



Sustainability Report 2023





Contents

Letter from the CEO	5	Care for our Planet	25
Citribel – Circular Excellence	7		
1. About Citribel	7	1. Towards a lower carbon footprint	26
Who we are	7		
Our values	8	2. Reducing our energy use	28
		We reduce our energy use	28
2. Closing the circle	8	We generate energy	29
Our production processes	10	We measure our energy use	30
Citric acid and citrates	10	We reduce the impact of transportation and mobility	30
Other circular products	12		
Hidden opportunities of mycelium	13	3. Reducing our water use	31
Our markets	16	We reduce our water use	31
		We use less ground water	32
3. How we consider risk & impact throughout all our operations	16	We reuse our water	32
Material risks & impact	16	Waterflow Citribel 2023	33
Our sustainability strategy	18		
Together with our partners	20	4. Avoiding waste and pollution	34
		We reduce waste	34
		We strive for clean air, noise reduction and odor control	34
		We strive for clean water	34
		5. Strengthening biodiversity	35
		6. Circularity of our incoming and outgoing materials	37
		Circularity of incoming materials	37
		Circularity of outgoing materials	38

Care for our People

39

1. Focus on health and safety

40

We monitor and reduce health & safety risks

40

Training prevents accidents

41

We attract talent

42

We develop talent

44

2. Promote well-being of our employees

45

3. Improve equality, foster diversity and inclusion

47

Sustainable Procurement

49

1. A responsible and sustainable procurement policy

49

Good Governance

51

1. Business ethics & business conduct

51

Code of Conduct

51

Whistleblowing system

52

2. Process management and operational excellence

53

Operational excellence

53

Product quality, customer health & safety

54

3. IT security, data security & privacy

56

We protect our data

56

We can recover our data

57

4. Internal and external communication

58

Internal communication

58

External dialogue and communication

59

About this report

61



Letter from the CEO

Dear all,

It is with profound privilege that I introduce Citribel's inaugural Sustainability Report, a momentous milestone in our enduring quest for a more sustainable future. With a legacy spanning over a century, Citribel's commitment to circularity is an indelible part of our identity.

Our historical legacy unfolds in two distinct dimensions: the use of sugar molasses, a byproduct of the sugar industry, as our primary raw material, and the surface fermentation process which is unique to Citribel. The consequence? A product portfolio characterized by an unrivaled purity of citric acid and an array of natural circular products, full of potential for a wide range of innovative, sustainable solutions, meticulously tailored to the evolving needs of our customers.

The **prevailing economic and political landscape** on the global stage significantly shapes the dynamics within all our markets, presenting intricate challenges that defy simple influence or navigation. As one of the last remaining citric acid producers in Europe, we are acutely aware of our pivotal role as a key local and sustainable supplier to several of Europe's essential industries, and we stand poised to steadfastly uphold this responsibility.

In a world increasingly focused on curbing carbon emissions within products and processes, short supply chains and local sourcing, our ambitions soar high. We are committed to assisting our customers and partners in realizing their sustainability aspirations. As we look into the future, we are resolved to enhance our customer and market

focus, nurturing deeper partnerships that transcend the conventional supplier-customer relationship. Building upon our foundation of **collaborative innovation**, we are ready to elevate our approach further, seeking to enrich our partnerships by co-creating solutions that resonate with the sustainability visions of our esteemed partners.

Our commitment to this approach doesn't just apply to our citric acid and citrates; it firmly extends to **all our circular products**, which are becoming ever more relevant in a wide variety of markets and segments. Besides MycaNova® and Mycofence®, our exploration of mycelium continues to reveal new exciting applications. Also, our low potassium vinasse, Nutribond®, as well as our potassium calcium salt and our gypsum, have shown interesting potential for new innovative solutions. These intriguing developments continue to engage our attention, strengthening our ability to provide top-tier natural products and solutions, made in Belgium.

The commitment to circularity at Citribel is not a recent pursuit but rather an enduring facet of our identity. The world's heightened focus on environmental stewardship and circularity has attracted new brilliant and motivated individuals to our team. Our **diverse workforce** shows inspiration, dedication, a desire to learn and grow, and the aspiration to inspire others with our products and collective story. While individual colleagues and team members consistently contribute to our progress, continually inspiring us with their innovative ideas and fresh energy, it is the synergy and collective strength within our team that ignites our anticipation for the future.

Contained within this report is a comprehensive overview of Citribel's activities, initiatives and their far-reaching impact. While we take pride in the significant strides we have made, we remain conscious that the path to sustainability is an ongoing journey, requiring continuous dedication, innovation, and collective efforts to ensure a lasting and meaningful impact.

Thank you for your continued support as we embark on this journey to craft a brighter, more sustainable world for future generations.

Joris Merckx, CEO

Citribel – Circular Excellence

Today, Citribel is the only genuinely circular producer of citric acid, citrates, and other high value circular products through natural surface fermentation (of sugar molasses) worldwide.

1 About Citribel

Who we are

Citribel is a producer of citric acid, citrates, and other natural products and components. It all started in 1919 in Tienen with the first manufacturing of citric acid by fermentation of sugar. Over the years, the production process gradually improved, and became more circular. As early as 1947, efforts were made to increase efficiency and circularity: a side stream of the nearby sugar industry - sugar molasses - was tested as an alternative raw material. Results were promising and sugar molasses quickly became the main raw material to produce citric acid. In addition, the high volumes of other interesting products gradually became a more and more important source of innovation potential.

Citribel's products are now widely used in the food, pharmaceutical, feed, and agricultural sectors, as well as in many new niche applications.



Our values



We're Built to Last

From 1919 till today, we honor the hard work, knowledge and trust former generations have poured into our company. They provide us with the craftsmanship and the experience to continuously create high-quality products. Upon the solid foundation of the past, we build for the future.



We're Born to be Bold

We find ourselves at the hallmark of a global transition towards sustainability and circularity. Our products and our processes derive from nature, and it is our duty and privilege to give back to the environment. We balance thoughtful decision-making and bold curiosity. We embrace the wisdom of uncertainty, as it invites us to get creative, to make things work differently, and to continuously contribute to the health and well-being of our people and planet.



We're in it Together

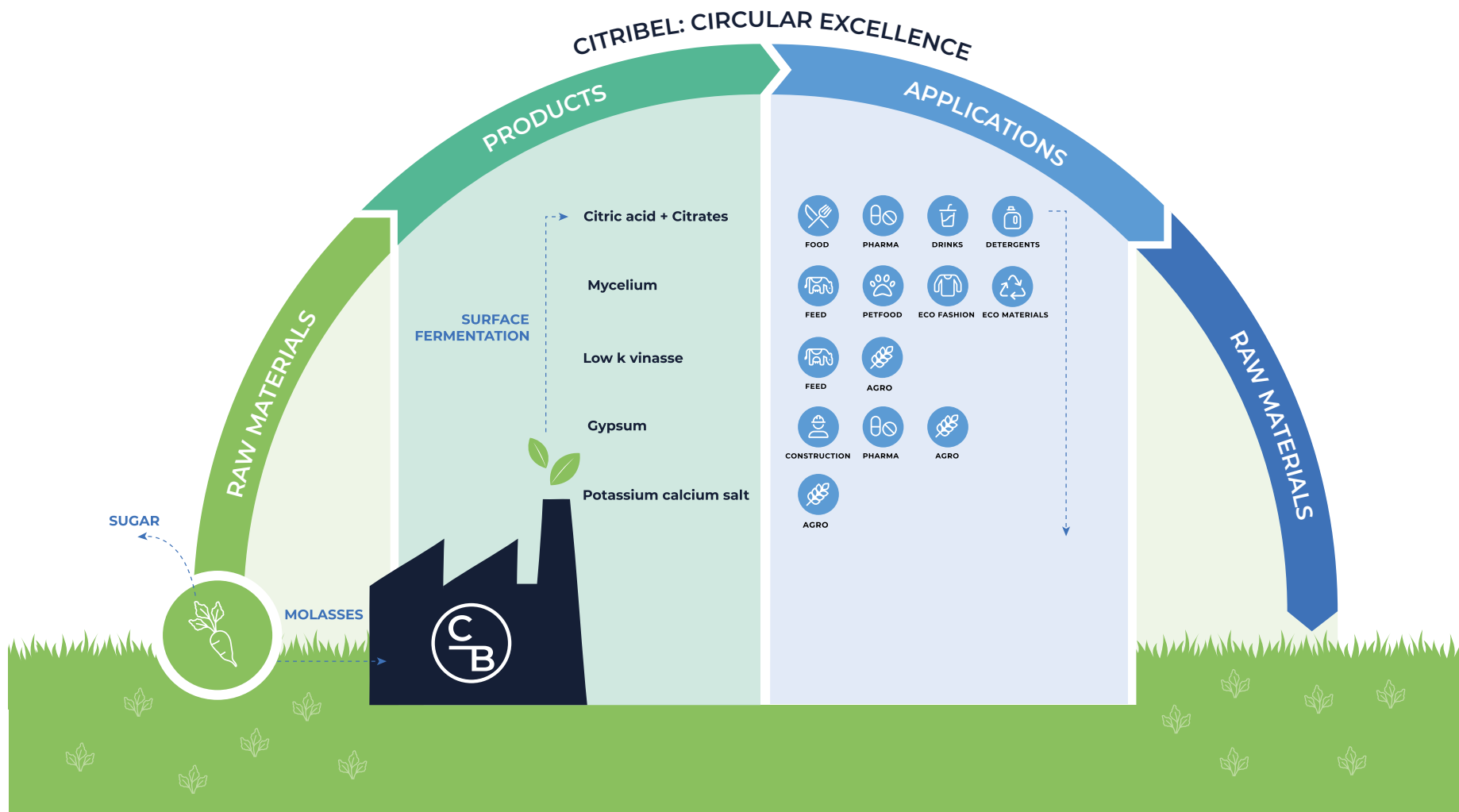
The Citribel production processes are a daily reminder of connectedness. Once you've seen it with your own eyes, it's impossible to forget that everything is linked: the molasses and the fungi, the mycelium and the citric acid, the water and the fish, the fermentation and the crystallization, our colleagues and their families, the buildings and the neighborhood, the company and its environment, the past and the present, the present and future generations.

2 Closing the circle

Circularity is at the heart of Citribel. A growing number of our customers are placing increasing emphasis on sustainability and circularity, which is a justified response to the urgent environmental and climate challenges we face. Citribel effectively addresses this demand by being the sole global producer of citric acid that relies on sugar molasses as its main raw material. This is a vital differentiating factor in the industry, as sugar molasses are a byproduct of the sugar industry. In addition, sugar molasses emit a mere 50g of CO₂ equivalent per kilogram. This stands in stark contrast to alternative feedstocks like glucose syrup and corn, which contribute significantly higher carbon emissions. By utilizing sugar molasses as the primary feedstock, Citribel achieves not only a reduction in carbon emissions but also eliminates the need for additional land, fertilizer, and water resources. This approach significantly lessens the impact on biodiversity and ecosystems.

Furthermore, Citribel leverages the inherent strengths of sugar beet, including efficient carbon dioxide sequestration, reduced nitrogen requirements, and proximity to processing facilities, in the production of its citric acid.

Along with our radical choice to use an upcycled feedstock, our distinct manufacturing processes, as explained below, allow us to produce intrinsically circular products, whereby almost all of our raw materials are transformed into new raw materials for our customers, hence closing the circle.



Our production processes

Our circular approach pervades in all our operations. Firstly, by valorizing almost all our waste streams, there is a relatively small volume of residual waste left. In addition, we fully implement our circular vision in our water and energy management, with the goal of further reducing our carbon footprint and minimizing our water usage and impact. Citribel is ISO 14001- certified for its environmental management system, and we strive to consistently enhance every area of our company's environmental performance.

The Citribel production processes take place in a sophisticated ecosystem of interrelated stages and streams.

