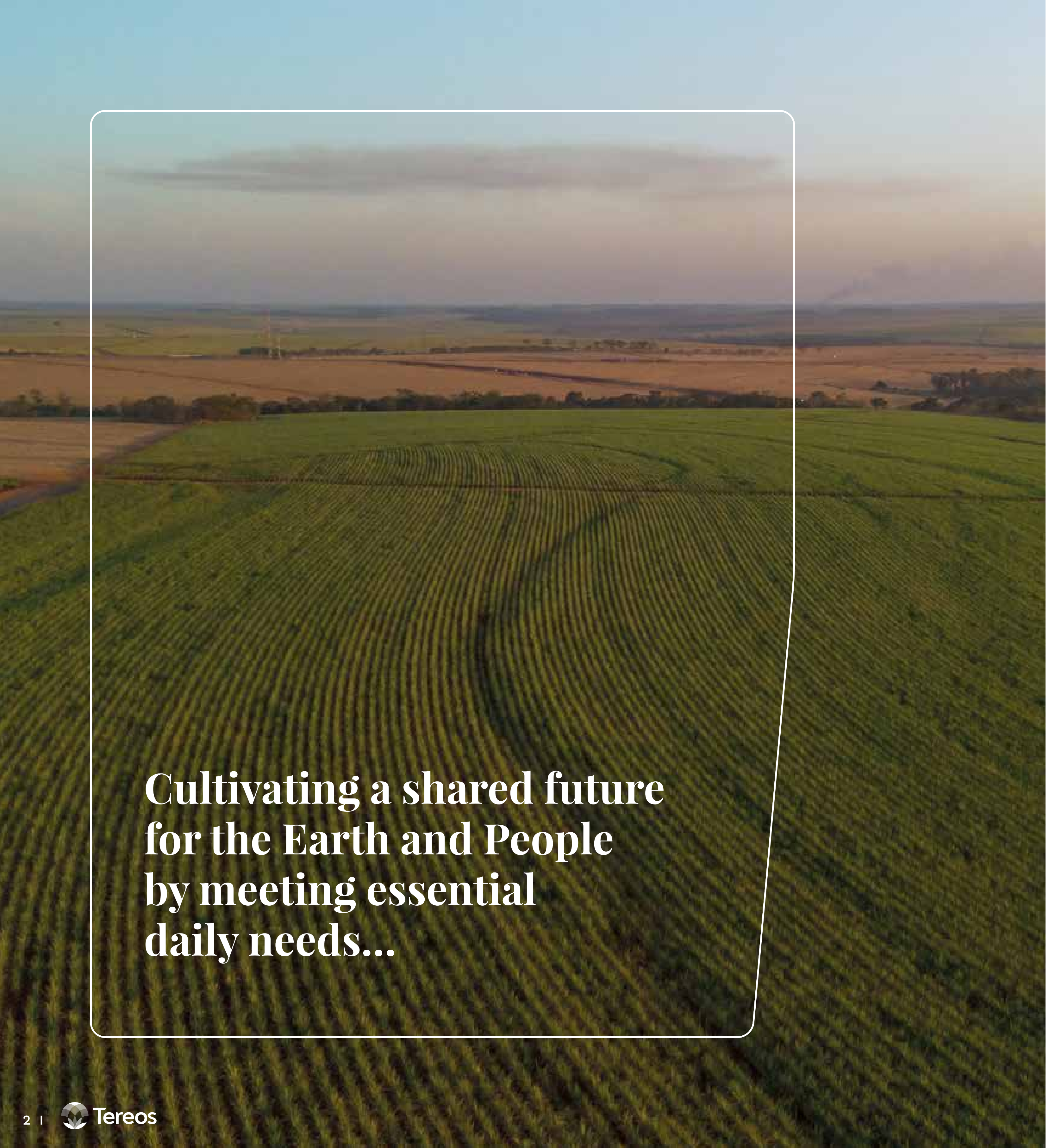
Annual report

2025/26

Tereos

Day by day,
cultivating the future.


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

Contents

Tereos

A cooperative on the move

Tereos is a French agricultural cooperative with a global presence. Highly engaged with its sights set on the future, the cooperative promotes local production through its state-of-the-art manufacturing facilities, providing consumers with essential everyday products.

- **Tereos: rooted in the cooperative model.** Built on an unwavering commitment to its members and a willingness to listen to their needs, it is a pillar of stability in the pursuit of industrial and food sovereignty.
- **As a responsible stakeholder,** Tereos is working to protect the planet and the people. This is a journey that we are on together, guided by an ambitious and robust CSR roadmap. With strong leadership from the field to the finished product, sustainability is a key leverage point for our competitive edge.
- **Cooperative leader in the industrial agri-food sector that is** constantly shifting, Tereos' strategy is based on three key focus points: Performance – Sustainability – Long-term development. As a key player in primary processing, Tereos is a strategic link in the industrial chain.
- **A driver of economic growth, Tereos is deeply rooted in the local regions** and supports their development. Through its industrial presence and the agricultural activities it generates, Tereos supports the local economy.
- **For Tereos, being useful** means listening to its clients in order to anticipate their needs and offer sustainable and innovative solutions, whilst also showcasing the talent and expertise of its employees.

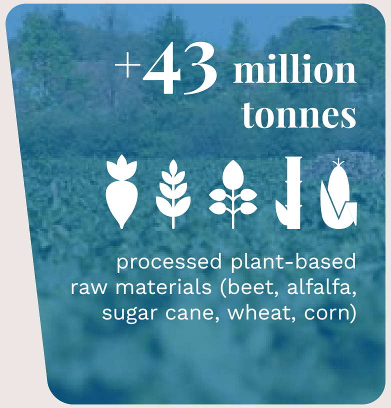
A tangible impact that guides each and every one of our actions.

A French cooperative with global outreach

Strong leadership in strategic sectors

SUGAR	WHEAT PROTEIN	ALCOHOL ETHANOL	STARCH-BASED PRODUCTS
2nd largest producer in the world	2nd largest producer in Europe	2nd largest producer in Europe	3rd largest producer in Europe

A key player in agricultural processing



Our collective strength to meet the challenges of tomorrow

In an increasingly demanding and challenging agricultural and industrial environment, our cooperative must continue to evolve in order to maintain its competitiveness. Market volatility, increased international competition, distortions of competition and over-transposition of regulations in France: these realities mean we need to constantly adapt. They also require us to be clear-headed and adaptable in our decision-making, as well as being able to make bold calls in order to protect the future of our model.

