Sustainability Report 2023

GELITA

Contents

Dear readers,

Despite a challenging year that did not yield the financial results we anticipated, we remained steadfast in our commitment to sustainability and invested in initiatives that align with our long-term vision for a more sustainable future. In order to counteract increasing competitive pressure and changes in international markets, we continued to invest in modernizing our facilities and new state-of-the-art equipment, as well as offering high-quality new products that contribute to sustainability. We also continued our research into the development of non-animal-derived collagen proteins using microorganisms to complement our future portfolio.

With the introduction of the Corporate Sustainability Reporting Directive (CSRD) by the European Union, sustainability reporting on environmental, social, and governance (ESG) issues will become mandatory for GELITA starting from the 2025 financial year. In 2023, we established the organizational structures and human resources necessary to meet the new reporting standards. This strategic move will enable us to realize our environmental and climate protection targets even more precisely and quickly. We also successfully implemented The German Act on Corporate Due Diligence Obligations in Supply Chains, which has applied to GELITA since the beginning of 2024.

Regardless of legal requirements, sustainability is an integral part of our corporate strategy. As a responsible company and as one of the world's leading suppliers of innovative products sourced from natural raw materials, we are committed to continuously reviewing and improving the impact of our business activities on the environment and society. In our ninth sustainability report, we inform you about our activities and document the progress made.

This year, we will leverage the transformative potential of CSRD to further boost our commitment to sustainability. Moreover, we will pursue our goal of sustained growth, continue our market orientation, drive innovation, and secure our competitive advantages in a contested and volatile environment. The extensive knowledge, experience, and innovative spirit of our global teams will be crucial in achieving these goals.

Sincerely yours,
Klaus Hanke
CEO of GELITA AG

Taking responsibility – now and tomorrow

GELITA specializes in producing gelatin, collagen, and collagen peptides sourced from natural materials derived from by-products of meat production. Our innovations and products touch consumers' lives in many ways: from drug capsules and joint-supporting nutritional supplements to fruit gummies, fertilizers, and even biodiesel.

Founded almost 150 years ago, GELITA originated in Germany, where our headquarters are located today in Eberbach. As a globally operating company, we are committed to sustainable business practices, environmental protection, employee welfare, and

Our purpose, "Improving Quality of Life", is both a significant commitment and a profound responsibility. As a leading global manufacturer of gelatin, collagen, and collagen peptides, we attach great importance to sustainable corporate governance, environmental stewardship, employee well-being, and societal impact.

At a glance

We consistently align our organization with the application areas and their markets through two global business units:

Business Unit Nutrition & Health Ingredients

- Food
- Supplements
- Functional / fortified foods
- Pet food

Business Unit Performance Solutions

- Pharma & nutraceuticals
- Technical applications
- Bioscience

community engagement. Our commitment extends beyond profit; we strive to create value through innovative products while continuously improving safety and resource efficiency in our production processes.

Values for a sustainable future

Our ambition is to consolidate our position as a global industry leader. To achieve this, we are guided by a uniform vision: ONE GELITA. This vision underscores our collective efforts across all locations and emphasizes unity. Our shared values – Trust, Courage, Passion, Empathy, Commitment, and Care – guide our daily interactions. They determine our partnerships with customers and ensure respectful treatment of our environment and those living near our facilities while complying with laws and regulations.

In figures

1,089
million euros turnover

2,923
employees

Year founded
1875

Discover more about our company at:
www.gelita.com/en

An effective network
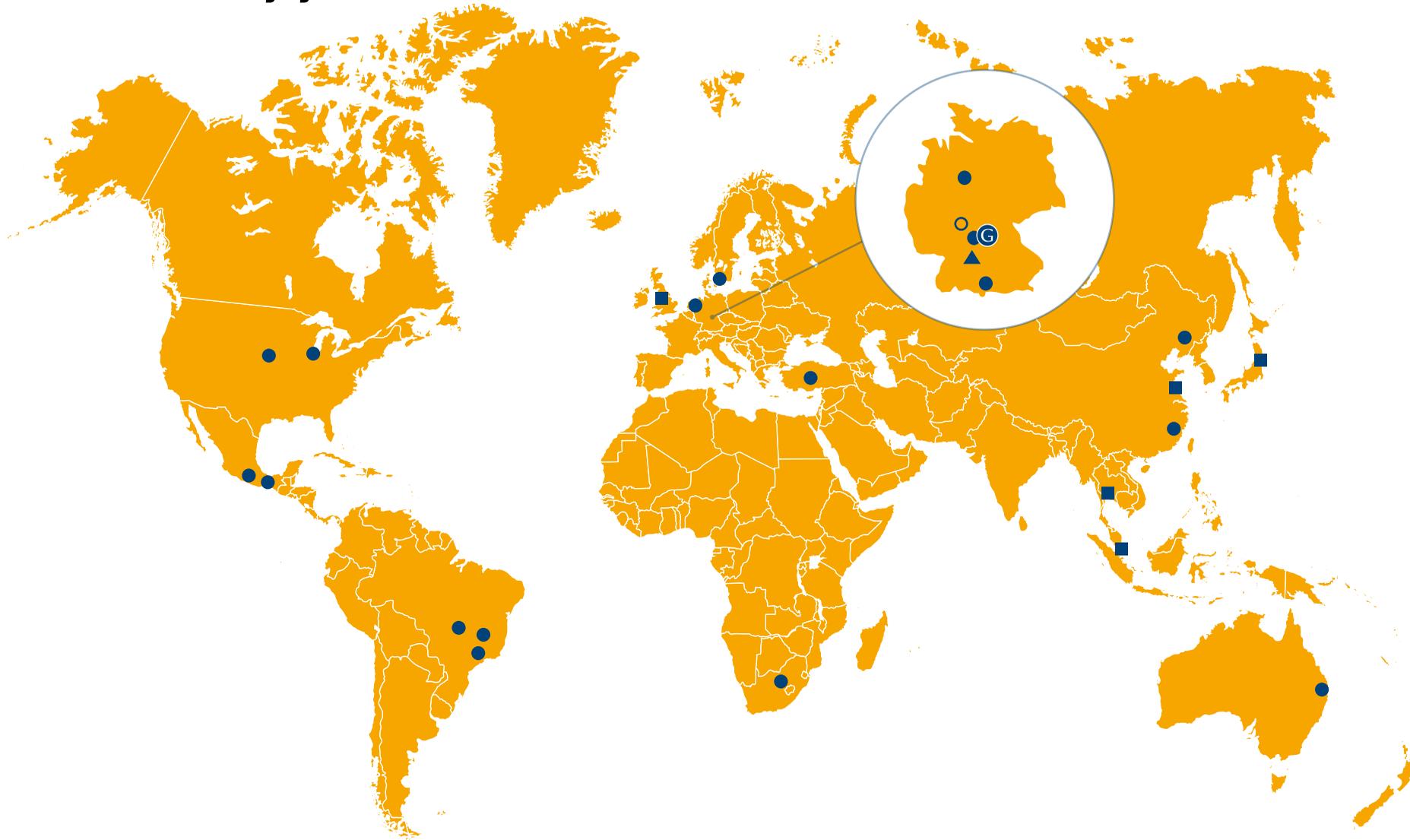
■ Sales offices

China – Shanghai
Great Britain – Bolton
Japan – Tokyo
Singapore – Singapore
Thailand – Bangkok

● Local entities

Australia – Beaudesert
Brazil – Cotia, Maringá, Mococa
China – Liaoyuan, Pingyang
Germany – Eberbach, Göppingen, Memmingen, Minden
Netherlands – Ter Apelkanaal
Mexico – León, Toluca
South Africa – West Krugersdorp
Sweden – Stidsvig
Türkiye (Turkey) – Gönen
USA – Chicago, Sioux City

▲ Logistic center

Germany – Sinsheim

○ Biotech Hub

Germany – Frankfurt am Main

Appreciating nature

Gelatin

Collagen peptides

Fat, proteins, and minerals (FPM)

Energy

Auxiliaries

Fresh water

GELITA production

Emissions

Meat industry

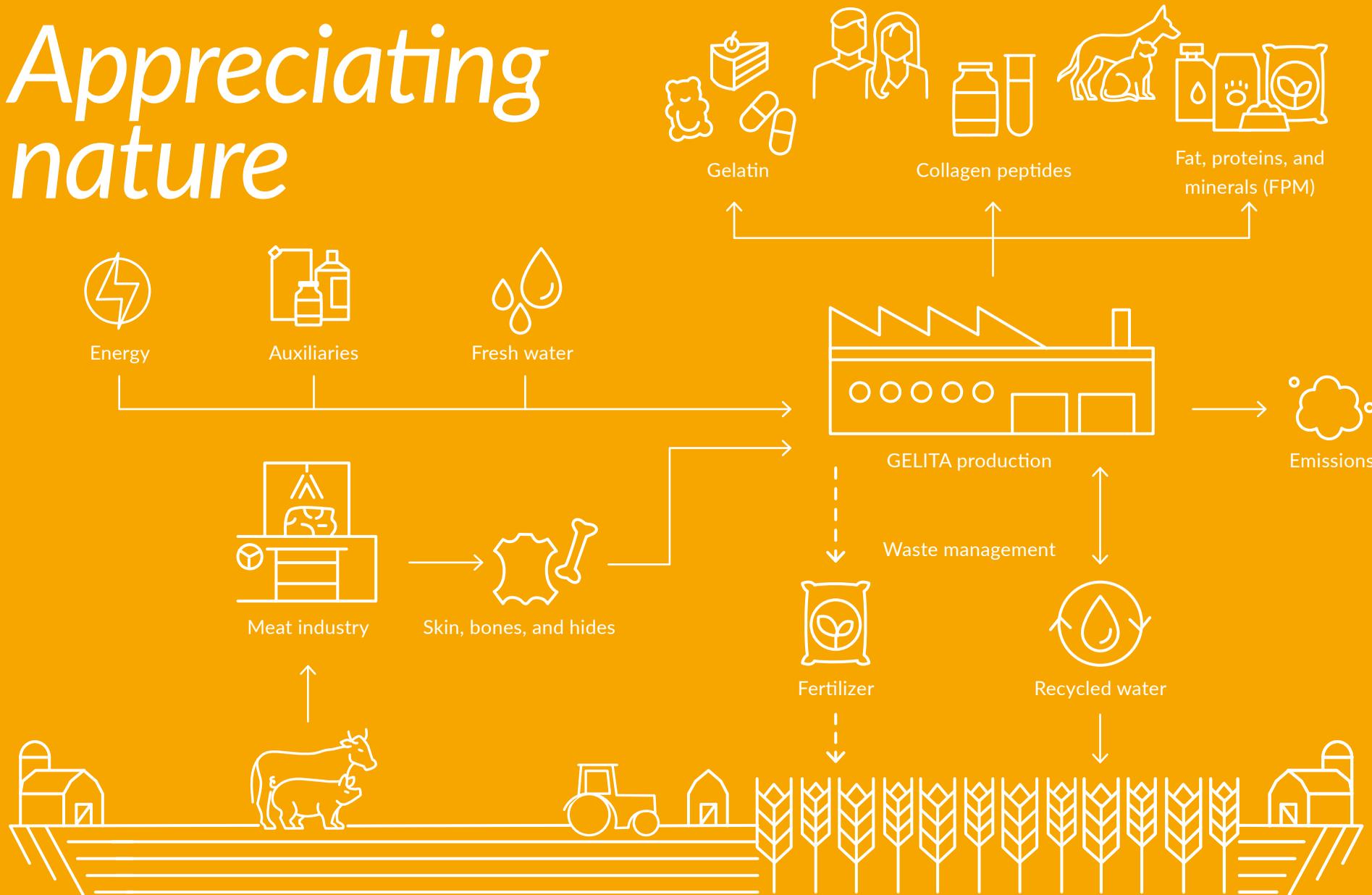Skin, bones, and hides

Waste management

Fertilizer

Recycled water

GELITA produces gelatin, collagen, and collagen peptides while also extracting fats, proteins, and minerals from by-products of the meat industry. When used as ingredients, gelatin, collagen, and collagen peptides are pure and natural and carry a clean label. They have a very low allergenic potential and serve as the basis for high-quality food products, nutritional supplements for a healthy lifestyle, and other innovative applications or products.

Our core business model follows the principles of the circular economy. We take by-products of the meat industry that would otherwise be discarded as waste, refine them, and trans-form them into valuable ingredients for wide-ranging new applications. Our state-of-the-art production processes ensure almost complete utilization of the raw materials, turning them into quality products. For example, minerals generated during manufacturing serve as a phosphate source for fertilizers. Fertilizer from sewage sludge is used in agriculture, just like the recycled water from our production, which, in turn, contributes to the cultivation of animal feed.

Meeting expectations

GELITA is integrated into a wide-ranging network. This includes employees, shareholders, business and end consumers, and suppliers, as well as representatives from governments, associations, unions, non-profit organizations, and others. Our aim is to understand and satisfy the needs and expectations of our stakeholders to the best of our ability. To achieve this, we continuously consult with our various partners, provide information, respond to queries, and actively participate in discussions. With an eye on the Corporate Sustainability Reporting Directive (CSRD), which will apply to GELITA for the first time in the 2025 financial year, we have laid the groundwork to ensure a comprehensive and meaningful materiality analysis through initiatives such as our global stakeholder survey. The results provide an important basis for the further development of our sustainability agenda and the focus areas it contains.