First, sugar molasses are the ideal nourishment for our 'Citribel fungus'. It grows into a biomass (known as mycelium) during our unique surface fermentation process, while simultaneously converting the sugar in the molasses into liquid citric acid. We monitor and adjust an extensive variety of factors in 184 fermentation chambers (such as temperature, humidity, surface tension, etc.). The mycelium is ready after a few days, when most of the sugar has been converted. The mycelium and the crude liquid citric acid are then carefully separated.

Next, the crude citric acid is transformed to crystals in our refinery. It first undergoes a reaction with lime milk. The filtrate is then pumped to the feed & agro business facility, while the citric acid precipitates as calcium salt. The salt is dissolved again with sulfuric acid, resulting in a decomposed citric acid solution and gypsum. The gypsum is separated by filtration. The decomposed citric acid solution is further purified using ion exchange, activated charcoal, and crystallization processes. The citric acid crystals are then pure and can be dried, sieved, and packaged.

Citric acid and citrates

As a result of our unique production processes, we achieve high-quality products with distinctive properties.

First, citric acid, an organic acid found abundantly in nature, has earned its place as a ubiquitous and indispensable ingredient across various industries. As a natural ingredient, citric acid is renowned for its safety and environmental friendliness. It is organic, odorless, colorless, non-toxic, biodegradable, and poses minimal risks to human health and the ecosystem. This inherent harmlessness makes it a preferred choice for a wide range of applications:

- in the food and beverage industry, citric acid is relied upon for its natural preservation effect, as well as its ability to enhance flavor as desired;
- in the cosmetics industry, citric acid finds utility as an exfoliant, pH adjuster and stabilizer in formulations;
- its chelating properties make it invaluable in detergents, where it binds to mineral ions and enhances the cleaning power of products;
- citric acid is also the natural component of your dishwasher tablet, and serves as a natural alternative to phosphates in washing agents.

Hence, citric acid is deeply ingrained in many of our local supply chains, quietly assuming an indispensable, yet often understated, role in the production of everyday items, such as effervescent tablets, jams, juices, gummy bears, canned fruits and vegetables, and many others.

We produce our citric acid either in its dry form, without water ("anhydrous") or in a form containing one water molecule ("monohydrate"). Depending on specific applications, we offer several types of granulations, powders, or solutions, with a wide variety of packaging and logistic services.

Besides citric acid, we manufacture trisodium citrate dihydrate (TSC) and monosodium citrate anhydrous (MSC), both of which are generated by neutralizing citric acid with caustic soda. The odorless, white granular crystals both have a pleasant, salty, and somewhat tart flavor. Both TSC and MSC are widely used in foods, beverages, and various technical applications such as buffering and sequestering or coagulant and emulsifying agents.

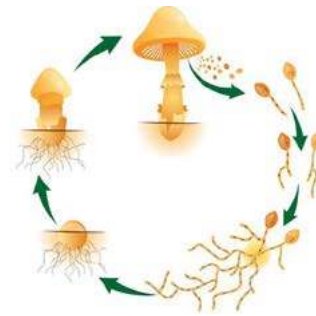
Beyond its well-recognized roles, a growing number of industry sectors are testing and discovering citric acid and citrates to replace synthetic ingredients and components. Consumers are increasingly discerning, seeking transparent ingredient lists and sustainable sourcing. The presence of citric acid in a product or process not only conveys a sense of naturalness but also aligns with the broader industry trend towards sustainability and eco-consciousness. Companies that incorporate citric acid into their formulations can leverage its versatile benefits to offer products that cater to the changing preferences of consumers.



Other circular products

Besides citric acid and citrates, we are producing an array of high-end circular products such as mycelium, potassium calcium salt, gypsum, and vinasse. Through our meticulous fermentation, separation, purification, crystallization, and drying processes, we are not just producing goods – we are shaping a sustainable future. Our mission is to inspire businesses and brands with the many potential and prospective applications of these products.

- ① **First**, the unique combination of sugar molasses and surface fermentation yields a substantial amount of potassium calcium salt, better known as syngenite. This remarkable product is a game-changer for farmers as it's recognized and cherished as a top-tier fertilizer, prominently sold under our trusted brand, Citrofert®.
- ② **Second**, our gypsum powder, bearing the distinguished Citrogips® brand, isn't just a versatile material for construction and agriculture; it's also a key component in dental and medicinal applications, marking our commitment to multifaceted utility and impact across various industries.
- ③ **Third**, the residual organic part of molasses is concentrated and delivered as an interesting vinasse with a low potassium level at the end of our downstream process. Our low K vinasse is primarily sold to the feed industry under the brand name Nutribond®. Furthermore, aside from its primary function as a feed ingredient, our vinasse is a focal point for numerous innovative applications and the development of natural product concepts.
- ④ **Finally**, as a result of the surface fermentation process, Citribel produces a large volume of mycelium. As a widening range of markets and industries have recently discovered the natural force and potential of mycelium, and innovative uses and applications are continuously emerging, this intriguing material deserves some further introduction.



Generally speaking, mycelium is the root-like structure of a fungus, which can grow underground or on decomposing tree trunks, or in our case, on a liquid mixture of sugar molasses. From mycelium, fungi can produce fruiting bodies, such as mushrooms. Mycelium is a complex network of microscopic tubes that serve various functions as it grows. For example, mycelium contains all the

necessary enzymes for natural decomposition and provides plants and trees with essential nutrients. Additionally, mycelium is vital in facilitating communication between different plants and trees, earning it the nickname “the wood wide web.”

There are various types of mycelia, each with its unique properties. The fungus responsible for producing our Citribel mycelium has evolved over several decades to thrive on sugar molasses, resulting in the production of citric acid, and in the production of around six soccer fields per day of high quality mycelium.

While many new investments are made to enable start-up and scale-up levels of mycelium production, Citribel can build on a century long know-how of industrial scale mycelium production, thereby generating a valuable upcycling loop and thus avoiding all CO₂ emissions related to building new machines and factories.

In addition, all products and applications incorporating Citribel mycelium powder can boast substantial CO₂ savings on end product level.

Considering the large volumes produced, most of our wet mycelium is still sold to the feed business under the brand name Citrocell®, where it is highly appreciated as a natural, tasty and high protein feed additive, with a specific spongy structure. To further amplify its utility, we developed a specialized drying process, in order to generate a mycelium powder which is not only easy to use and mix, but also seamlessly integrates into industrial practices, eliminating the need for new machinery or additional production facilities. In response to a wide range of requests, we are collaborating closely with diverse partners in innovation, continuously exploring new avenues and novel applications.

“The continuous upgrading of co-products is the core activity of the innovation team. By working together, we not only exchange knowledge with each other, we also achieve true enthusiasm for our innovations and changes.”

Ruben Gillebert
– Head of Product and Process Development

| Hidden opportunities of mycelium

To demonstrate Citribel's dedication to innovation, we actively participated in a range of research endeavours led by Flanders' Food (Innovation platform for the Flemish agri-food sector) and VLAIO (Flemish Agency for Innovation and Entrepreneurship). This research and the open collaboration with various research partners played a pivotal role in facilitating in-depth exploration of mycelium and uncovering new applications. For instance, research showed that mycelium is composed of two main fractions, for which we developed a specific industrial separation process, in order to enhance the value and use of each specific fraction:

- the fiber fraction consists of specific beta glucans and was proven to boost the immune system in animals and plants in a natural way, hence lowering mortality rates in young animals and reducing the use of antibiotics; the potential for similar effects in humans will be the subject of further research;
- the liquid protein stream is a natural source of nitrogen which could potentially be used as a bio-based fertilizer, reducing the need for synthetic fertilizers.

Some of the future opportunities of mycelium can be viewed in this video report: www.youtube.com/watch?v=p_Rq03IXIJo



MycaNova®: upcycling mycelium to enable carbon footprint reduction in synthetic leather applications.



In our quest for optimizing the value of our circular products, we found that our dried mycelium powder seamlessly integrates with (bio-based) binders, and when combined with various backing materials, such as organic cotton or recycled polyester, it yields an array of high-quality alternatives to natural leather. This not only offers diverse markets more sustainable solutions but also an opportunity for a substantial reduction in carbon footprint.



Our mycelium powder is a paragon of natural purity, being 100% natural, animal-free, non-GMO, and fully upcycled. Consequently, every gram of mycelium employed in the production of leather alternatives contributes to a reduction in carbon footprint.



In search of the perfect balance between sustainability, design options and quality performance, we collaborate with several industry partners to develop MycaNova® solutions which match their specific industry requirements, including leather goods, footwear, automotive materials, luxury packaging, home and commercial interiors, furniture, and beyond.



Transparency is a key factor in such collaborations and in any meaningful communication towards end markets. Hence, we strive to provide precise and comprehensive information, divulging the full composition, components, and origins of MycaNova® materials.

In recognition of the heightened demand for innovation and more sustainable materials, MycaNova® has been accorded invitations from various industry platforms and key players to showcase samples and solutions.

A few examples:



June 2021:
invitation by Kering to present at the ChangeNow Event in Paris



June 2022:
invitation by LuxePack to present at the Special Edition LuxePack Event in Paris



These customer testimonials perfectly illustrate the message and mission of MycaNova®:

Lies Mertens



www.mycanova.com/wp-content/uploads/2023/04/20230407-Lm-Mycelium-Def-q2000.mp4

Maison Maes



www.maisonmaes.com/en/blogs/journal/le-m_mat_mycelium

As for the future next steps, all our ongoing research and development endeavors are dedicated to increasing the concentration of mycelium powder into all material solutions, including extruded or 3D printed materials.



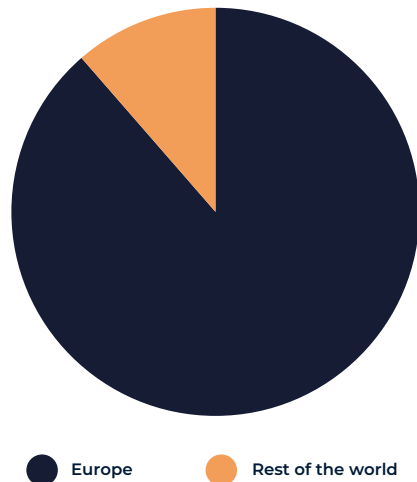
Find out more on our dedicated MycaNova® website
www.mycanova.com



Our markets

Historically, the European market has always been our main market for citric acids and citrates. The increasing focus on local products in the past years further strengthened our position in the EU. Nevertheless, our products are valued in more than 60 countries worldwide with emphasis in North America and Asia. Within Europe, Germany, Italy and the Netherlands comprise our largest markets. As such we export 96% of our products.

OUTGOING CITRIC ACID / SODIUM CITRATE



Other circular products total around two thirds of our outgoing goods. Historically, the distribution of these products has a strong local focus, with almost half of them sold in Belgium. In the last few years, exports to other countries have increased.

3 How we consider risk & impact throughout all our operations

Sustainability strategy is about creating the proper business environment that allows Citribel to prosper in the years to come while addressing environmental challenges and concerns, adopting the proper principles of ethical business conduct and integrating stakeholder issues. A thorough strategy requires a balanced approach and the valuable input of internal and external stakeholders.

Material risks & impact

During the formulation of our sustainability strategy, we employed the principles of double materiality, which entails a comprehensive assessment of how global sustainability issues affect Citribel's performance, as well as the influence that Citribel exerts on society and the environment. Both negative and positive influences are considered, as well as upstream and downstream operations, financial and non-financial impacts. As an illustration, Citribel is woven into intricate supply chain networks that span from sugar beet cultivation to food production and pharmaceutical industry. Consequently, strategic decisions necessitate meticulous evaluation with regard to impact on our carbon footprint, business relationships and other pertinent factors.

A look at the risks, challenges and opportunities in our value chain.