Faced with these challenges, our cooperative can draw on one of its key strengths: the commitment of its 10,300 cooperative members and 14,300 employees. Together, we're championing a unique model that combines agricultural production, the recovery of raw materials and the sustainable development of our regions.

This commitment is also reflected in agricultural practices. Our cooperative members are fully committed to moving towards practices that are increasingly environmentally friendly, whilst also seeking fair remuneration for their work. This change is essential: it meets society's needs and expectations whilst ensuring the long-term economic viability of our farms and our cooperative.

Gérard Clay

Chairman of the Board of Directors

Every day, our business makes a tangible difference to the daily lives of millions of consumers. We process plant-based materials for use in food, animal feed, energy, pharmaceuticals, green chemistry, as well as paper and cardboard. This diversity is an incredible asset. It enables us to maximise the value of our agricultural produce and position our cooperative within sectors of the future, particularly through new plant-based industries, whose strategic role in food, energy and industrial sovereignty deserves to be fully recognised. Within this context, it is also essential that imported products meet the same standards as those to which our own products are held. Fair rules are essential to maintaining the competitiveness of our agricultural sector and the long-term viability of our cooperative model.

The 2025 harvest and its yields have also served as a reminder of the full potential of our crops and our cooperative members' ability to produce efficiently with high performance when the right conditions are in place. We need to capitalise on this momentum and continue our efforts, investing in innovation and supporting the transition of our production systems.

More than ever before, we need to move forward together. Adapting, innovating, investing and optimising our organisations: there are plenty of ways to enhance our competitive edge and secure our collective future. Our cooperative model is our greatest advantage. It enables us to take a long-term approach, to share both the hard work and the successes, and to work together to find solutions to the challenges we face.

Our future depends on our ability to remain united, act responsibly and forge ahead with our transformation. Together, we will continue to build a strong, successful and future-focused cooperative. With confidence and determination.

Our competitiveness: a top priority

Our sector is particularly exposed to a challenging market landscape, characterised both by geopolitical uncertainty, which is weighing on production costs, and a downturn in the economic cycle.

This situation is having a direct impact on our markets (sugar, alcohol/ethanol, starch) that are out of balance, largely due to massive imports at low prices and without customs duties, even as the demands placed on our sectors are increasing.

In this situation, Tereos is ploughing forward with a clear direction.

A clearly set course, focusing on our competitiveness edge and high performance, essential for investing in sustainable agriculture and a low-carbon industry.

This is a course we are committed to following in order to ensure the sustainability of our business model and the long-term development of our operations. A direction based on solid foundations: a cooperative model rooted in local communities, a global industrial presence, and a diversification of our activities that enhances our agility.

This milestone has been built on the commitment of our cooperative members and

Olivier Leducq

Managing Director

the dedication of our staff, who work every day to make Tereos a leading player in our markets. As the world's second-largest sugar producer, Europe's second-largest producer of ethanol and Europe's third-largest producer of starch-based products, we are well-placed to invest, innovate and support our clients through their transformations.

Faced with a challenging environment, we didn't wait to take action. For the past three years, we have been working on a major overhaul of our model. Our aim is to improve performance across our entire value chain, from upstream agriculture to downstream

"We firmly believe that it is during the most challenging periods that lasting competitive advantages are developed."

manufacturing, and from our organisational structures to our business strategy. The fruit of this labour can already be seen at every level of our cooperative: Our teams have already allocated €80 million. This puts us in a position to tackle the low point in the business cycle with a solid foundation.

Our industrial investments continue with some remarkable projects, such as the reconstruction of the Nesle mill (Somme), which is now one of the most efficient of its kind in Europe. Our sites are becoming more energy-efficient and operationally efficient, whilst our decarbonisation journey is gathering pace, with measurable results that directly contribute to our competitiveness.

We're also working closely with our cooperative members to support their agricultural performance. The 2025/26 beet season has stood out with its high yields. This achievement demonstrates our sector's excellent potential; ensuring its long-term success will require our agricultural teams to maintain their ongoing commitment to our cooperative members.

In parallel, we are preparing for the future by positioning Tereos as a key player in growth markets, particularly in the field of green chemistry —including bioplastics— and sustainable aviation fuels.

We firmly believe that it is during the most challenging periods that lasting competitive advantages are developed.

Cultivating talent

Tereos boasts renowned expertise in the processing of sugar beet, sugar cane, cereals and alfalfa. This unique expertise has been built on the commitment of our 14,300 employees and our 10,300 cooperative members. They are at the heart of our ability to transform, innovate and support Tereos's development.

Our Purpose —Building a shared future for the Earth and People by meeting essential daily needs— is what guides our work and is based on strong core values: a boldness, collaboration, pragmatism and performance.

It all starts with a verb: Cultivating...

Beyond "just" farming, it is a mindset for nurturing talent and ideas, and preparing for the future. We are building a shared future through an agricultural sector that aims to be more responsible and resilient. We are working to protect the planet, which is the very foundation of our business, and for the people who are at the heart of everything we do. We are dedicated to supporting consumers in their daily lives.

Our talents: a strategic leverage point

Developing skills amongst employees and guiding them at every stage of their career is key to achieving sustainable performance. **Preparing the expertise of tomorrow** through training programmes designed to keep up with the constant shifts and changes in roles and the associated skills is essential to underpin and ensure the success of Tereos's development.

- **Management training programme:** A choice of five modules tailored to each manager profile, designed to develop their managerial skills in line with Tereos' values and strengthen the key competencies essential to their level of responsibility.
- **Graduate scheme:** A personalised, supervised training programme (24 months) aimed at recent graduates with a master's degree, designed to attract high-potential candidates and enable them to rapidly and efficiently progress into senior roles.

Transmission

Passing on and sharing expertise is essential in industrial and agricultural activities. It **ensures the continuity of expertise** for Tereos and the development of skills amongst younger generations. By encouraging internal mobility, Tereos is ensuring that knowledge is passed on and experiences are shared.

- **Induction week:** A unique three-day on-boarding programme for new employees, where they can discover Tereos and its values, understand the industry, and meet the people who bring it to life every day.
- **Tereos recognised as a Great Place to Work®** for the 4th year in a row in Brazil.

Close ties and responsibility

Dialogue is at the heart of how we operate. News Cafés (the Cafés de l'actu) include, for example, a series of discussion panels held within our factories between senior management and our on-site teams, as well as our cooperative members and elected representatives. This opportunity for direct dialogue helps to foster a closer relationship and a better understanding of the cooperative's challenges. This closeness fosters the sense of responsibility that we encourage. Meeting people's basic daily needs is a collective responsibility, just as each and every one of us is responsible for doing our part. Managerial responsibility helps teams develop and, through the high standards it sets, contributes to Tereos' expertise.