STAKEHOLDERS	EXPECTATIONS / CRITICAL ISSUES	GELITA COMMITMENT
Employees / staff	• Fair and competitive compensation and opportunities for professional growth and development • A healthy and safe work environment • Clear communication from management	• Ongoing training and employee-development programs • Global safety initiative GO-SAFE with a wide range of actions • Open and transparent communication from senior management through Town Hall meetings and senior management vlogs • Employee development and appraisal programs • Intranet for all employees
Shareholders	• A reasonable return on investment • Long-term vision for the company's growth and success	• Annual General Assembly to keep shareholders informed of financial performance, growth strategy, and other key developments • Long-term strategic review to ensure the company's sustained profitability • Strategy development throughout the organization
Customers	• Innovative and sustainable high-quality products and services • Reliable and competitive partner	• Annual customer survey to improve relations and identify areas for improvement • Continuous investment in our innovation pipeline to create value through differentiation in our customers' markets

STAKEHOLDERS	EXPECTATIONS / CRITICAL ISSUES	GELITA COMMITMENT
Suppliers / vendors / business partners	• Fair and transparent partnership • Open communication on the part of the company • Mutual trust and commitment	• Requirement for all suppliers to sign our Supplier Code of Conduct to ensure our supply chain is free from unethical or illegal practices • Mandatory compliance for all suppliers with obligations arising from the German Supply Chain Act • Continuous monitoring and auditing of all suppliers
End consumers	• Safe, high-quality products • Transparency for our commitment to social responsibility and sustainability	• Questions or the need for more information are answered quickly through all GELITA channels • Continuous investment in scientific studies to substantiate claims or consumer benefits
Governments / communities / associations / trade unions	• Compliance with all applicable laws and regulations • Have a positive impact on the community • Respect labor rights and support fair labor practices • Collaborate with other organizations and act in a socially responsible manner	• Ongoing engagement with non-profit organizations and local communities with social initiatives • Encouraging and facilitating employees to get involved in causes they care about in their communities
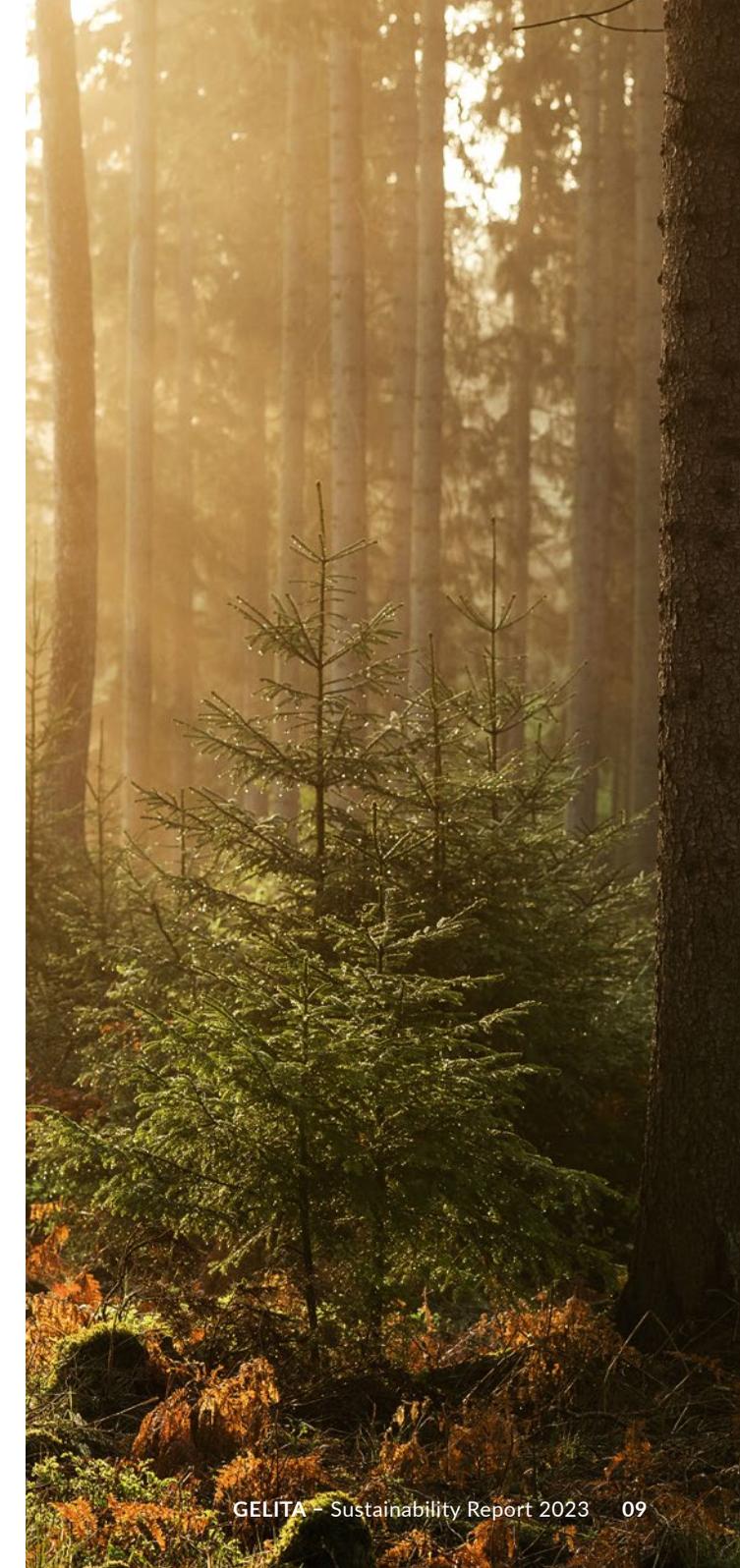
Investing in the future

We strive for excellence at GELITA and settle for nothing less. In terms of quality forward-thinking and targeted product and service development, we set ourselves exacting standards. Our corporate strategy prioritizes innovation and its management. With our innovation platform and the multi-phase, cross-functional Stage-Gate® Process, we meticulously align our concepts with future market needs while upholding our commitment to safety and sustainability – both today and in the future.

Our core business operates on the circular economy principle, where we transform food industry by-products into highly valuable ingredients for diverse new applications. As a consequence, every GELITA innovation inherently promotes sustainability. For some time now, we have strength-ened our commitment to sustainable practices by establishing a dedicated department. This team identifies, assesses, and introduces raw materials and technologies that are in line with our future-oriented vision.

Thinking and acting for the long term

At GELITA, we view innovations, often labor-intensive, time-consuming, and costly, as an invest-ment in the future. That is why we consider the long-term design of our goals to be sustainable. Although new developments are the most visible outcomes of innovation, we constantly strive to optimize our production techniques and processes beyond the product level and make them more sustainable through innovative methods. Emerging technologies, such as biotechnology, also play a crucial role in developing future-proof solutions.

We are currently conducting further research in our biotechnology laboratory, known as the Biotech Hub, to expand our product portfolio with collagen proteins derived from animal-free raw materials. Our aim is to further improve the solutions we offer our customers. We see plant-based proteins as a complement to our portfolio, not a replacement.

Three pillars of our long-term innovation strategy

Corporate strategy	Innovation management	Products and services
Profitable and sustainable growth in existing and future markets	Customer / market-oriented	Safety and sustainability
Excellent innovation management	Business unit strategies and innovation fields	Energy efficiency and sustainability
Outstanding customer management	Emerging platforms and technologies	Responsible resource management
Targeted acquisitions	Managed by Stage-Gate® Process	Ensuring product safety

Quality pays off for sustainability

Soft capsules are ideal for pharmaceuticals and nutritional supplements with active substances in liquid or oily form. To ensure optimal product quality, the contents must stay where they belong during and after the production process: in the core of the capsule. Whether this quality criterion is reliably met depends on the seam that seals the capsule. Our in-house market survey results found that leaking capsule seams are a common issue among our customers and stem from various process parameters.

Innovating for the benefit of customers

In 2023, GELITA launched a new product, the softgel gelatin EASYSEAL®. The product, currently pending patent, has undergone the Stage-Gate® Process mentioned above (see page 10). Like all gelatins, it consists of complex polymer chains of proteins but in a specific combination of different molecule lengths, charges, and active side groups. As a substitute for standard gelatin, it enables manufacturers to significantly improve capsule seams, offering multiple advantages for our customers.

Reducing waste and conserving resources

Reducing the incidence of leaking capsules with the use of EASYSEAL® has many positive effects, some of which are particularly relevant in terms of sustainability. Firstly, it reduces the waste of valuable raw materials and prevents the loss of sometimes very expensive fillings. It even allows to decrease the gelatin ribbon without compromising on softgel quality, leading into a lower raw material input – or a higher yield with the same amount of gelatin. Secondly, less manufacturer intervention is required, resulting in time and material savings for cleaning capsule batches. In addition, capsules made with EASYSEAL® gelatin have a significantly shorter drying time, which improves energy efficiency and shortens production time, thus increasing throughput.* In the worst case, leaks occur in the final product when the capsules are already packaged. This can lead to extensive disposal measures, including packaging, which EASYSEAL® also prevents.

In summary, EASYSEAL® is an innovative addition to our product portfolio that provides a sustainable source for our customers, helping to save raw materials, time, and energy in the softgel production process.

* In an industry trial, reference products took more than 1.5 days to dry while EASYSEAL® capsules achieved the same hardness in just 18 hours.

ENVIRONMENTAL

Driving the transformation forward

In the face of advancing climate change and its severe consequences for the environment, the transformation to sustainable production is one of our most crucial and simultaneously most challenging tasks. In 2023, we intensified our efforts to further reduce our sites' energy and water consumption and significantly cut emissions. In line with the German government's climate targets, we are aiming for net-zero CO_2 emissions as early as 2045, five years ahead of the original plan. We are also well on track to achieve our ambitious interim goal by the end of the decade: By 2030, we aim to reduce specific greenhouse gas emissions per tonne of product by 50% (GHG Scope 1 and 2) compared to 2020.

Diverse measures implemented

Last year, GELITA invested extensively in innovative technologies and new facilities to further enhance our own environmental footprint. Projects completed in 2023 include the conversion and commissioning of a boiler system with a biomass burner at our plant in Maringá, Brazil (see page 19), the improvement and expansion of the wastewater treatment plant at the Gönen site in Türkiye (Turkey, see page 22), measures to

optimize wastewater treatment performance in Maringá, Brazil, and waste reduction initiatives in Chicago, USA (see page 20). In addition, we expanded spray tower capacities for drying our products to reduce energy consumption and environmental impact by eliminating transportation.

Sharing expertise

We leverage the experience gained by our employees worldwide by implementing these and other continuous development and improvement projects so we can also successfully deploy them in other plants. In addition to transitioning to renewable energy sources, this includes projects for energy recovery, reducing chemical usage, and electrifying processes, as well as implementing new software to improve our energy and process management. Digitization also helps us in conserving resources and achieving our environmental goals in other areas.

In 2024, our focus will remain on improving our environmental performance through investments and best practice sharing. We are increasingly implementing suggestions from GELITA employees through our global High-Performance Idea Management. For heat and steam generation, we are actively exploring the potential of solar energy. External partners are also assisting us in achieving our net-zero target: Following the successful completion of initial pilot projects at two locations, we plan to roll out these initiatives to other plants.

Sustainably future-proof

Adapting our facilities to the changing climatic conditions is part of our sustainability strategy because, like many others, we at GELITA are feeling the impact of climate change on our production. For instance, extreme weather events in Brazil have led to more frequent power outages. Consequently, we had to shut down and restart plants, negatively impacting our energy balance.

