambitious goal of becoming the European model for sustainable transition in the agri-food sector, iscal is setting a new benchmark for environmental responsibility in the sector.

Cristal Union: Reducing environmental footprint and promoting sustainable farming practices

Since its creation, Cristal Union has placed corporate social responsibility at the heart of its activities. Reducing its environmental footprint is therefore one of the Group's key priorities. Since 2019, the reference year for its commitment to the SBTi (Science Based Targets initiative), Cristal Union has reduced its carbon footprint by more than 17%. In addition, all its sugar and alcohol products undergo carbon footprint assessments verified in accordance with the ISO 14067 standard. Some of these products can reduce greenhouse gas emissions by up to 70% compared with market benchmarks.

In terms of water management, all the Group's sugar factories have been water self-sufficient since 2025 thanks to the reuse of water extracted from sugar beets. At the end of the sugar campaign, cooperative members located near the plants may also benefit from this beet water to irrigate their fields during periods of drought.

Cristal Union's sugar factories have been water self-sufficient since 2025

Cristal Union also supports its cooperative members in reducing environmental impact while maintaining productivity. Created in 2015, the Cristal Vision sustainability framework provides guidance on regenerative and low-carbon agriculture. The cooperative members demonstrating the strongest performance and commitment in these areas receive financial incentives funded through a program supported by the customers of Cristalco, Cristal Union's commercial subsidiary. This initiative rewards their commitment and helps accelerate the adoption of even more sustainable farming practices.

The sector achieved a remarkable

59% ↓

reduction in CO_2 emissions

Tereos – Cultivate Net-Zero: Recognised Cooperative-Led Climate Action

Through its Cultivate Net-Zero initiative, Tereos is accelerating its transition toward a low-carbon and resilient agricultural model. Supported by a €204 million investment already deployed, the programme includes more than 32 decarbonisation projects across 16 industrial sites, delivering a 13% reduction in GHG emissions since 2022–2023. Cultivate Net-Zero offers three complementary solutions (Activate, Connect and Engage) designed to help customers reduce their carbon footprint, starting from the raw material stage.

Validated by the SBTi Net-Zero standard and aligned with the 1.5°C trajectory, Cultivate Net-Zero places strong emphasis on supporting cooperative members in the field. Tereos has funded 1,000 carbon diagnostics and offers a sector bonus of up to €150/ha to encourage the adoption of regenerative practices. By 2033, the Group aims to achieve a 36% reduction in agricultural emissions and source 20% of its raw materials from regenerative agriculture, ensuring a sustainable transition from soil to final product.

Cultivate Net-Zero was recognised by leading European professional bodies, including Copa-Cogeca, which awarded two trophies highlighting its potential to drive sustainable innovation, as well as the strength of the cooperative model as a key lever for a fair and effective agri-food transition.

AGRANA: Reducing Scope 3 emissions through cooperation with growers

AGRANA is strengthening its climate strategy by focusing on Scope 3 emissions linked to agricultural raw materials. Through closer cooperation with growers, the company is improving the collection of primary agricultural data related to fertiliser use, crop management, yields and logistics in order to better identify concrete emission reduction opportunities across the value chain.

> **Through closer cooperation with growers, the company is improving the collection of primary agricultural data related to fertiliser use, crop management, yields and logistics.**

This approach supports more efficient fertiliser strategies, improved nutrient management and climate-friendly farming practices while ensuring that data requirements remain practical and manageable for farmers. AGRANA also combines this environmental approach with employee training, awareness-raising activities and consultation with employee representatives regarding new data-driven processes.

AGRANA Zucker GmbH's sustainability performance was recognised with the EcoVadis Gold Medal in 2025, placing the company among the top 5% of assessed companies worldwide.

