CORPORATE RESPONSIBILITY **REPORT 2024/25**

REINHART 1788

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By the end of 2023, we finalized our acquisition of Minka SCS AG and added cocoa as a new commodity to our portfolio. The acquisition included various operations in Latin America and East Africa.

Letter from the Chairman

Our family business was founded in 1788. It builds on a legacy of trading agro-commodities, being the oldest cotton merchant in the world. In 2023, we added cocoa as a major commodity through acquiring Minka SCS. For all of our commodities we keep our promise to guarantee our customers the right quality of our products, working closely with our suppliers worldwide.

Over the past two years, we have undergone transformative change amid highly dynamic market conditions. With the acquisition of Minka SCS AG, we expanded our portfolio into the cocoa sector while completing our strategic divestments in West Africa.

The integration of Minka coincided with unprecedented cocoa price spikes. Driven by drought and pest outbreaks, this volatility served as a strong reminder of agriculture's vulnerability to climate change and reinforced the urgency of sustainability investments. Consequently, we continued, completed, and launched new initiatives across Africa, demonstrating our ongoing commitment despite our commercial divestments. We remained actively engaged by funding critical community projects in Burkina Faso, Côte d'Ivoire, and Tanzania.

Throughout this period, our decades of market expertise and deeply rooted value chain partnerships proved invaluable. As the industry navigates significant market shifts and increasing regulatory requirements, this report highlights how we are building an inclusive supply chain ecosystem that creates long-term value, strengthens resilience, and supports producer communities in achieving sustainable growth.

Sincerely,
Jürg Reinhart

Jürg Reinhart
Chairman & CEO, Paul Reinhart AG

GOVERNANCE DOES THE COMPANY CARE?

Team Sustainability

Our sustainability approach is formulated by members of the management board and leading executives. It covers in-depth expertise of the organization and its processes, and across our entire value chain, from origin to destination countries. It also aims for tomorrow's markets.