UPSTREAM

Beet molasses are our most important feedstock, combining a low carbon footprint with a unique fermentation efficiency and the generation of high-potential circular products. While these molasses are mostly sourced from neighboring EU countries, Citribel also procures a substantial quantity from more distant locations. Therefore, Citribel is carefully monitoring the environmental impact of transportation as well as the potential effects on biodiversity, responsible water use and soil conditions in these remote areas. Moreover, we are actively engaging with regulatory authorities to safeguard beet molasses from being used in low-value applications such as biofuels, and instead focusing on optimizing its potential within various fermentation industries. Additionally, Citribel closely monitors other raw materials to ensure the absence of any adverse effects on people and environment throughout the phases of extraction, processing and transport.

**#biodiversity #healthy_soil #water
#responsible_procurement #human_rights**



CITRIBEL

At our production facility in Tienen, we diligently consider the risks and impact our organization has on people, the environment and the local community. We firmly believe in the opportunities that are intrinsically linked to our company and our unique production process. Citribel contributes significantly to the local community as a reliable employer and purchaser of local products and services. Nevertheless, our company was founded at a time of abundant energy and water availability. Citribel is aware of this historical context and has implemented proactive initiatives aligned with our sustainability strategy to mitigate any adverse impacts. In addition, ensuring the health and safety of our employees during their daily tasks remains a top priority for Citribel.

**#climate_action
#energy_and_water_management #waste_
management, #materials_and_circularity
#health&safety #wellbeing
#learning&development #diversity&inclusion
#research&innovation #good_governance**



DOWNSTREAM

Once our products depart from our warehouses, they serve a myriad of applications for our diverse customer base and end-users. Irrespective of the specific end application, the quality of our products remains of uttermost importance. This underscores our deep appreciation for our customers' feedback and our commitment to attentive listening. Our goal is to build long-lasting partnerships with our customers, to fully comprehend and serve their needs. Thanks to the collective expertise of our innovation team, coupled with the hands-on mindset and extensive know-how of our dedicated technicians and operators, we possess the agility to respond effectively to market dynamics and adapt to evolving legislative changes that may impact our customers.

**#product_quality #customer_experience
#good_governance #data&IT-security #ethics**

“Sustainability is about so many different aspects: the people, the planet, the community. It is about working together to continuously improve and do better. Engaging in sustainability is a source of immense gratification.”

Sanne Elsen - Sustainability Manager

Our sustainability strategy

In our comprehensive value chain analysis, we adopt an approach centered on Citribel's perspective while considering the expectations of our stakeholders. This approach enables us to compile an extensive list of topics, which are subsequently assessed based on their impact and financial materiality.

By categorizing this list of topics, we identify and prioritize five key focus areas. Within this framework, our strategic ambitions are defined. In alignment with our longstanding commitment to contributing to the United Nations' Sustainable Development Goals (UN SDG's)*, we link these prioritized areas with the overarching UN SDG's, reinforcing the cohesion and synergy between our strategic priorities and global sustainability objectives. The following section illustrates these 5 focus areas, along with our established set of ambitions.

*As a participant of the 'VOKA Charter Duurzaam Ondernemen' (VCDO), we have been working on contributing to all 17 SDGs for 5 years. See below to read more about our exciting road to becoming an SDG Champion.

Focus Areas	Ambitions	Value Chain Impact	SDG link
Circular Excellence and Innovation	Product innovation through valorisation and new applications of all our products	UP  DOWN	  
	Circularity and innovation in production processes	UP  DOWN	
Care for our Planet	Reduce our carbon footprint	UP  DOWN	  
	Reduce our energy use		
	Optimise and reduce our water use		
	Avoid waste and pollution	 DOWN	
	Strengthen biodiversity	 DOWN	
Care for our People	Focus on health and safety		  
	Attract and develop talent		
	Promote well-being of our employees		
	Improve equality, foster diversity and inclusion		
Sustainable Procurement	Expand use Code of Conduct		  
	Elaborate due diligence policy	UP  DOWN	
	Improve sustainable evaluation suppliers	UP  DOWN	
Good Governance	Focus on business ethics and conduct	UP  DOWN	  
	Invest in process management, operational excellence and quality		
	Commitment to IT security, data security and privacy	UP  DOWN	
	Communicate Citribel's circular story internally and externally	UP  DOWN	

Together with our partners

Citribel is proud of its integrated role within a thriving community. We deeply appreciate the contributions of generations of culturally diverse colleagues and all other partners to our success. We value the collaboration with the city of Tienen and we actively support initiatives such as Red Cross blood donations, poverty reduction programs and litter clean-up endeavors. Furthermore, we are dedicated to fostering the growth and development of future talent through student internship programs, with a track record of offering permanent positions to several of our interns.

Our daily operations serve as a reminder of the profound interconnectedness that characterizes Citribel. Within our organization, it becomes evident that everything is intertwined: the molasses and the fungi, the company and its employees, the past, present and future. We hold our ecosystem partners in high regard, encompassing knowledge institutions, a multitude of dependable suppliers and customers from across the globe. Each of these stakeholders plays an indispensable role in our circular story.

| We listen to our stakeholders and take action



Our customers

Our customers expect us to deliver resilient quality & service with the lowest carbon and water footprint. We collaborate and innovate together with our clients to address these challenges, including their transition to a Net Zero carbon economy.



Our employees

Our employees are the backbone of the Citribel story, and we bear the responsibility to ensure their continuous and overall well-being. As a locally rooted employer, we welcome and support each of our diverse and distinctive employees, recognizing their individuality as a source of value within our narrative.



Investors

We are proud of the trust our investors have placed in Citribel to invest in the development and implementation of our sustainability strategy. Together, we are convinced that this path will strengthen the value of our organization.



Unions

Unions play a pivotal role in the negotiation of collective bargaining agreements and the formulation of employment conditions. Transparent communication across multiple consultative platforms is the key to identifying and implementing solutions as a team.



Suppliers & service providers

Citribel actively works with its suppliers of goods and services in line with the requirements of the ETI base code, translated into our code of conduct, to ensure that our respective partnerships can be developed with lowest possible carbon footprint and with respect for social rights of their employees and stakeholders. To this end, Citribel is a member of SEDEX and works hard on its due diligence responsibilities.



The local community

We highly value the input of the local community living and developing around our historic location in Tienen, Belgium. Open communication not only aids us in identifying and prioritizing key areas for future growth but also underscores our reputation as a dependable local employer committed to addressing the needs and concerns of our community.



Schools & research centers

Citribel is just steps away from the most renowned universities and research centers in Europe. This pool of knowledge is both critical in our research and development programs as well as an unbeatable source of skilled engineers and managers to lead our company into the future.



Local and sectoral network organizations

Citribel is a valued member and active stakeholder of Belgian and European sector organizations where it advocates the sustainable industrial processes and reliable supply of critical additives to the food, feed and pharmaceutical sectors.



Municipality – regional governments and European institutions

Citribel is subject to local, regional, federal and European rules and legislation. Given the increased focus on sustainability and lower carbon and water footprints, we are pleased to continuously partner with the authority stakeholders who are a crucial partner in the further implementation of our sustainability strategy.

By connecting with others, we optimize our efforts

| We value assessments, audits and certifications

In our journey towards a more circular and sustainable economy, we recognize that we are not acting alone. Our commitment to learning and progress is underscored by our active engagement in various sustainability-related programs and initiatives. We consider these memberships and involvements to be invaluable, since they provide us with opportunities to gain insights from other companies around us while allowing us to share our own knowledge and experiences.



| Becoming an SDG Champion!

The 'VOKA Charter Duurzaam Ondernemen' serves as a structured framework enabling companies to concrete their sustainable ambitions into real initiatives, thereby motivating them to continually push the boundaries of sustainability. These efforts encompass a wide spectrum of activities, ranging from gradual reduction of carbon emissions to initiating circular pilot projects and the establishment of an inclusive and socially responsible workplace. Notably, these actions align closely with the UN SDG's.

Upon successful completion of an assessment by an impartial committee, companies are rewarded with sustainability certificates, categorized into 3 distinct tiers: SDG Pioneer, SDG Champion and ultimately SDG Ambassador. Citribel has been an active participant in the program for an uninterrupted period of 5 years. Our ongoing commitment to sustainability has been awarded the SDG Pioneer and SDG Champion certificates to date and we look forward to becoming an SDG Ambassador.



In line with our sustainability strategy, we commit to share our circular narrative with the world. This commitment is driven by the increasing demand for information and transparency from our stakeholders, as well as the respect for our exceptional teams who bring our sustainable and innovative initiatives into reality day after day.

Our dedication to communication and transparency extends to seeking external validation in the field of sustainability through audits and certifications. To this end, we annually pursue ISO 14001 certification. In 2023, our sustainability performance underwent the well known ECOVADIS assessment, resulting in a golden medal and placing us in the top 5% of assessed companies. Additionally, as a member of SEDEX, we are subject to the SMETA audits, which are performed every 3 years. We greatly value the feedback received through these audits and certification programs, using it as a compass to continue our improvement efforts.

| We are an active member of associations

Through our affiliation with network organizations and sector/industry federations, we have the privilege of engaging with individuals and companies who share similar values and objectives. As such, we are provided with valuable opportunities to acquire knowledge, exchange insights and collectively advocate for sustainability topics and other related matters.



Care for our Planet



Citribel places great importance on environmental stewardship and is acutely aware of the environmental footprint generated by our entire value chain. We take pride in our ongoing efforts to mitigate this impact, chiefly by prioritizing the use of residual feedstock (molasses) over primary feedstock (corn) and continually assessing and optimizing water and energy utilization in our processes. Through innovative approaches, Citribel has successfully converted most waste streams into valuable products, while identifying untapped potential in new applications. These collective actions have reduced our carbon and water footprint, enhanced biodiversity and formed an overall solid foundation for the sustainable industrial production of critical additives for the food, feed, pharmaceutical, and a growing number of technical industries.



1 Towards a lower carbon footprint

Our carbon footprint encompasses emissions generated both during our production processes and the emissions associated with our incoming raw materials and outgoing products. The primary contributors to our carbon footprint are the energy consumption of our production plant and the inherent footprint coming from the production of our raw materials.

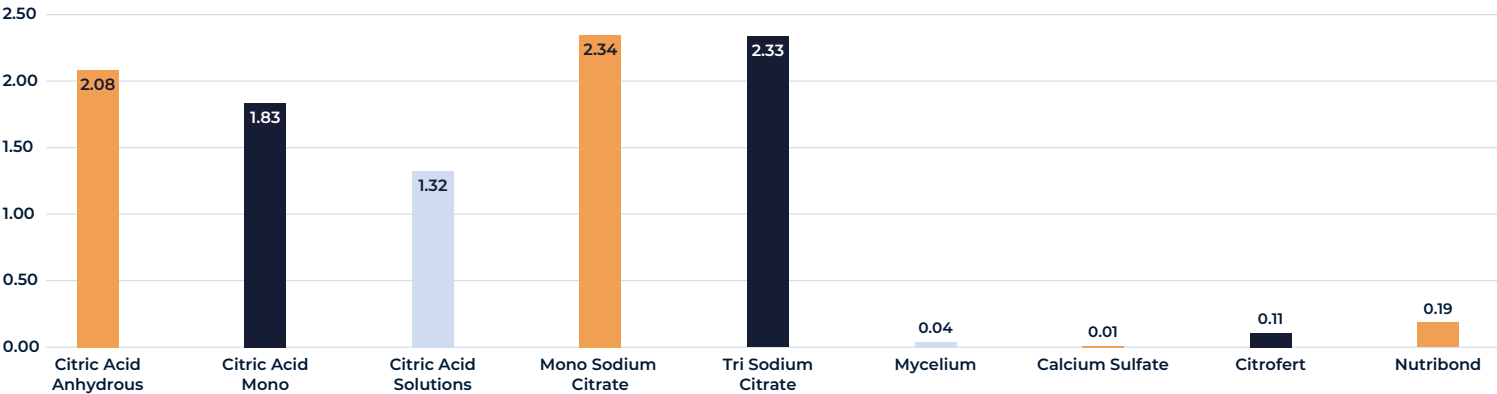
Citribel's production processes demand a substantial energy supply, including both electrical power and thermal energy essential for our (bio)chemical processes. Since 2020, Citribel operates a Combined Heat and Power (CHP) plant, utilizing natural gas as its fuel source. This CHP plant not only provides the necessary thermal energy (steam) required for our operations but also generates its electrical power. Excess power is injected into the local electricity grid, as such contributing to general electricity supply in Belgium. Following the recent overhaul of our energy plant, we have introduced a large hot water circuit to reclaim stack emissions. In addition, we are actively exploring innovative solutions to enhance our energy monitoring capabilities. We also seek to leverage the latest technologies in collaboration with regulatory bodies, universities and industry associations to further diminish our carbon footprint.