Südzucker Polska: Poland's first biomethane plant connected to the gas grid

In September 2025, Südzucker Polska officially inaugurated Poland's first biomethane plant connected to the national gas grid at its Strzelin factory. This 45 MW facility represents a complete circular loop: it transforms sugar beet pulp into biogas, which now powers up to 80% of the factory's energy needs during the sugar campaign. By replacing coal with gas and self-produced biomethane, the site has already achieved a 50% reduction in CO2 emissions and a 96% reduction in particulate matter. Surplus "green gas" is injected into the national grid via a new 9-km pipeline, while the nutrient-rich digestate is returned to local farmers as organic fertiliser. This flagship project is a primary driver in Südzucker's goal to offer CO2-reduced beet sugar, setting a new standard for industrial decarbonization in Eastern Europe.

50% reduction in CO2 emissions

96% reduction in particulate matter

Krajowa Grupa Spożywcza S.A: Energy transition and industrial decarbonisation

Krajowa Grupa Spożywcza S.A is implementing a long-term energy transition programme focused on reducing greenhouse gas emissions, improving energy efficiency and aligning operations with CSRD requirements and the EU climate targets for 2035.

A key element of this strategy is the gradual replacement of coal with natural gas across the Group's sugar factories, combined with investments in renewable energy. A photovoltaic farm has already been commissioned in Dobrzelin, while a second installation is under development at the Krasnystaw sugar factory.

The company has also modernised fuel combustion installations in line with the Medium Combustion Plant Directive, including the conversion of coal-fired boilers to gas-fired units and the deployment of emission reduction technologies. These investments are expected to reduce CO_2 emissions by more than 50,000 tonnes annually across the Group's industrial sites.

In parallel, Krajowa Grupa Spożywcza S.A continues to strengthen operational efficiency through infrastructure investments, including the construction of a new 50,000-tonne storage silo at the Kruszwica sugar factory.

GK KGS S.A. plans to join the Science Based Targets initiative (SBTi), which represents an important step in further developing the Group's climate management system and implementing

CEFS members are taking proactive, large-scale action across Member States to improve sustainability from the field to the factory.

The EU sugar industry must navigate significant market volatility and increasing competition from non-EU imports.

its long-term sustainability strategy. The SBTi provides internationally recognized frameworks for setting greenhouse gas emission reduction targets aligned with the latest scientific knowledge and the objectives of the Paris Agreement. The planned accession to the initiative will enable GK KGS S.A. to develop a coherent and transparent approach to decarbonisation, as well as further strengthen processes for monitoring and reporting emissions across the value chain. This action is consistent with the Group's ongoing initiatives in the areas of energy transition, energy efficiency improvements, and increasing the share of renewable energy sources in its operations. At the same time, the planned engagement with SBTi will demonstrate GK KGS S.A.'s commitment to conducting its business in accordance with the highest environmental and climate standards, thereby strengthening the Group's credibility in its relations with stakeholders, including customers, business partners, financial institutions, and investors.

The company has modernised fuel combustion installations in line with the Medium Combustion Plant Directive, including the conversion of coal-fired boilers to gas-fired units.

Azucarera: Advancing "Agriculture 4.0" for resource efficiency

In alignment with its "Responsible Resource Use" pillar, Azucarera has integrated environmental management across its entire supply chain to minimise environmental impacts. Supporting the EU's "Farm to Fork" strategy, the company empowers its partner farmers through the "Agriculture 4.0" platform. This innovative tool provides free, data-driven services such as soil and vegetation mapping to optimise fertilization, weekly irrigation recommendations and predictive models like the "sucrose curve" to plan harvests at peak potential. These precision agriculture initiatives ensure that sustainability starts in the field, reducing resource waste while maintaining crop efficiency.

6. GOOD SOCIAL PRACTICES IN THE EU SUGAR SECTOR: A SELECTION STANDARD

STANDARD 1: HUMAN RIGHTS AND LABOUR STANDARDS

Cosun Beet Company – Human rights policy and social dialogue framework

Cosun Beet Company has updated its Human Rights Policy to align with the UN Guiding Principles on Business and Human Rights and ILO Conventions. This policy includes guarantees for freedom of association, the right to collective bargaining and equal treatment. The implementation is supported by the introduction of mandatory e-learning modules for all employees to facilitate the application of human rights principles in daily operations, as well as the establishment of local reporting channels to allow employees to voice concerns. These mechanisms were developed through design sessions aimed at ensuring consistency between central and local levels.

