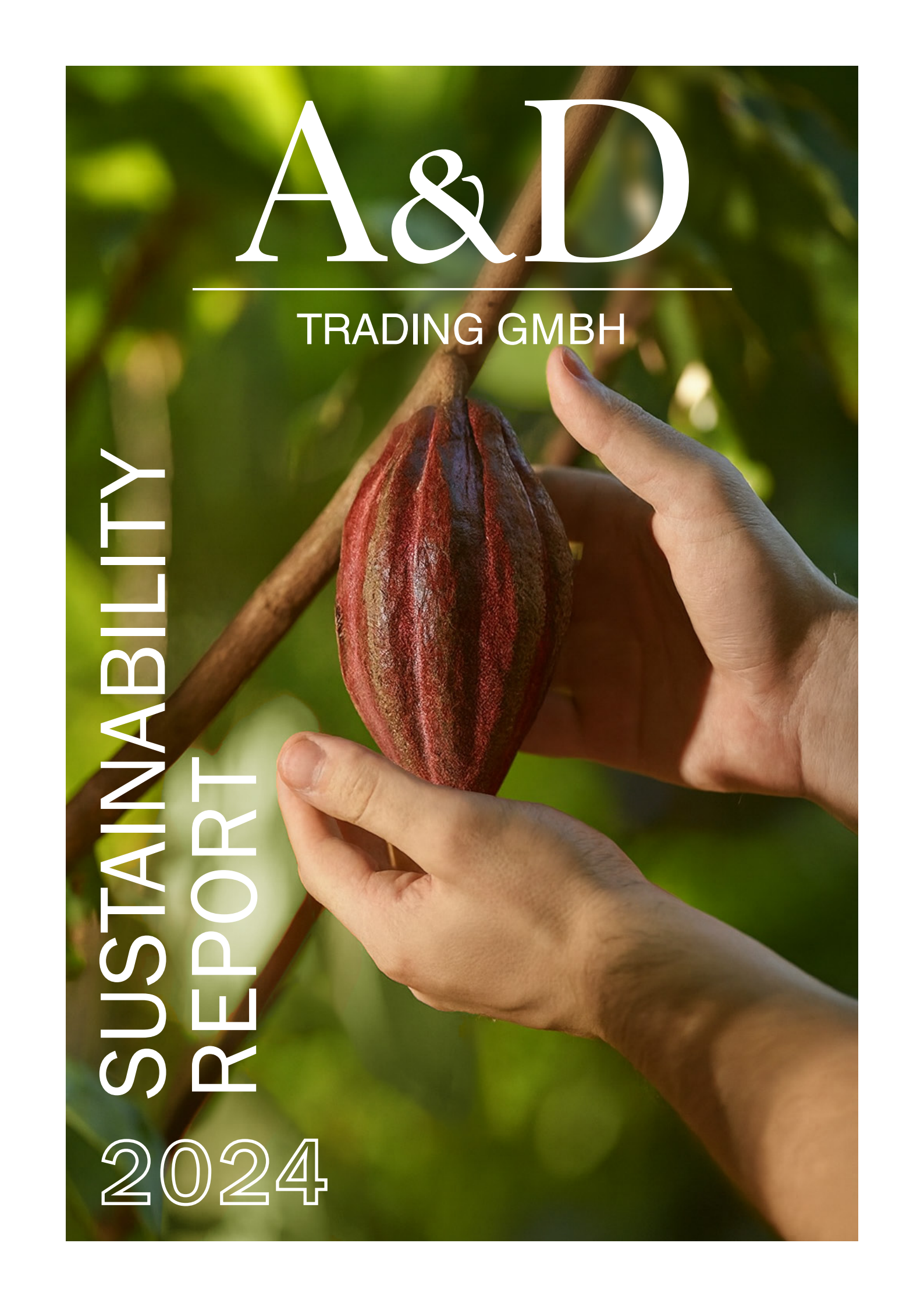


A pair of hands is shown holding a single, ripe cacao pod. The pod is reddish-brown with prominent vertical ribs. The hands are positioned to hold the pod gently, with fingers visible on either side. The background is a soft-focus green, suggesting a tropical or agricultural setting with sunlight filtering through the leaves.

A&D

TRADING GMBH

SUSTAINABILITY
REPORT
2024

Content

Message from the CEO	1
About the report	2
Market overview	3
About us	4
Organization structure	
Our supply chain	
Double materiality assessment	6
Methodology	
Results	
Sustainability strategy	8
Responsible sourcing	
Quality products	
Long-lasting partnerships	
Closing note	15
Sustainability metrics and KPIs	16
CSRD index table	17





Message from the CEO

Dear Partners and Stakeholders,

At A&D we remain committed to creating long-term value while recognizing our responsibilities to employees, customers, communities, and the planet. Over the past year, we have continued to mainstream sustainability into our business operations, particularly in how we source and deliver our cocoa products.

While there is still work ahead, we are encouraged by the progress made and the lessons learned so far. We understand that change takes time, collaboration, and consistency. That is why we are focused on building partnerships and making procurement decisions that support our sustainable outcomes over the long-term.

We thank our stakeholders for their ongoing engagement, which continues to keep us aligned and grounded as we evolve our practices to meet both market expectations and responsible sourcing standards.

Thank you for your continued support.
Sincerely,

Philipp Hoffmann
Managing Director



About the report

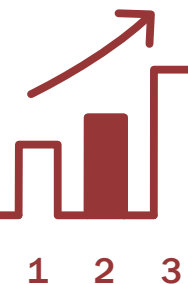
During 2024, our sustainability journey advanced by taking more deliberate and impactful steps. Our sustainability strategy has since evolved into three core pillars that guide our business operations.

To support this evolution, we have documented our practices and progress with the aim of providing stakeholders with a clear and honest view of our sustainability journey. We remain dedicated to learning, evolving, and working collaboratively towards a more sustainable future. Accordingly, this report contains an overview of our business operations, stakeholder engagement, and our sustainability strategy's pillars. For each pillar, we outline the initiatives undertaken and the progress achieved throughout the year. This report is part of our commitment to transparency. It highlights our achievements and reaffirms our ongoing efforts to ensure responsible sourcing.

The report covers the fiscal year 2024 and is broadly aligned with the structure of the Corporate Sustainability Reporting Directive (CSRD).