Overall, our circular production process is designed to efficiently transform the majority of residual waste streams into valuable products, thus minimizing waste generation. However, a small number of waste streams persist, with gypsum waste from the filtration step being the most substantial among them.

Citribel measures its carbon footprint, both on the corporate level and on product levels, as a crucial step in fully comprehending our environmental impact. Building upon the insights gained, Citribel is continuously updating its carbon roadmap, action plan and climate strategy. This strategy will serve as a unifying framework, integrating our ongoing initiatives related to circularity, energy, water, waste and biodiversity, and enabling us to make sound strategic decisions.



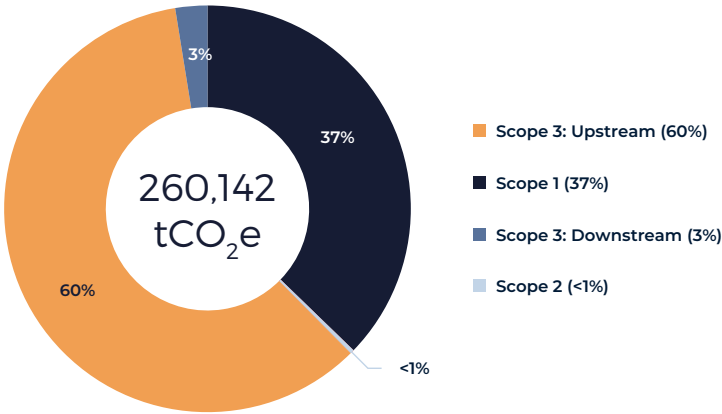
EF 3.1 CLIMATE CHANGE - TOTAL [KG CO₂ EQ.] ABSOLUTE RESULTS FOR CITRIBEL CITRIC ACID PRODUCTION - RELATIVE SALES ALLOCATION VALUES



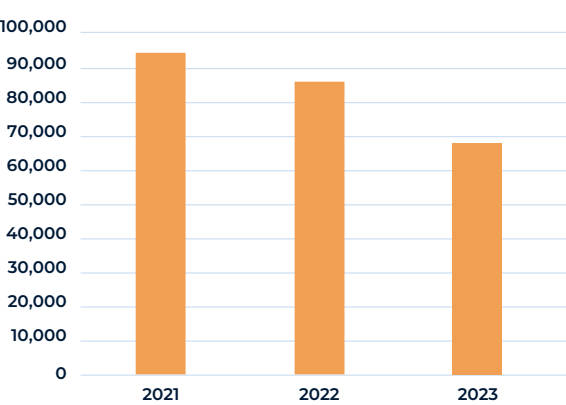
Product carbon footprint of Citribel's products

System boundary: cradle-to-gate
 Functional unit: 1 kg of product
 Impact assessment: Global warming potential (GWP100), IPCC 2013
 Data sources: primary data by Citribel (year 2020), secondary data retrieved from GaBi database
 Allocation: economic allocation

EMISSIONS



DIRECT CO₂-EMISSIONS FROM CHP PLANT (tCO₂e)



Corporate Carbon footprint of Citribel according to the greenhouse gas protocol - year 2022

2 Reducing our energy use

Citribel has a total production capacity of 300,000 tons of products, operating around the clock, which can be adjusted according to the market demand. Such continuous production necessitates a substantial energy input. Citribel stands as the sole global producer employing surface fermentation for citric acid production. This process, gradually improved over a span of more than a century, boasts significantly lower energy consumption during the fermentation phase compared to the conventional deep tank methods widely prevalent in the industry. We maintain a firm commitment to constantly assessing and refine our processes and infrastructure, allowing us to consistently reduce our energy consumption and associated carbon emissions.

We reduce our energy use

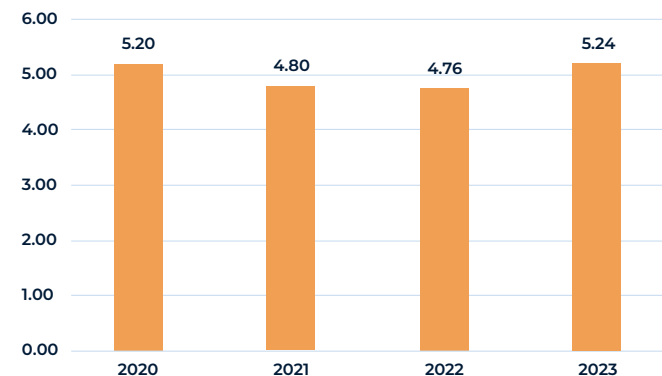
Since 2014, Citribel has been an active participant in the Flemish Energy Benchmark initiative, a program aiming to improve the overall energy efficiency of large industrial enterprises in the region of Flanders, Belgium. This initiative provides a structured framework for the development of energy reduction plans, emphasizing the adoption of best-in-class solutions. Citribel embraced this initiative, committing to implementing solutions with an Internal Rate of Return (IRR) surpassing a predefined threshold, and consistently met all program requirements. Moving forward, we are actively engaged in the development of a new program spanning from 2024 to 2030.

The accompanying graphic below underscores the total energy consumption per ton of production. Transitioning from a consumption rate of 5.2 gigajoules (GJ) per ton in 2020 to 4.76 GJ in 2022, there was a subsequent increase to 5.2 GJ in 2023. While this shift signifies a decline in our energy efficiency, it is noteworthy that we successfully achieved a reduction in total absolute energy consumption from 1.37 petajoules (PJ) in 2022 to 1.11 PJ in 2023.

This decrease in overall energy consumption can be attributed to the ongoing transitional phase our production is currently undergoing. As part of our strategic initiatives, we are actively developing additional measures to further curtail our energy consumption and elevate energy efficiency to even higher standards. Our commitment to sustainable practices remains steadfast as we navigate this transformative period in our production processes.

One particularly important achievement has been the successful implementation of our hot water circuit, designed to recycle excess heat. This project has yielded remarkable results, leading to energy savings equivalent to the annual consumption of over 1000 households. Building upon this success, we are currently in the process of designing more advanced projects aimed at further curtailing our energy consumption while simultaneously bolstering our overall energy efficiency.

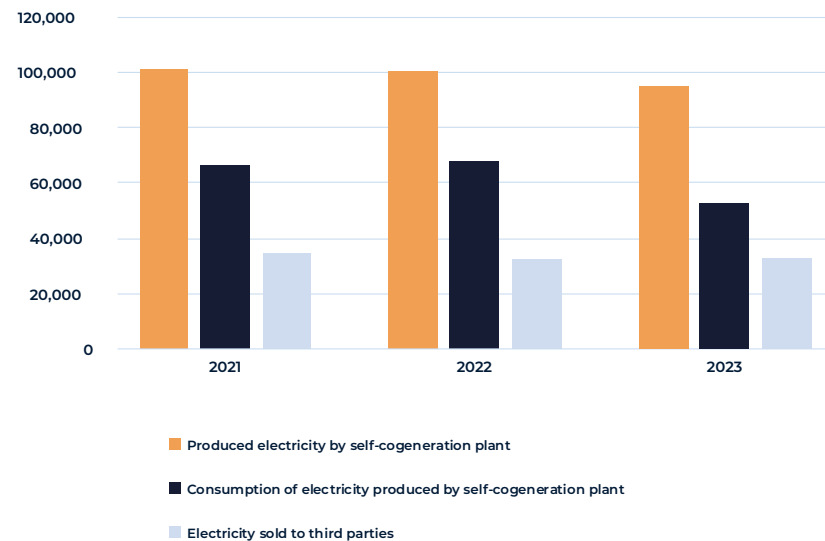
ENERGY CONSUMPTION GJ PER PRODUCED TON



We generate energy

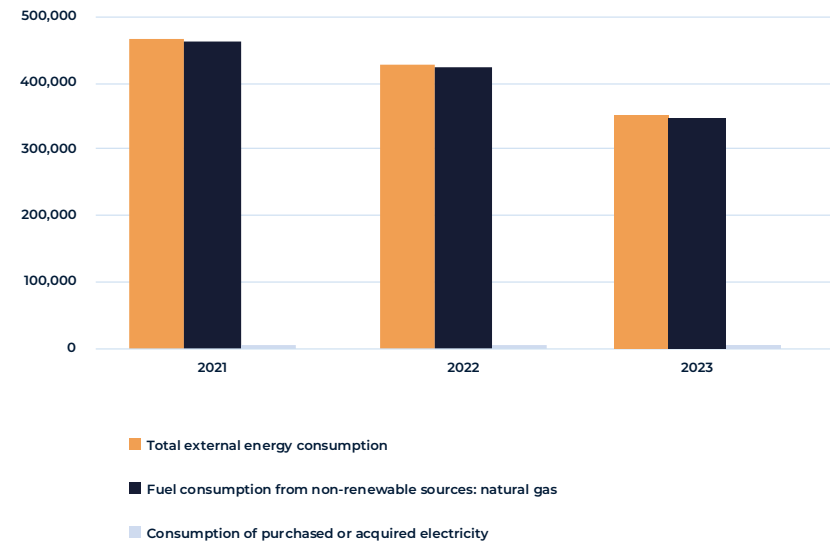
Since 2020, our combined Heat and Power (CHP) facility utilizes natural gas as its primary fuel source, generating both steam and electricity. Surplus electricity flows into the conventional power grid. Producing around 100,000 MWh yearly, a significant portion (approximately one third) of this generated electricity is supplied to external entities, making Citribel a net contributor to the electricity grid.

ELECTRICITY PRODUCED BY COGENERATION PLANT (MWH)



As a result of these efforts, Citribel's external energy consumption decreased by approximately 25% over the past year.

EXTERNAL ENERGY CONSUMPTION (MWH)



In line with our commitment to expanding renewable energy sources and further diminishing our carbon footprint, we are currently in the planning stages for the deployment of a solar panel installation atop our facilities in 2025.

We measure our energy use

Citribel developed an in-house digital network of data measurement systems designed for real-time tracking of energy consumption across our different plants and processes. This system empowers us to pinpoint opportunities for energy reduction and optimize energy systems for maximum efficiency.

“Real-time energy data is critical to increase energy efficiency and reduce consumption. It allows proper understanding of our consumption and triggers improvement opportunities.”

Emmanuel Raskin - Director SHE

We reduce the impact of transportation and mobility

As a prominent (bio)chemical corporation, Citribel manages a substantial volume of inbound and outbound freight. To minimize truck mileage and reduce air emissions, we strategically adopt multimodal transportation strategies, actively incorporating ship and rail transportation options where possible.

Furthermore, Citribel is dedicated to fostering a culture of sustainable commuting among its employees. To achieve this, we implemented various initiatives, including financial incentives for staff who choose to commute by bike. We also introduced a bike leasing program and enhanced our on-site bike storage facilities, resulting in a noticeable increase in the number of employees choosing cycling as their main mode of transportation. Since 2021, 41 employees have opted to participate in the bike leasing program. For those employees who still rely on automobiles, Citribel has revised its company car policy to prioritize the adoption of electric or hybrid vehicles. To support this transition, charging stations have been installed, allowing staff to conveniently charge their vehicles at work using sustainable electricity sources.