Cosun Beet Company has updated its Human Rights Policy to align with the UN Guiding Principles on Business and Human Rights and ILO Conventions.

Südzucker – Group-wide policies and practical anti-discrimination initiatives

Südzucker operates comprehensive guidelines on equal opportunities, diversity, inclusion and anti-discrimination. As a signatory to the Diversity Charter, Südzucker AG promotes diversity and inclusion across the entire group, supported by a Group-wide mission statement on equality, openness, respect and empathy. The company pursues Group-wide approaches to promote responsible working conditions and to involve its employees in the company's transformation. Its sustainability strategy and Group-wide policies are developed and implemented with the involvement of the relevant HR functions, placing employee skills at the center of long-term development.

To strengthen awareness of diversity-related biases and discrimination, Südzucker launched "Unconscious Bias" workshops in 2023. Initially targeting the first management level below the executive board, the training programme was extended in 2024/25 to HR and finance departments as well as the diversity and inclusion task force. Additional training initiatives also address discrimination and human rights topics. In Germany, first workshops raising awareness of anti-Semitism were organised in cooperation with the Remembrance, Responsibility and Future Foundation in fiscal year 2024/25.

As a preventive measure, Südzucker has also established a permanent ambassador network to strengthen diversity and inclusion across the Group and support employees locally in difficult situations. In addition, a "Pride at Work Community" was launched in 2024/25 to raise awareness of LGBTQIA+ topics and promote understanding in the workplace.

Südzucker has also established a permanent ambassador network to strengthen diversity and inclusion.

To strengthen awareness of diversity-related biases and discrimination, Südzucker launched "Unconscious Bias" workshops in 2023.

STANDARD 2: EDUCATION, VOCATIONAL AND LIFELONG TRAINING

Cristal Union - Professional training initiatives in 2024–2025

Between 2024 and 2025, several vocational training initiatives were implemented for managers, supervisors, technicians, HR staff and factory workers across technical, managerial and safety-related topics.

- Tutor training programmes were delivered to 85 managers and supervisors to help them support apprentices, transmit company knowledge and facilitate workplace integration. In parallel, 150 managers received training on constructive feedback practices to strengthen communication and management skills.
- Dedicated psychosocial risk awareness training was also organised for 29 HR employees, focusing on identifying risk situations, recognising signs of distress and preventing workplace well-being issues.
- Technical training covered both industrial operations and digital transformation topics. A total of 290 employees, including managers, supervisors and factory workers, received training on industrial production processes such as crystallisation, diffusion, purification and evaporation. Additional programmes addressed the use of a new MES production management tool (63 employees), industrial cybersecurity awareness for technicians (15 employees), and the integration of Artificial Intelligence into HR practices (58 employees).
- Training on road freight transport regulations was also provided to 42 employees, including managers, supervisors and factory workers, covering loading safety procedures, risk prevention and compliance with European transport regulations.
- Apprenticeship schemes continued through the "Titre Pro CIMA" programme on automated machine and installation operations, involving six apprentices and combining technical production skills with hygiene, safety and environmental standards.
- A two-year safety leadership programme conducted in 2024 and 2025 involved 494 employees, mainly managers and supervisors, and focused on safety leadership, safety culture and field engagement. In addition, 278 employees received general safety training on topics such as road risk prevention, contractor safety and workplace safety procedures.

Azucarera - Professional development and workforce employability

In 2024–2025, Azucarera reinforced its commitment to professional development through a series of training programmes designed to empower employees and enhance workforce adaptability.