To tackle climate change, one of the greatest challenges of our time, we need to stay on the ball and accelerate our pace. Our primary objectives remain unchanged: We will continue to develop sustainability as part of our business model, drive the transition to carbon neutrality swiftly and decisively, and remain competitive while making visible and tangible progress in environmental matters.
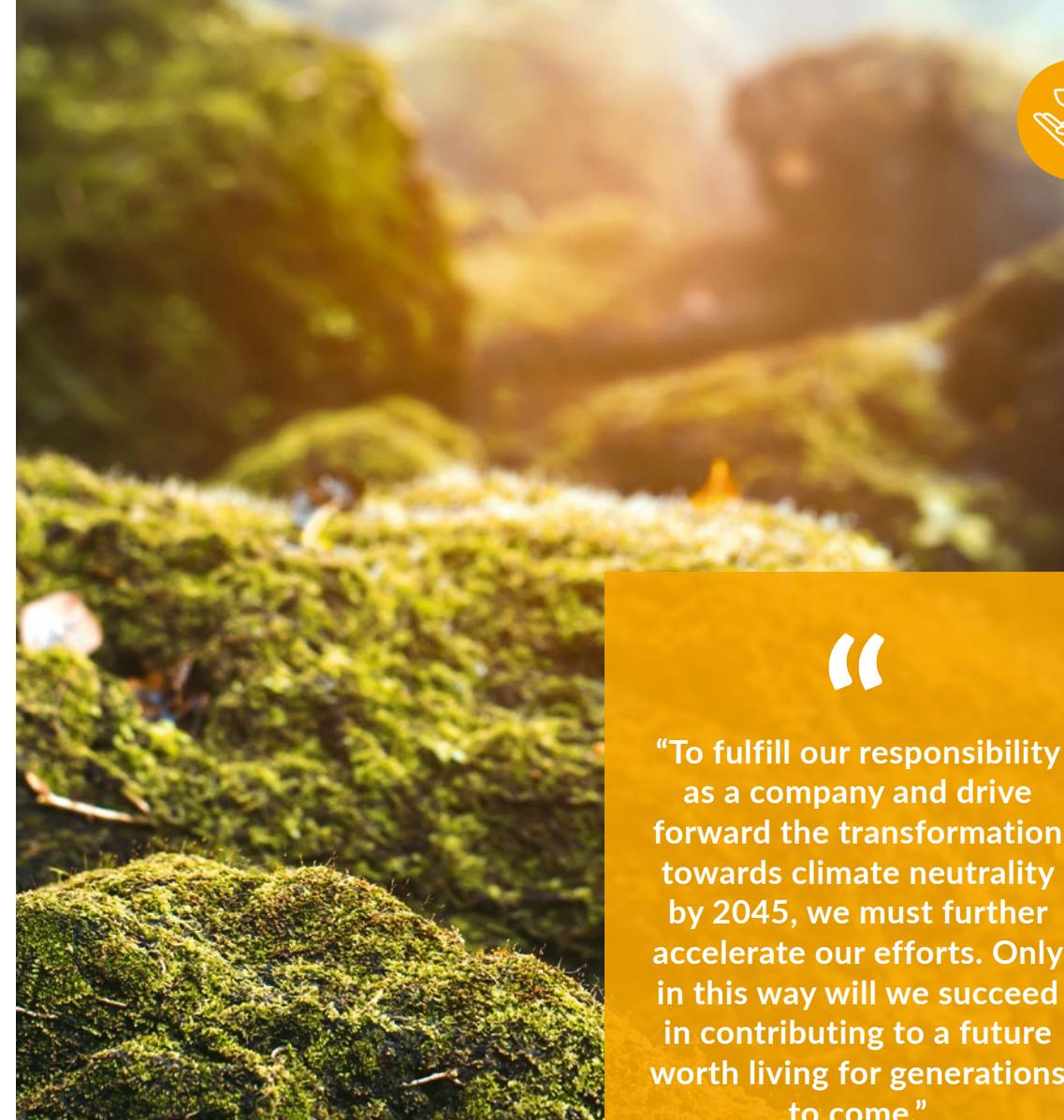
> "To fulfill our responsibility as a company and drive forward the transformation towards climate neutrality by 2045, we must further accelerate our efforts. Only in this way will we succeed in contributing to a future worth living for generations to come."

Michael Van Elsacker
COO of GELITA AG

Further Information about sustainability at GELITA is available here.

Focus on climate neutrality by 2045

We act responsibly and protect the environment by:

- Cutting emissions
- Reducing energy consumption
- Saving water
- Avoiding waste as much as possible

Our global climate protection goals

One focus of our measures is to reduce greenhouse gas emissions.

-50%

reduction of our CO2 emissions by 2030 compared to 2020 (Scope 1 and 2)

Net-zero

CO2 emissions by 2045 (Scope 1 and 2, including offsetting)

Emissions

The following clusters contribute to the net-zero target:

10% Offset

10% Green electricity

15% Green heat

40% Energy-efficient technology

25% New technologies

Energy
-30%
reduction of our energy consumption by 2030 compared to 2020

Water
-20%
reduction of our water consumption by 2030 compared to 2020

Waste
<1%
reduction of our waste by 2030

Making successes visible

Our Group-wide environmental performance indicators support us in continuously assessing our sustainability performance. They not only help us identify areas for improvement but also enable us to implement and manage appropriate measures and monitor target achievement. We consistently gather, consolidate, and analyze this data at all our facilities. By publishing the information annually, we provide our internal and external stakeholders with a precise and transparent overview of developments and progress in the areas of emissions, energy, and water.
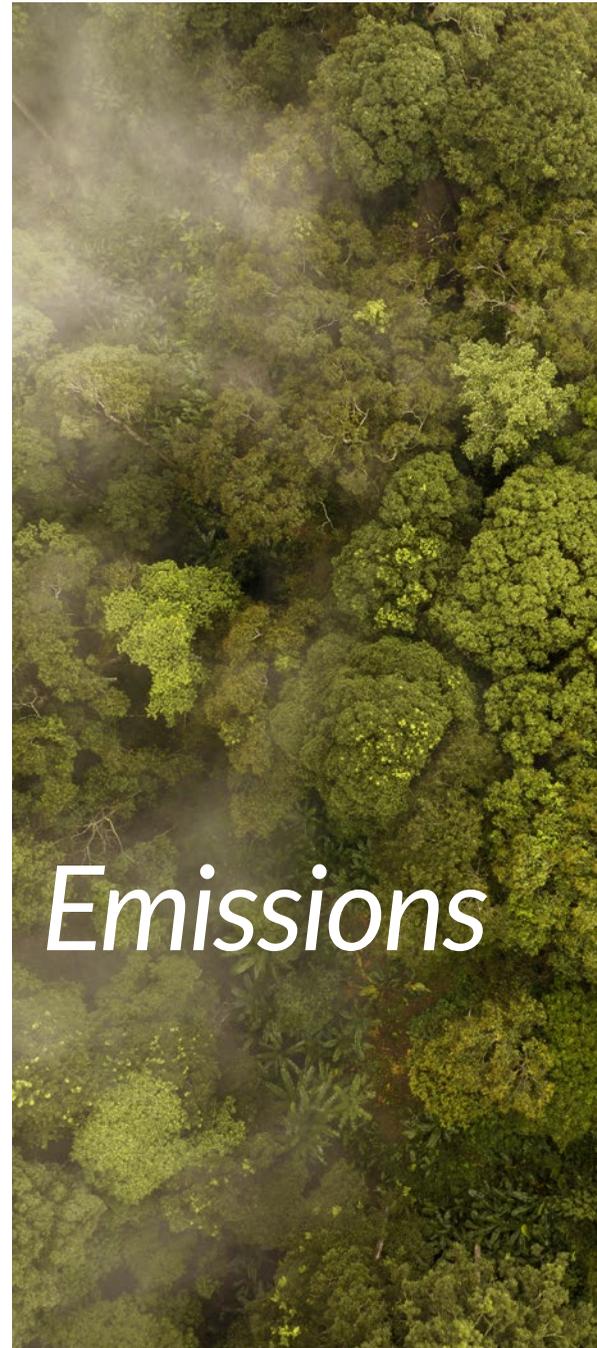
Emissions

Energy
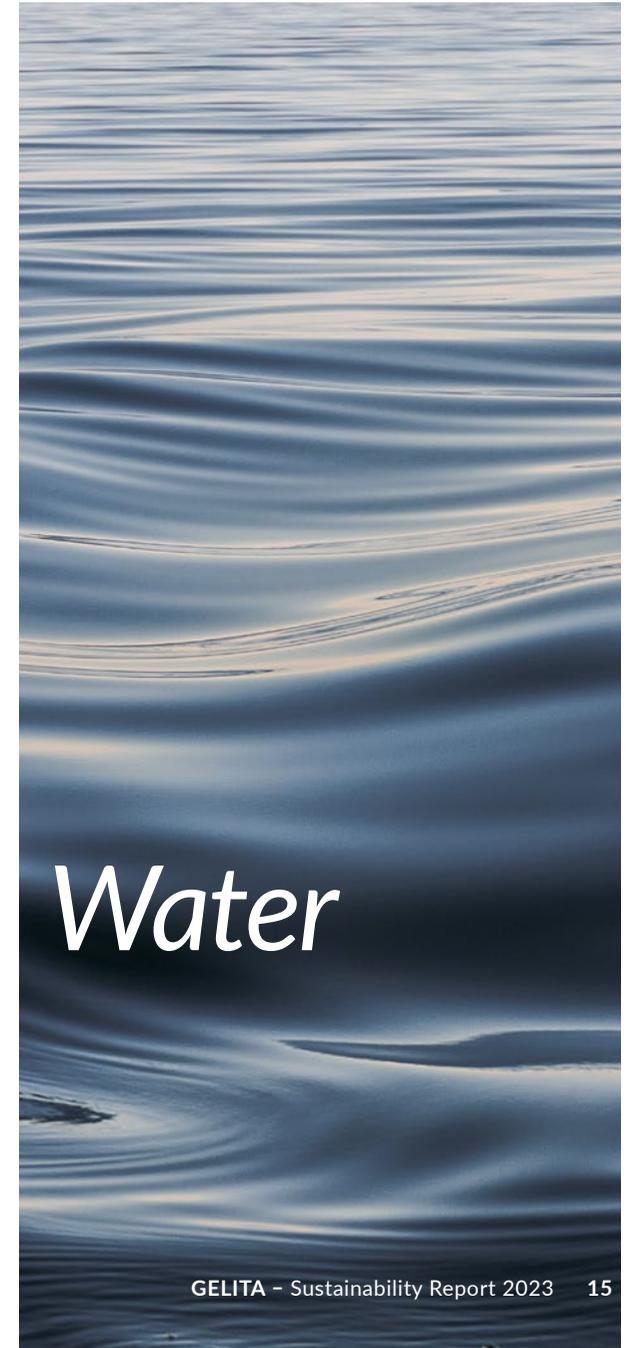
Water

Emissions

GELITA reports greenhouse gas emissions in accordance with the Greenhouse Gas Protocol (GHG), taking into account Scope 1 and Scope 2:

- **Scope 1** covers direct emissions from combustion processes of fossil and non-fossil energy sources released by our own facilities at our sites.
- **Scope 2** refers to indirectly generated emissions from the use of purchased electricity, heat, and steam.
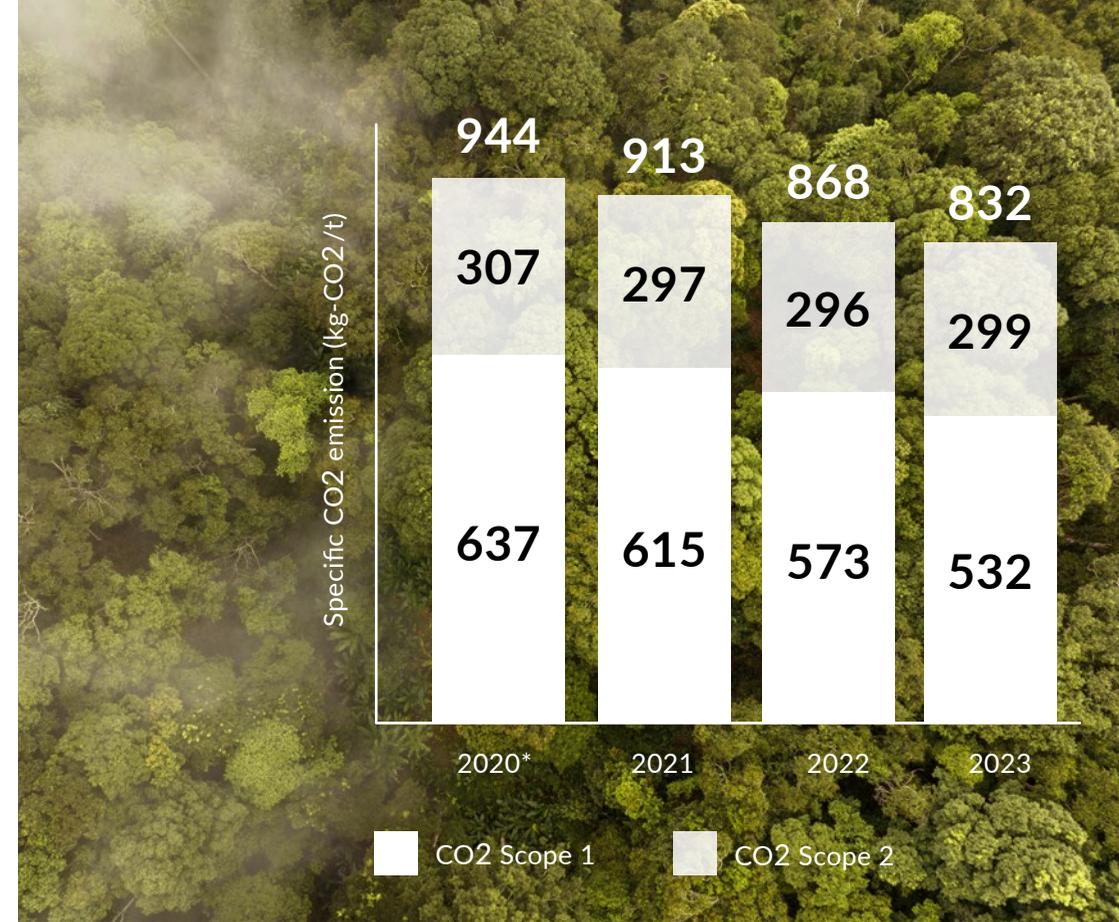
In the area of Scope 1 and Scope 2 emissions, we have made continuous improvements in recent years. Between 2020 and 2023, our specific greenhouse gas emissions decreased by almost 12% overall. Projected to 2030, this represents a reduction in CO2 emissions of almost 50%. Accordingly, we are very optimistic that we will achieve our interim target of halving CO2

emissions compared to 2020. Improvements in Scope 1 amount to around 16% over the reference period and almost 3% in Scope 2.

Responsible for this positive trend is, among other factors, the continuous shift away from CO2-intensive primary energy sources (such as coal) and the increased use of renewables like biomass (see page 19).

Like many other companies, GELITA faces a significant challenge in recording and calculating Scope 3 emissions – indirect emissions upstream and downstream of our business activities. We are currently working with our association, the Gelatine Manufacturers of Europe (GME), to develop a practicable solution.

At GELITA, we also classify waste as emissions. Over the long term, we have observed a fair-

ly constant trend in the amount of waste to be disposed of. In line with our sustainability goals, we also aim to reduce waste in the long term and are exploring the corresponding potential. The proportion of hazardous waste in the total volume has remained relatively constant over the past few years. This category includes substances that are difficult to replace in our processes, such as ion exchange resins for water treatment.