Our sustainability strategy stands on three key pillars:

- 1- Responsible sourcing
- 2- Quality products
- 3- Long-lasting partnerships



1 2 3

Market overview

The year 2024 proved to be a challenging year for A&D, marked by severe supply disruptions, extreme price volatility and environmental and regulatory requirements demanding continuous adaptation.

Supply disruptions and market pressures

Adverse weather conditions and crop diseases — especially in the Ivory Coast and Ghana, the world's two largest cocoa producers have led to significant supply shortages. These disruptions were compounded by a surge in cocoa prices, which reached record highs and substantially increased raw material costs. As a result, cocoa grinding volumes declined, and raw material price volatility intensified. These factors, combined with broader market uncertainties, have created an increasingly difficult environment for the company.

Strategy and collaboration

In light of these challenges, it became clear that building resilience was essential to ensure we could continue meeting client demand and fulfill our contracts in origin. Through a more strategic approach for cocoa sourcing, strong logistics and our long-term partnerships, we successfully fulfilled 100% of contracts in origin countries allowing us to maintain our exceptional service and reliability to our clients.

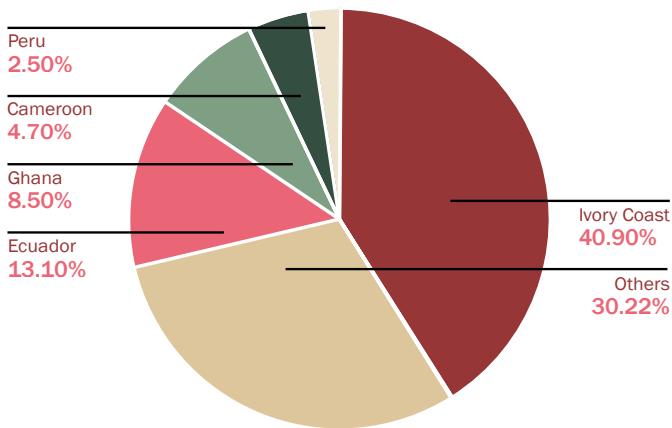
Additionally, with new environmental regulations on the horizon, we used 2024 as an opportunity to proactively enhance our preparedness and compliance efforts. This has strengthened our relationships with our stakeholders and fostered a strong sense of collaboration across our departments.



About us

Albrecht & Dill is a cocoa trading company specializing in cocoa beans, butter, and liquor. In 2024, we sourced our products from 20 countries, with Ivory Coast as our largest origin. We serve clients across Europe, North America, and Southeast Asia.

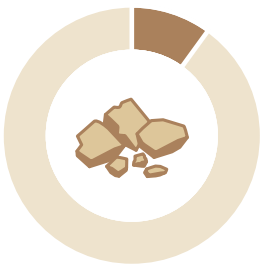
Founded in 1806, we bring over two centuries of experience to the cocoa industry, along with deep market insight and long-standing relationships with our partners. Our headquarters are in Hamburg, Germany, and we operate a U.S. subsidiary in New Jersey, which serves as our main point for connections across Latin America and North America.