- Digital transformation skills: the company provided training for office staff (white-collar employees) across all age groups, focusing on advanced data analytics, ERP systems, and collaborative digital tools to prepare them for the future of work.
- Technical upskilling for operators: factory teams (blue-collar employees) received training on automation, process optimisation, and updated safety protocols to support operational excellence and adaptability.
- Leadership and change management: supervisors and team leaders participated in dedicated programmes aimed at strengthening leadership capabilities and helping them navigate organisational transformation effectively.
- Competency and soft-skills training: open training sessions were made available to all employees on key competencies such as public speaking, finance for non-finance profiles, and Artificial Intelligence.

These initiatives reflect Azucarera's commitment to equal opportunities, continuous learning, and ensuring employees have the tools to thrive in a changing industry.

Pfeifer & Langen – Staff Training & Development

Pfeifer & Langen believes that its long-term success is built on the commitment, expertise, and development of its people. Learning and professional development are therefore key elements of the company's sustainability and employer strategy, helping employees adapt to digital transformation, technological innovation, and an evolving business environment.

The 2026 training programme offers a broad range of learning opportunities in forward-looking fields such as digitalisation, artificial intelligence, communication, collaboration, leadership, and foreign languages. It enables employees to expand their skills, embrace change and prepare for future challenges. In this way, Pfeifer & Langen supports individual career development while strengthening the company's long-term competitiveness.

> **Pfeifer & Langen believes that its long-term success is built on the commitment, expertise, and development of its people.**

© Pfeifer & Langen

Pfeifer & Langen's 2026 training programme offers a broad range of learning opportunities in forward-looking fields such as digitalisation, artificial intelligence, communication, collaboration, leadership, and foreign languages.

STANDARD 3: HEALTH AND SAFETY

Tereos – Advancing safety and risk prevention

Health and safety is a core operational priority at Tereos, structured around three pillars: strong safety leadership at all management levels, a prevention-driven management system based on practical tools and standards, and systematic risk assessment before and during operations. In 2025, Tereos accelerated its safety efforts through the group-wide “Stop, Think, Act” campaign, embedding safety reflexes into daily operations and strengthening awareness among all employees. “Stop, Think, Act” was the central theme of the 2025 Safety Day, rolled out across all Tereos sites. Top management directly engaged through on-site visits to industrial facilities, reinforcing the importance of integrating safety into every action, both at work and in everyday life.

Key initiatives included:

- A shared “Stop, Think, Act” reflex encouraging employees to pause, assess risks and adapt behaviours before any action
- Organisation of a Group-wide Safety Day engaging employees in workshops, on-site activities and operational safety discussions
- Launch of a company-wide health & safety challenge to reinforce safety reflexes and employee engagement
- Roll-out of an internal communication campaign showcasing local initiatives and best practices across sites

Tereos also strengthened prevention in mental health, including stress management and psychological safety. As an example, the “Workplace Quality of Life Agreement” introduced concrete measures to support employees’ well-being, such as a 25-days paid birth leave and a two-days paid leave for child’s illness (under 16).

Iscal - Anchoring risk prevention through managerial certification and team workshops

The company has maintained its focus on safety leadership and collective awareness through structured annual programs and certifications:

- In 2025, the 5th edition of the Safety Day evolved to become a Quality, Health, Safety and Environment (QHSE) Day. Through mandatory thematic workshops, every employee engages in hands-on learning to reinforce awareness, enhance existing knowledge and encourage a strategy of continuous improvement.
- To professionalise risk prevention, the company requires all managers to successfully complete Level 3 prevention advisor training, ensuring that safety expertise is embedded at every level of leadership.

Nordzucker - Scaling a proactive safety culture through the “Safety & Health Roadmap”

Between 2024 and 2025, Nordzucker consistently executed its Safety & Health Roadmap, transitioning the group into a proactively safety-driven organisation where prevention is a visible leadership priority.