A structured cooperative governance model

Cultivating the future is a collective endeavour. Yet, embarking on this adventure would be impossible without Tereos' 10,300 cooperative members. They are our roots.

Since 2018, all cooperative members have been part of a single cooperative, organised in such a ways as to maintain close ties with the local community. With a new management team in place since June 2022, members are at the heart of decision-making processes. This close proximity ensures that Tereos has an agile governance structure that can respond to current and future challenges.

A regional network for improved proximity

Tereos' agility is deeply rooted in the heart of the regions where it operates. With **six regional councils** which ensure balanced representation and ongoing dialogue with beet and alfalfa growers, **our governance is therefore under-pinned by strong local roots**. This structure ensures that every decision is informed by the realities our in the field. **Within these regions, 109 councillors** represent all members and play an active part in the life of the cooperative. They meet at the plenary general assembly, at general meetings of regional councillors, or with Tereos's management, who discuss economic, industrial and agricultural issues with them.

Engaged governance in the strategic guidelines

To **combine a long-term vision with operational excellence**, our governance is based on two complementary pillars.

- **The cooperative members, through the plenary general assembly**, play a central role in governance by electing the **nine members of the Board of Directors**, who define **Tereos' strategic priorities** and oversee their implementation. Since 2022, the Board has drawn on external expertise through the appointment of an independent director. A small, close-knit and highly experienced team steers Tereos.

- As for the **Cooperative Council**, it contributes exceptional **trade expertise.** Its chairman is one of the board members. Acting as a liaison between culture and the market, they supervise agricultural and industrial aspects on behalf of the organisation. Supported by thematic committees representing regional councils, the Cooperative Council transforms ideas from the field into a tangible, competitive advantage. A singular decision-making framework for optimised efficiency.

A vibrant cooperative model

With this structured governance, Tereos ensures a maintained **local presence**, **balanced rep-resentation** and a **strong member engagement** to ensure the cooperative remains competitive. The guidelines set out are then implemented by the Executive Committee (CODIR): a team of experienced professionals led by the Chief Executive Officer. The Executive Committee ensures that Tereos' strategy is properly understood and implemented, drawing on the expertise of all the managers and teams across the operational and functional departments.

Staying on-course with rigour and discipline

The 2025/26 financial year was characterised by particularly challenging market conditions: for sugar both in Europe and globally, and for starch-based products in Europe. Within this context, our priority has been to continue our prudent cash flow management, with one key objective: to limit the impact of the current economic climate on our debt levels.

Gwenaël Elies

Chief Financial Officer

As is to be expected during a bear market cycle, the 2025/26 financial year has been marked by a sharp decline in our operating income. EBITDA stood at €416 million, compared with €801 million in the previous financial year, representing a decrease of €385 million. In parallel, we have managed to limit the decline in our operating cash flow. This now stands at -€178 million, compared with -€11 million in 2024/25, a difference of €167 million, which is smaller than the difference seen in our operating income.

The decline in EBITDA, which was less than 50%, was limited by the continued implementation of performance and cost-control initiatives across the Group. These efforts have enabled us to offset some of the effects of inflation and achieve lasting efficiency gains. For example, our overhead costs (SG&A) fell by €33 million compared with the 2023/24 financial year.

Alongside this, we have maintained a prudent investment policy. Capital expenditure amounted to €344 million, a significant decline from the previous year's record of €455 million, whilst remaining slightly above our average over the last ten years. However, we are continuing to invest heavily – accounting for 6.7% of our net turnover – thereby laying the foundations for our future.

We have also continued to actively manage our debt structure, combining the results of our debt reduction policy —which we have been implementing since 2021— with a reduction in our financing costs. As a result, in the 2025/26 financial year, we have managed to keep our financial costs at €158 million, representing a reduction of €14 million compared with 2024–25 and €33 million compared with 2023/24. This is the lowest level recorded since the 2020/21 financial year, despite a significantly higher interest rate environment.

Finally, we continued to implement our asset management policy by disposing of minority shareholdings. This resulted in the transfer of 40% of our stakes in the sugar operations in Tanzania and Kenya to our Mauritian partners, and the sale of the Andrade production site in Brazil, as part of the ongoing adjustment of our industrial and agricultural footprint, aimed at maximising our operating cash flow.

All of these measures have enabled us, despite challenging market conditions, to stabilise our net debt at €2.26 billion at the end of March 2026, versus €2.22 billion at the end of March 2025.

We will continue with this rigorous management approach into the 2026/27 financial year. Our objective remains unchanged: to safeguard our financial strength, keep our debt under control, and ensure that Tereos is in a strong position to navigate the upturn in the economic cycle.

5.1 billion €
IN REVENUE

344 million €
INVESTED (6.7% OF REVENUE)

EBITDA OF
416 million €

RECURRING EBIT OF
29 million €

A year of action and achievements

Modernising our industrial facilities

- **€44 million invested** in the reconstruction of the Nesle starch mill (Somme).
- **€50 million invested** for the design of a sugar refinery distribution site and three evaporation units in Boiry (Pas-de-Calais) to accelerate our energy transition (target: a 45% reduction in CO_2 emissions) by 2030/31).
- **1st 100% water self-sufficiency campaign** for the Connantre site (Marne).

Tereos Brazil has been recognised as a **Great Place to Work®**.

Supporting our cooperative members

- Adaptation of the **commitment period for cooperative members from 5 to 3 years** for greater flexibility.
- **Creation of Tereos CapDéshy**, formed through the merger of the Capdea and Tereos cooperatives, with a view to expanding our range of alfalfa-based products.
- Supporting cooperative members in their efforts to adopt regenerative or low-carbon farming practices through the **payment of grants of over 800,000 euros.**
- **1,000 carbon assessments** in farms 75% funded.
- Tereos has joined the coalition **COVALO Hauts-de-France and the RE'COL'TE programme** to provide farmers with reassurance as they adapt their practices.

Tereos has been awarded **a rating of A – for climate change** and **B for water management** as part of its assessment by the CDP.

Investing in the future

- **Tereos is helping to develop the bioplastics market** in partnership with Avantium and LVMH-Gaïa on the "Furanova" project.
- **Tereos has become a key partner, alongside Technip Energies, Airbus and Safran, in the "Rebound" joint venture,** dedicated to developing a large-scale "Alcohol To Jet" sustainable aviation fuel production project.