Specific CO2 emission (kg-CO2 /t)

Year	CO2 Scope 1	CO2 Scope 2	Total
2020*	637	307	944
2021	615	297	913
2022	573	296	868
2023	532	299	832

☐ CO2 Scope 1   ☐ CO2 Scope 2

Waste

	2020*	2021	2022	2023
Waste for disposal (kg/t product)	11.78	11.44	8.40	11.42
Hazardous waste (kg/t product)	0.21	0.26	å0.26	0.34

* The figures shown are modeled values. To establish a comparable database for subsequent years, we have included the Turkish company SelJel Jelatin Sanayi ve Ticaret A.S., acquired in the 2020 financial year, and spray dryers implemented in several plants after 2020 as additional emitters.
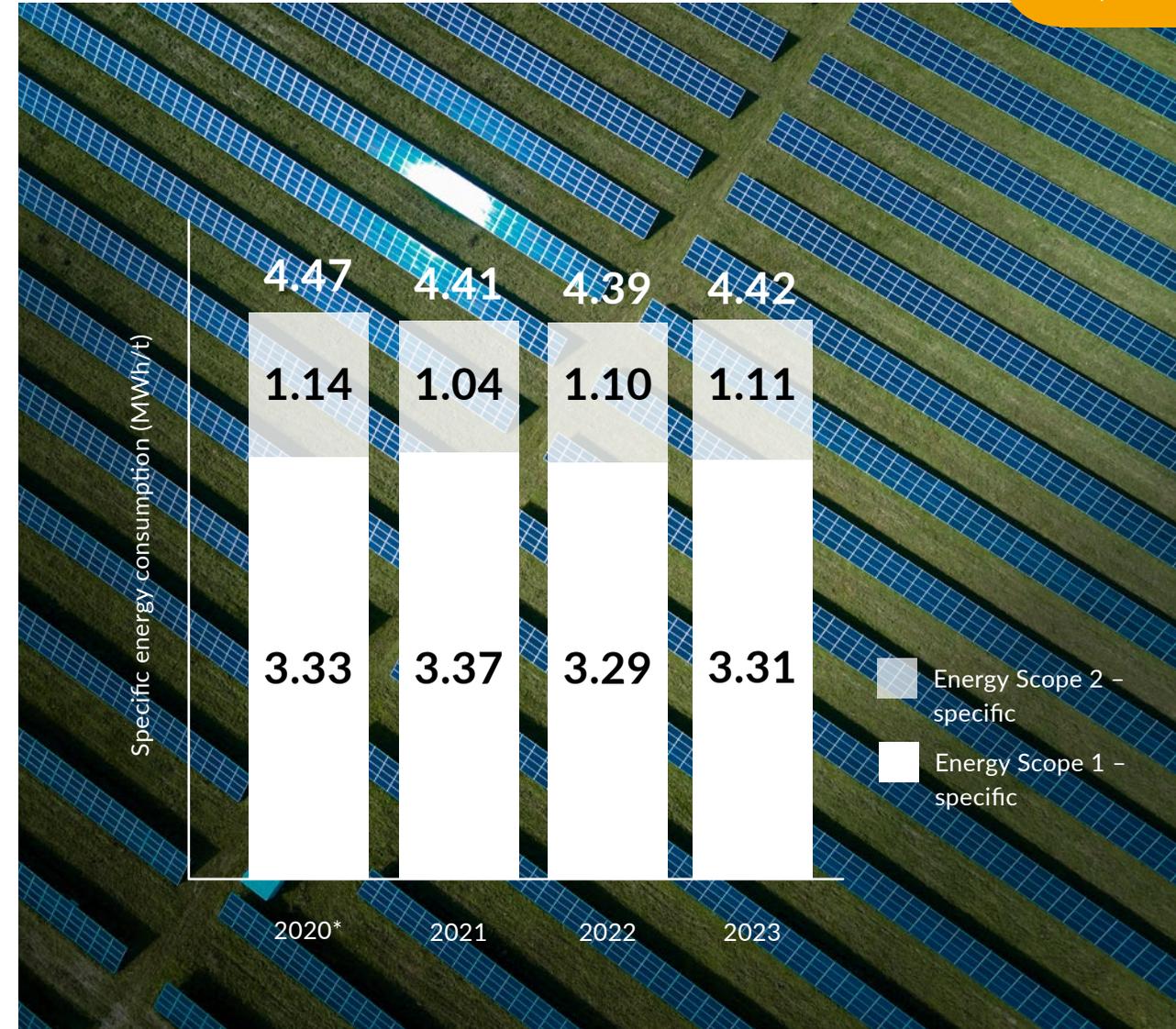
Energy

To reduce energy consumption in manufacturing our products, we continuously optimize processes in terms of energy efficiency and invest in modernizing our facilities. Measures taken include constructing new boiler houses, installing new spray dryers, increasing the proportion of electricity from renewable sources, and generating our own electricity from solar energy. For example, GELITA operates a solar park on its premises in Chicago, USA, and is exploring the feasibility of solar power projects at other locations.

The specific total energy consumption increased slightly from 2022 to 2023. Apart from the reasons mentioned above, this increase was due to the challenging production situation in 2023. Inflation-induced consumer restraint led to temporary low-capacity utilization at our plants. For

our facilities to be energy-efficient and achieve optimum performance, however, they must run at full capacity.

Our goal for 2030 is to reduce our specific energy footprint by 30% compared to 2020. Given our energy-intensive production, this remains a challenging task that we are still determined to tackle.

Specific energy consumption (MWh/t)

	2020*	2021	2022	2023
Total	4.47	4.41	4.39	4.42
Energy Scope 2 – specific	1.14	1.04	1.10	1.11
Energy Scope 1 – specific	3.33	3.37	3.29	3.31

* The figures for 2020 are based on modeled values. To provide a comparable data basis for subsequent years, we have included the Turkish company SelJel Jelatin Sanayi ve Ticaret A.S., acquired in the 2020 financial year, and spray dryers implemented in several plants after 2020 as additional emitters.

Water and wastewater

Water is of paramount importance to GELITA. Having a sufficient supply of good water is essential for maintaining high product quality. In view of the increasing scarcity of water worldwide, we are committed to promoting the development of water-saving production processes and continuously improving our wastewater management. The team at our global Wastewater Competence Center plays a valuable role in all ongoing and planned projects, serving as a central coordination hub with knowledgeable contacts. This also applies to the current construction of a new wastewater treatment facility at our largest plant in Sioux City, USA, which will lead to significant water savings when it is commissioned.

Extreme weather events are increasingly negatively impacting water quality in our plants. Heavy rainfall events in particular have caused significant damage in many regions. We therefore conduct flood risk assessments at all sites, review our current flood protection measures, and adjust them wherever necessary.

From 2020 to 2023, our water footprint per kilogram of product decreased by a good 2%. This success is mainly due to measures enabling the reuse of water wherever possible. Reducing our overall consumption remains a key element of our sustainability agenda.

Specific water (l/kg)

	2020*	2021	2022	2023
Water withdrawn – specific	59.3	59.4	57.7	58.1
Wastewater produced – specific	59.6	60.2	56.1	55.2

■ Water withdrawn – specific   ■ Wastewater produced – specific

*The figures are based on modeled values. To provide a comparable data basis for subsequent years, we have included the Turkish company SelJel Jelatin Sanayi ve Ticaret A.S., acquired in the 2020 financial year.

New combustion system improves CO2 balance

The transformation to almost climate-neutral production demands tweaking every conceivable factor. One of these is investing in new technologies, such as the construction of a state-of-the-art biomass furnace at our facility in Maringá, Brazil. This project, implemented in 2023, aimed to boost combustion efficiency and thus increase the performance of our steam boiler system.

Minimizing start-up losses

The new furnace generates less ash during operation, making it possible to extend the cleaning intervals from 30 to the current 60 days. Furthermore, as the boiler can be cleaned while in operation, fewer system stops are required, significantly reducing the number of energy-intensive start-ups. Because the new burner also increases the boiler's efficiency, more process steam from renewable energy sources is available to cushion production spikes in the plant. Another positive outcome is that the backup boiler, which runs on fossil fuels, is needed much less frequently.

Goals achieved

Installing the new furnace has increased both boiler utilization and efficiency. At the same time, we have succeeded in further minimizing our Maringá plant's CO2 footprint and cutting steam generation costs. The expansion of the biomass storage facility on the plant is currently underway and will be completed this year.

▶ **Reduction in CO2 emissions by 30%**
▶ **Increase in steam production by 30%**
▶ **Decrease in fuel consumption by over a tenth**

Sensors optimize consumption

We produce gelatin in our plants using state-of-the-art equipment and a complex, multi-stage process. To obtain a high-quality end product, gelatin must undergo purification. Ion exchangers filled with ion exchange resins remove unwanted minerals from the gelatin.

Measuring instead of estimating

Increasing deionization capacities, improving product quality, and boosting production rates were the objectives of a project implemented at our Chicago, USA, site at the end of 2023. These were to be achieved through the use of new, sensor-controlled ion exchange columns. With the new columns, the dedicated team succeeded in further improving the facility's environmental performance by optimizing resource usage. The sensors continuously measure the chemical state of the ion exchange resin, providing precise information on when it needs to be regenerated or replaced. Previously, the plant relied on a time-based model that estimated the time until regeneration or replacement.

Savings in numerous areas

The changes resulted in a longer operational life span of the columns. At the same time, the process requires less water and fewer chemicals for resin regeneration. This approach enabled the team to cut the ion exchange's water consumption by 15% per day, while chemical consumption dropped by 10% compared to the previous column regeneration sequence. Operating the ion exchangers until complete exhaustion not only saves valuable resources but also reduces waste. Moreover, our experts believe the results can be improved even further.

▶ **Sensor-controlled ion exchange columns decrease waste**

▶ **15% less water consumption per day**

▶ **Chemical consumption falls by 10%**

Coal-fired boiler decommissioned

To produce gelatin, you need steam. The extraction process requires hot water, which is heated by steam. At our Krugersdorp plant in South Africa, production steam was previously supplied by two coal-fired boilers plus a 3rd standby boiler. In a bid to save energy and subsequently reduce CO_2 emissions, an interdisciplinary team explored the possibility of using only one of the boilers at a time and rotating between all three existing boilers throughout the year.

Compensating for fluctuating demand

The demand for steam can vary considerably throughout the manufacturing process. A comparatively large amount is required to heat the extractors, for example. If this demand no longer exists, the supply must be reduced. Coal-fired boilers tend to react sluggishly to changing demands. To be more adaptable to the respective requirements, the team previously relied on the output of two boilers.

Recognizing the potential in reducing the dependency on low-grade coal with poor calorific properties for producing heat, the colleagues decided to test steam generation using a single boiler.

To ensure the success of this experiment, a constant supply of high-quality coal to the plant had to be secured. Although coal is abundant in South Africa, a large proportion of high-quality coal is exported rather than used domestically. With the support of the procurement team, the plant succeeded in stockpiling high-calorific-value coal. This ensured a continuous steam supply from a single boiler and balanced out the fluctuations in demand. As a result, the plant's coal consumption dropped by 12.5%, significantly reducing CO_2 emissions.

▶ **Continuous steam supply from a single boiler**
▶ **12.5% reduction in coal consumption**
▶ **Significant reduction in CO2 emissions**

New technologies for wastewater treatment

In 2020, GELITA acquired a majority stake in the Turkish gelatin producer SelJel. Following its integration into the Group, investments were made in new technologies and expertise, including the improvement and expansion of the existing water treatment plant. Measures to pre-treat the water and optimize the biological purification stage were gradually implemented to upgrade the facility. In addition to increasing the treatment plant's capacity and reliability, this also reduced its ecological footprint.

Improved process

A new wastewater treatment method, known as the Sequencing Batch Reactor (SBR) process, was introduced as a central element. In contrast to most other activated sludge processes, which require three purification steps – pre-treatment, biological purification, and secondary clarifica-

tion – this method combines the second and third processes in one chamber, eliminating the need for secondary clarification.

The modernized facility was commissioned in 2023. Since then, our Gönen site has been able to autonomously treat all the wastewater, some of which was cleaned externally before the upgrade. This ensures reliable water management and strengthens compliance security. The team has also achieved improvements in the facility's energy efficiency, reducing chemical usage and significantly cutting costs. Further substantial savings are expected at the site for the current year.

▶ **Autonomous treatment of all wastewater**
▶ **Facility capacity more than doubled**
▶ **Reduction in chemical consumption by over two thirds**

Focus on people

Dedicated, productive employees are the key to our success. The health of GELITA's workforce is therefore a top priority. We offer a safe environment and employment relationships geared towards long-term cooperation and offering good conditions. We support our employees in developing their skills and contributing their ideas. In addition, we aim to promote a better quality of life for all through our worldwide social commitment.

Working relationships at GELITA are characterized by a family-like atmosphere and a deep sense of solidarity across locations and national

Basis of our cooperation: our values

Trust: We are open, honest, and fair, and treat each other with respect.

Courage: We are courageous and prepared to take risks in order to find every new paths. We are capable of learning from our mistakes.

Passion: We have high intrinsic energy and great enthusiasm for what we do and take pride in our work.

Empathy: We have understanding for others and are prepared to offer help.