Total sales
70,728.05 MT



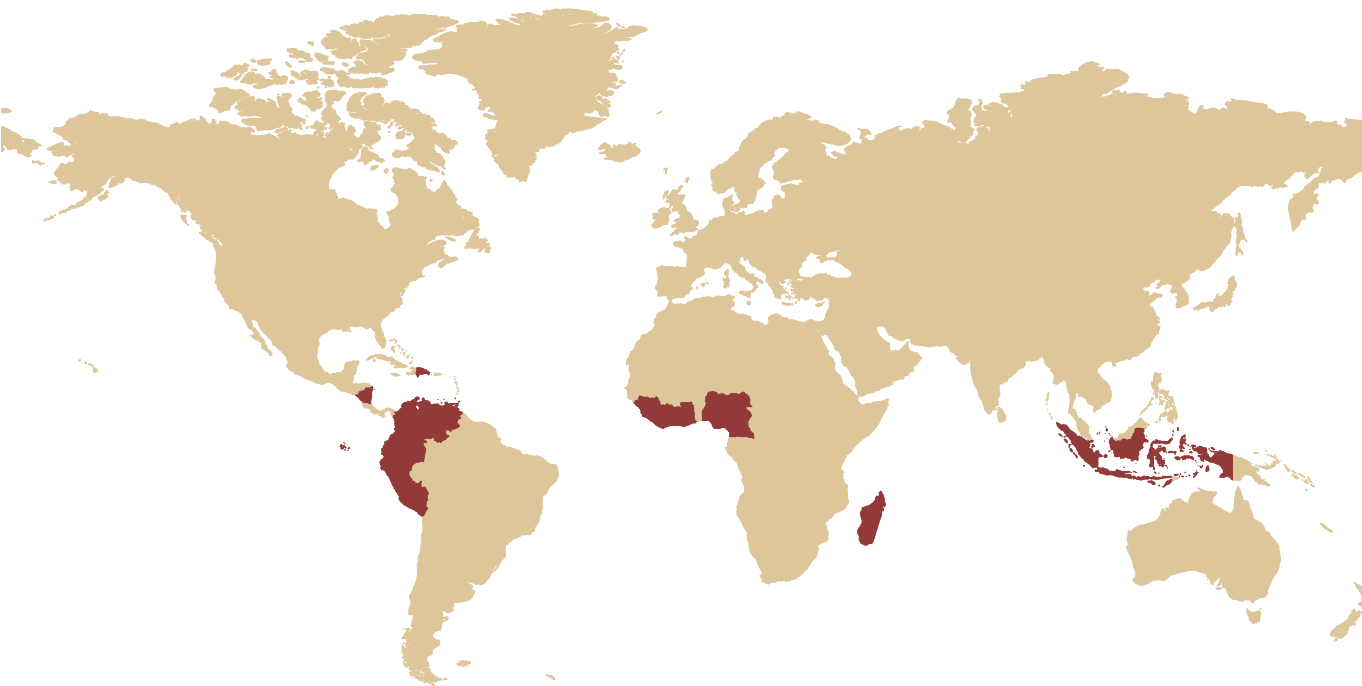
Beans
87.6%



Butter
9.7%



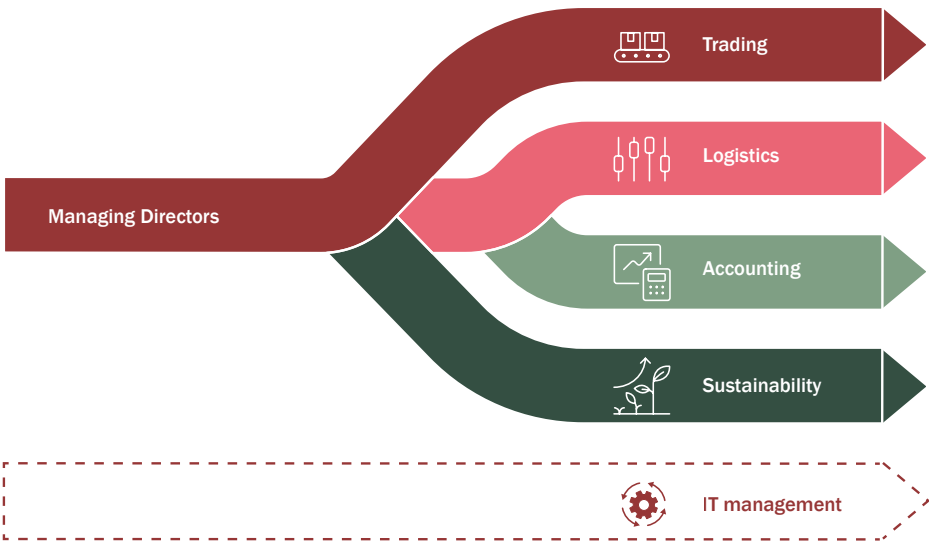
Liquor
2.7%



Organization structure

Each department contributes valuable insights and experiences that inform our two Managing Directors, enabling aligned and strategic decision-making crucial to the company’s success. In addition to these core areas,

responsibility for Health & Safety is directly overseen to ensure compliance and employee well-being, while IT services are managed through a dedicated outsourcing partner that supports all departments.



Our stakeholders

Throughout 2024 we reviewed our stakeholder engagement processes and procedures to gain more insights into our supply chain complexity. The upcoming regulations required us to strengthen our communication channels, conduct a deeper due diligence and foster collaboration across different tiers in the supply chain. This continuous exchange is

essential to ensuring transparency, fostering shared understanding, and driving progress as we learn and grow together. The exercise of stakeholder mapping was conducted with higher management and is reviewed regularly to reflect changes in our operating environment, relationships, and strategic focus.



Double materiality assessment

For the second consecutive year, we conducted a Double Materiality Assessment (DMA) to deepen our understanding of the sustainability topics most relevant to our business.

This year, we refined our methodology to include sector-specific reviews, clearer topic definitions, expanded time horizons, and a more structured approach to stakeholder identification and engagement.

Methodology

1- Analysis and Identification of topics

The first step for this year's DMA was performing an analysis of the updated and guidance documents of the European Sustainability Reporting Standards (ESRS), relevant market trends and the results of our previous materiality assessments.

2- Identification of impacts, risks and opportunities (IROs)

Through thorough research, the sustainability department identified and defined the positive and negative impacts, risks, and opportunities related to its operations and value chain based on the topics of the initially compiled list.

3- Rating methodology

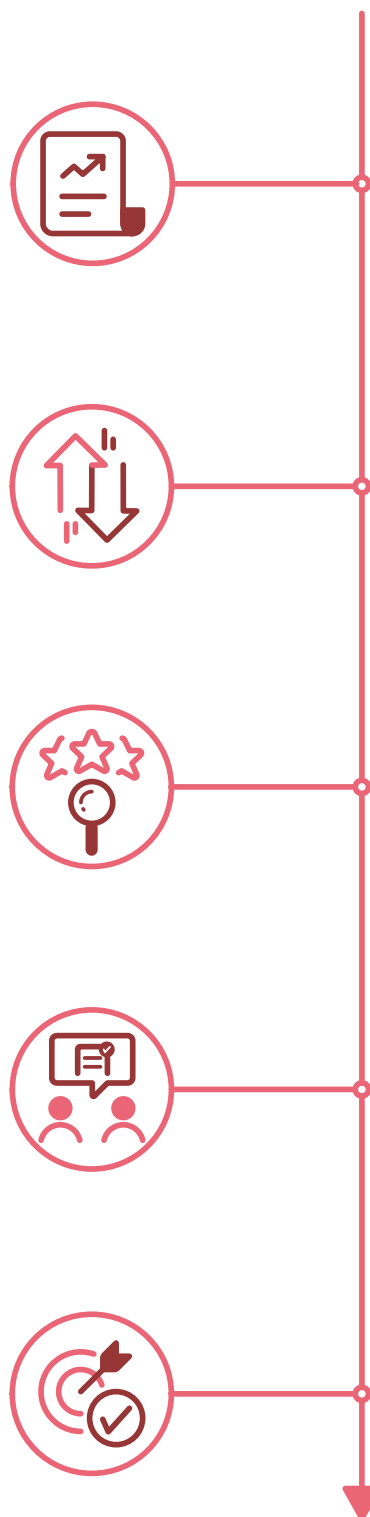
A quantitative rating methodology was used to assess the materiality of each impact, risk and opportunity. The methodology was based on the definition of the company's time horizons and considerations such as geographic scope, scale magnitude and likelihood for potential impacts.

4- Stakeholder consultation and assessment

Through targeted surveys, we gathered input from stakeholders and internal experts to enhance the scoring of our topics, while interviews with clients provided additional insights to support this process.