Providing solutions for our clients

- **Cultivate Net-Zero:** carbon-neutral sugars, alcohols and starch-based products to support the decarbonisation of the entire value chain.

Cultivate Net-Zero has won two awards, including the special award for **"Creating environmental value"** presented by COGECA at the European Parliament.

- **Actifiber:** launch of a plant-based, fibre solution, produced at our Marckolsheim site.
- **New brand identity** for the emblematic brand **La Perruche.**

Tereos, **the first agricultural cooperative to receive the "Purpose Trophy" (Trophée de la Raison d'Être)** awarded by The Why Project.

A changing agricultural landscape

The 2025/26 financial year is taking place against a mixed backdrop, characterised both by encouraging agricultural performance and by regulatory uncertainties that are casting a shadow over the future of the agricultural sectors.

In light of these developments, the challenge is clear: to maintain the competitiveness of Europe's agricultural sectors whilst supporting their development. This is what will allow cooperative members to continue producing, investing and meeting market needs.

Our collective capacity to move forward

In this challenging environment, the strength of the cooperative model is a major asset in helping the sector adapt and chart a sustainable course. For Tereos and its cooperative members, the priority now is to maintain a clear course of action focused on protecting our farmers, sustaining our industrial performance and accelerating our environmental progress.

More than ever before, **our cooperative model is a driver of action and a source of resilience**. It enables us to tackle challenges together, whilst charting **a sustainable trajectory.**

Agricultural results varying from region to region, offset by good performances

In Europe, the 2025/26 season benefitted from **favourable weather conditions** in France, enabling us to obtain **high yields**, sometimes even hitting records in certain regions. After several difficult years marked by adverse weather and health issues, these results are a positive sign for beet growers.

However, this dynamic remained varied across regions. In some Central European countries, particularly **in the Czech Republic, the growing season was marked by fluctuations in the weather** that were more significant, leading to more mixed results.

In the overseas territories, the situation has been more difficult. **In La Réunion**, the cyclones of 2024/25 severely affected sugarcane crops, impacting both the quality and yield of the harvests. This situation has had a direct impact on industrial activity at sugar production sites, with sugar output falling by an estimated 30%.

In Brazil, drought conditions led to a drop in sugarcane productivity of around 12%, with a mixed year: the first half was marked by delayed growth, whilst the second half was more positive thanks to rainfall that helped the crops catch up. These fluctuations were offset by strong industrial performance.

In Indonesia, locally grown corn does not currently meet the Indonesian health standards required for food use. Although Tereos FKS Indonesia needs to import high-quality maize that meets these same standards, no import quota has been allocated for the second half of 2025. This situation has severely disrupted operations at the Cilegon site, which processes around 400,000 tonnes of corn a year into starch and related products and employs around 800 people.

Maintaining balance and competitiveness of the European agricultural sectors

In addition to the changing and sometimes unpredictable weather, the European agricultural sectors need to contend with an increasingly uncertain economic and regulatory environment.

The opening up of international markets has been accompanied by increased competition, particularly as a result of the rise in the volume of sugar imported into Europe duty-free. These products are not always subject to the same environmental, social or health standards as those imposed on European producers. This situation creates an imbalance in competition and contributes to a form of market deregulation.

Within this context, consistent rules and a level playing field are key to the future of these sectors. **Farmers need foresight to invest and maintain their production in the long term.**

In the longer term, these uncertainties compound other structural challenges facing cooperative members: changing climatic conditions, pressure on yields and the risk of falling production volumes.

The strength of Tereos' cooperative model lies in its long-term commitment to its members and clients. To enhance its competitiveness and continue with its investments, its activities are guided by three strategic priorities:

1

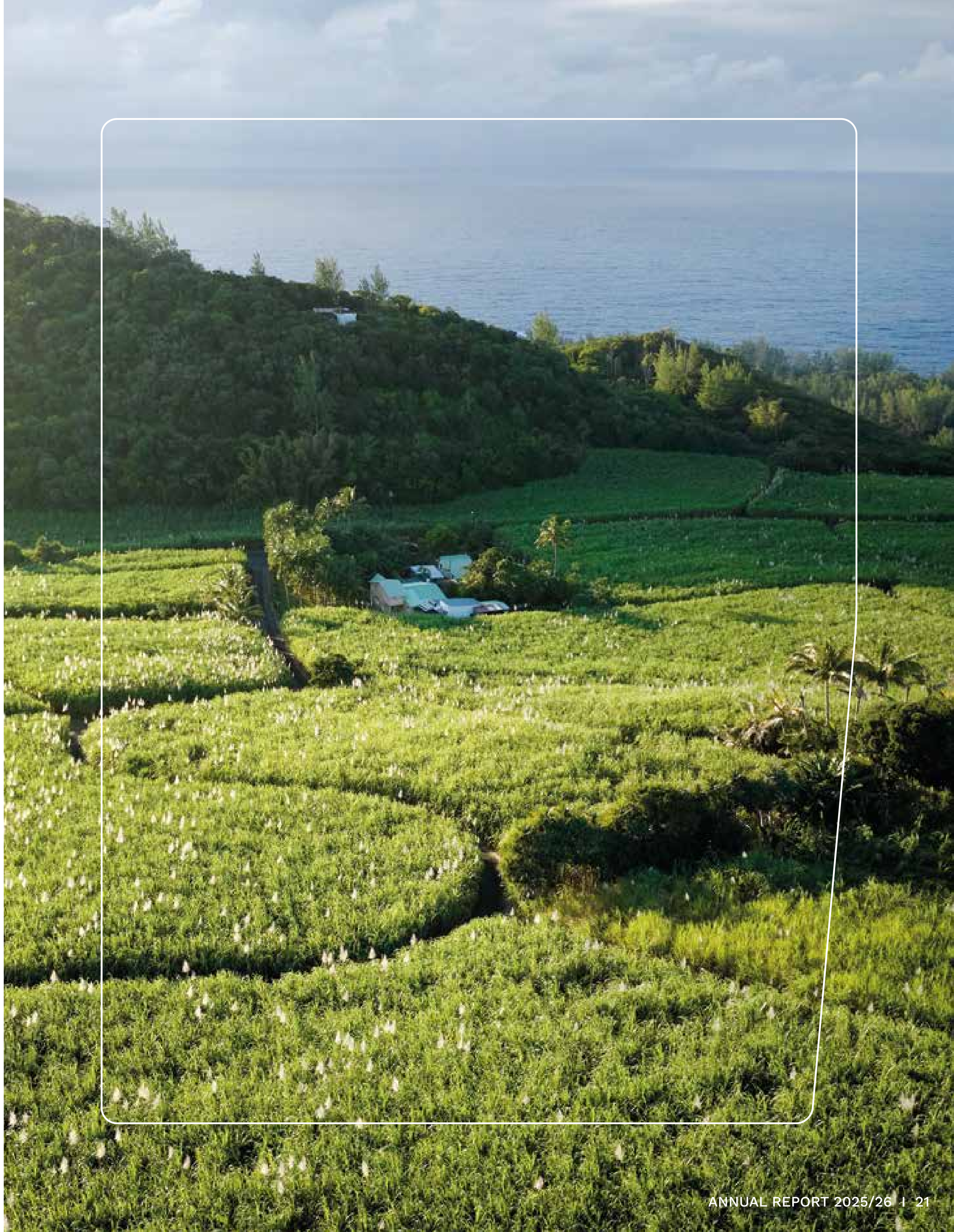
PERFORMANCE is our priority as we take action across the entire value chain (agricultural, commercial, organisational and industrial) to accelerate our short-term gains. Building on its solid foundations, Tereos has chosen to go further in every area where competitiveness is key.