Jürg Reinhart
CEO

Thomas Glaus
CFO

Lorenz Reinhart
Head Trader Cotton

Marco Bänninger
Head Trader Cotton

Felix Harrer
Senior Sustainability Manager

Gaudenz Pfranger
Sustainability Operations Cocoa

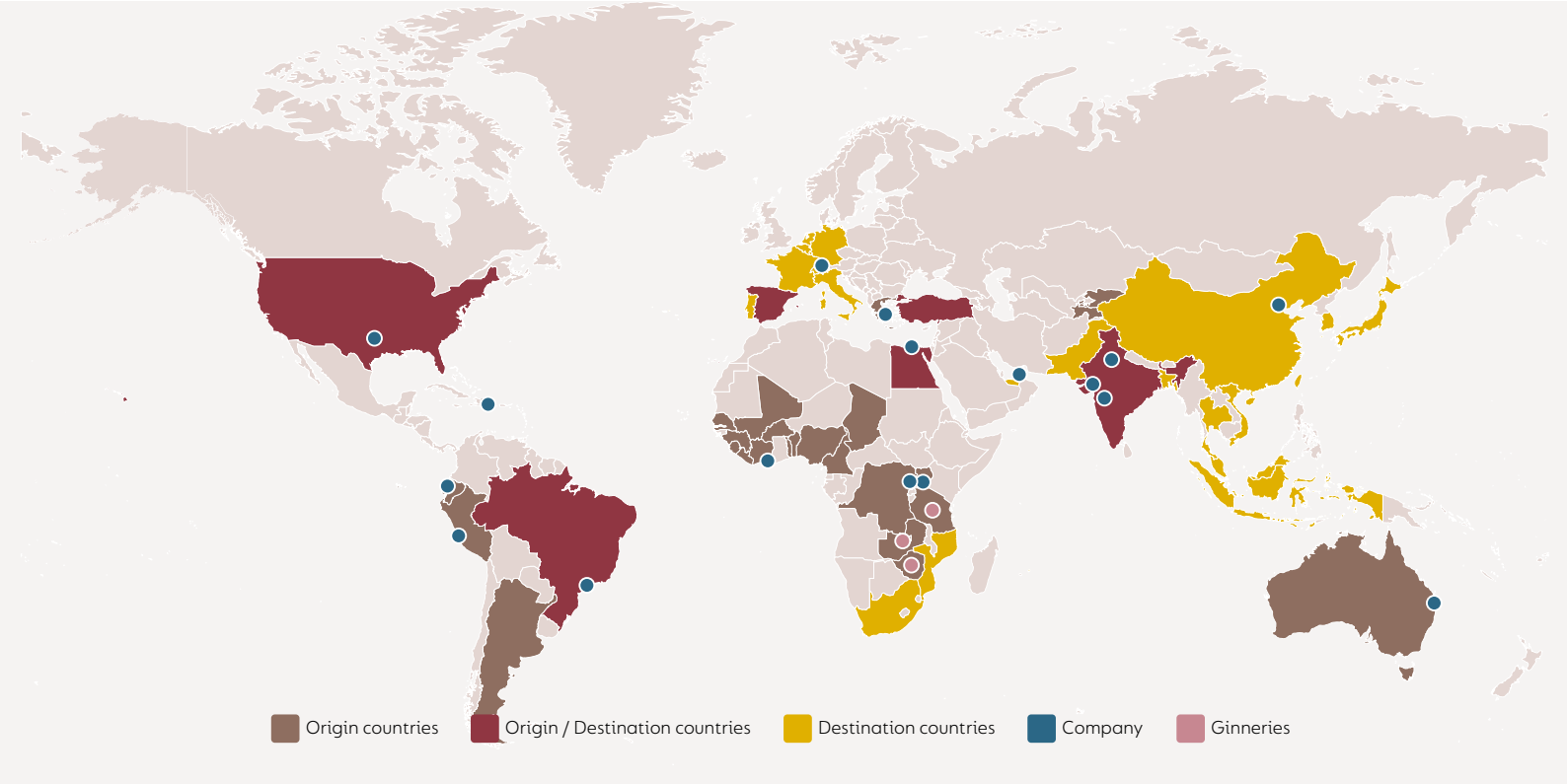

Figure 1: Reinhart Group global markets in 2025, including sourcing and sales regions covering cocoa, cashew and cotton.

Reinhart Group

Global agro-commodity merchant Paul Reinhart AG (Reinhart) is now in its 8th generation as a family business. Reinhart is headquartered in Winterthur, Switzerland. We operate globally and are locally anchored with subsidiaries around the world, ensuring quality and timely delivery from origins to its destination.