Commitment: Our actions are clear and consistent: We do what we say, we can rely on each other, and we pursue the long-term interests of our company.
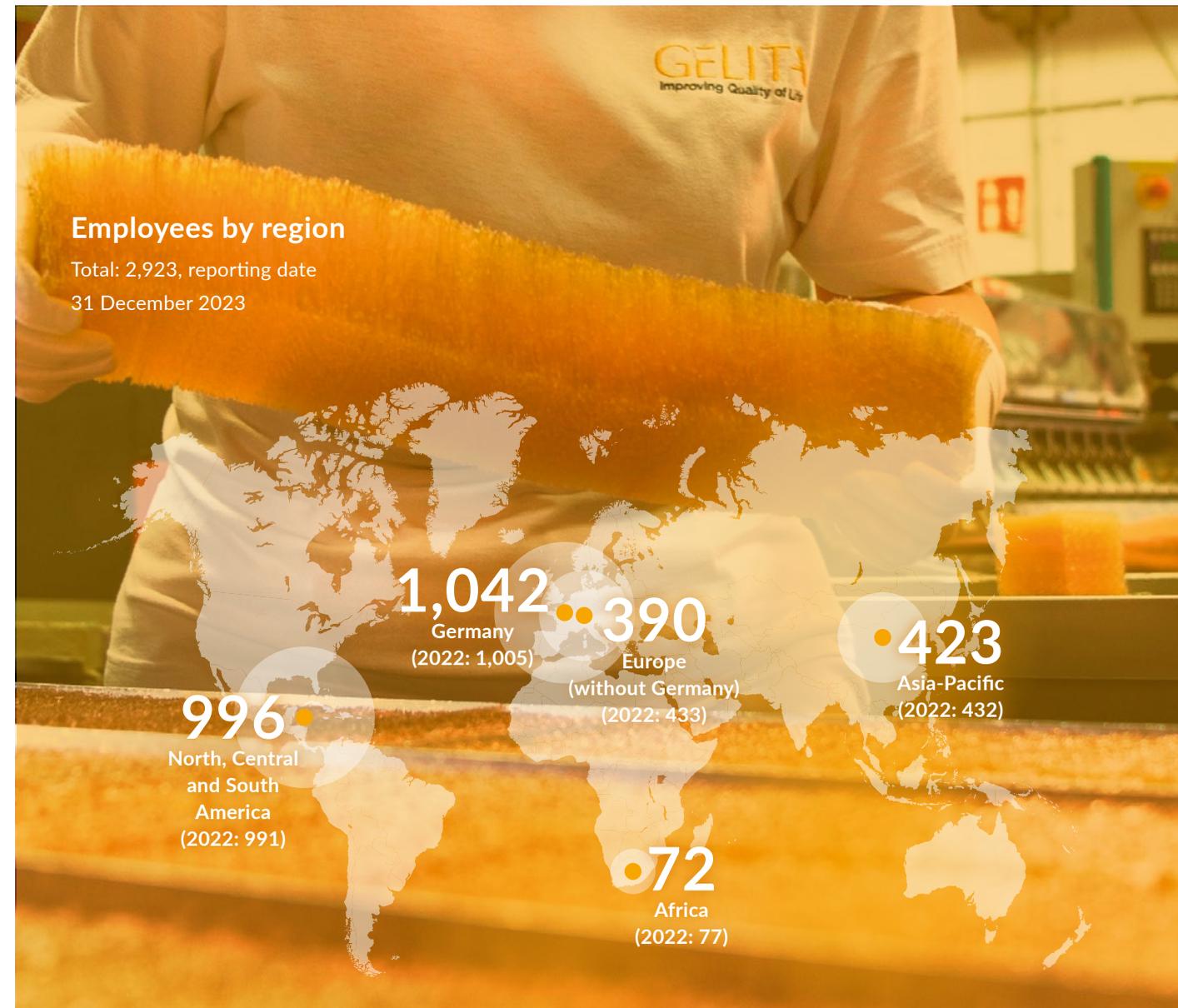
Care: We care about people, society and the environment. We show this through our continuous actions of reducing our environmental impact, of supporting society, and human well-being. We expect the same from our business partners.

borders. Over 2,900 people at more than 20 production sites and various sales offices around the world work together at GELITA. Many of them have been with us for decades – in some cases over several family generations. They come from different cultures and are employed in a variety of professions. Shared values as well as our vision of ONE GELITA, contribute to a climate that strengthens diversity and fosters community.

Number of employees

As of 31 December 2023, 2,923 people were employed by GELITA (2022: 2,938). This is a small decrease of 0,5% due to natural fluctuation and smaller shifts.

Employees by region
Total: 2,923, reporting date
31 December 2023

1,042
Germany
(2022: 1,005)

390
Europe
(without Germany)
(2022: 433)

423
Asia-Pacific
(2022: 432)

996
North, Central
and South
America
(2022: 991)

72
Africa
(2022: 77)

Striving for zero accidents

> "We are guided by the idea of zero accidents. It is a way of thinking and a holistic framework for our efforts. It is based on the fact that all accidents have consequences and that they can be prevented. Making GELITA a safer place to work is a daily commitment for us all: better today than yesterday and better tomorrow than today."
>
> Anja Mannsperger
> Global Lead Expert Sustainability, Health & Safety

GELITA is dedicated to fostering a secure and healthy work environment for its employees. Our workplace safety strategy is built on the Zero Accident Vision, a mindset and approach centered on the belief that every accident is preventable. For us, "zero accidents" is not merely a numerical target but a shared responsibility of the company and all its employees. Achieving this goal requires the commitment of each individual, effective communication, continuous learning, and the cultivation of a robust safety culture.

Organization and roles

Managing occupational safety is the responsibility of the individual plants and on-site experts, who oversee all operational processes. The central Environment, Health, and Safety (EHS) unit handles internal coordination and networking.

Through our GO-SAFE network for work safety, experts collaborate continuously to leverage synergies across all locations. Our Safety Alert System monitors incidents that affect individuals, equipment, and the environment.

The global safety standards at GELITA are anchored in our management system and described in our international Occupational Health and Safety Manual. These standards are constantly reviewed and aligned with globally recognized

norms and regulations. In addition to the legal requirements, the system incorporates insights from self-assessments, audits, and the experiences of our own network. All measures are aimed at continuously improving health and safety in the workplace.

As an additional incentive on our path towards zero accidents, GELITA has been presenting the international Safety Award since 2017. Every year, outstanding achievements are recognized

with awards in categories such as "Best Improver" and "Best Performer." In 2023, the teams in Göppingen, Germany, and Toluca, Mexico, were honored with this prestigious award.
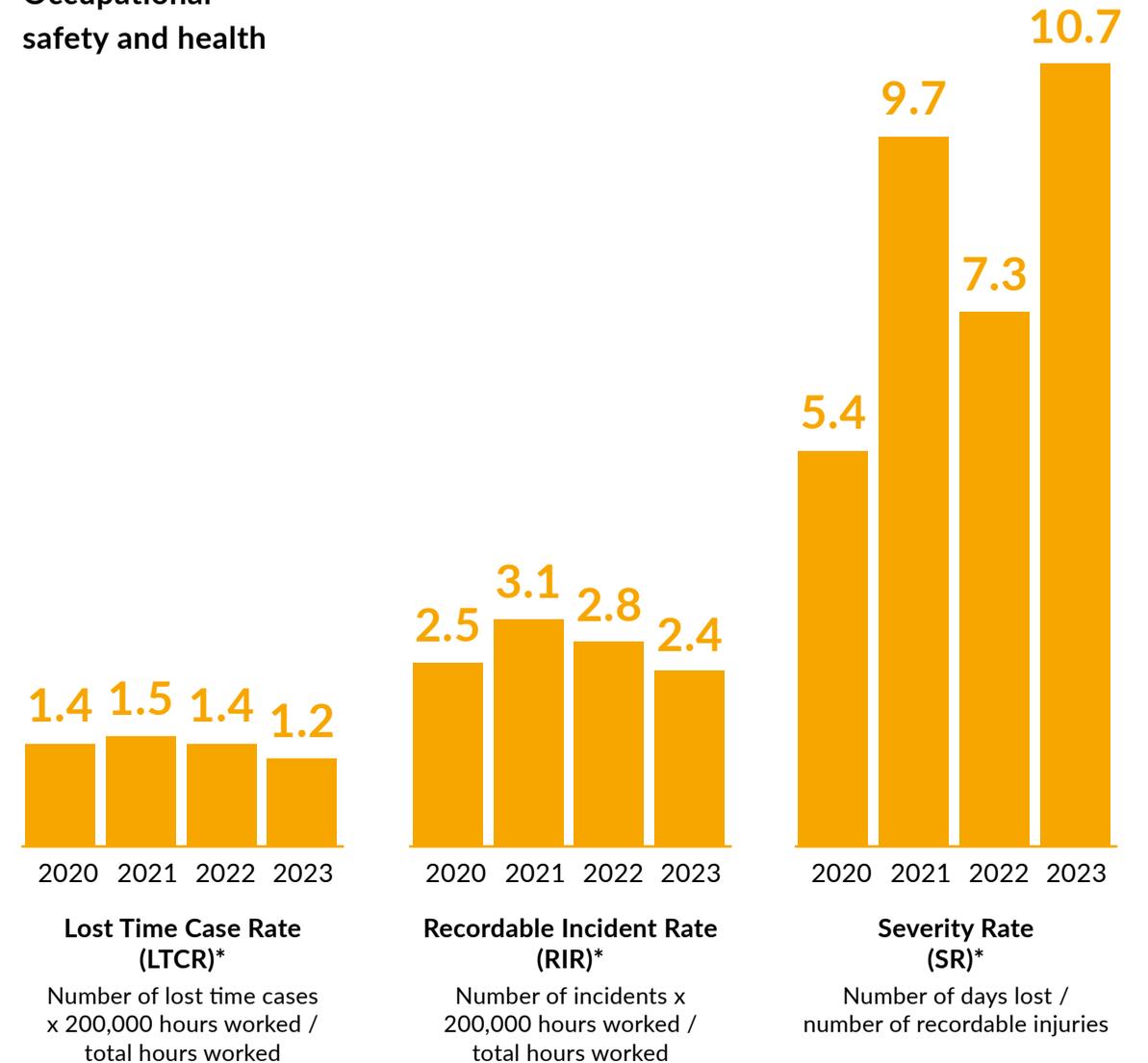
Performance indicators

At GELITA, a shared commitment to health and safety permeates every aspect of our operations, as each employee actively contributes to a safety-conscious work environment. To support these efforts, we provide comprehensive support through a wide range of measures geared towards preventing human error and proactively detecting technical faults to minimize the potential for harm. Our commitment goes beyond routine training and includes daily exchanges in shopfloor meetings. Safety in the workplace is at the heart of our operations and forms an integral part of GO-BEST, our program for operational excellence dedicated to continuous improvement.

In the course of 2023, GELITA achieved a significant milestone in occupational safety through the implementation of targeted measures, leading to a substantial reduction in accidents.

Occupational safety and health

Lost Time Case Rate (LTCR)*
Number of lost time cases x 200,000 hours worked / total hours worked

2020	2021	2022	2023
1.4	1.5	1.4	1.2

Recordable Incident Rate (RIR)*
Number of incidents x 200,000 hours worked / total hours worked

2020	2021	2022	2023
2.5	3.1	2.8	2.4

Severity Rate (SR)*
Number of days lost / number of recordable injuries

2020	2021	2022	2023
5.4	9.7	7.3	10.7

* Source: Occupational Safety and Health Administration (OSHA)

Safe facilities and processes

As part of our Property Risk Management initiative, we carefully monitor our facilities and processes to ensure optimal protection for our employees, local residents, and the environment. Right from the planning and construction phases, our engineers prioritize the integration of safety measures into subsequent operations. In addition, our 5S+ safety program, in conjunction with various other initiatives, ensures an organized workplace that promotes a safe and ergonomic work environment.

GELITA consistently demonstrates outstanding performance in facility and process safety, as measured by the Process Safety Incident Rate (PSIR), placing us in a very good position by international standards. Our commitment to safety extends beyond regulatory compliance and reflects our proactive approach and dedication to achieving and maintaining the highest standards across our global operations.