2

SUSTAINABILITY because decarbonising the field-to-plant process is a key driver of competitiveness. Tereos' decarbonisation strategy and its investments also generate direct and sustainable savings. It is promoted to our clients through the Cultivate Net-Zero offer.

3

LONG-TERM DEVELOPMENT for which Tereos is investing in promising growth markets (green chemistry, biofuels, etc.), where the company's next phase of growth is taking shape.



A cooperative true to its roots

In response to the constant changes we're seeing in the agricultural sector, Tereos is adapting its business model whilst remaining true to the very strengths that define it: a community of committed cooperative members and strong local roots. The cooperative continues to adapt in order to support farmers and prepare for the agricultural model of the future.

Adapting the cooperative to the new farming realities

In order to meet the expectations expressed by its members and to take account of changes in their farms, Tereos is adjusting the length of the cooperative commitment, reducing it from **five to three years.**

This significant change, which has been effective since 1st April 2026, depending on the renewal date, marks a major change for the cooperative. It reflects the elected representatives' commitment to adapting the cooperative model to the new agricultural and economic realities encountered on the ground.

This decision, synonymous **with modernity and flexibility**, has been made possible by Tereos's renewed financial strength, the result of the transformation and modernisation efforts undertaken over the past three years. It illustrates the cooperative's ability to evolve whilst maintaining the collective balance that underpins its model.

Working together to build the agricultural model of tomorrow

By adapting its business model and developing new supply chains, Tereos is committed to a long-standing goal: to ensure that the work and produce of its cooperative members are valued in a sustainable manner.

It is by drawing on this collective momentum that the cooperative continues to lay the foundations for the agricultural model of the future, alongside its farmers.

Tereos CapDéshy: coming together to consolidate its operations

The cooperative also works to consolidate and diversify its members' farming activities. With this in mind, the cooperatives **Tereos and Capdéa are joining forces in the field of crop dehydration.**

This organisation, known as **Tereos CapDéshy**, aims to bring together the complementary expertise of the two cooperatives to promote the produce of around 1,500 members, mainly based in the Marne and Aube regions. **The aim is to establish a leading cooperative in the dehydration of alfalfa, beet pulp and other plant-based products.**

By pooling their human, industrial and financial resources, **the two cooperatives are strengthening their collective performance** to make better use of alfalfa, diversify the crops grown and reduce the risks faced by farms.

19,400 hectares, ¾ of which are used for alfalfa

1,500 cooperative members growing alfalfa, poppy oilseed

180 employees

Enhancing industrial performance

For Tereos, industrial performance goes hand in hand with its ability to ensure the long-term value of its cooperative members' produce and to invest in the future.

For several years now, Tereos has been implementing an ambitious programme to modernise its industrial facilities in order to meet its decarbonisation targets. **32 projects under the industrial section have been completed over the past three years**, representing **€185 million**. This investment helps to improve the reliability of the facilities, energy efficiency and process performance. A tangible result in terms of CO_2 emissions which have been reduced **by 17%** over this period.

These investments have a clear objective: **to boost Tereos' competitiveness whilst reducing its environmental footprint.** This performance is driven by a range of complementary measures, such as the modernisation of equipment, the optimisation of energy consumption and the improvement of industrial efficiency.
This momentum also helps to **consolidate Tereos's role as a major player in the primary processing of agricultural raw materials**, serving a wide range of industrial sectors: food and drink, animal nutrition, green chemistry, paper and board, energy, pharmaceuticals and cosmetics.

32 industrial projects have been completed in the past three years to meet our decarbonisation target, representing **185** million euros invested.

17% decrease in our CO_2 emissions over three years.

Some of the best-performing industrial sites in Europe

At the heart of this strategy, industrial sites within the regions play a key role.

Some of them are now among **the best-performing in Europe** and demonstrate Tereos' ability to combine industrial efficiency, innovation and resource management.

- In **Chevrières** (Oise): improvements made as part of a continuous improvement programme have boosted the site's energy efficiency by 10% over the past five years. Over the same period, the use of borehole water was reduced by 15% thanks to improved recovery of process water.
- In **Connantre** (Marne), following an investment of €3 million, the site has achieved its first campaign for 100% self-sufficiency in water.

In **Boiry** (Pas-de-Calais), a major investment of €50 million (2024/25- 2025/26) is improving the site's energy efficiency: a significant reduction in water consumption and energy costs, and a 45% cut in CO_2 emissions by 2030/31.

The Nesle mill, a major, structuring investment for the local regions

In 2025, Tereos opened the new mill at its starch production site in **Nesle**, in the heart of the Hauts-de-France grain-growing region. This project demonstrates Tereos' commitment to modernising its industrial facilities whilst strengthening its regional presence – a dual key objective that reinforces its position as a leader in wheat processing in France. An investment of **€44 million** made this project possible.

Equipped with Europe's most advanced technology, this mill enhances the processing of locally grown wheat whilst improving the site's energy efficiency. The new facilities make it possible to **halve the mill's electricity consumption**, whilst **boosting its industrial performance.**

The Nesle starch factory processes nearly **800,000 tonnes of wheat** per year, mainly from the Hauts-de-France and Grand Est regions.