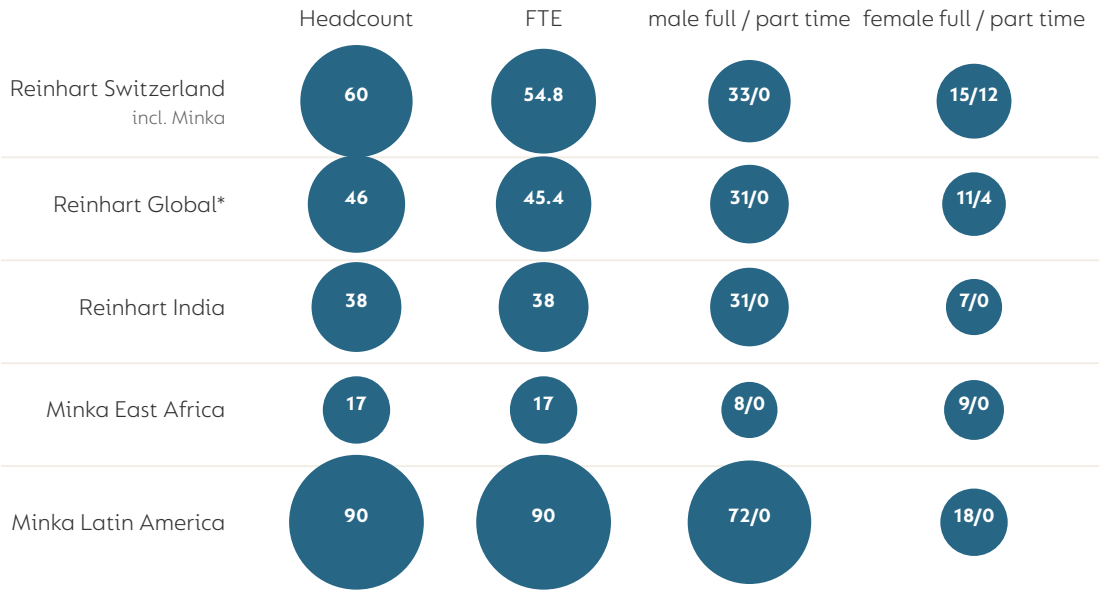

Figure 2: Information on employee structure of the Reinhart Group per representation (FTE = Full-time equivalent).
*covers 9 countries with FTE < 30: Australia, Brazil, China, Egypt, Greece USA, Ivory Coast, Ghana, United Arab Emirates

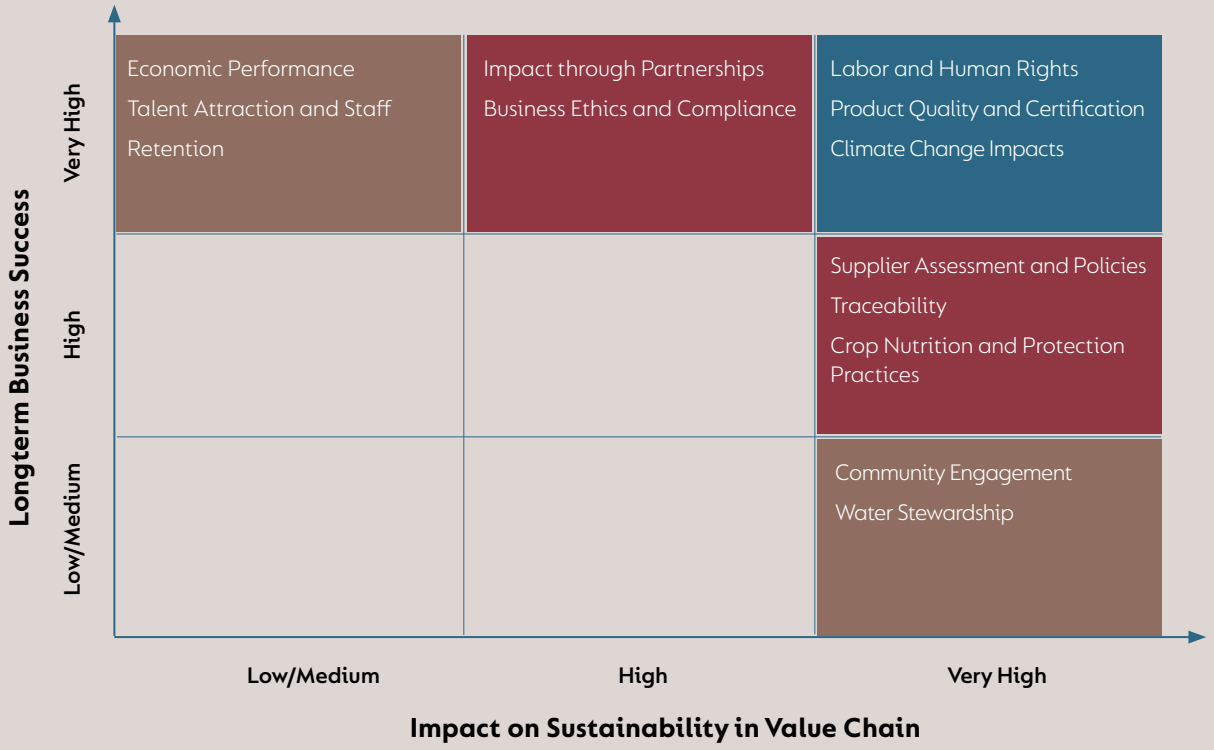

Figure 2: Our twelve Material Topics.

Corporate Responsibility

Reinhart has been a key player in the agricultural commodities business for 235 years. The company's role is to connect markets – from local origins to global demands. Our responsibility lies with our partners along the journey of the commodities – from producers to clients – ensuring consumers can enjoy the final products such as a bar of chocolate or a pair of jeans in the long run

At Reinhart we understand sustainability as our commitment to remain competitive without restricting the opportunities for future generations. We are driven by our responsibility towards our partners and ensuring the long-term resilience of our commodities. Due to our intimate relationship to our products that grow in different crop cycles on the Northern and Southern hemisphere, sustainability is inherently part of our daily work. We discuss global weather conditions and phenomenons, such as the monsoon season in India or El Niño in Latin America and how these events affect crop yield and product quality.