5- Validation and lines of action

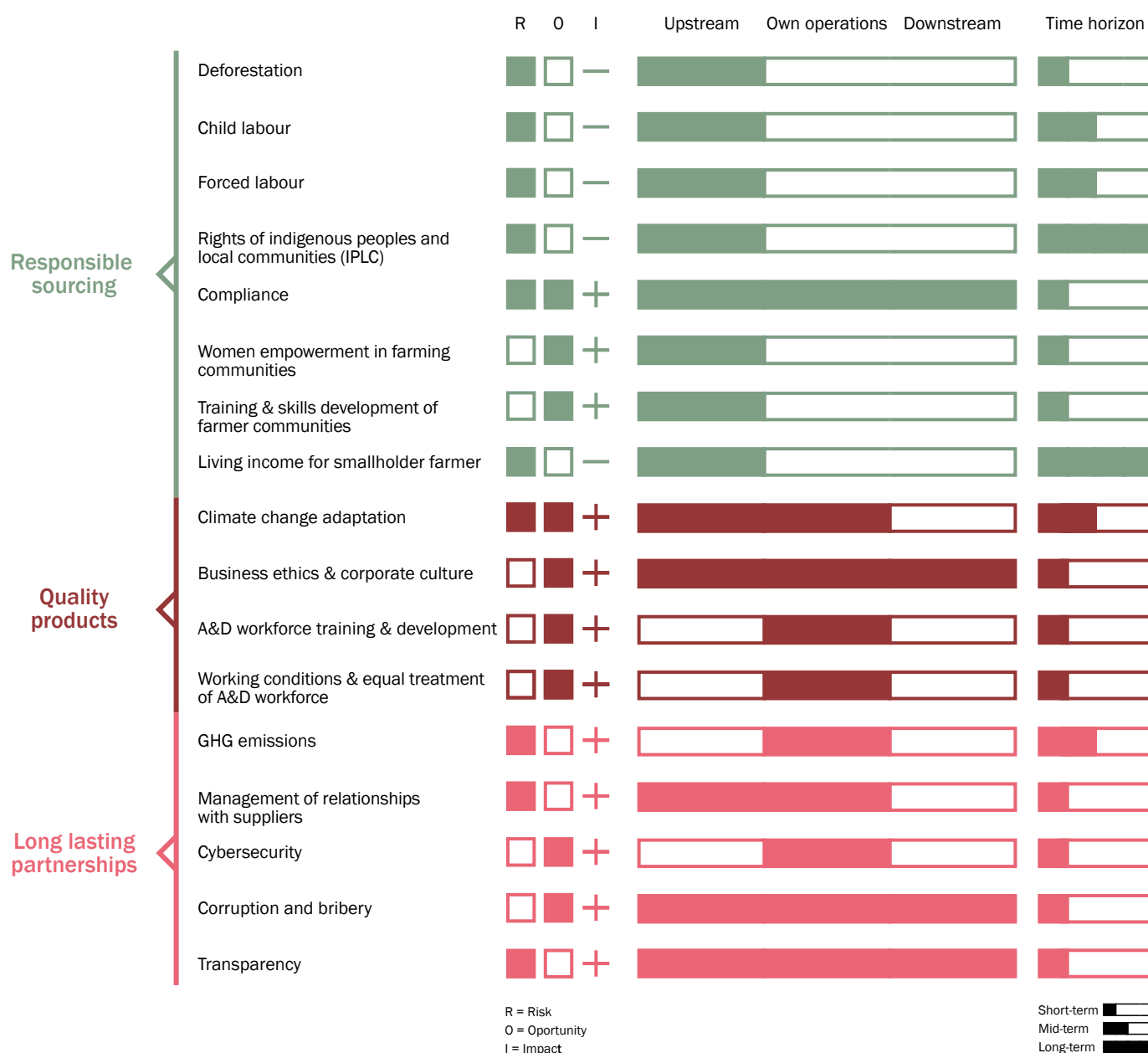
The results were validated by the sustainability department following a comprehensive assessment, informed by insights from an interview with the company's managing director. The results served as an input for the definition and consolidation of our new sustainability pillars.



Results

These enhancements allowed us to better capture the evolving landscape of sustainability risks and opportunities across our operations. Key material topics such as supplier relationship management, regulatory compliance, employee working conditions, and equal treatment continue to be central to our strategy.

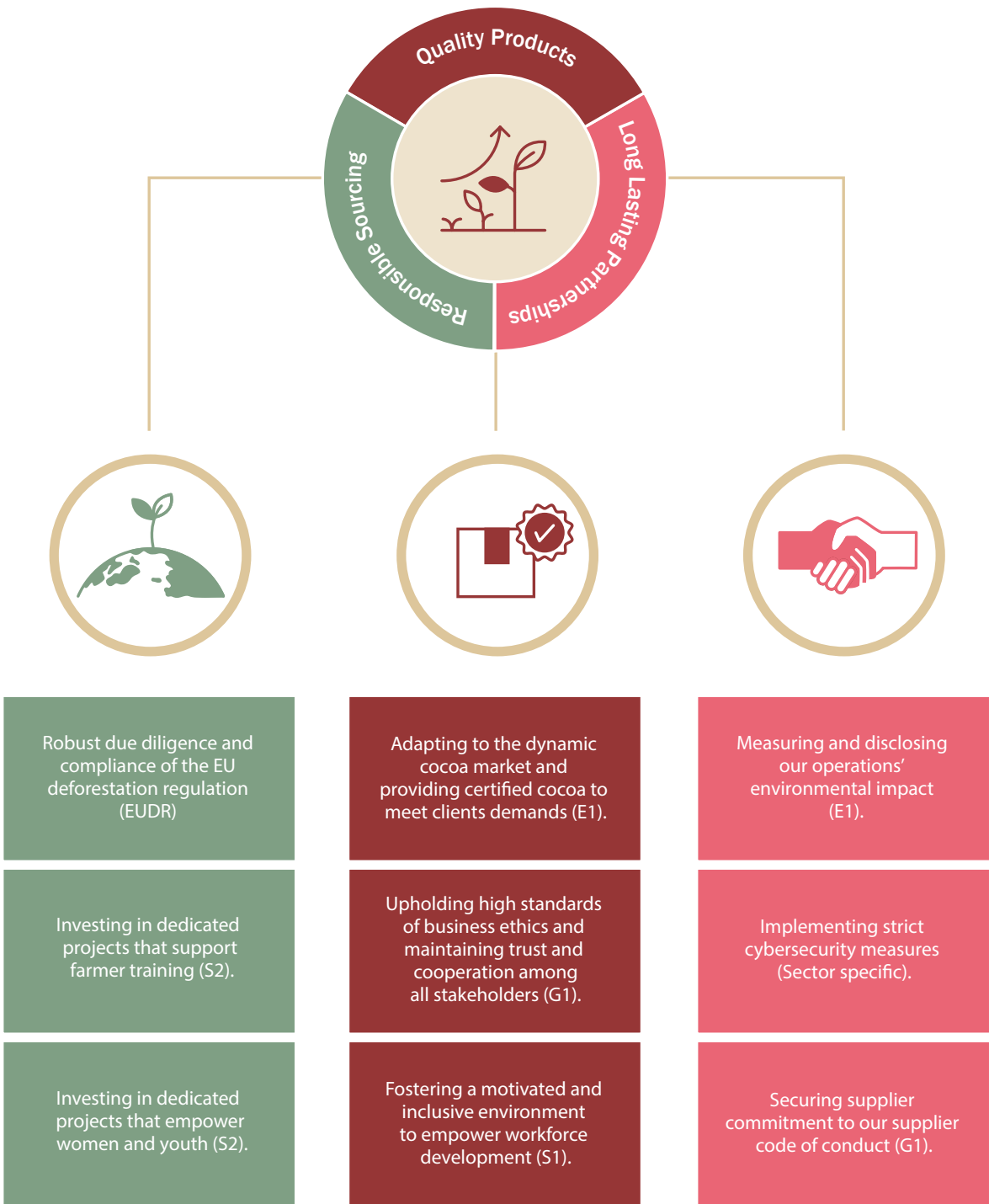
In addition, emerging regulatory challenges have highlighted the growing importance of transparency, traceability, and a more robust assessment of corruption and bribery risks across our supply chain and management practices.