Beyond its industrial performance, this project also contributes to the region's economic vitality. The site accounts for **290 direct jobs and over 1,600 indirect jobs**, the vast majority of which are in the region.

Optimising the industrial footprint on an international scale

The drive for competitiveness also involves actively managing Tereos' industrial portfolio.

Brazil is **a key pillar for Tereos' diversification**. The Group has been operating there for over twenty-five years and plays a major role in the economic landscape as **Brazil's second-largest sugar producer**. Tereos has embarked on a reorganisation of its operations in order to optimise its agricultural, industrial and logistical footprint. As part of this process, Tereos has sold its Andrade production site (in the Ribeirão Preto region) in order to refocus its sugarcane operations across its five other sites and thereby improve its competitiveness.

A competitiveness based on innovation and efficiency

Tereos is committed to continuously improving the performance of its industrial operations. Digitalisation and the integration of innovative processes are at the heart of this approach. In some countries, such as Indonesia, it also involves optimising industrial and logistical organisation to improve efficiency and responsiveness.

For Tereos, this industrial performance enables it to add sustainable value to its members' agricultural produce, strengthen agro-industrial self-sufficiency and invest in the innovations that will shape the plant-based sectors of the future.

Environmental responsibility in action through action

For several years now, Tereos has been working towards a clear objective: to reduce the environmental footprint of its operations whilst supporting the development of the agricultural sector. This commitment is reflected in the practical measures it takes in collaboration with its cooperative members, clients and partners.

Supporting changes in agriculture

Here at Tereos, decarbonisation begins in the field. To accelerate the adoption of more sustainable farming practices, Tereos is rolling out a range of support schemes for its cooperative members.

In 2025, grants of over **€800,000 were paid to farms growing beet and participating in regenerative or low-carbon farming programmes**.

At the same time, Tereos actively supports the measurement of farms' carbon footprints **by funding 1,000 carbon assessments, covering 75% of their cost**.

Amongst these, 652 have already registered for the 2025/26 season as part of the Low Carbon Label scheme, whilst more than 60 farms are already taking part in regenerative farming initiatives.

Nearly **1,000** carbon audits committed in 2025/26.

Internationally recognised progress

Tereos' progress on environmental issues has also been recognised by independent bodies.

Attesting to this, **Tereos was awarded an A- rating for climate change and a B rating for water management in the Carbon Disclosure Project (CDP) assessment,** one of the international benchmarks for environmental transparency.

This recognition highlights the gradual development of Tereos' climate strategy and its ability to integrate environmental considerations throughout its value chain.

Tereos has been awarded **a rating of A- for climate change** and **B for water management** as part of its CDP assessment.

Investing to accelerate sustainability

Reducing the environmental footprint of the agro-industrial sector requires changes to agricultural practices, as well as far-reaching transformations in industrial processes and energy infrastructure. It also requires significant long-term investment.

To achieve this, a stable and clear regulatory framework is needed now, more than ever before. Investing, decarbonising and innovating require clear visibility. However, changes to regulations affect investment decisions, from the field to the factory.

For Tereos, the ability to continue on this path depends on striking a crucial balance: maintaining its own competitiveness and that of its agricultural supply chains in order to ensure it has the resources to invest in decarbonisation and innovation.

Supporting economic performance is therefore an essential prerequisite for implementing the sustainability roadmap.

Providing solutions and preparing for the future

Tereos processes agricultural raw materials to provide solutions for a wide range of sectors, including food and drink, animal nutrition, energy, pharmaceuticals and cosmetics, green chemistry, and paper and board. This diversity of applications is a key driver in helping the company adapt to market changes and meet the evolving expectations of clients and consumers.

Cultivate Net-Zero: an innovation recognised across Europe

To meet the needs of these clients, Tereos has developed **Cultivate Net-Zero**, an offer designed to support clients with their own decarbonisation pathways. It is based on ingredients sourced from agricultural networks committed to applying more sustainable practices, including regenerative farming, in order to reduce their **carbon footprints upstream**.

Tereos' efforts have been widely recognised, as this initiative was lauded on a European level in 2025 by the **"Award for Outstanding Innovation in Environmental Value Creation"**, as well as the special "Environmental Value Creation" award, the highest honour in its category, presented by Cogeca at a ceremony at the European Parliament.

This recognition highlights the role of cooperatives in developing solutions that balance economic performance with a reduced environmental footprint.

Cultivate NET-ZERO by Tereos

Cultivate Net-Zero is based on **three complementary solutions**, combining immediate emissions reductions, performance management and a commitment to regenerative agriculture practices.

Developing the bioplastics market

Tereos is accelerating the development of new industrial applications based on plant-based resources. In 2025, the "Furanova project", which is based on **a unique partnership between Avantium, Tereos and LVMH-GAÏA,** demonstrates the potential of green chemistry to develop sustainable alternatives to fossil-based plastics.

Derived from plant-based raw materials, the innovative polymer marketed under the brand name releaf® offers a wide range of applications, from food and cosmetics packaging to textile and industrial fibres. A 100% renewable, bio-based and recyclable polymer made from fructose.

In order to increase its production capacity for fructose, a key raw material in the manufacture of this polymer, Tereos has made a major investment in its production site in Aalst, Belgium.

As part of this partnership, Tereos supplies fructose syrup produced from wheat processing and draws on its expertise in plant processing and its technological know-how. Large-scale industrial capacity that will enable us to meet growing demand.

SAF: accelerating decarbonisation in aviation

Decarbonising air transport is a strategic priority: in Europe, nearly 50 million tonnes of fossil kerosene are consumed each year. Sustainable aviation fuels (SAF) offer a practical solution that requires no modifications to existing engines, using technologies already available to reduce CO_2 emissions from 80% to 90%. Already a market leader in transport ethanol, Tereos is taking a further step forward by becoming a key partner in a joint venture involving Airbus, Safran and Technip. This project aims to produce sustainable 'Alcohol-to-Jet' aviation fuel.

As the conditions necessary for its roll-out fall into place, **this initiative positions Tereos not only as a major player in road transport ethanol, but also as a future key player in the energy transition within the aviation sector.**

Innovating for healthier diets

Innovation is also a key driver in meeting consumers' changing nutritional expectations. Tereos has therefore launched **Actifiber®**, a soluble **plant-based corn** fibre produced in France using non-GMO starch.

Thanks to its nutritional and functional properties, Actifiber® enables the **enrichment of products with fibre** whilst reducing calorie, without compromising on taste or texture. This solution is easy to incorporate into a wide range of products: dairy products, chocolate and baked goods.