- The group introduced the pSIF (potential Serious Injury or Fatality) focus to direct attention to the most critical hazards and the group-wide rollout of 11 Life-Saving Rules. These rules were introduced as monthly focus topics, with leadership actively participating in campaigns to demonstrate that safety is a top priority.
- To shift the mindset toward prevention, Nordzucker is strengthening employee participation through a user-friendly reporting approach to capture accidents, near misses and hazardous situations in a structured way. This is complemented by new preventive KPIs, such as “reported hazards per employee,” which underscore a forward-looking mindset and reinforce continuous improvement.
- Significant investments were made to implement group-wide mandatory protocols, such as a universal safety glasses requirement on all premises with very few exceptions for areas with very low risk. Further priority was also given to high-risk technical areas, including working at heights, preventing scalding during cleaning, and improving traffic route safety for pedestrians and vehicles.

Pfeifer & Langen – Corporate Health Management

Employee health is an integral part of Pfeifer & Langen's corporate culture. Since 2018, the company's Corporate Health Management programme has offered a broad range of initiatives to promote prevention, wellbeing, and an active lifestyle. It includes bicycle leasing, regular health days with preventive medical screenings, a digital health platform offering prevention courses and coaching, on-site sports, and exercise classes, as well as seminars on resilience, mental fitness, and healthy lifestyles. Company-wide sporting events involving different sites and partner companies further encourage physical activity, collaboration, and team spirit.

By continuously expanding these initiatives, Pfeifer & Langen supports employees in maintaining their physical and mental health while fostering a motivating working environment and long-term job satisfaction.

> **Employee health is an integral part of Pfeifer & Langen's corporate culture.**

STANDARD 4: RELATIONSHIP BETWEEN THE SOCIAL PARTNERS

Cosun Beet Company - Constructive social dialogue in practice

At Cosun Beet Company, national-level engagement with the Works Council and trade unions is a cornerstone of the company's approach to employment conditions and organisational change. A key example of this successful social dialogue is the joint negotiation and signing of the Social Plan 2025–2028 by all representing trade unions. Covering a three-year period (from October 2025 to October 2028), the plan applies to employees across Cosun Beet Company, Cosun RD&I, and Sensus.

It establishes a framework to safeguard employability during periods of restructuring, including measures for internal and external redeployment, professional outplacement services, and specialised retraining opportunities. Financial provisions and voluntary severance schemes further support employees affected by organisational change, while objective criteria govern redundancy decisions to ensure fairness and transparency. In addition, a hardship clause and an independent guidance committee oversee implementation and address exceptional cases.

Beyond this framework, Cosun maintains an ongoing and transparent dialogue with social partners and employee representatives through regular meetings, including scheduled sessions with the pension fund and other stakeholders. These interactions reinforce collaboration and trust on all matters affecting employees.

Syndicat National des Fabricants de Sucre (SNFS) – Collective bargaining and social dialogue at branch and company level

The Syndicat National des Fabricants de Sucre has been leading, for more than two years, the collective bargaining process aimed at updating the national collective agreement for sugar factories, sugar-distilleries and sugar refineries. Beyond negotiations taking place at sugar branch level, discussions are also held within companies and establishments covered by the SNFS scope.

In addition, the sector organises an annual COPANIEF (National Joint Commission on Economic Information, Employment and Training), during which sector representatives present economic, financial, social, industrial process, beet-growing, bioethanol and training-related developments and data to the sector's trade union organisations.

STANDARD 5: FAIR PAY

AGRANA – Job Architecture project to grade all positions and ensure equal and in line with the market payment for all employees

From 2024 to 2026, AGRANA is running a group-wide Job Architecture project with the aim of evaluating all positions within the Group. This will not only allow them to run automated reports to ensure equal pay and support compliance with the EU Equal Pay Directive, but it will also help ensure that wages at AGRANA meet market standards. This measure is implemented in addition to the certified SMETA compliance, which already ensures adherence to international labour and wage standards.

STANDARD 6: WORKING CONDITIONS

COPROB - Parental support measures and work-life balance

The company has introduced concrete measures to guarantee a suitable balance between work and personal life, formalised in the agreement signed on February 1st, 2024:

- Support for parenthood: employees are granted specific paid leave, including 3 days for a child's illness (under 14 years), 8 hours for nursery school enrollment (under 3 years) and 8 hours for pediatric visits.
- To enhance flexibility, white-collar employees are now offered the opportunity to work from home two days a week.