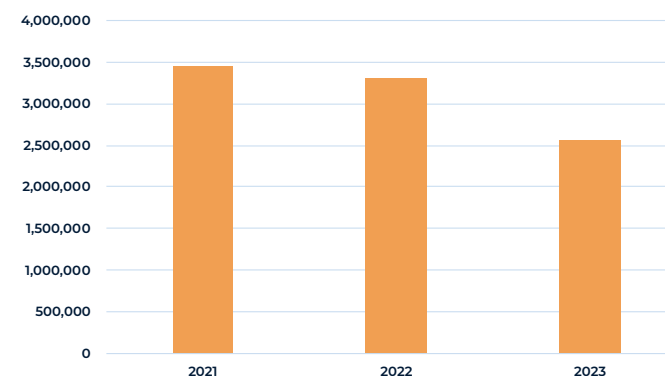
3 Reducing our water use

Water plays a pivotal role in our production processes. Approximately 30% of our water supply is dedicated to process-related functions, while the majority, nearly 70%, is allocated for cooling purposes. Notably, household water accounts for a mere 0.1% of the total water use. Although we are not situated in a region of water shortage risk, we remain mindful of the potential challenges posed by climate change and increasing periodic droughts. Consequently, the reduction of water consumption is an essential consideration in all aspects of process and product development. Citribel is committed not only to efficient water management but also to the preservation of local ecosystems. In our efforts to minimize our impact on the natural environment, we employ a biological wastewater treatment system to purify discharge water before its reintroduction into the environment.

We reduce our water use

As a result of diligent consumption monitoring and targeted reduction initiatives, Citribel achieved a notable reduction in water consumption, amounting to a 25% decrease between the years 2021 and 2023. In 2023 the total water consumption was 2,559,842 m³.

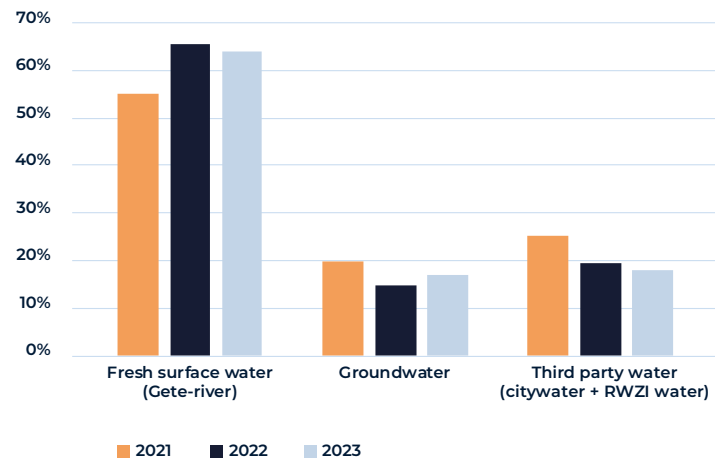
TOTAL WATER CONSUMPTION (M³)



We use less ground water

Historically, Citribel predominantly relied on groundwater as its primary water source. In recent years, through the implementation of innovative new water production facilities and a concerted effort to reduce net consumption, we successfully reduced our groundwater usage by 50% since 2016. This achievement was made possible by diversifying water sources, including surface water, treated municipal wastewater and water reuse.

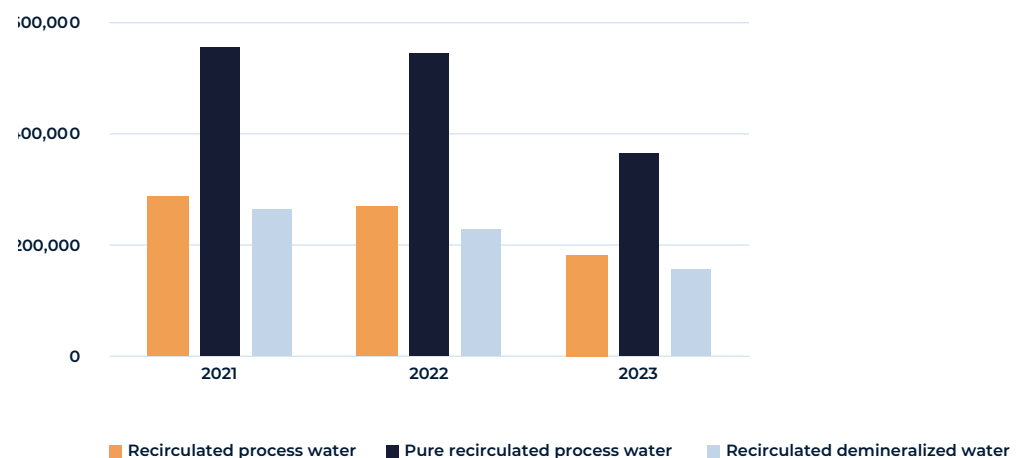
WATER USE BY SOURCE (%)



We reuse our water

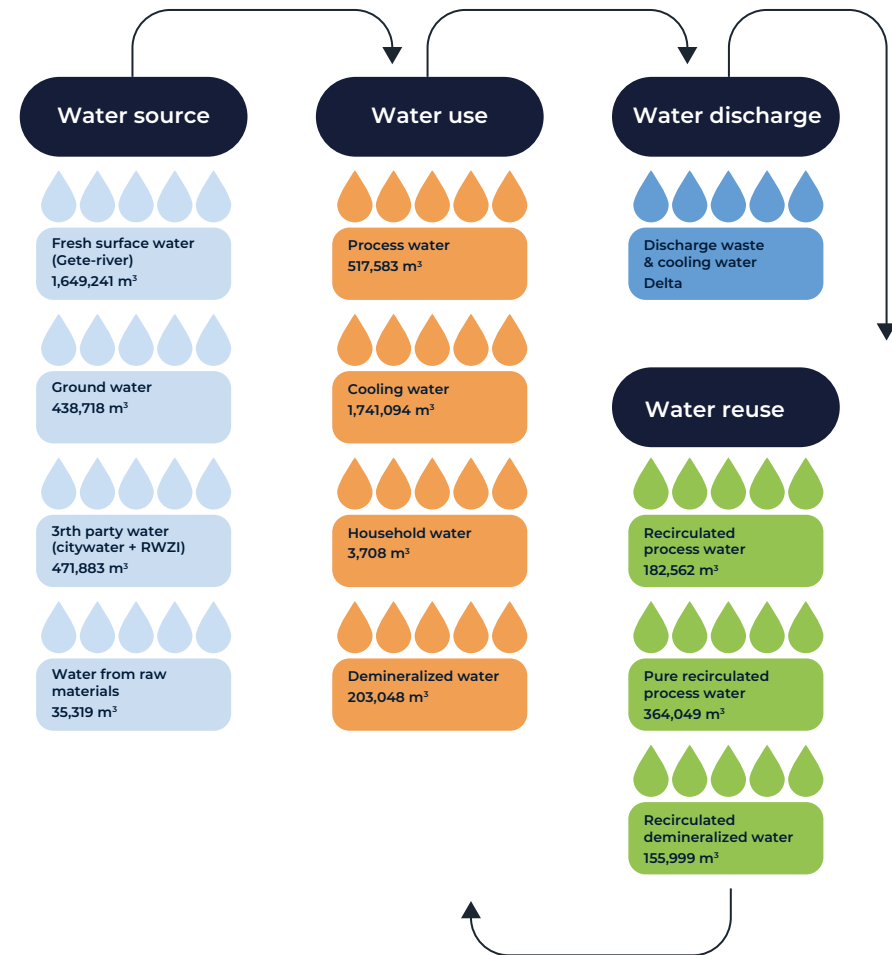
Citribel focuses on investing in water recovery, aiming to utilize recycled water across different stages of the production process. In this strategy, recirculated process water finds a new purpose in fermentation, while pure recirculated process water is directed towards the refinement phase. Additionally, recirculated demineralized water is reused in our energy facility.

REUSED WATER (M³)



Waterflow Citribel 2023

In alignment with our circular mission, we actively promote the reuse of our treated wastewater by local farmers. Our biological water treatment facility ensures that wastewater is meticulously purified, guaranteeing that only pristine water is returned to the natural environment. During instances of water scarcity, we extend this valuable resource for irrigation use within agriculture, horticulture and public landscaping.



4 Avoiding waste and pollution

Circularity and maximum use of residual flows are at the core of our DNA. We place a strong emphasis on waste stream minimization and are committed to overall reduction of waste, air pollution and water pollution.

We reduce waste



At Citribel, waste is effectively minimized through the successful transformation of the majority of waste streams into valuable products. As a circular company, we are steadfast in our commitment to achieving full circularity

in the coming years, including the efficient utilization of the limited residual waste streams that persist at present. Inevitable waste streams such as scrap, wood and packaging materials, are separately collected and treated at the highest standards.

One notable challenge addressed by Citribel pertains to packaging. While packaging is often necessary for finished goods, we strive to adopt sustainable packaging materials with the lowest carbon footprint, which can easily be separated for recycling.

Citribel's dedication to environmental responsibility extends beyond the boundaries of our site. We believe that a litter-free environment is a fundamental right that should also benefit our immediate neighbors. To this end, Citribel's employees organized a much appreciated neighborhood clean-up action.

We strive for clean air, noise reduction and odor control

We implemented an air emission management plan in alignment with our commitment to preventing and mitigating any adverse air emissions that may impact our immediate neighborhood, which is predominantly residential. As an example, combustion emissions from Citribel's CHP plant are measured continuously.

Other key concerns within this context pertain to noise and odor emissions. We have identified primary contributors and actively manage them through measures such as the installation of a permanent noise measurement system at our site boundaries.

Our primary raw materials are sugar beet molasses, products derived from sugar refineries. In our pursuit of adequate raw material supply, we endeavor to procure molasses from beet processors located in proximity to our operations, thereby reducing transportation distances and associated emissions.

We strive for clean water

As mentioned above, Citribel owns and operates a large wastewater treatment plant (WWTP), dedicated to the purification of our wastewater before its release into a nearby aquatic body. Our WWTP plays a crucial role in mitigating environmental hazards by preventing untreated wastewater from exiting the facility and adversely impacting downstream freshwater ecosystems. Our most special colleagues - the goldfish - are experts in testing the water before its return to the environment.

5 Strengthening biodiversity

We acknowledge the fundamental significance of biodiversity in preserving the vitality and equilibrium of our ecosystems. It is with a profound awareness of Citribel's environmental footprint, particularly in terms of emission into both aquatic and atmospheric realms, that we commit ourselves to the safeguarding of biodiversity. This commitment is manifested through active measures aimed at minimizing the discharge of detrimental substances, exemplified by the successful implementation of our waste water treatment and CHP plants.

As mentioned above, Citribel also has a strong focus on limiting ground water utilization, recognizing its impact on water resources and potentially harm ecosystems. Besides the 50% reduction of ground water since 2016, we actively promote stormwater infiltration in new projects and strictly prohibit the use of pesticides in the maintenance of external areas, in order to safeguard biodiversity

With the same goal, Citribel also responsibly manages a former landfill site, facilitating the development of vegetation and wildlife within these areas.





Finally, considering that biodiversity is crucial for the health and well-being of wild pollinators - the vast majority of pollinators are wild, including over 20,000 species of bees - we use a small green zone on our premises to maintain a bee hotel. Bees play a key role in maintaining biodiversity and mitigating climate change through pollination - the act of transferring pollen grains from one plant to another enabling fertilization and the production of seeds. Besides their importance for wildlife in general, pollinators affect 35% of global agricultural land, supporting the production of a very large part of food crops worldwide. Supporting our local bees to pollinate local sugar beet crops - generating local sugar molasses - our bee hotel is a small but very important part of the supply chain.