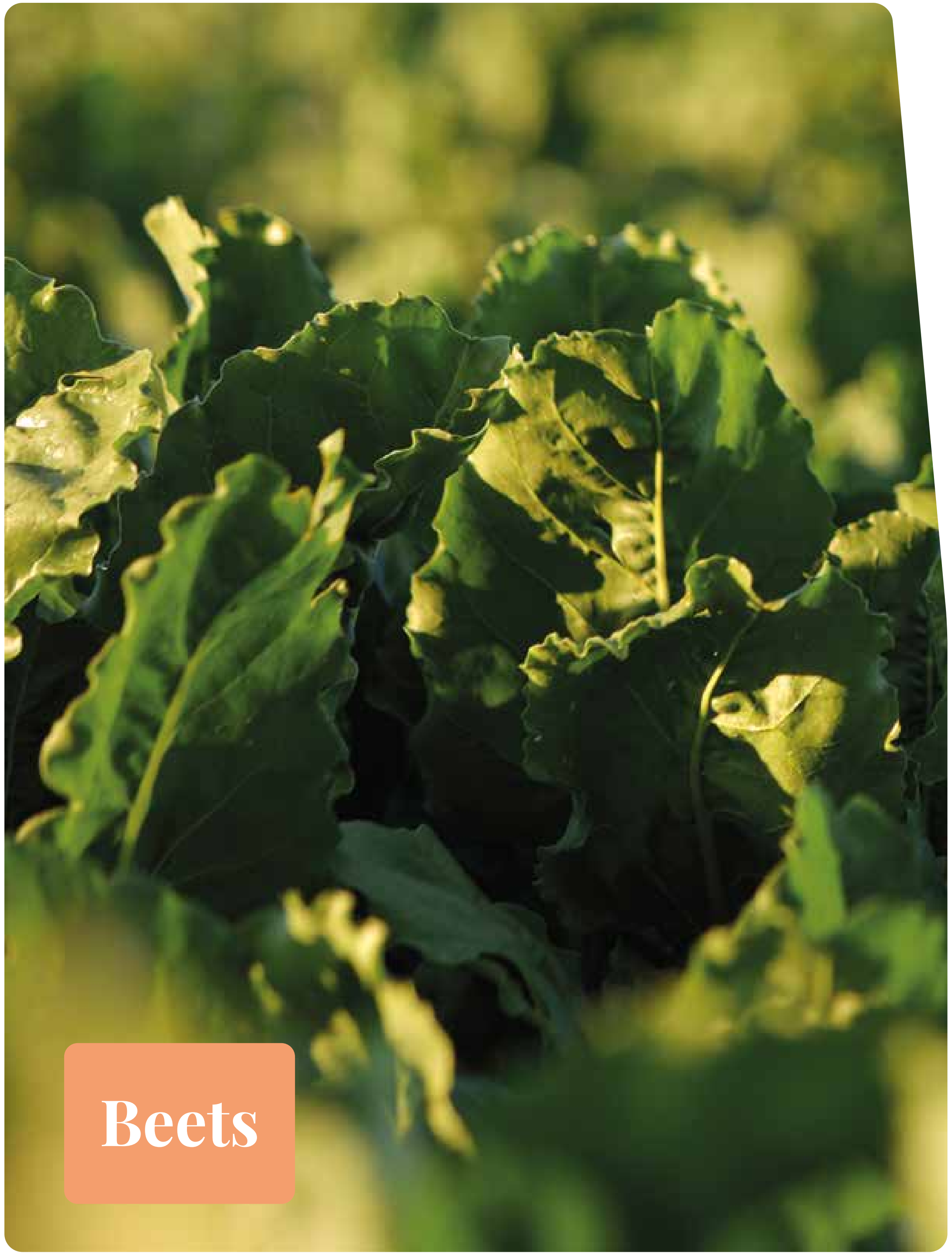
It therefore helps to **improve nutritional scores** and supports manufacturers in reformulating their products.

Investing in and enhancing brands

Tereos continues to build on the value of its brands. The La Perruche brand, founded in 1890, has unveiled a new visual identity inspired by its home region, La Réunion. It showcases its heritage through a more contemporary and colourful aesthetic. This revamp also includes Blonvilliers golden cane sugar, which the brand has been selling since the 1990s.

Campaign reviews

2025/26



France

With 16.7 million tonnes harvested and an average campaign length of 130 days, the 2025/26 season is part of a generally positive trend. Agricultural performance is satisfactory, with several indicators at high levels, and in some cases at record levels. This is an encouraging sign for Tereos's cooperative members, following a few more challenging years.

Harvests took place in generally favourable weather conditions throughout the season. The soil impurity rate remained under control, averaging 8.5%. The preventive covering of the silos has also helped to maintain this stability over the past few weeks. Yields are generally good, although there are variations between plots and production areas, particularly due to water stress or yellowing. With an average yield of 93.5 tonnes per 16 hectares, slightly higher than the national average of 92 tonnes per 16 hectares, the season confirms strong agronomic potential, with several outstanding results.

All in all, the final stages of the campaign went smoothly. The condition of the silos has remained satisfactory, despite a few spells of frost and snow. The average yield stands at 18.27%, reflecting remarkable stability throughout the growing season.

Czech Republic

During the 2025/26 marketing year, the sugar production sites in České Meziříčí and Dobrovice processed 2.9 million tonnes of sugar beet and produced 355,000 tonnes of white granulated sugar, 98,000 m³ of alcohol/ethanol and 87,000 tonnes of pulp.

Whilst the factory in České Meziříčí, in the Rychnov region, finished processing the beet on 31 January, the factory in Dobrovice, near Mladá Boleslav, finished on 2 February, bringing Tereos's total campaign duration in the Czech Republic to 135 days. More than 600 farmers supplied beets to Tereos' sugar production sites from a total area covering 35,000 hectares. The year was characterised by cool, dry weather across Tereos's supply area, thereby reducing the pressure from pests and cercosporiosis and stimulating beet growth. Tereos TTD has therefore achieved a record yield of 82.9 tonnes per hectare, with an average sugar content of 16.9%.

Harvesting conditions were, however, affected by significant temperature fluctuations and heavy rainfall in September and November, which impacted the quality of the beet and the soil content.