Vision, strategy & communication

Our vision is a sustainable and fair value chain from production to customer. Our strategic initiative from 2019-2024 – referred to as Our Sustainable Impact – has been structured along the topics of (1) ensuring full compliance, (2) fostering stakeholder engagement, and (3) strengthening our supply chain. We decided to continue with this approach for the next three years, by giving broader attention to (1) good governance, (2) support through agricultural services and (3) improving data accessibility. This will be integrated within the 12 material topics that we address in our journey (see graph below). On an interim basis, we will also cover Minka SCS with these topics and report along them.

Responsible Business Conduct

We also follow the principles of responsible business conduct (RBC) and engage with our partners and employees through different means across the globe, for example our Code of Conducts, projects or in our regular exchanges and interactions with clients or producers in the field. A continous integration of the RBC is a priority for the next years.

Partnerships

Reinhart supports retailers in thesourcing of certified cotton and cocoa as well as the implementation of specific programs in countries of origin.

We promote the provisioning and consolidation of primary data and the implementation of various CSR activities.

Economic & Governance Topics

Reinhart promotes exemplary leadership and management by fostering principles of responsible corporate governance and follows all applicable laws and regulations in the countries where it operates as a matter of course.

Economic Performance
Our aim is towards achieving results concerning growth, profitability, and capital efficiency that are aligned with long-term business success.

By adding cocoa to our portfolio and expanding our work in cashew and pulses, we strengthened our business through diversification, guaranteeing financial stability throughout different market cycles.

Sustainability-Linked Loan
As a trader of agro-commodities it is important for Reinhart to have sufficient credit lines readily available. That is why we have had a syndicated loan with various banks since many years.

Reinhart's efforts over the past two years successfully supported our sustainability-linked loan (SLL) agreement with a consortium of international banks. The SLL concluded in spring 2025, we remain committed to reporting on the targets established under the agreement.

Business Ethics & Compliance
Guided by the RBC, we train our employees to act responsibly, promoting rules, processes and practices that lead to fairness, transparency, and accountability and ensure compliance (e.g. anti-corruption, conflicts of interest, child labour) with relevant laws, policies, and regulations.

In 2024/25 the Internal Compliance Team trained the new staff twice a year on the Code of Conduct across our operations. The roll-out of the Supplier Code of Conduct was continued globally (see below). We also updated our Code of Conduct and our Grievance Mechanism, with the goal of adding accessibility and clarity.

Impact through Partnerships
Describes Reinhart's approach to engage in partnerships that provide mutual benefit and create positive impact. It includes the participation in multi-stakeholder initiatives or sector networks.

Certifications

Reinhart started sourcing and marketing certified cotton over twenty years ago. Today, the company is one of the world's largest merchants of organic cotton and a significant pioneer and player in the global sustainable cotton market, offering also Fairtrade cotton and most recently regenagri.

In our cocoa brand Minka, pioneering sustainable cocoa production from the beginning, we are now certified under Rainforest Alliance, Fairtrade and organic (USDA & EU Bio).

We are accredited and committed as a long-term active member of various voluntary sustainability standards under ISEAL, the "International Social and Environmental Accreditation and Labeling Alliance", including Better Cotton Initiative (BCI), Textile Exchange, Cotton made in Africa (CmiA), Global Organic Textile Standards (GOTS), and the Fairtrade Labeling Organization International (FLO), US Cotton Trust Protocol (USCTP), Textile Exchange's Organic Content Standard (OCS) and regenagri by Control Union. Minka and its subsidiaries are certified under Rainforest Alliance, organic and Fairtrade.

Supplier Code of Conduct
Reinhart's suppliers are expected to uphold the Core Conventions of the International Labor Organization (ILO) and align with the UN Guiding principles on Business and Human Rights.