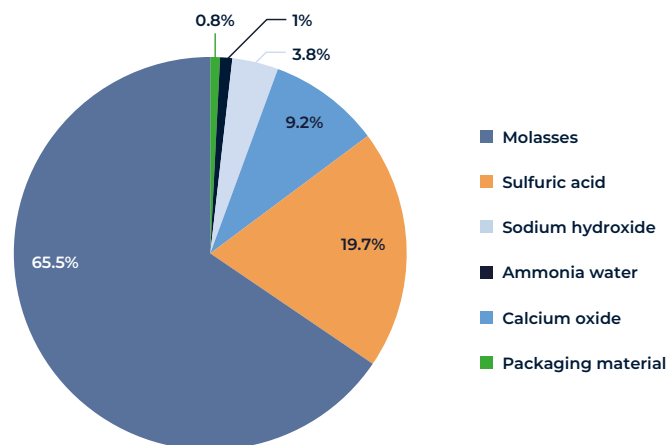
6 Circularity of our incoming and outgoing materials

With our unique production process, we adeptly convert raw materials into valuable supplies for our customers. Predominantly, our inbound materials comprise molasses, a co-product of sugar production. The vast majority of our outbound materials obviously consists of products we provide to customers, i.e. citric acid, citrates and all other products as mentioned above. In summary, our core operation revolves around the transformation of incoming residual streams into practical solutions for our clients, thereby curtailing our waste streams.

Circularity of incoming materials

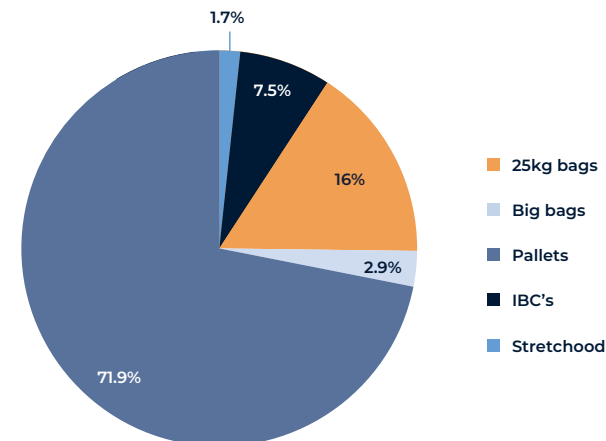
In the year 2023, our incoming material intake totaled 212,231 tons. Sugar molasses emerged as the predominant raw material, accounting for a substantial 65.5% of the total volume. Additionally, sulfuric acid and calcium oxide constituted significant components in our production process, representing 19.7% and 9.2% of the incoming materials, respectively.

MAIN INCOMING MATERIALS (% BASED ON WEIGHT) - 2023



Most of our products necessitate advanced packaging. Hence, packaging materials comprise a significant portion of our procured materials. Citribel closely collaborates with its packaging suppliers and clients to develop and improve high-performing, functional and sustainable packaging solutions. In this endeavor, we face the delicate task of minimizing packaging, while concurrently upholding stringent hygiene standards and optimizing logistical efficiency.

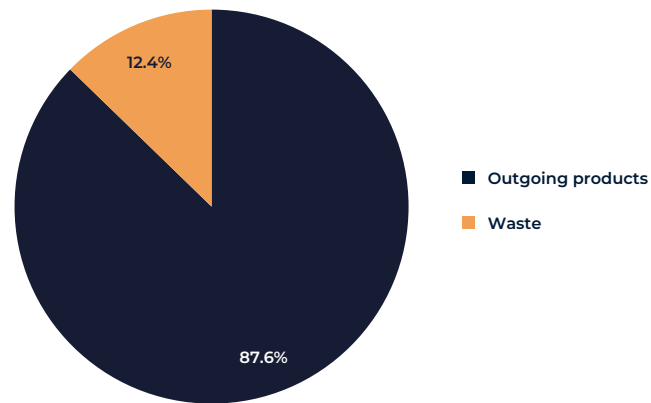
DIVISION PACKAGING MATERIAL (% BASED ON WEIGHT) - 2023



Circularity of outgoing materials

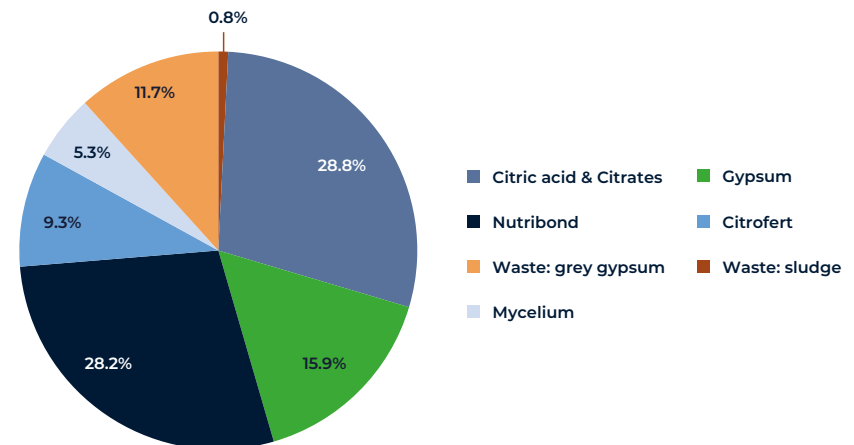
Our outgoing materials amount to 240,884 tons, including both products destined for our customers and waste materials. Our customer-oriented products constitute the overwhelming majority, accounting for 87.6% of the total.

MAIN OUTGOING MATERIALS (% BASED ON WEIGHT) - 2023



Our production process yields a diverse array of circular products. Citric acids and citrates account for nearly 30% of our outgoing products, destined for customers, while the remaining 70% is comprised of our circular products mycelium, calcium potassium salt, low K vinasse and gypsum.

MAIN OUTGOING MATERIALS (% BASED ON WEIGHT) - 2023



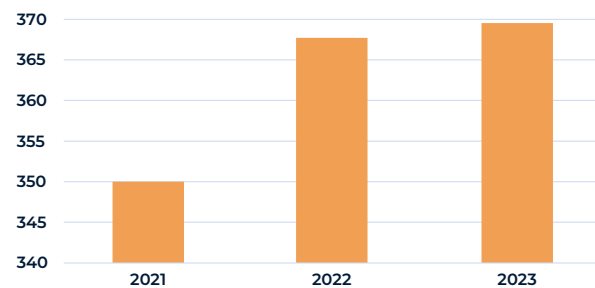
At present, 12.4% of our overall outgoing materials are classified as waste products. Clearly, it is our goal to further reduce this percentage in the coming years, as part of our ongoing commitment to waste reduction.

Care for our People



Citribel boasts a dedicated workforce comprising approximately 360 employees, evolving slightly over the last year.

NUMBER OF EMPLOYEES (HEAD COUNT)



We prioritize the well-being and personal growth of our workforce and commit to providing a safe, comfortable and purpose-driven environment with a strong emphasis on health and safety.

Our Human Resources (HR) team is staffed with professionals in various domains of expertise, with a primary mission to facilitate cohesion among our diverse teams, fostering a workplace culture based on mutual respect, transparency, diversity, inclusion, and openness. They not only ensure compliance with Belgian labor regulations, but also place strong emphasis on the specific needs of each of our employees, with a particular focus on personalized education and continuous learning. In addition to comprehensive health and safety training, a diverse array of courses is offered, varying from technical skills to leadership training and administrative expertise topics, as explained in more detail below.



Being a good employer for all – a testimony

Jozef has been working at Citribel for 38 years.

“During the first 32 years of my career, I worked as a senior operator in the packaging department in the 5-shift system. I worked the early, late, night and weekend shifts. In 2016, unexpected health issues made it impossible to continue this job. Together with my team lead and the HR department we searched for a solution, as I highly valued my work at Citribel. As a result, a suggestion has been made to involve me as a daytime trainer for new colleagues in a part-time regime, a role that I continue to fulfill at present. It is a great way to share my experience. And it is a great example of the Citribel mindset in looking for solutions for its employees.”

Citribel believes in maintaining an open and constructive social dialogue with employee representatives, facilitated by key bodies such as The Works Council, the Safety Committee (CPBW) and the union delegations. The Works Council and CPBW comprise representatives from both the management and the workforce, fostering collaboration and shared decision-making.

1 Focus on health and safety

The safety and well-being of our employees, partners and visitors on site are extremely important to us. As a production company operating heavy machinery, we place a firm emphasis on this topic. We are dedicated to constantly improving the safety culture by various initiatives, such as infrastructure enhancements, continuous education and the systematic implementation of preventive measures. Our goal is to ensure that Citribel is and remains a secure environment for all.

We monitor and reduce health & safety risks

Health and safety risks are monitored and addressed by performing frequent and comprehensive risk analyses. These analyses allow us to continuously tackle the most significant risks. It is worth noting that, in 2023, we recorded 8 work-related incidents, one severe. The most prevalent causes of these incidents were slip and fall accidents. By investing in infrastructure changes and complementary awareness training, an increasing number of structural problems is solved. In addition, rigorous maintenance of our installations ensures their reliability and reduces risks.

“We focus on empowering people in terms of safety. We teach employees to acknowledge, recognize and act on the different risks. After all, safety is a team effort, whereby you are not only responsible for your own safety, but also for that of your colleagues.”

Emmanuel Raskin - Director SHE

we employ different methods, including information panels on 8 locations throughout the company to reach non-email users. Our strong commitment to health and safety was recognized during our successful SMETA audit in 2023, where this topic is intensely covered.

Training prevents accidents

Safety and well-being comprises roughly 70% of our training programs. We emphasize inclusivity, as each individual person on our site and every single job or task are relevant when it comes to safety. It is a collective responsibility, shared and carried as a team. While some training courses are mandatory and require periodic renewal, we strive to exceed legal compliance: for instance, forklift training is provided every 5 to 6 years, even though it is legally required only once for every driver. Similarly, we provide VCA training (Safety, Health and Environment Checklist contractors) to all employees, including desk workers.

Our training curriculum covers various health and safety topics such as routine risk assessment, hand safety, slip-, trip- and fall prevention and maintaining a healthy lifestyle during shift work. Further focus areas include confined space procedures, evacuation protocols, heat management and hands-on sessions on fire safety. Additionally, evacuation exercises are organized regularly. To maximize the effectiveness of our training and communication,

The importance of day-to-day -information

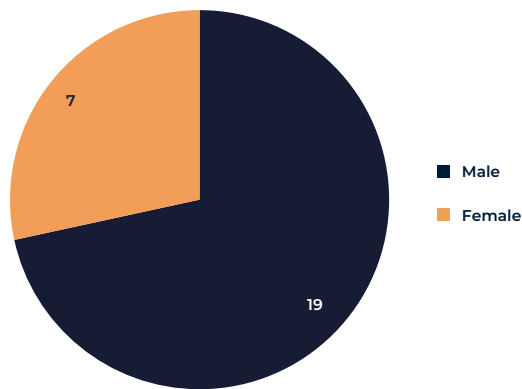
During a visit to our site, you will notice information panels strategically placed on various locations. These panels serve as an accessible means of sharing information on health, safety and environmental topics. In addition, they also serve as a source of lighthearted information such as notifying everyone in case of hot weather conditions and fresh ice cream in the company fridge.