Sugar cane

Brazil

In 2025/26, Tereos Sugar & Energy Brazil is continuing to transform its business model by streamlining its operations around five industrial sites in the north-west of the state of São Paulo, following the sale of the Andrade site. This development enhances the group's competitiveness, optimises the value chain and strengthens its financial position. The group has also rolled out a structured agricultural plan, combining precision technologies and sustainable practices to cope with increasingly unpredictable weather conditions, particularly droughts. The use of drones, sensors and biological control solutions is improving operational efficiency whilst reducing the use of chemical inputs, whilst the targeted application of vinasse optimises nutrient use.

Furthermore, a significant milestone has been reached with the complete replacement of plant protection products with alternative solutions, improving soil quality, reducing the environmental impact and bringing costs under better control. These developments may also help to boost productivity.

As part of this drive for innovation, Tereos Sugar & Energy Brazil, in partnership with Atvos, has tested the sector's first autonomous tractors in Brazil, delivering a 20% increase in performance and a 10% reduction in diesel consumption right in the field. During this season, nearly 18 million tonnes of sugar cane were processed. Our Brazilian units have demonstrated great operational agility. This performance resulted in the production of 1.7 million tonnes of sugar, with a record sugar yield of 71.7%, as well as 426 million litres of ethanol and 1,334 GWh of electricity, illustrating the Group's active contribution to the energy transition.

Our sustainability commitments have been reinforced by several key certifications, including ISCC CORSIA Low LUC Risk. The number of certified suppliers is on the rise, whilst Regenagri certification confirms Tereos' commitment to regenerative agriculture.

In the industrial sector, the digitalisation of operations is improving equipment management and performance. At the same time, our logistics performance has been further strengthened by a record shipment of 70,000 tonnes of sugar to China in partnership with VLI, as well as the roll-out of a carbon-neutral rail transport service.

Finally, Tereos is raising its international profile, notably through its participation in COP30, by highlighting the role of the agri-food industry in decarbonisation.

Tereos Brazil is recognised for the quality of its working environment, having been awarded the Great Place to Work certification for the fourth consecutive year. The company also stands out for its commitment to well-being and mental health, ranking among the best companies in the state of São Paulo.

La Réunion

The 2025 financial year highlighted the remarkable resilience of our industry in La Réunion. Despite the passage of Cyclone Garance on 28 February 2025, which swept across the island with gusts exceeding 200 km/h —the impact of which was comparable to that last seen in 1962— our infrastructure and our planters were able to cope.

Although these extremely violent winds caused widespread damage to the sugarcane, particularly in the north-eastern region, the teams' dedication enabled them to process 1.135 million tonnes of sugarcane, with a significant increase in fibre content and a sugar content of 11.58%, representing a decrease of 1.38% compared with the 2024 season.

Against this backdrop, the island's two sugar mills demonstrated their industrial efficiency by producing a total of 94,259 tonnes of sugar. This result demonstrates the strength of our business model and our ability to keep our operations running for the benefit of the sector, even in difficult circumstances.

Tanzania - Kenya

In March 2026, Tereos Indian Ocean sold its 40% minority stake in Sucrière des Mascareignes Ltd, which processes sugar cane in **Tanzania** and **Kenya**.

Europe

During the 2025/26 campaign, our five starch production sites processed 2.7 million tonnes of cereals, a figure that remained stable compared with the previous year.

A key highlight of the year was the restarting of the mill at the Nesle production site (Somme) in November 2025. After two years of operating at half capacity, relying on flour supplies, the site has resumed production using wheat. The restart went smoothly thanks to the hard work and dedication of the teams. The new mill is already delivering solid performances.

Following a 2024/25 wheat and corn season marked by poor harvests and quality issues due to adverse weather conditions, the situation improved in 2025. Agricultural yields and the quality of raw materials have therefore returned to satisfactory levels. This improvement has enabled us to achieve strong results in our industrial operations.

However, the starch market remains under pressure, characterised by excess production capacity in Europe and a slowdown in demand. Within this context, the sharp fall in the selling prices of starch products, alcohol and by-products was not offset by the fall in wheat and corn prices.

Brazil

Brazil's strong performances are also reflected in the starch business line. Tereos Starch & Sweeteners Brazil continues to grow, having processed 240,580 tonnes of corn, an increase of 4%.

Indonesia

The 2025/26 financial year got off to a promising start for Tereos FKS Indonesia, with strong performance through to November 2025. Business activity then slowed significantly following the Indonesian government's decision to impose strict limits on maize import quotas, thereby restricting volumes towards the end of the financial year. In order to adapt to this situation, Tereos FKS Indonesia has developed a trading business and adapted its production facilities to use cassava starch, thereby ensuring the continuity of production and the diversification of its supply sources. Despite this backdrop, the outlook remains positive, underpinned by strong operational flexibility, with a return to normality expected in the second half of 2026/27.

Alfalfa

The 2025 alfalfa season ended on 29 October, with 82% of the land having been harvested in the fourth cut, yielding an average of 1.6 tonnes of dry matter per hectare. The cumulative average yield from the four harvests stands at 12.1 tonnes of dry matter per hectare, which is the same as the five-year average. However, as with all crops, 2025 showed significant variation in yields depending on the sector and the amount of rainfall received.

On the industrial front, all seven production sites performed very well, with no significant incidents. Production totalled 206,100 tonnes, broken down into 183,000 tonnes of pellets, 20,900 tonnes of bales and 2,200 tonnes of concentrated alfalfa extracts. Thanks to favourable weather conditions, the implementation of best practices across the recently merged Tereos and Capdéa cooperatives, and the complementary nature of the drying facilities, an average dry matter content of 51% was achieved, significantly reducing energy consumption.

On the commercial front, the strategy (pricing and volume) implemented by the Board of Directors of France Luzerne at the start of 2025 has enabled the company to secure record volumes through contracts, whilst gaining market share in France and across Europe. However, this challenge could only be met at the expense of value, in a depressed agricultural commodities market. Execution has been of a very high standard, and the inventory carry-over will no longer weigh on sales in 2026, when value for money will be the watchword.

The CapDéshy Commission and the Tereos Cooperative Council are working alongside all of France Luzerne's partners to secure higher selling prices from the 2026 marketing year onwards. The return to substantial bale production and a sales strategy focused on Europe should help farms regain better profitability.

Finally, 2025 was marked by the hosting of the 4th World Alfalfa Congress in early November in Reims (51). 33 countries and more than 570 people took part in this event, which focused on alfalfa cultivation (R&D, market opportunities, and agricultural and industrial practices).

This annual report has been printed with plant-based inks on paper made from bagasse, a by-product of sugarcane processing. The sugarcane waste is thus transformed into 100% recyclable paper.

Document produced by the Tereos Group Communication Department
Printing: Estimprim
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