Krajowa Grupa Spożywcza S.A. - Employee wellbeing and community engagement

Through the "Fundacja Pomaganie Krzepi", Krajowa Grupa Spożywcza S.A. supports employees, growers and local communities through initiatives promoting wellbeing, social inclusion and employee engagement.

Programmes include financial support for employee-led initiatives, co-financing for children's holidays, sports events promoting healthy lifestyles and charitable campaigns involving employees across the company. The Foundation also promotes employee volunteering, allowing employees to dedicate up to 12 working days per year to social initiatives supporting local communities.

Programmes include financial support for employee-led initiatives, co-financing for children's holidays, sports events promoting healthy lifestyles and charitable campaigns involving employees across the company.

A dedicated Support Fund provides financial assistance to employees facing difficult health or personal circumstances.

In addition, a dedicated Support Fund provides financial assistance to employees facing difficult health or personal circumstances, including support for medical treatment, rehabilitation and emergency situations.

The Foundation's commitment to workplace safety and emergency preparedness was recognised through the award of the Safety League certificate by Polish rescue organisations.

STANDARD 7: RESTRUCTURING

Tereos - Responsible Restructuring and Social Dialogue

Tereos has implemented a responsible and socially driven approach to organisational change, grounded in structured social dialogue. End-of-career agreements signed enable improved anticipation and tailored support for retirement transitions. In parallel, the transformation of support functions was carried out under a unanimously approved Restructuring Social Plan, agreed with all trade unions. This framework includes comprehensive internal and external redeployment measures, transition allowances, length of service compensation and voluntary severance schemes. Restructuring being carried out in close consultation with the works coucil ensuring transparency and continuous dialogue throughout the process.

Tereos has implemented a responsible and socially driven approach to organisational change, grounded in structured social dialogue.

AGRANA - Responsible restructuring in a challenging market context

In 2025, AGRANA Sugar initiated a major restructuring that affected two production sites and further positions across all plants, driven by structural financial pressures, including low sugar prices. To ensure long-term viability and maintain fair beet prices for growers, AGRANA has reached an agreement with the sugar beet growers' association (Rübenbauernverbund) on the growing terms and conditions for the coming three years. This agreement comes against the backdrop of a challenging market environment characterised by consistently low sugar sales prices. As a result of constructive negotiations with the sugar beet growers' lobbying association, it has been possible to develop a new pricing model which takes the prevailing circumstances into account.

Restructuring is being carried out in close consultation with the works council ensuring transparency and continuous dialogue throughout the process. A Social Plan was agreed with the Works Council to support employees during the transition. The validity of the voluntary social plan extends to all AGRANA companies and joint ventures in Austria and covers the period from March 2025 to February 2028. This includes voluntary severance payments based on social factors, a work foundation to enable higher qualifications in cooperation with the AMS and a hardship fund.

In 2025, AGRANA Sugar initiated a major restructuring that affected two production sites and further positions across all plants.

STANDARD 8: BUSINESS RELATIONS AND CHOICE OF SUPPLIERS

Nordzucker - Supplier management aligned with LkSG

At Nordzucker, compliance with human rights and environmental standards is addressed through the Supplier Code of Conduct, which is aligned with the requirements of the German Supply Chain Due Diligence Act (LkSG). Nordzucker strives, as far as possible, to agree with its direct suppliers on compliance with this Code. The Supplier Code of Conduct obliges direct suppliers to respect the human rights and environmental expectations set out in the LkSG.

Within this framework, Nordzucker agrees with its direct suppliers that risk-based control measures in the form of audits may be carried out in the event of a violation or risk related to the specified expectations. If specific human rights or environmental risks mentioned in the LkSG are identified as a result of such an audit, appropriate remedial measures will be initiated with the direct supplier concerned.