Sustainability strategy

Our sustainability strategy reflects our commitment to delivering quality cocoa beans and cocoa products, while continuously improving in response to evolving challenges and opportunities.

While our framework strategy is shaped surrounding key material topics, it's also grounded in our long-standing presence in the market and built on three core pillars that have long been central to our identity.



Responsible sourcing

Aligned with our commercial activity, we identified responsible sourcing as one of our strategic pillars to ensure our actions contribute to the well being of

farming communities and support our suppliers in achieving stability in a rapidly changing market.

Responsible sourcing policy:

We established our Responsible Sourcing Policy in 2020 to communicate the priorities that guide our procurement practices. The policy is continuously updated to reflect internal developments, market trends, and stakeholder expectations, and it addresses critical issues that may impact our sourcing decisions.

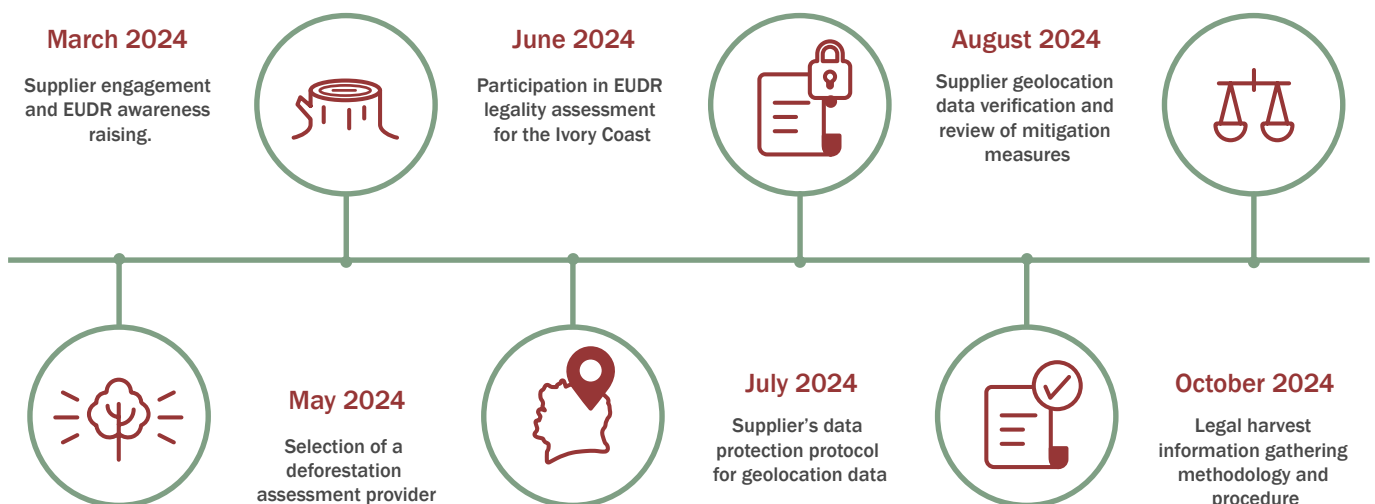


Due diligence and compliance (E4, S2, S3, G1)

In 2024, and in line with our Responsible Sourcing Policy, we actively worked with our suppliers, clients, warehouses and service providers to align our due diligence procedures with the compliance requirements of the European Union Deforestation Regulation (EUDR). The EUDR offered an opportunity to strengthen our traceability protocols, enhance our communication

channels and reinforce our risk management processes across our operations. As a cocoa trading company, we recognize our role and responsibility in supporting the objectives of the EUDR, and we will continue our efforts throughout 2025 to contributing to deforestation-free supply chains.

Our EUDR journey



Dedicated projects (S2)

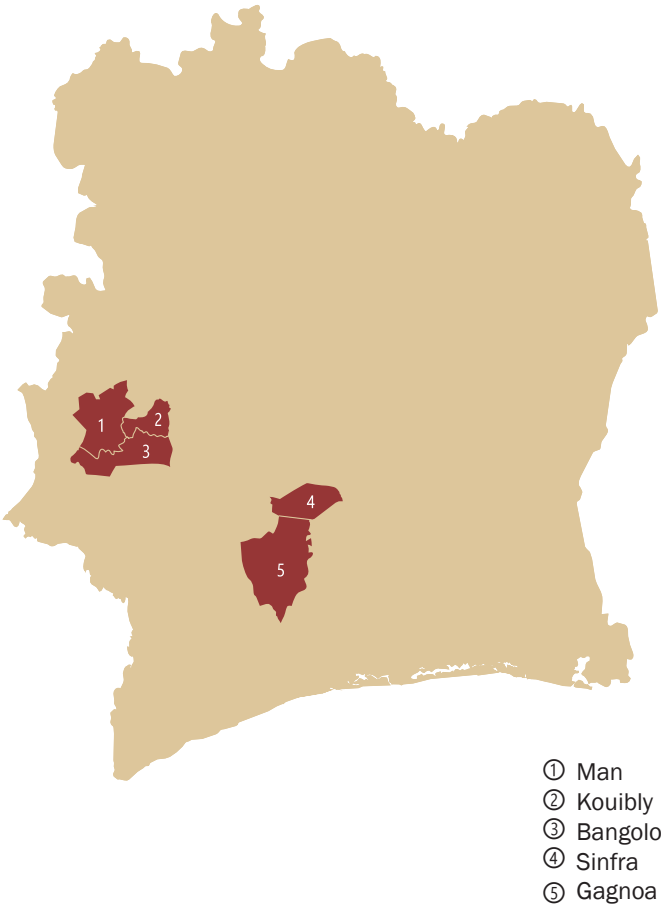
Throughout 2024, we focused on empowering farming communities across five cooperatives in the Ivory Coast through two different projects. Both projects covered the topics of sustainable development through strategic interventions in climate-smart agriculture, gender and youth inclusion, digital traceability, and equitable market access.