We attract talent

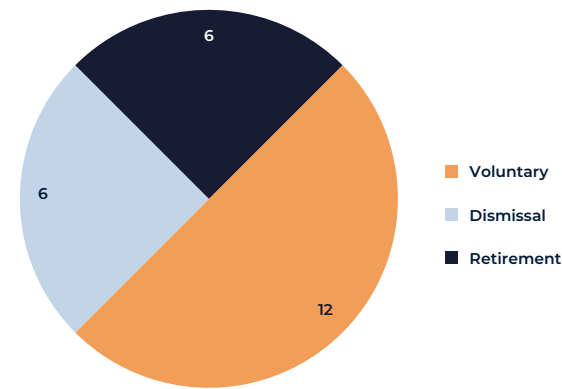
Citribel is an important employer in the region of Tienen, boasting a workforce of 369 dedicated individuals. In the year 2023, we were pleased to onboard 26 new colleagues, with 27% of them being female. The number of employees leaving Citribel during the year 2023 resulted in a modest turnover rate of 6.5%.

For many prospective employees, the allure of Citribel as an employer extends beyond mere work conditions: our circular history and mission are an important consideration factor for nearly all applicants and new employees.

NEWLY HIRED EMPLOYEES PER GENDER - 2023



REASON FOR EMPLOYEES LEAVING CITRIBEL - 2023



“The circular story was one of the reasons for me to choose Citribel as an employer. With my background in microbiology, I find the process of fermentation and its ability to create citric acid fascinating. Citribel takes great care to ensure that all byproducts generated during the fermentation and refining process are effectively valorized, resulting in minimal waste. Being involved in this sustainable narrative is truly inspiring!”

Miet Jacobs - Quality Manager

As a more particular example, our onboarding process is highly valued by new employees. On their first working day, new colleagues engage in a comprehensive initiation, including meetings with the HR team, the prevention advisor, an interactive safety briefing and team introductions. They receive a personalized development plan and a mentor for guidance. New employees also get a chance to introduce themselves in our weekly newsletter, and to participate in the “Journey through Citribel” program, offered three or four times a year. This program encompasses information sessions on different topics and guided tours in the various departments and facilities to familiarize oneself with every facet of Citribel’s circular production process.

Our commitment to being an appealing employer is underscored by the provision of favorable working conditions. Employees are accorded competitive remuneration packages and comprehensive benefits, encompassing meal vouchers, commuter allowance and extensive hospitalization insurance coverage, including a post-retirement policy. Work schedules are flexibly structured according to job roles and weekend work is compensated. Through a flexible remuneration policy (“the cafeteria plan”) employees can opt for benefits such as a leasing formula for a bicycle or individual pension savings reimbursement. Annually, non-recurring performance-related benefits are determined for all our dedicated staff. In the years ahead, we pledge to re-evaluate our remuneration policy and implement a benchmarking system to ensure our enduring status as an interesting employer in the long term.

“New and existing employees really look forward to participating in our “Journey through Citribel”. The information they obtain and the things they get to see, make it possible to see the bigger picture, to look beyond their individual tasks, to understand the production flow more in detail and become a real ambassador for the company.”

Siska Peeters - HR

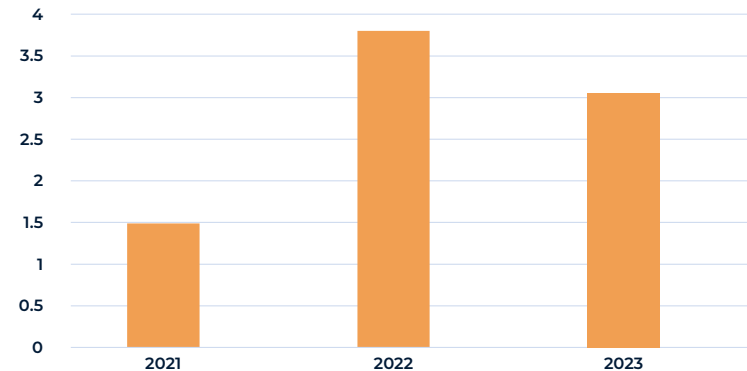
We develop talent

We offer a wide range of training courses, based on three core principles. Our absolute priority is ensuring thorough coverage of safety aspects. Secondly, we place a strong emphasis on nurturing professional growth within one's current role, encompassing both technical and soft skills. Lastly, we highly value personal development. Tailored programs are available for those interested in acquiring additional skills or aiming to transition to another department. An example of this includes the opportunity for employees to spend a week working in another department to gain firsthand experience.

To motivate our workforce to fully utilize our training offers, we design courses to be practical and hands-on, employing a variety of teaching methods. Training sessions can be taken online or in person, organized by external professionals or in-house by specialist co-workers. For instance, we provide short thematic toolboxes covering essential topics such as routine risk and hand safety. Additionally, semi-annual training days are organized on different days to ensure that all shift workers are able to participate. The program of these training days is formulated in consultation with various departments covering different topics of interest. Recently, we launched an "Impact" program aimed at guiding and supporting our management team. This initiative comprised five sessions primarily focused on communication and feedback. Due to the positive response, this program will be expanded in the coming years, involving over 30 managers and covering additional new topics like time management and conflict resolution.

In recent years, the average number of training days attended by our employees increased significantly. As depicted in the chart below, the average employee received 3.8 days of training in 2022, representing a 155% increase compared to 2021. In the year 2023, we proudly recorded 3 days of dedicated training per employee.

AVERAGE NUMBER OF TRAINING DAYS



To fully understand the needs of an employee, areas of interest are discussed thoroughly during the annual performance evaluation. The goal of this interview is to have an open talk about the past year, the prospects for the future and the accuracy of the development plan. As such, we cultivate a training-centric culture, enabling employees to proactively request training opportunities and actively contribute to shaping their own development plans.

“We want to create an organization with an open and respectful culture. The HR team therefore focuses on open and transparent communication. On the one hand, this is done through formal training courses. But by having a close relationship with employees and managers, we can also offer one-on-one coaching with tools and methodologies for specific situations.”

Franky Vandermeulen - HR-Manager



2 Promote well-being of our employees

We are committed to establishing a stimulating and comfortable work atmosphere for our employees by creating a culture of robust collaboration and positive vibes within and among teams. We promote team building activities and engage multiple teams in our projects. Our aim is to provide a healthy work environment by prioritizing work-life balance and ergonomics.

We place special emphasis on the well-being of our colleagues by offering an extensive range of medical examinations. In addition to the mandatory check-ups, we introduced “The Health Compass” initiative in 2022, offering all employees voluntary additional medical assessments. The results are discussed in depth with the company doctor. The purpose of this initiative is to proactively address potential health risks, both in the workplace and in one’s personal life. The initiative started out with 40 participating employees in 2022 and gained success quickly. In 2023, participants have doubled.

To assess the overall well-being and job satisfaction of our employees, a comprehensive survey is conducted every 5 years. In 2022, we achieved a high participation rate of 80%. Utilizing these insights, a detailed action plan was developed with particular focus on enhancing safety conditions in specific departments. In the event of any challenges or issues, our employees can turn to designated confidants, both internal and external to the organization. These confidants undergo specialized training to offer attentive listening, advice and mediation services in response to inquiries, grievances or workplace conflicts.

We highly value the interactions within our teams and allocate an annual budget for team-building activities. We also encourage our employees to engage in a range of activities, from leasing electric bikes and playing darts with colleagues to participating in team walks, playing table tennis and table soccer games. Additionally, our employees enjoy discounts on a variety of products and events through the 'Benefit at Work' program.

Our employees also have the opportunity to contribute to goodwill projects organized by Citribel. One of these events is our yearly blood donation day, hosted in collaboration with the Red Cross and neighboring companies. Another example is participation in a litter clean-up campaign in the proximity of Citribel. These initiatives not only allow employees to make a meaningful impact, but also strengthen team cohesion and raise awareness.

“We are trying very hard to contribute in the broad sense of the word. The dedication of many colleagues is a key success factor, and their commitment is evident. We are proud of our circular story and all our innovative projects, but also of the smaller actions, such as the yearly blood collection campaign. All these initiatives demonstrate our unwavering commitment towards a more sustainable world”

Sanne Elsen - Sustainability Manager



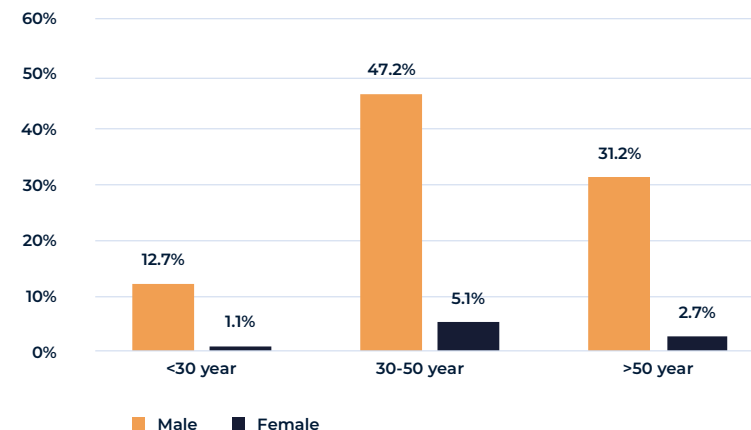
3 Improve equality, foster diversity and inclusion

Citribel places a significant emphasis on fostering equality and providing equal opportunities to all. Diversity manifests across various dimensions, encompassing an increasing presence of women in our production sector, a blend of diverse cultures and nationalities and intergenerational collaboration. While these developments present certain challenges, we firmly believe in the inherent value and strength derived from these differences. In the coming years, we are committed to the formulation and implementation of a comprehensive diversity and inclusion policy, as well as the establishment of a language policy, to further enhance our culture of inclusion and respect.

It is worth noting that our current workforce composition reflects a gender imbalance, with 91% of our employees being male, primarily attributable to the production departments. Nevertheless, we remain vigilant in addressing unconscious gender bias practices and we are witnessing a gradual increase in the representation of women within our production teams. In contrast, our supporting services maintain a balanced distribution, with 46% of the 48 employees being female. In our board, we have 25% female representation. Our senior management team consists of 13 people, 2 of them are female.

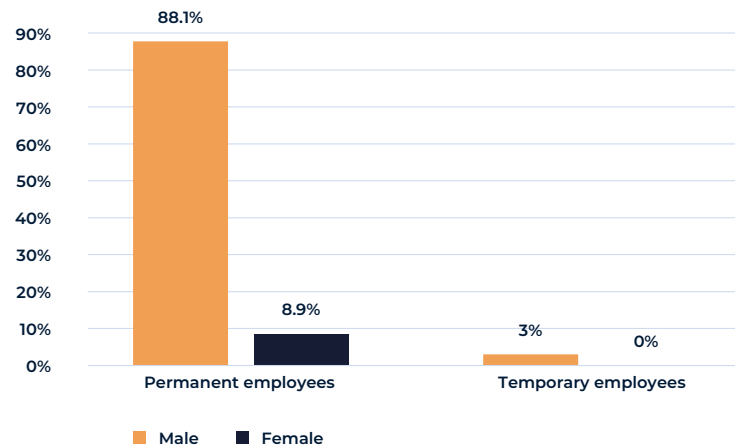
Our workforce encompasses individuals from diverse age groups, with 14% of employees under the age of 30 and 34% over the age of 50. Different generations may bring distinct perspectives on work culture, and as such, we are committed to making additional efforts to cultivate an environment of mutual respect where these generational variances may serve as a source of team strength.

EMPLOYEES PER AGE AND GENDER (%) - 2023 (HEAD COUNT)

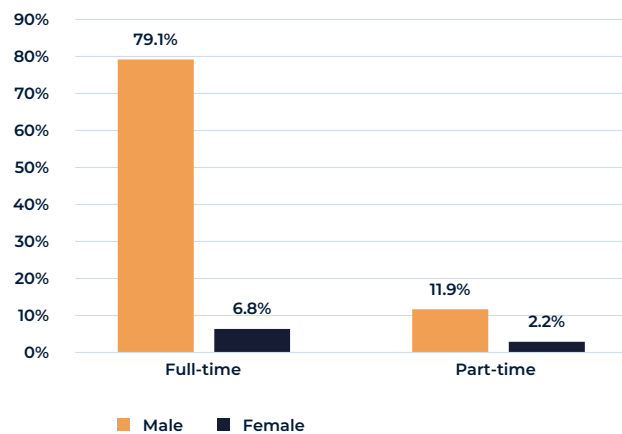


The majority of our workforce consists of permanent employees, with less than 5% holding temporary contracts. It is noteworthy that all female employees within our organization enjoy permanent employment status. In our commitment to providing flexibility, we offer part-time work arrangements, with 14% of our workforce, both male and female, opting for this possibility.