Process safety

2020*	2021	2022	2023
	0.34	0.2	0.36
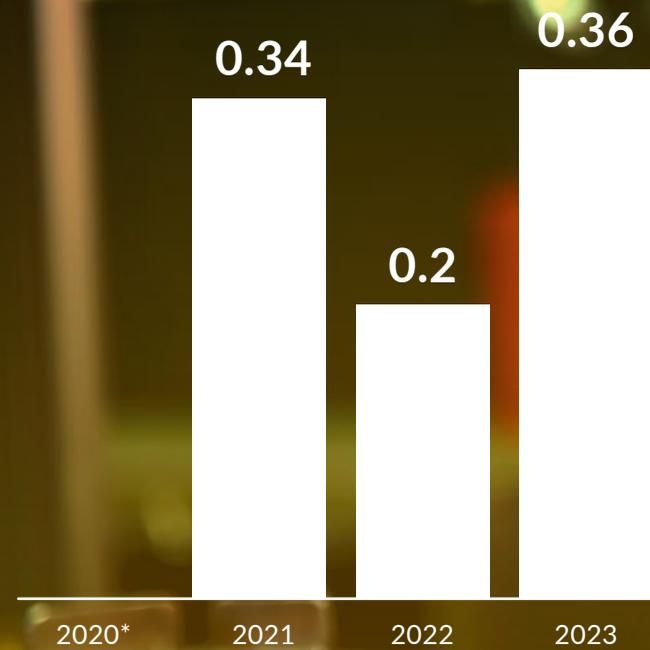
Process Safety Incident Rate (PSIR)**
Number of process safety events x 200,000 hours worked / total hours worked
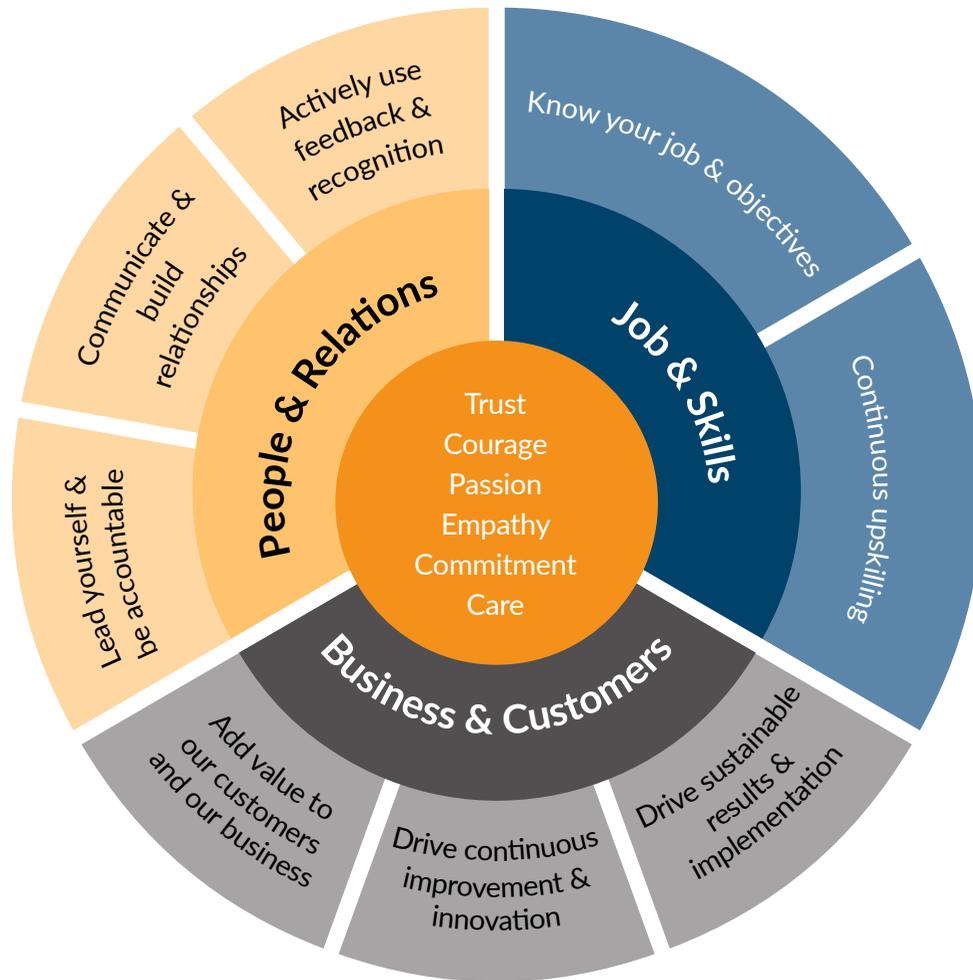
* GELITA introduced the indicator for the first time in 2021.
**Source: VCI, European Chemical Industry Council (Cefic), International Council of Chemical Associations (ICCA)

GELITA's Competency Model — central values: Trust, Courage, Passion, Empathy, Commitment, Care. Surrounding segments: People & Relations (Actively use feedback & recognition; Communicate & build relationships; Lead yourself & be accountable), Job & Skills (Know your job & objectives; Continuous upskilling), Business & Customers (Add value to our customers and our business; Drive continuous improvement & innovation; Drive sustainable results & implementation).

GELITA's Competency Model

We focus on building up competencies now and for the future while fostering individual strengths. For this purpose, we have developed the GELITA Competency Model, which provides a clear framework for the targeted development of employees at GELITA. Our competency model is used worldwide and across all locations and forms the basis for performance appraisals, feedback discussions and the associated development and succession planning.

Motivating, developing, and retaining

Our employees make a significant contribution to GELITA's success. We aim to attract and retain talented individuals and foster their further development. We provide the right framework for this with a safe working environment that inspires and connects, and a culture characterized by trust, respect, commitment, and mutual support.

Competency development is a top priority for GELITA. We create workplaces and qualifications for the future, promote a modern working environment and endorse a healthy work-life integration. We are a family business characterized by innovation. We value forward-looking ways of thinking and new impulses to develop customer-centric solutions. Our global idea management helps promote innovation, and is an important pillar of our GO-BEST Operational Excellence Program. We firmly believe that every idea counts. It is not only major innovations that lead to success. Many small ideas and measures that our employees identify in their day-to-day work and submit also help us to develop together step by step and strengthen our leading market position.

We are also actively working to further develop a corporate culture characterized by appreciation and constructive feedback. In 2023, we built on corresponding initiatives and further extended our offer with new formats and development programs.

DEVELOPMENT PROGRAMS AND INITIATIVES

Keys to professional growth

We invest in our employees' growth and development. As part of our strategy to attract and retain talent, we offer a wide range of learning and development opportunities alongside traditional internal and external training. In 2023, we further expanded both our global and virtual offerings.

Young Professionals Program
The Young Professionals Program aims to develop the next generation of specialists and managers in the area of production. The centerpiece is an online academy where our experts pass on their know-how to the next generation and enable a continuous global exchange of experi-

ence. Nine training sessions were held in 2023. Colleagues from all over the world graduated in 2023. The program is continued in 2024.

GROW learning platform
Promoting lifelong learning and growing together as a company – that is the aim of our GROW platform. The learning management system provides all training opportunities, whether digital or face-to-face, for employees in one place and maps the associated processes. GROW was continuously expanded in 2023 in terms of global scope and content.

Global Accelerated Development Program (GADP)
The successful global development program prepares experts and managers for their next career step and the associated tasks. It is designed to be cross-country and cross-functional. The first group successfully completed their GADP journey of around ten months in 2023. A next cohort started their journey, which led them into the beginning of 2024.

Mentoring
GELITA has had very positive experience with this personnel development tool since 2021.

Since then, we have trained further internal mentors, enabling us to establish successful mentor-mentee relationships last year and this year, particularly for our talented employees.

Board touchpoints
Regular interaction possibilities with the Management Board promote the dialogue between talented individuals and our board members. The mutual exchange of ideas and experiences results in a win-win situation for both sides.

Expansion of training structures
To counteract demographic change at its German sites, GELITA plans to reorganize its apprenticeship structure and develop additional resources. Investments in employer branding are designed to increase the number of apprentices and dual study program students.

Group Policy Remote Work
We are introducing modern concepts that go beyond established forms of work and traditional models of work organization. A Group policy supports location-flexible working as an integral part of our working models of the future worldwide.

Voices of our employees

"From trainee to Plant Manager, GELITA has provided invaluable support for my career growth. Embodying our core values, our team is a source of strength. GELITA has not only offered opportunities for personal development but also instilled a sense of pride in growing alongside the company."

Tianming Wang
Plant Manager,
China

"I started at GELITA as an intern in the lab, progressed in the Quality department and then crossed over into Sales. This challenge is totally different but allows me to grow whilst still applying the technical knowledge I have acquired."

Elice Mahuwa
Sales Administrator,
South Africa

"GELITA was the beginning of my career, and each development step also represents its future. I had the opportunity to learn technical skills from the best. Today, I also have the challenge and opportunity to lead my team, which motivates me even more to continue improving the quality of life in the world."

Matheus Lucena
Process Engineering Manager,
Brazil

"At GELITA, there are numerous positions in which you can try your hand and realize your full potential. I have already worked in many different departments and gained highly beneficial experience through doing so."

Tina Münch
Machine Operator,
Germany

"We are a great team of young and experienced colleagues who always have an open ear for each other's questions and concerns. And we are always ready to share our knowledge and know-how with one another."

Daniel Tang
Project Engineer,
Germany

Helping and shaping together

We see ourselves as an integral part of society. It is therefore only natural for us to engage socially at the locations where we operate as a company. With our approach, we aim to make an active contribution to achieving the United Nations' Sustainability Development Goals (SDGs). Our focus lies on four of the total 17 goals:

"No Poverty", "Good Health and Well-Being", "Quality Education", and "Life on Land". In 2023, we supported numerous projects and initiatives worldwide that contribute to the various SDGs. We extend our gratitude to our employees for their active support and to all local partners and organizations for their invaluable work.

Handicrafts for a good cause

Collaborating successfully as one company across all locations is at the heart of ONE GELITA's vision. The 2023 global Christmas handicraft initiative #GELITAcraft4charity offered all employees the chance to work together on the same project, have fun, and assist those in need at the same time: For every self-made 3D paper Christmas tree, GELITA donated five euros to the International Emergency Aid of the German Red Cross.

Empowering young people

The GELITA-affiliated Harald Stoess Memorial Foundation has set itself the task of supporting fair and high-quality education. The support is particularly aimed at gifted children, adolescents, and young adults whose education would place a heavy financial burden on their families. Among other things, the foundation facilitates language vacations abroad, covers fees for music school, or contributes to the purchase of musical instruments. In addition, financial support is available to GELITA employees and former employees who have fallen into hardship through no fault of their own.

Healthy through movement ▶
The Sanepar Running Circuit spans ten stages through the Brazilian state of Paraná and is open to anyone wishing to stay active and healthy. Participants can choose between a five and ten-kilometer route, a walking path, and a course for children. GELITA has sponsored the running series for several years now.

Supporting children with cancer
The Norseman Xtreme Triathlon in Norway is considered to be one of the toughest triathlon competitions in the world. Professional athlete Timo Bracht was one of the 250 participants at the start in 2023. GELITA is funding his participation in the race for three years – providing the prerequisite for the athlete and his team to collect some 30,000 euros in donations. The proceeds went to the KiTZ facility in Heidelberg, Germany. This children's tumor center is dedicated to the treatment and research of childhood and adolescent cancer.

◀ Bringing values to life
Exploring one's limits and growing from the experience – that's the purpose of the Kokoda Youth Foundation (KYF) in Australia. Through sports activities and outdoor camps, young people are taught values such as courage, endurance, and camaraderie. Our plant in Beaudesert supported a team that put their skills to the test at the Gold Coast Kokoda Challenge. The group completed the 48-kilometer route with flying colors, and also collected donations for KYF youth programs.

Achieving more together

The news of the earthquake in Turkey and Syria in February 2023 deeply moved many people. Large organizations and private initiatives called for donations. GELITA also joined in the fundraising efforts. The campaign initiated by employees from our headquarters and the Eberbach plant in Germany raised a total of over 10,000 euros. The money benefited families and helpers in the disaster area, alleviating their acute needs.

Keeping warm through the cold season

The traditional "Shoe and Mitten Party" organized by the Great Plains Goodwill organization puts a smile on the faces of around 3,000 needy children every December. Each of them receives a brand-new pair of shoes and other clothing to keep them warm through the winter. This is made possible by donations, such as those from our Sioux City plant in the USA.

Food for hurricane victims

At the end of October 2023, hurricane Otis hit the Mexican Pacific coast and devastated the famous beach resort of Acapulco. Aid organizations and the military delivered food parcels and drinking water to those in the affected region. GELITA Mexico participated in the relief efforts with material donations.

Protecting and experiencing nature

Parks fulfill a variety of ecological, social, and cultural functions: They improve the climate, provide habitats for animals and plants, promote health through outdoor exercise, and serve as popular learning spaces. This holds true for the Dorothy Pecaut Nature Center in Iowa, USA. Our Sioux City plant's donation supports environmental and educational programs at the nature center.

Healthy with GELITA ▶

Ensuring the well-being of our own employees throughout their working lives is important to us. Since the end of 2023, "Healthy with GELITA" has complemented the existing offers. Nutrition tips, yoga classes, exercises for an active break, and much more that sustainably promote a healthy lifestyle are available to employees.

HEALTHY WITH GELITA
IMPROVING QUALITY OF LIFE

Little kickers inspire a love for sports and team spirit

Encouraging children and adolescents to exercise, nurturing young talents, and strengthening the community spirit in club sports can benefit society as a whole. That's why the GELITA U12 Indoor Cup was established many years ago, and GELITA has supported it as title sponsor ever since. It has now become one of the most competitive youth tournaments in Germany, with clubs from the German soccer Bundesliga sending young teams from their academies. The organization is carried out in cooperation with the Eberbacher SC association, which GELITA also supports in other projects.

◀ **Promoting a healthy breakfast**

A good breakfast is the best way to start the day. However, many children leave home in the morning without a meal. The "Healthy Breakfast" project aims to teach children about good nutrition and, at the same time, ensure they receive regular servings of milk and muesli. With GELITA's support, kindergarten children in Eberbach, Germany, can charge their batteries for the day with a balanced meal.

Ethical responsibility in all areas

At GELITA, ethical boundaries and reliable integrity form the foundation of all our commercial endeavors. Our principles and values reflect the way we see ourselves. The company's moral benchmarks nurture the trust that our customers, suppliers, shareholders, and other business associates place in us. They also strengthen our employees' commitment to the company.

The Management Board, managers, and all persons working at GELITA strive to adhere strictly to legal requirements and rules. Building on this, we develop our business orientation conscientiously and sustainably in line with corporate governance principles. This ensures the security

of our company and makes a value-enhancing contribution to its success.