Operations are concentrated in the regions of Sinfra, Bangolo, Kouibly, Man and Gagnoa.

The following figure shows the consolidated data related to cooperatives and farmers that are part of both projects.



Ivory Coast



Project Key Performance Indicators for 2024

440

Women trained on financial, gender, and entrepreneurial topics

5

Cooperatives reached

2,674

Farmers training on GAP

4,050

Farm polygons mapped

60

Youth trained on farm management and entrepreneurship

3,174

Total people reached

22

Established VSLAs

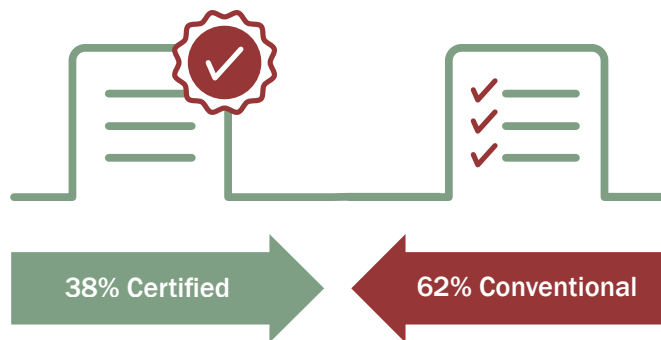


Quality products

Our commitment to product quality goes beyond the cocoa itself. We ensure excellent service, striving for timely deliveries that respect our partners' schedules. Our employees and business partners are a key part of this quality promise, providing consistent support and expertise.

We successfully passed our different quality standard and certification audits, maintaining our ISO9001, Fairtrade, Rainforest Alliance, and Organic certifications.

In 2024, more than one-third of our cocoa beans, butter and liquor sales were sustainably sourced against at least one recognized certification standard.



Code of ethics:

Our Code of Ethics is a broader document that applies to the entire organization, including our employees, management and other stakeholders. It serves as the guideline for Albrecht & Dill decision making and it has a different scope since its main purpose is to establish a strong ethical culture within the organization.

Climate change adaptation (E1)

The effects of climate change on cocoa production increase the risk of supply disruptions ranging from cocoa scarcity to price volatility. The commercial team is now assessing the long-term sourcing decision by integrating sustainability criteria for suppliers as well as diversified sourcing strategies to mitigate the risk of default and maintain the quality of our cocoa.

Business ethics and corporate culture (G1)

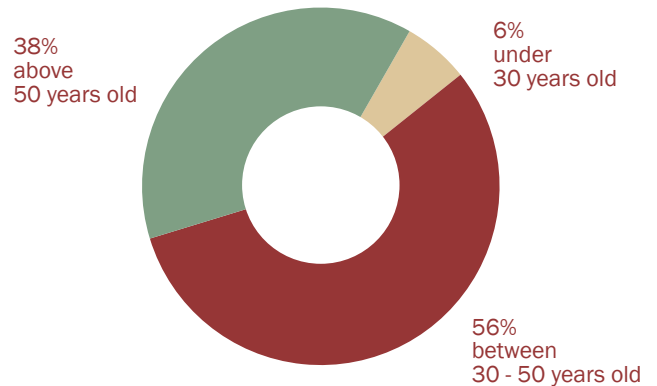
An essential aspect of providing quality products is having a clear set of standards to guide every action. At the core of our operations, our code of ethics defines the values and ethical standards that shape our internal practices and external interactions. Our dedication to meeting these standards is fundamental to guaranteeing the quality products our customers expect.



Working conditions and equal treatment of Albrecht & Dill workforce (S1)

An integral part of the products we offer is our high-quality service which is only possible through our dedicated group of employees. At Albrecht & Dill, we strive to provide a positive experience and work-life balance for all our employees. As part of our business strategy and responsibility towards our stakeholders, we see the commitment to our employees as an investment in retaining and hiring highly qualified staff. Fair salaries as well as good working conditions set the base for our business success. We are proud to foster a diverse and inclusive environment, with employees from various age groups and nationalities, and an equal representation of men and women.

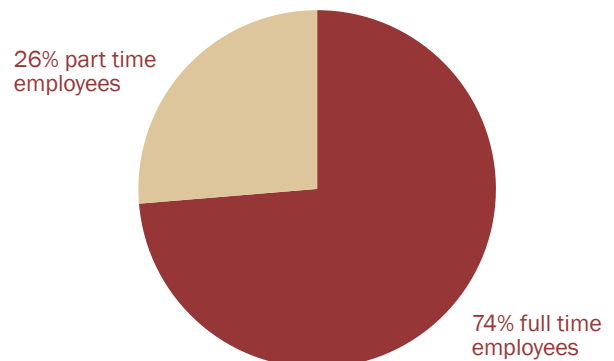
Employees by age group



Albrecht & Dill workforce training and development (S1)

Albrecht & Dill employees are encouraged to keep their skills up-to-date. We achieve this through a competence matrix, which compares the skills essential for each role with individual proficiency levels. Whenever new tasks arise or evolving industry standards require new knowledge, employees are invited to complete trainings to ensure their expertise remains current.