In addition, strategically relevant direct suppliers are subject to regular external audits (e.g. SAI platform) or are required to provide relevant certifications to ensure compliance with the defined requirements. Direct suppliers are also included in the company's regular human rights risk assessments.

COPROB - Supplier Portal and adherence to union agreements

In Italy, COPROB has implemented a "Supplier Portal" where all partners must upload legal documentation to verify full compliance with applicable laws. A distinctive feature of their policy is the priority given to outsourcing companies that apply the National Collective Labor Agreements signed by the major trade unions (CGIL, CISL, and UIL). By linking supplier selection to the respect of union-negotiated contracts, COPROB ensures that its business relations actively support fair labor practices and social protection.

> **COPROB has implemented a "Supplier Portal" where all partners must upload legal documentation to verify full compliance with applicable laws.**

7. COMPANY CSR & SUSTAINABILITY REPORTS PUBLISHED IN 2024/25

Coprob

Südzucker

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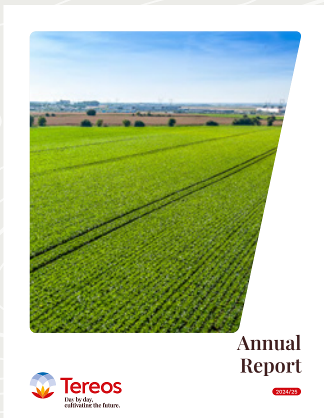
Nordzucker

Cristal Union



Tereos

8. ABOUT THIS CORPORATE SOCIAL RESPONSIBILITY REPORT

This is the 18th implementation report of the CSR Code of Conduct signed in 2003 by the European Federation of Trade Unions in the Food, Agriculture and Tourism sectors (EFFAT) and the European Association of Sugar Manufacturers (CEFS). The EU Sugar Industry CSR Report is adopted through an extensive consultation process. Its purpose is not only to report but also to explore issues of common interest, to disseminate information on best practices while creating a spirit of collaboration and contributing to the capacity building of social partners in the face of current and emerging challenges for the sector.

The procedure for the adoption of this report is as follows:

Every two years, in autumn, CEFS and EFFAT Secretariats launch a consultation of their respective national delegations regarding the application of the Code of Conduct during the years in question. The consultation takes place first via a questionnaire regarding the application of each of the 8 minimum standards contained in the Code of Conduct and a focus topic, in the case of this report skills in the EU sugar sector.

Sugar companies generally use the knowledge drawn from their regular contacts with workers' representatives to identify the challenges and best practices that are to be reported under the EU Sugar Industry CSR Code of conduct.

The collected information is then contrasted with the data collected by EFFAT and, in the event that inconsistencies would appear, the issue can be discussed at the level of CEFS and EFFAT Secretariats with the involvement, if needed, of the social partners of the company(ies) concerned.

At least two face-to-face meetings between EFFAT and CEFS are generally required in view of coordinating the content of the implementation report and the preparation of the annual plenary meeting of the social partners, where the report is adopted.

Just before the SSDC plenary meeting, both workers and employers' representatives discuss separately the final draft report before the latter is presented at the plenary.

The plenary itself is designed, through presentations from experts on relevant topics, to explore in greater detail some of the topics described in the draft report as well as emerging issues that should be the focus of the social partners' joint work in the coming year.

This report was edited by CEFS and EFFAT Secretariats.

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CEFS stands for le Comité Européen des Fabricants de Sucre, or in English: the European Association of Sugar Manufacturers. CEFS is an international non-profit organisation and a recognised interlocutor for the EU Institutions since 1953, sharing knowledge and technical expertise on sugar. CEFS' membership is composed of sugar-producing companies in the EU and Switzerland.

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EFFAT is the European Federation of Food, Agriculture and Tourism Trade Unions, also representing domestic workers. As a European Trade Union Federation representing 116 national trade unions from 37 countries, EFFAT defends the interests of more than 25 million workers. EFFAT is a member of the ETUC and the European regional organisation of the IUF.