In 2024/25 we successfully continued the global roll-out. The CoC are now part of our contracts with all suppliers, driving the 100% target in most regions. In India we made a significant step from last reporting of over 30% and are approaching 100%. Similar requirements are for Minka, where we are in a transition phase from adopting the Reinhart Group Supplier Code of Conduct and integrating it into our KPIs.

Supplier Code of Conduct

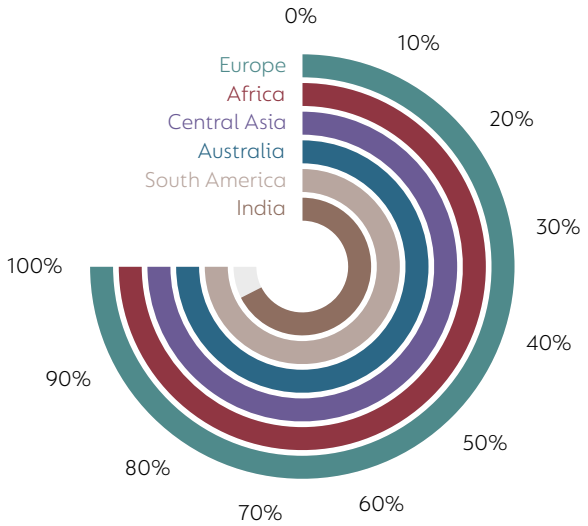

Figure 3: We achieved our targets in all our areas but India, which made a significant step from 30% in the last reporting.

Fuontain that was built together with a new school in Tanzania as part of our WASH initiative

Supporting local communities

We support projects initiated by upstream suppliers with the goal to improve livelihood of local communties.

This includes building fountains as part of our WASH approach, putting water as a key aspect of supporting local communities in areas where we operate.

Environmental Topics

As one of the world's largest traders of organic cotton, Reinhart contributed to the development of this market over the past two decades. Reinhart and its companies support and promote good agricultural practices.

Crop Nutrition and Protection Practices

Agricultural inputs to grow cotton as a natural fiber, such as fertilizers, insecticides and pesticides need to be applied in a resource efficient manner. Reinhart Group strives to reduce environmental impacts and takes appropriate measures to achieve this goal.

In 2024/25 we continued our journey on regenerative agriculture by selling the first regenagri cotton and continured promotion and sales of organic cotton. We supported several projects in Africa with knowhow and financially, focusing on fertilizer application (Bokashi) in Burkina Faso, or the introduction of extension services for pesticide application improvements in Tanzania. We also continued the commercial support for introduction of organic cotton in Benin. In cocoa, we launched a pilot project in Peru together with our peruvian subsidary and our commercial partners by promoting organic plant protection products to reduce application of synthetic pesticides.

Water Stewardship

Agri-commodities like cotton and cocoa rely heavily on water - rainfed and increasingly on irrigation. In a changing climate, reliable access to water plays a key role in safeguarding crop production for future generations. We have started through various initiatives to put access to water as a key priority in our work. We currently support projects with upstream suppliers in Burkina Faso, Ivory Coast, Zambia, and Tanzania that improve access to clean water and promote water, sanitation, and hygiene (WASH) education. For us, this is a starting point, as we are well aware that building fountains and providing trainings is only a direct response to most pressing needs, rather than tackling the systemic root cause of water scarcity in rural areas.

Climate Change Impacts

Reinhart mitigates its own impact on climate change, anticipates climate risks and captures opportunities for adapting towards a more sus-

Supporting farmers with trainings and information

In a changing climate farmers require current weather information. Without such information pest control may be applied just before rain and at the wrong time, thereby having no effect and resulting in lower yield due to pest infestation.

Providing access to weather information was part of the Cotton4Impact project jointly with the GIZ.

Training of agricultural consultants in digital farm management.

tainable business model. For this we developed a climate action plan, building on our carbon assessment for our Winterthur office (see below) and identifiying possibilities to work in climate change mitigation and adaptation possibilities in our upstream value chain.
As a Small and Medium Sized company, we offer our expertise to work with upstream and downstream partners along the value chain to jointly drive climate change mitigation and adaptation measures. This can be support in data collection, strategic support, financial support for programs and projects of upstream suppliers, or implementing projects on the ground where feasible.