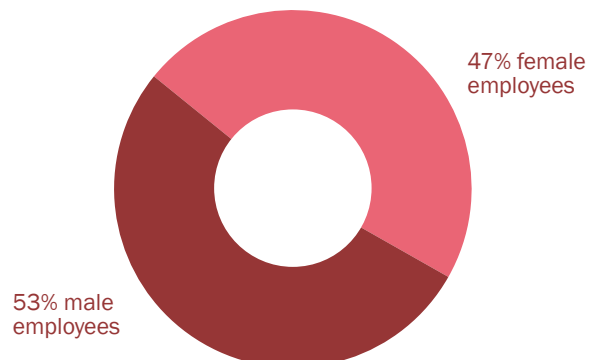
Employees by contract type



Grievance Mechanism:

Albrecht & Dill has established a formal grievance mechanism to address critical concerns raised by stakeholders. This system is designed to facilitate transparent dialogue with relevant parties, enabling us to resolve issues effectively and proactively prevent future occurrences.

Employees by gender



Long-lasting partnerships

This pillar reflects our centuries-long commitment to building enduring, trust-based relationships across the cocoa value chain. We believe strong relationships are key to move forward together and achieving shared sustainability goals. This pillar anchors our long-term efforts to shape a resilient and impactful future.

GHG emissions (E1)

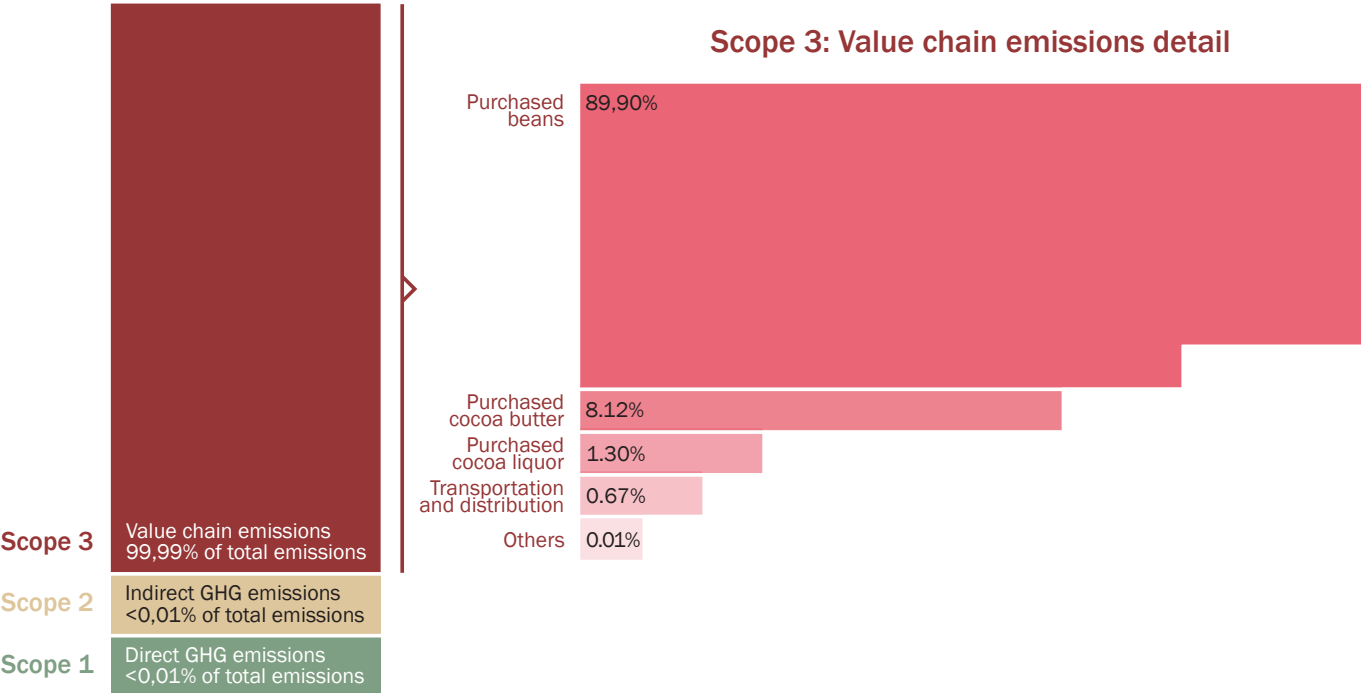
We conducted our first GHG emission calculation exercise in 2024. The primary goal was to establish our baseline year, identify the key drivers of our emissions and with these findings to prioritize future actions.

As cocoa traders, the vast majority of our total emissions fall under Scope 3, primarily stemming from upstream agricultural activities in our supply chain. These are largely attributed to farm management practices and land-use change.

In 2025, we aim to enhance the accuracy of our calculations by improving data quality and refining our internal processes and methodology.



Carbon emissions by scope



Management of relationship with suppliers (G1, Sector specific)

Our business thrives on strong, positive relationships with our suppliers. This long-standing commitment enables us to manage contracts efficiently, streamline logistics, and ensure supplier readiness in meeting our social, governance and environmental compliance requirements.

As regulatory expectations continue to evolve, particularly around sustainability disclosures and supply chain due diligence, we are committed to maintain high standards of transparency and ethical conduct across our operations.

Cybersecurity (Sector specific)

Data protection is paramount for us. We're committed to ensuring that data from employees, customers, stakeholders, and all other third parties is collected, used, and shared strictly in line with German data protection laws.

Beyond our standard in-office data security measures, we partner with a specialized firm that uses state-of-the-art cybersecurity measures to protect personal information from threats beyond our direct control. Employees participate in an organized yearly cyber security training to improve their awareness of data security measures.

Supplier code of conduct:

Our Code is based on internationally recognized standards, and it outlines our supplier expectations in key areas such as human rights, environmental protection, employee health and safety, among others. We consider it a key tool for managing our business relationships and to reinforce sustainable supply chain practices.



Closing note

The cocoa market is dynamic and constantly evolving, and we recognize that staying aware of these shifts is vital for our company's resilience and long-term sustainability.

While 2024 has brought its share of challenges, it has also opened significant opportunities—particularly in areas such as traceability, stakeholder engagement, transparency, and demonstrating our commitment beyond simply selling cocoa.

This report highlights the work we've undertaken throughout the year. We are proud of the progress and achievements we've made – while remaining mindful of the journey ahead and the improvements still needed.