Two-tiered board structure

We understand corporate governance as the comprehensive system by which our company is controlled and operated. Key components include the dual leadership structure of the Management Board and Supervisory Board, with the latter comprising both shareholder and employee representatives. In addition, the shareholders have management and oversight rights and participate effectively in the Annual General Meeting.

The overall business strategy and focus are determined by the Management Board. It oversees GELITA's business activities and ensures alignment with its objectives and values. From an organizational standpoint, it oversees the business units as well as the domestic and international subsidiaries. Besides the legal provisions, GELITA Group policies and diverse management systems form the framework for effective corporate governance.

Recognizing the importance of data security and safeguarding sensitive information, we have im-

plemented extensive mechanisms to ensure this. We stand firmly behind our commitment to the quality and safety of GELITA products, enabling our customers to place their full trust in us. To achieve this, we adhere strictly to clearly defined rules.

Learn more about our Management Board here.

"The essence of GELITA lies in its unwavering commitment to reliability and ethical integrity. We are dedicated to consistently upholding these values so that shareholders, customers, partners, and employees can confidently place their trust in GELITA over the long term."

Jan Christoph Teetz
CFO of GELITA AG

COMPLIANCE

Active observance of the rules

Trusting relationships with our customers are of great importance to GELITA. Our ethical standards, which apply to everyone in the Group, are enshrined in the GELITA Code of Conduct. In it, we commit ourselves to responsible, respectful, and fair dealings with our employees, customers, and suppliers.

We strictly reject business dealings and practices that are incompatible with our principles and values. We have therefore introduced a Compliance Management System that, on the one hand, anchors compliance as part of the corporate culture among all GELITA employees and managers and, on the other, ensures compliance with external statutory and GELITA internal rules. The Group Vice President Legal, Risk & Compliance manages GELITA's Compliance Management System on behalf of the Management Board.

Reliable and comprehensive

GELITA's **corporate culture** actively promotes compliant behavior. The aim is to ensure that products and processes across the entire supply chain, right through to the delivery of our products to the customer, comply with legal requirements and internal guidelines. The **compliance program** comprises all **compliance measures**, such as the company's internal rules and regulations, training courses and workshops, and audits to address and reduce identified risks. Another component of the Compliance Management System is the **compliance organization**. This defines and describes in detail the roles and responsibilities of the Management Board, the management of the subsidiaries, the Group Vice President Legal, Risk & Compliance, and the designated compliance managers. In addition, GELITA has established the Compliance

Risk Committee. The purpose of this body is to exchange information between the functions that deal with corporate risks and compliance and to ensure that all compliance and other risks are identified and countered with appropriate measures. **Compliance communications** has the task of promoting compliance awareness and knowledge and regularly disseminating corresponding infor-

GELITA's Compliance Management System

Compliance culture

Compliance targets

Compliance review & refinement

Effective and appropriate Compliance Management System

Compliance risks

Compliance communications

Compliance organization

Compliance program

Compliance areas at GELITA

In the narrower sense
- Combating corruption, fraud, and embezzlement
- Anti-money laundering
- Antitrust law
- Data protection
- Export control
- Supply chain compliance

In the broader sense
- Health and work safety
- Environmental and energy law
- Labor law
- Product compliance
- Tax
- Sanctions lists
- Information security

mation throughout the company. As a continuously improving organization, GELITA's Compliance Management System is naturally also subject to the requirement of continuous **review and refinement.**

Supply chain compliance is a key issue for GELITA. The requirements of the German Act on Corporate Due Diligence Obligationsa in Supply Chains (Lieferkettensorgfaltspflichtengesetz) must be met at GELITA from 2024 on. We therefore further extended our supply chain compliance organization in 2023, established the corresponding processes, and carried out the necessary risk analysis.

GELITA encourages employees and business partners to report violations of the law, breaches of our internal rules and regulations, and any other misconduct within our company directly to supervisors and colleagues or to the Group Vice President Legal, Risk & Compliance. The whistleblower hotline can be used openly or anonymously. We consistently follow up on tip-offs, suspected compliance violations are uncovered, and measures are taken to prevent such incidents in the future.

Reliable protection

Cyber-attacks and data misuse are on the rise worldwide. As a globally positioned company with locations on six continents, protecting digital assets and data is of elemental importance to GELITA in maintaining our stakeholders' trust. We invest continuously in the security optimization of our IT infrastructure, processes, and control mechanisms.

Preventing and defending against attacks

Our Security Information and Event Management (SIEM) system is a core component of our company's security infrastructure. The best defense against hacker attacks is prevention, and our SIEM gives us the monitoring capabilities to identify attack vectors and detect anomalous

behavior. Our SIEM collects data from event logs, firewalls, security tools, and devices across the organization, giving our security team the information they need. It is our preferred tool to assist with compliance and regulatory reporting.

We use state-of-the-art firewall systems to network our sites, guaranteeing secure connections and preventing or at least limiting the spread of malware to a local level in the event of an attack. The firewall also assures a protected connection between computers used in a home office and the company's servers. The network is segmented within the sites to ensure redundant protection for sensitive areas.

IT security at GELITA

Protecting
- Use of the latest firewall systems
- Deployment of backup and restore tools
- Effective end-device protection
- Encryption of internal data storage media
- Multifactor authentication for all critical systems
- Security Information and Event Management (SIEM)
- Privileged Access Management (PAM)
- Endpoint Detection and Response (EDR)
- Vulnerability Management (VM)

Testing and adapting
- Security training and stress tests
- Regular review and update of internal policies
- Performance of self-audits
- Participation in external audits
- Execution of outage simulations

Privileged Access Management (PAM) is another important IT security component that protects against credential theft and privilege abuse threats. PAM is part of our comprehensive cyber security strategy for monitoring, securing, and auditing all human and non-human privileged identities and activities.

The Endpoint Detection and Response (EDR) security tool is not just an ordinary antivirus scanner. It is based on artificial intelligence (AI) and machine learning and responds automatically with actions such as blocking execution and isolating endpoints to prevent the spread of malware. This gives the analyst time to investigate the potential threat and its impact, and determine how to eliminate it.

In addition, advanced backup and recovery tools ensure IT security. They systematically protect data from local and cloud systems and ward off attacks from Trojans.

Always up to date

Our IT department manages all company devices used by our employees. This ensures they are updated promptly with the latest security and software patches as well as endpoint security tools.

This is handled by our Vulnerability Management (VM), which reduces the time it takes to detect and fix vulnerabilities. VM provides us with a comprehensive overview of the vulnerabilities to be remedied as well as priority-based task creation for GELITA-wide security patch management.

All internal data storage media on end devices are encrypted as a matter of course to prevent access to GELITA data in the event of loss. Multifactor authentication is a given for all critical systems.

Testing and adapting systems

Staying abreast of the recommendations of the German Federal Office for Information Security (BSI) and attending security training courses is a continuous task for our international IT security team. We regularly stress-test our security tools on this basis. As a result, we can promptly replace affected systems with better solutions if necessary. In addition, our specialists draft and review our policies in the area of data security, publish changes and events, and provide related recommendations on the GELITA intranet.

The effectiveness of our activities is regularly checked and confirmed by audits. In addition, we commission penetration tests at varying intervals. These put our internal and external IT services to the test through targeted, unannounced attacks.

In cooperation with our Risk Management, we review our IT exposure every six months and factor it into our overall IT strategy. In this context, annual outage tests are conducted in all locations. Such simulations are highly valuable for practicing and further optimizing the necessary processes to ensure that every move is executed correctly in the event of an emergency.
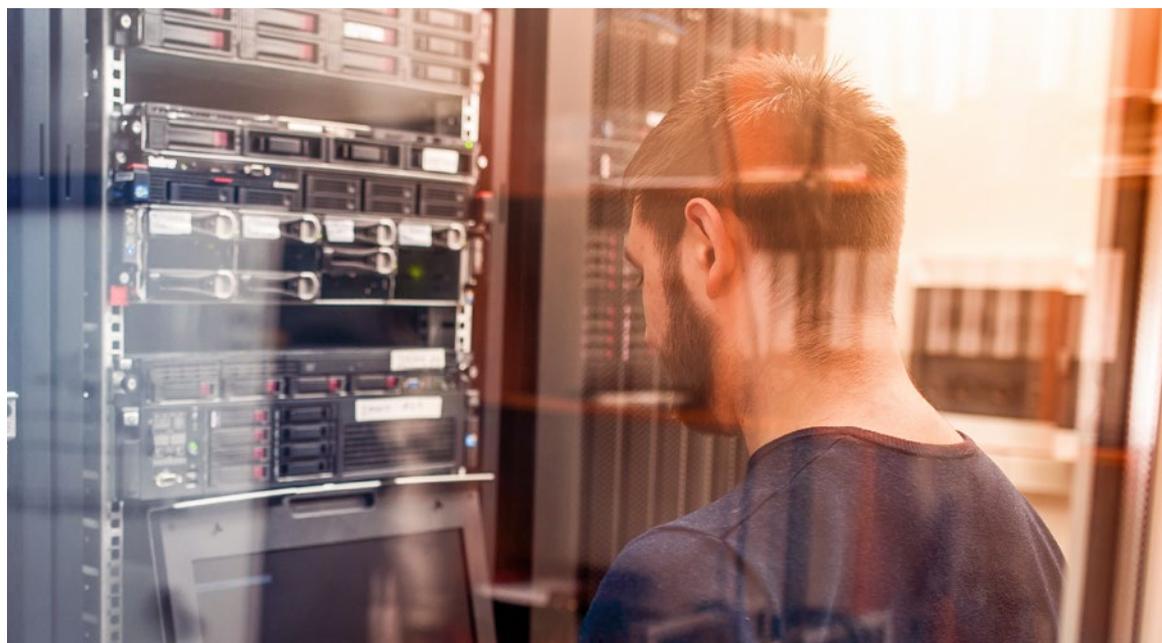
Employees as gatekeepers

As well as technical and internal IT measures to protect data and IT systems, GELITA particularly focuses on employees as reliable gatekeepers in preventing cyber-attacks. External assailants are increasingly targeting employees as a gateway and weak point. To do so, they use the entire spectrum, from electronic channels and phone calls to personal conversations and attempts to gain physical access (social engineering).

Raising awareness and building skills

The best defense here is to empower employees to recognize such attacks. GELITA works with leading providers in this area to create user awareness. They offer training programs for all user groups, which take place monthly with mandatory participation. The sessions are supplemented by regular simulated attacks. Users' performance in the training courses and tests provides information on the development of their vulnerability to cyber-attacks and makes it possible to adapt the training courses in line with needs. These measures are having an impact. GELITA performs significantly better here than the comparable industry average.

Employee feedback on the cybersecurity training program is very positive and helps to ensure the secure use of all communication channels. In addition, there are direct reporting options for suspicious communication attempts, which our experts promptly investigate and assess.
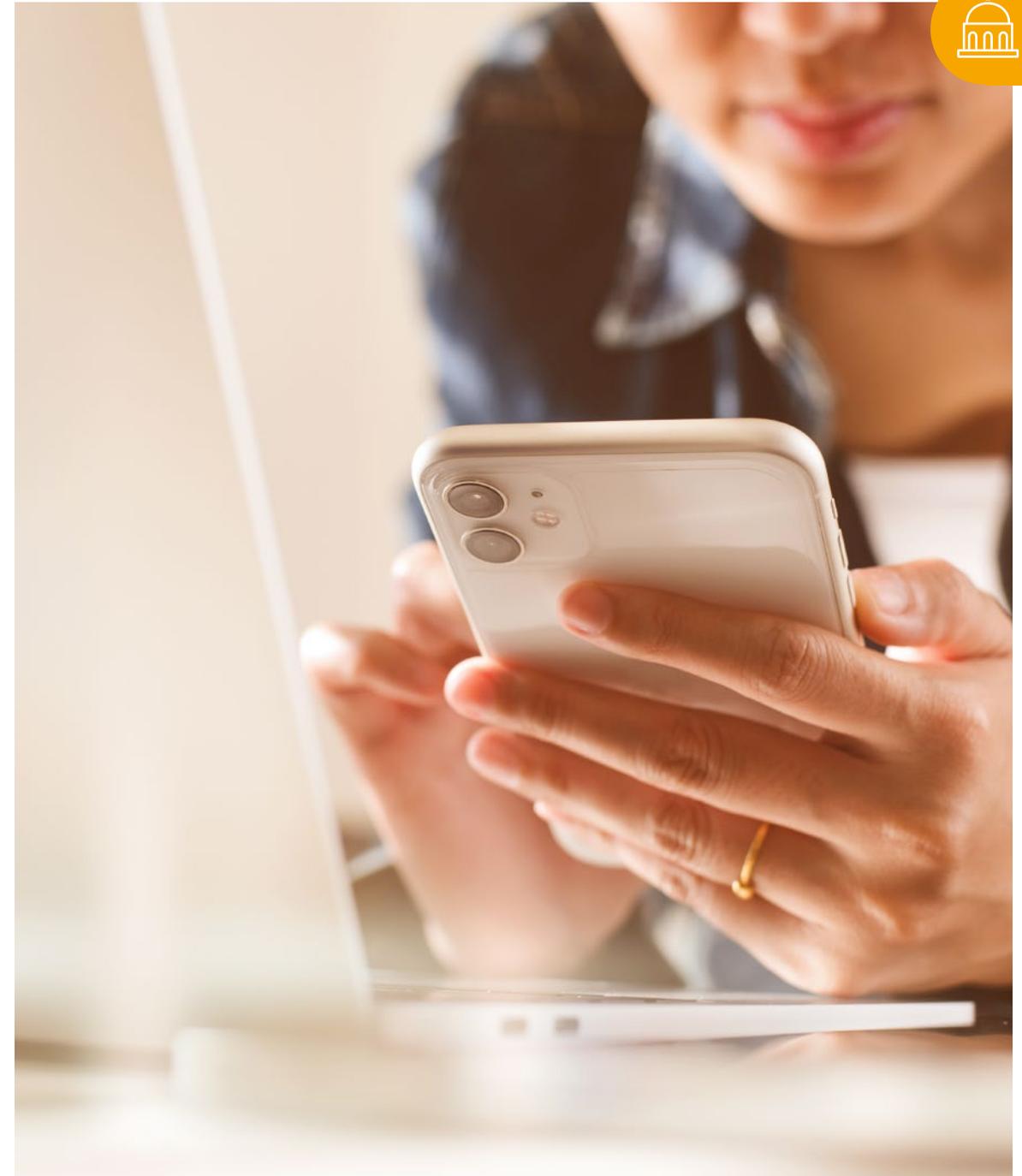
Ensuring integrity

All personal data provided to us by customers, suppliers, or employees is subject to the highest level of protection at GELITA. A global data protection management system enables us to comply with data protection requirements and create a framework for data protection-compliant business activities that applies everywhere. The data protection management system consists of a suitable data protection organization and established data protection processes and guidelines.