Carbon Emissions

In 2024/25 we continued to measure our carbon emissions from our largest office in Winterthur, following the GHG protocol adopting a carbon calculator method. As an office-operation, our largest emissions are in relation to business travels. A reduction in travels as well as a significant change from our emission factors (uk-gov) led to a reduction of our carbon emissions. Following our Climate Action Plan, we are consistently evaluating possibilities to reduce operational emissions.

Our largest impact is however in our upstream value chain, where we will continue to explore possibilities to reduce impact on climate change together with our partners, for example through implementing agroforestry in cocoa plantations or exploring and training on fertilizer and biochar-applications.

Carbon Emissions Paul Reinhart AG Winterthur 2023-2025

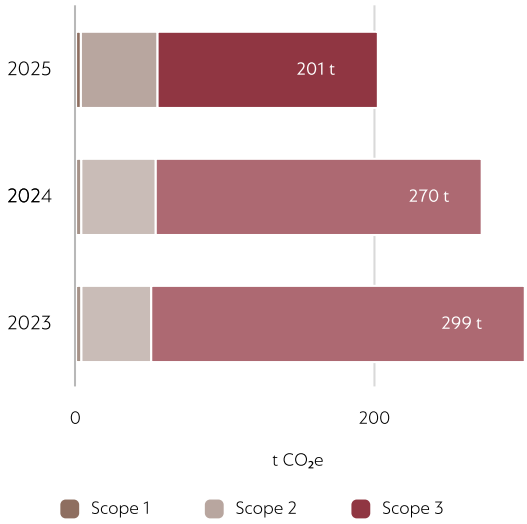

Figure 4: Carbon Emissions Paul Reinhart AG Winterthur

Impact Assessments

In the context of the Cotton4Impact Project Impact Assessment, interviews were conducted with 1,200 producers in Ivory Coast, Tanzania, and Zambia. The results provided significant insights for us and the ginneries. Producers indicated overall satisfaction, stating that the ginneries positively contributed to their well-being. The trainings executed by the ginneries—related to Cotton4Impact and others—were mostly seen as useful, though it was clear that they need to become easier to understand

Tanzania | Zambia | Ivory Coast

Voice Of The Cotton Farmer

60__decibels

60 decibels provided an impact assessment report for each of the participating countries. The reports can be found on our website

Social Topics

Reinhart and its affiliated companies play an active role in addressing human and labor rights in its operations, subsidiaries, and entire supply chain. Companies under the Reinhart Group uphold the Core Conventions of the International Labor Organization (ILO) and aligns with the UN Global Compact and the UN Guiding Principles on Business and Human Rights.

Talent Attraction and Staff Retention
Attracting and retaining employees that fit the company's culture is essential for Reinhart to succeed in a demanding and global market. Reinhart emphasizes aligning employees' expectations with the company's long-term requirements. From the employees' perspective, factors such as freedom of work organization, job security, remuneration, and further training are important, while Reinhart values performance, loyalty, and costs. Reinhart promotes its employees' learning and development by assigning challenging work tasks and supporting external advanced training to build work-related skills. Entry-level positions are often filled with apprentices who have completed their training at Reinhart, especially in the logistics department and other administrative positions. In order to recruit traders, especially junior traders, a large network of contacts within the international trading community is important due to the high specialization level and expertise that is required.
In 2024/25 our average retention time of staff is 12 years. We also promoted junior trading positions at networking events and managed to successfully fill various positions in response to natural fluctuations.

Labor and Human Rights
Covers Reinhart's own operations, subsidiaries and upstream supply chain. It includes the protection of workers and human rights such as working hours, wages, health and safety, child labor, forced labor, land rights, amongst others.

In 2024/25, we continued to report as required by DDTrO, updating our human rights risk assessment for cocoa and cotton. We also support our clients in conducting assessments, providing access to farmers and using results for improvements of our own work.

Primary school at the village of Belcé in the production zone Tenkodogo, Centre-Est (© Faso Coton, 2021).