Our three strategic pillars continue to guide our operations and sustainability efforts. And we are committed to tracking our key indicators annually in a robust and transparent manner, ensuring that our actions are grounded in measurable impact.

In addition, we are actively preparing for compliance with the EUDR, which we believe will further strengthen and enhance our sustainability practices.

Lastly, we reaffirm how much we value our partnerships with our stakeholders. We look forward to deepening these collaborations and building even stronger, more impactful relationships in the future.



Join us on our sustainability journey!

Emails: sustainability@albrecht-dill.de ; trading@albrecht-dill.de

Website: <https://www.albrecht-dill.de>

Sustainability metrics and KPIs

As part of our new strategy, we are looking forward to track and monitor our progress. In this report we present our baseline numbers. We are currently undergoing a peer review and market trend to set targets for the different topics that comprise our strategy.

		Unit	
GHG emissions*	Scope 1 emissions		
	Company-owned vehicles	tCO ₂ e	26.02
	Scope 2 emissions		
	Electricity	tCO ₂ e	3.55
	Steam, Heat, Cooling	tCO ₂ e	1.78
	Scope 3 emissions - Upstream		
	Purchased good - raw material	tCO ₂ e	1,378,843.94
	Purchased goods	tCO ₂ e	3.78
	Fuel and energy related emissions	tCO ₂ e	8.42
	Transportation and distribution	tCO ₂ e	6,859.60
	Business travel	tCO ₂ e	73.11
	Employee mobility	tCO ₂ e	33.04
	Scope 3 emissions - Downstream		
	Transportation and distribution	tCO ₂ e	2,398.95
	Total GHG emissions (market-based)	tCO ₂ e	1,388,249.31
	Total GHG emissions (location-based)	tCO ₂ e	1,388,252.91
Certified sales	Cocoa products sales volume certified under recognized sustainability standards	Percentage	38
Equal treatment of A&D workforce	Number of Men	Employees	10
	Number of Women	Employees	9
	Departments with women in leadership positions	Percentage	50

* The GHG emissions presented in this table correspond to our baseline year, 2023

CSRD index table

ESRS	DR	Name	Page
ESRS 2	BP-1	Disclosure of general basis for preparation of sustainability statement	2
ESRS 2	BP-2	List of sustainability matters assessed to be material	7
ESRS 2	BP-2	Disclosure of how business model and strategy take account of impacts related to sustainability matters assessed to be material	8
ESRS 2	GOV-1	Information about roles and responsibilities of administrative, management and supervisory bodies	5
ESRS 2	GOV-4	Disclosure of mapping of information provided in sustainability statement about due diligence process	8
ESRS 2	SBM-1	Disclosure of information about key elements of general strategy that relate to or affect sustainability matters	8
ESRS 2	SBM-1	Description of significant groups of products as well as significant markets served	4
ESRS 2	SBM-1	List of ESRS sectors that are significant for the company	8
ESRS 2	SBM-1	Description of business model and value chain	4, 5
ESRS 2	SBM-3	Disclosure of how impacts originate from or are connected to strategy and business model	7, 8
ESRS 2	SBM-3	Disclosure of reasonably expected time horizons of impacts	7
ESRS 2	IRO-1	Description of methodologies and assumptions applied in process to identify impacts, risks and opportunities	6
ESRS 2	IRO-1	Description of how process includes consultation with affected stakeholders to understand how they may be impacted and with external experts	6
ESRS 2	MDR-A	Disclosure of key action	8
ESRS 2	MDR-M	Description of metric used to evaluate performance and effectiveness, in relation to material impact, risk or opportunity	12, 13, 16
ESRS 2	MDR-T	Baseline value	16
ESRS 2	MDR-T	Baseline year	16
E1	E1-1	Disclosure of transition plan for climate change mitigation	11
E1	E1-2	Policies in place to manage its material impacts, risks and opportunities related to climate change mitigation and adaptation	9, 11
E1	E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions - GHG emissions per scope	13, 16
E1	E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions - Scope 3 GHG emissions	13, 16

CSRD index table

ESRS	DR	Name	Page
E1	E1-6	Total GHG emissions location based	13, 16
E1	E1-6	Total GHG emissions market based	13, 16
E4	E4-1	Disclosure of transition plan to improve and achieve alignment of its business model and value chain	9
S1	S1-1	Policies to manage material impacts, risks and opportunities related to own workforce, including for specific groups within workforce or all own workforce	11
S1	S1-1	Disclosure of the general approach to respecting human rights, including labour rights, and engaging with people in its own workforce.	12
S1	S1-1	Have or plans to have programs to promote access to skills development.	12
S1	S1-2	Processes for engaging with own workforce and workers' representatives about impact	12
S1	S1-3	Grievance or complaints handling mechanisms related to employee matters exist	12
S1	S1-4	Disclosure of general and specific approaches to addressing material negative impacts	12
S1	S1-6	Characteristics of company employees - information on employees by contract type, gender and region	12, 16
S1	S1-10	All employees are paid adequate wage, in line with applicable benchmarks	12
S2	S2-1	Policies to manage material impacts, risks and opportunities related to workers in the value chain, including for specific groups of value chain workers or all value chain workers	9
S2	S2-1	Supplier code of conduct	14
S2	S2-2	Processes to remediate negative impacts and channels for affected communities to raise concerns	10
S2	S2-3	Grievances are treated confidentially and with respect to rights of privacy and data protection	12
S2	S2-4	Description of action planned or underway to prevent, mitigate or remediate material negative impacts on value chain workers	9
S2	S2-4	Disclosure of initiatives aimed at contributing to additional material positive impacts	10
S3	S3-1	Policies to manage material impacts, risks and opportunities related to affected communities, including specific affected communities or all affected communities	9

CSRD index table

ESRS	DR	Name	Page
G1	GOV-1	Disclosure of role of administrative, management and supervisory bodies related to business conduct	1
G1	G1-1	Business conduct policies and corporate culture	11
G1	G1-2	Description of approaches in regard to relationships with suppliers, taking account risks related to supply chain and impacts on sustainability matters	14
G1	G1-3	Information about procedures in place to prevent, detect, and address allegations or incidents of corruption or bribery	14
G1	G1-6	Disclosure of contextual information regarding payment practices	14

A&D

TRADING GMBH