Data protection organization

Our central data protection unit within the Legal, Risk & Compliance function is responsible for managing the organization and preparation of our data protection activities and for the provision and further development of our global data protection processes and requirements. Our data protection officer is also assigned to this unit.

Essential elements of our data protection organization are a network of data protection coordinators and "Single Points of Contact Data Protection", who provide support in complying with data protection requirements and advise the employees there on related issues. The Heads of Business Units and Legal Entities, Group Vice Presidents, and, ultimately, the Management Board of GELITA are responsible for ensuring compliance with data protection requirements.

Data protection processes and requirements

Our Group Policy on Data Protection defines our principles for processing personal data. The regulations are based on European legislation, primarily the General Data Protection Regulation. Local (stricter) requirements are taken into account through corresponding on-site regulations.

The Group Policy on Data Protection is supplemented on a country-specific basis by further management processes, including templates on data protection topics (e.g., handling data subject inquiries, documenting processing activities, and data protection risk management).

Training, awareness, and audits

Compliance with data protection requirements depends to a large extent on our employees. We therefore regularly train and raise awareness among staff with mandatory webinars. In addition, we are currently looking into the introduction of an e-learning program on data protection.

We conduct regular internal and external audits to ensure a consistently high quality of data protection management and to continuously improve.
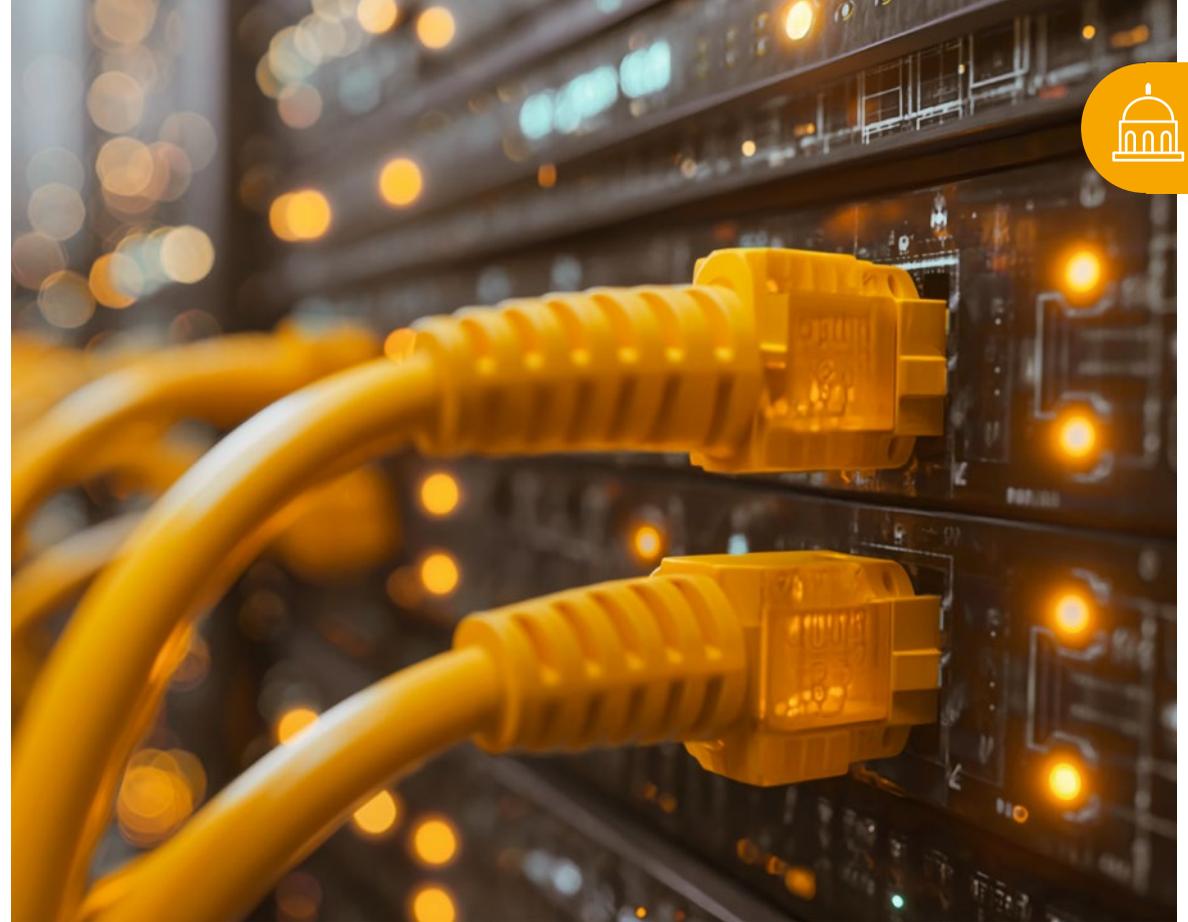
Identifying potential

GELITA promises its customers top quality worldwide. To ensure this while simultaneously promoting continuous improvement, we have implemented several internationally recognized management system standards at GELITA. They are all based on ISO 9001 (quality management). The food safety certification scheme FSSC 22000 has been introduced at all production sites worldwide and is recognized by the Global Food Safety Initiative (GFSI).

In 2023, 80% of our plants worldwide were certified to ISO 14001 (environmental management), and all plants in Germany to ISO 50001 (energy management).

Regular audits by authorities, certification bodies, and customers help to ensure and confirm compliance with internal and external standards for product quality/safety, occupational health and safety, energy efficiency, and environmental protection.

In total, GELITA underwent 248 external audits worldwide in 2023. These included:

▶ **94 certification audits**
▶ **82 customer audits**
▶ **72 authority audits**

80%
of our plants worldwide
are certified to ISO 14001
(environmental management).

100%
of our German plants have
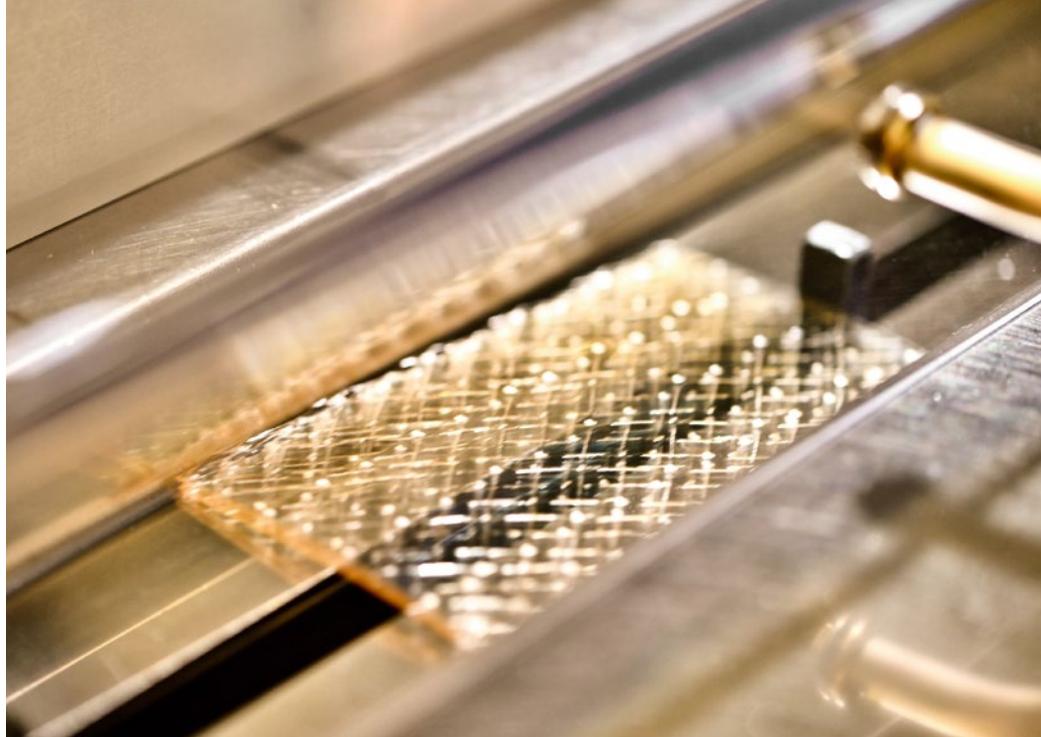ISO 50001 certification
(energy management).

248
external audits were
conducted at GELITA in 2023.

Focus on quality and prevention

GELITA holds itself to high quality standards and is committed to consistently offering its customers safe products. This obliges each of our companies and employees to exercise diligence and unconditional compliance with the rules. Our Corporate Code of Conduct and values clearly define our ethical and cultural stance.

Food safety standards such as FSSC 22000 and IFS also require food manufacturers to promote a culture of quality and food safety. A culture that includes goal setting, communication, employee engagement, and performance measurement. We have anchored sensitivity and meticulousness both in thought and action with regard to food safety in our corporate culture.

We actively support our employees in identifying and preventing deviations in all processes that could compromise our products' safety, quality, and legality. Through our various communication channels, such as daily shopfloor meetings or ideas management, staff members can also contribute their suggestions and ideas for improvement.

Promoting animal welfare

As processors of animal by-products, we are committed to fair and species-appropriate livestock farming. GELITA therefore actively supports all meaningful measures to improve animal welfare conditions. Regulatory requirements for animal welfare apply throughout the entire supply chain, from animal husbandry and transportation to slaughter. Our raw materials are derived exclusively from healthy animals slaughtered in approved abattoirs whose carcasses have been deemed fit for human consumption following ante and post-mortem veterinary inspection. An important aspect of the ante-mortem inspection is to verify whether the animals have violated animal welfare regulations. Inspections are carried out by official veterinarians, ensuring full oversight by the relevant authorities.

Our suppliers are contractually obliged to fully comply with the relevant legal provisions to ensure animal welfare. Furthermore, as part of our certified quality management system, we conduct supplier audits in addition to the official inspections. These checks assess whether appropriate measures have been implemented to comply with animal welfare standards. In case of proven violations, the supplier must explain in detail how the shortcomings will be remedied. Failure to cooperate would result in the suspension of the supplier.

In addition to the measures implemented in our supply chain, GELITA has since 2018 supported the German Animal Welfare Initiative (Initiative Tierwohl), a voluntary commitment by the agricultural and meat industry and the food trade to promote sustainable and animal-friendly meat production. Lastly, GELITA is also a member of GME, the leading association of European gelatin producers. In this way, we actively support the continuous optimization of sustainable practices, contribute to the goals of the European Green Deal, and simultaneously improve the social and economic dimensions of the meat industry.

Do you want more information? Click here

Cooperation based on partnership

At GELITA, we see ourselves as a reliable partner, striving for long-term, trust-based collaborations with our suppliers founded on binding agreements. Adhering to global minimum standards is an essential component of our corporate strategy. In addition, we aim to surpass the legal requirements that apply in the respective regions. Our minimum requirements are documented in our Supplier Code of Conduct, which our suppliers are supposed to sign.

All the principles and standards set out therein align with the United Nations Guiding Principles on Business and Human Rights and the Declaration of the International Labor Organization (ILO). GELITA has been a member of the Supplier Ethical Data Exchange (SEDEX) database since 2011. All of our sites worldwide are registered there,

where they undergo regular audits to confirm our commitment to ethical trading practices.

Ensuring compliance with legal requirements

The German Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz) came into force at the beginning of 2023. For GELITA, which has approximately 2,900 employees worldwide, the law has been in force since 1 January 2024.

In the first quarter of 2023, we implemented Integrity Next, an ESG risk management platform, to facilitate the evaluation of our suppliers and ensure that GELITA entities adhere to international standards and regulations on compliance and sustainability in a standardized and automated manner.

A comprehensive abstract risk analysis based on industry and country parameters was conducted for all suppliers. Those identified as medium or high risk were requested to undergo a detailed specific risk analysis by means of questionnaires. The suppliers' responses are currently being validated to ensure the certificates and responses are valid, accurate, and complete. Regardless of risk value, all GELITA entities were invited to participate in the abstract and specific risk analy-

ses. Measures to minimize or eliminate risks and violations within the supply chain and for our own units are initiated immediately.

In February 2024, an external readiness assessment concluded that GELITA is effectively implementing its obligations under the supply chain law and fully complies with its requirements.

GELITA

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