Community Engagement
Reinhart is committed to sponsor international projects and support activities for local communities with a focus on social aspects, education and climate protection. This can be in various forms, financial, in the form of knowhow, through commited commercial activities, by coordinating access to communities or local project partners. In 2024/25 we were engaged in over 25 projects across countries.

For example, Paul Reinhart Foundation supported

- Aiducation International to build the start-up fund “Thousand Young Entrepreneurs” (Kenya)
- Montessori School in Mwanza, Tanzania with a new school-bus to support safe transit to the schools
- Construction of a tank for collection of rainwater and drinking-water treatement in Tanzania
- Drought Food Relief support for small-hoilder farmers affected by the drought in Zambia
- Reforestation project in Ivory coast
- "CottonBoost" Project in Burkina Faso supports the education of farmers to improve soil health through agronomic measures such as Biochar, Bokashi or rotational crop-nitrogen fixing.
- Support the project"Building Better Tomorrow" in Tanzania by supporting youth in the Agri-sector through the development of entrepreneurial activities along selected value chains.
- Financing the builiding of a dormitory in the girls-orphanage in Democratic Republic of Congo.
- Reinhart India supported two organizations in Gurgaon, the Neev school with an expansion project and Umeed Foundation, a learning Centre for Differently Abled Children.

Aerial shotrendered as polygon of farm plots in Burkina Faso

Integrating technological solutions

For both commodities, cotton and cocoa, we are exploring technologies and potential solutions to improve traceability and associated data. This includes geodata collection, ground-trouthing activities and collaboration with a variety of partners and solution providers.

Product related Topics

Reinhart considers the interests of the customer in its business activities, observes legal limits, and ensures the quality and reliability of the goods and services it delivers.

Traceability

Transparency and traceability of agri-commodities across the entire supply chain is becoming a global demand. It essentially means knowing where the product comes from and under what conditions it was produced. It includes efforts to identify and trace the history, distribution, location, application of products and associate additional information such as geodata.

In 2024/25, we focused on optimizing our traceability procedures especially in cocoa to be prepared for EUDR. The focus was on both, our supply chain, but also in our own operations, ensuring that associated data, such as geodata, is collected and linked to the journey of the product.

Product Quality and Certification

We ensure that product quality fully meets customer expectations and regulatory requirements. This includes ensuring safe and reliable products, and the offering of products that comply with certified standards.

In 2024/25, Reinhart and Minka successfully renewed all Scope Certificates for the certified-commodities under the various initiatives and standards that we offer to our clients.

Supplier Assessment and Policies

Our business practices in relation with direct and indirect suppliers as well as farmers are at the core of our business. It includes efforts to ensure that suppliers are fully compliant with local regulations and take into account ethical, environmental, and social principles.

In 2024/25 Reinhart continued the global roll-out of its Supplier Code of Conduct. Additionally, we informed our cocoa-suppliers on EUDR and set up systems to assess their work and progress to be compliant with additional EUDR requirements.

Our spinning mill customers transform lint cotton bales into industrial yarn.

RISK MANAGEMENT DOES THE COMPANY HAVE ADEQUATE PROCESSES IN PLACE?

Trading agricultural commodities at a profit requires the right buying and selling decisions, and every decision involves a risk-reward consideration. Our organizational measures and processes ensure that decisions are in line with our due diligence, and that they are well-informed and timely.

This includes, for example, internal exchange of market information, alignment on conclusions to be reflected in the purchase and sales of agricultural commodities and forecast preparation.

As a truly global player active in challenging environments, we recognize that as an intermediary we may not always exercise full influence and are sometimes confronted with conflicting requirements. However, this never serves as an excuse: we always honor internationally recognized principles of responsible corporate governance.

Enterprise & Counterparty Risk Assessment
To address these, Reinhart conducts an annual risk assessment cycle quantifying risks by likelihood and impact. Reviewed annually by a third party auditor and the Board of Directors, this cycle fully incorporated Minka in 2025 and directly covers counterparty risk. Integrated into our pre-purchase and pre-sales due diligence, traders run these checks during the offering and bidding process. For cocoa, we continuously enhanced these procedures over the past two years, aligning them with Group standards and EUDR requirements. In addition, it ensures full compliance with the requirements coming from the syndicated revolving credit facility provided by international banks.

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