EMPLOYEES PERMANENT VS TEMPORARY PER GENDER (%) - 2023 (HEAD COUNT)



EMPLOYEES PERMANENT VS PART-TIME PER GENDER (%) - 2023 (HEAD COUNT)



Our organization prides itself on its multicultural composition, boasting a diverse array of nationalities (14) among our employees. We remain aware of this cultural diversity inherent in our workforce and remain dedicated to advancing our efforts in this regard. We approach the recognition of various faith communities with respect and adaptability, accommodating specific needs where necessary, such as additional breaks during the Ramadan period.



Sustainable Procurement

1 A responsible and sustainable procurement policy

Our corporate responsibility extends beyond our internal operations, encompassing a commitment to learning and enhancing our environmental and social impact through collaboration with our suppliers. While we hold responsible procurement in high regard, we acknowledge that full integration is an ongoing process, characterized by continuous learning and improvement. In line with this commitment, we expect all Citribel's suppliers to endorse and adhere to our Code of Conduct, and we intend to conduct a comprehensive review of our procurement policy as an integral component of our sustainability actions plan.

Our **Code of Conduct**, recently updated, is founded on 11 core principles, including but not limited to "non-excessive working hours", "payment of a living wage", "equal opportunities" and "environmental protection". This Code of Conduct applies not only to our internal workforce, but we also ask and expect our customers and suppliers to respect these principles.

We maintain a regional focus in our operations, striving to collaborate with local contractors for on-site work and prioritizing local suppliers for incoming materials whenever feasible.

Our supplier evaluation process is comprehensive, encompassing criteria such as quality, delivery timeliness and flexibility. We are committed to refining our procurement policy by incorporating sustainability criteria into our supplier assessments and contract reviews. Employing a rigorous risk assessment methodology, Citribel seeks to identify and mitigate the primary social, environmental and governance risks inherent in our supply chain. As such, we will determine the necessary information to request from our suppliers and establish an assessment process designed to foster commitment and proactively manage risks.

"I am happy to see that not only we, as Citribel, are committed to sustainability, but also our suppliers. Many sugar producers try to close the circle themselves by using every element that comes from the sugar beet. And they support the farmers, for example in terms of biodiversity."

Danny Degreeef - Purchasing Manager.



Citribel
Code of Conduct

Good Governance

Citribel boasts a rich history dating back to 1919. Upon the solid foundation of the past, we build for the future. We believe good governance plays an important role in ensuring the long-term sustainability and further success of Citribel.

Sustainability and circularity have been meticulously woven into our organizational structure. Citribel has been investing in a dynamic Research and Development (R&D) team for over 20 years striving to enhance circular and sustainable solutions. Our approach is characterized by multidisciplinary collaboration between different departments, where every perspective is thoughtfully considered in our sustainability endeavors. A highly qualified and dedicated sustainability manager ensures the close follow-up and harmonization of all sustainability initiatives.

As our core business revolves around circularity, sustainability is ingrained in our strategic framework and consequential choices. It is therefore imperative that our teams are led by a steadfast management team and a board that places a firm focus on this topic.

1 Business ethics & business conduct

Code of Conduct

Citribel places a strong emphasis on ethical business conduct as an integral part of our corporate governance framework. We are dedicated to eradicating all forms of corruption, including but not limited to bribery, fraud, conflicts of interest and money laundering. We hold all our stakeholders to the highest standards of deontological and ethical behavior, guided by principles of equality, respect and honesty. In addition, we are committed to avoiding any engagement in anti-competitive practices or espionage. These ethical foundations have been incorporated into our Code of Conduct, encompassing 11 core principles that serve as a roadmap for upholding our ethical standards. We expect all our employees, clients and suppliers to demonstrate unwavering commitment to and compliance with this Code of Conduct. To translate our Code of Conduct in a comprehensible way, tailor-made training sessions are provided to our employees, based on their roles within the organization. Furthermore, we request our suppliers to either endorse our Code of Conduct or provide alternative documentation demonstrating their adherence to these principles (e.g., through own code of conduct).

Whistleblowing system

Citribel takes a proactive approach in enabling stakeholders to voice their concerns throughout the entire value chain, both within and outside the organization. To facilitate this, a whistleblowing portal has been established, providing a confidential and anonymous way to manage concerns and complaints.

Our “Speak-up” initiative has been introduced to our employees through a newsletter and communication boards and has been incorporated in our Code of Conduct.



citribel.speakup.report/whistleblowing



2 Process management and operational excellence

Operational excellence

Streamlined and productive operations are essential in the pursuit of Citribel's sustainability objectives. Our organization thrives on a steadfast commitment to operational excellence, continuous improvement, and a relentless drive for innovation. In line with these guiding principles, we foster collaboration across various departments and cultivate communication and synergy between all our employees.

Central to our efforts is the Research & Development team, tasked with a central mission: to explore and evaluate circular improvements within our production processes, with the goal of curbing water, energy and raw material consumption. This proactive approach extends beyond their department, as they seamlessly collaborate with other teams, harnessing the collective strength of our organization. While our R&D colleagues exhibit a strong research orientation, the translation and scaling of their projects are realized through close partnership with our product managers. Citribel's drive for innovation and improvement is underscored by the multitude of improvement proposals generated by our teams. These concepts undergo systematic documentation, scoring and rigorous assessment through a structured tool. Moreover, we have adopted several LEAN methodologies that propel us further towards process enhancement. These methodologies include dedicated training programs for process improvement and the implementation of work boards to facilitate daily monitoring of our operations.

“As researchers we can come up with a great product, but it is a completely different world to commercialize and scale this product. That is why the strong cooperation between R&D and the product managers is so valuable.”

Steff Van Loy - Project Manager Innovation

Daily meetings for reflection and improvement

In our production departments, magnetic boards display daily operational data and action items. These boards serve as our workstations for documenting concerns and corresponding actions. Teams gather daily to discuss critical subjects such as safety, quality and potential issues, as such promoting a problem-solving culture where members take ownership and collaborate to share knowledge.

Product quality, customer health & safety

Citribel's products serve as essential raw materials for various industries, including food, beverages, pharmaceuticals and animal feed. Consequently, we place great emphasis on rigorous quality assessments prior to product distribution, ensuring the health and safety of our final customers.

To provide materials of the utmost quality, Citribel has established a dedicated Quality Assurance (QA) team. This team is entrusted with several crucial responsibilities, including the approval of incoming raw materials and finished products, monitoring of certificates and audits and the management of inquiries and complaints. In close collaboration with our QA members, Citribel's Customer Service team swiftly and comprehensively addresses customer requests, queries or complaints. One member of the Customer Service team is exclusively assigned to handle client inquiries and support the QA team in addressing audit and certificate-related inquiries.

Our primary goal is to adhere to the 'first-time-right' principle. Through rigid procedures for end-product approval and release, we make sure our products meet the required standards. Nonetheless, should a customer encounter an issue, we provide them with the best and most timely response. Upon receiving a complaint, the QA team initiates a thorough investigation by collecting relevant data. We aim to complete our investigation withing a two-week timeframe and provide customers with well-substantiated responses.

In 2023, a total of 92 valid complaints have been recorded, with product-related issues, such as specification deviations or packaging problems constituting the majority at approximately 70%. Most of the other complaints are related to logistics.

“As a quality team, we strive to have a close contact with colleagues from the production teams by attending morning operational meetings for example. This helps in finding the cause of a problem, raises awareness of the importance of quality and increases the involvement in the creation of a real food safety culture, which we try to embed in the mindset of every employee of Citribel.”

Miet Jacobs - Quality Manager

To underscore and verify our commitment to quality, Citribel has obtained numerous certifications and quality labels, including ISO 9001, ISO 22000, FSSC 22000, GMP+, Non-GMO IP, Non-GMO verified, Halal and Kosher. We also maintain compliance with the ISO 14001 environmental standards and have successfully completed both Ecovadis evaluations and SMETA audits.



“Quality and customer focus are not just the responsibility of the quality department and customer service. It must be borne by every colleague. It’s about how someone is welcomed on the site, being said “hello” to by everyone and the way our customers are treated.”

Ilse Janssens - Head of Customer Service

3 IT security, data security & privacy

Within our operational framework, we prioritize IT security, data security and privacy. We conduct thorough assessments of primary risks and emphasize security training. Alongside strong data protection measures, we have implemented data recovery protocols. We are fully GDPR (General Data Protection Regulation) compliant and have a dedicated Data Protection Officer responsible for upholding all relevant guidelines.

We protect our data

To identify, evaluate and mitigate potential IT security risks, an exhaustive security matrix is employed, comprising over 400 elements. These risks encompass a wide spectrum, from key management and potential espionage to cloud backup strategies. We recognize the significance of data security in our collaborations with other organizations, leading us to make substantial investments in data security awareness training. Since the inception of these training programs, more than 100 colleagues have participated. Our goal is to expand this number to 200 colleagues by the end of the year, with recurrent training sessions scheduled annually.

Furthermore, we routinely conduct phishing tests to assess employees’ ability to identify fraudulent activities. A simulated cyber-attack by ethical hackers has also been organized to evaluate the effectiveness of our security measures. In 2021, an Operational Technologies (OT) audit was conducted based on the IEC62443 standards, achieving a score of 4 out of 5. We have diligently implemented the recommended corrective actions from this audit.

We can recover our data

Our commitment extends beyond data protection, we prioritize data recoverability as well. In the event of an unforeseen issue, our well-structured disaster recovery plan enables us to swiftly retrieve all data.

“As the IT manager, I’m truly satisfied with the progress we’ve made in enhancing our IT security. Our detailed approach, including a robust security matrix and ongoing staff training, reflects our dedication to safeguarding both our and our clients’ data, underscoring the trust they place in us.”

Michel Bangels - IT-Manager

Closing the circle with a heart for digital inclusion and accessibility

As part of our corporate responsibility efforts, we donate outdated ICT equipment to social organizations: ‘Close the Gap’ and ‘Digital for Youth’. ‘Close the Gap’ is an international organization dedicated to bridging the digital divide by providing IT devices to projects in developing and emerging countries. ‘Digital for Youth’ focuses on ensuring safe and easy access to digital resources for children and teenagers in Belgium.



4 Internal and external communication

Internal communication

Strengthening Citribel's sustainability culture relies on effective internal communication. To accomplish this, we utilize various communication channels and welcome feedback and insights from our staff.

In recent years, we have intensified our communication efforts regarding sustainability and circularity. However, the ethos of circularity has been ingrained in Citribel's foundation and has guided numerous decisions throughout our history. Consequently, sustainability has become inherent to the mindset of many of our colleagues. Yet, it is imperative not to overlook this vital aspect and as such internal communication remains a critical tool for immersing new team members in our unique way of working.

We actively promote sustainability through various communication channels. Relevant topics find their place in our weekly internal newsletter, on information boards, within orientation sessions, as agenda items in management meetings and team gatherings and in training programs. These concerted efforts boost our sustainability culture and awareness, enabling our employees to serve as ambassadors of these principles externally.

“In the dynamic domain of sales and marketing at Citribel, we bear the exciting responsibility of blending all aspects of sustainability. It’s about ensuring our company stays financially sound, while growing the environmental and social impact of our products and services. In the past, balancing these aspects was often a challenge, but increasingly, it’s evolving into a mutually beneficial situation, where the interests align. The growing interest in our natural products from both existing and new customers in a growing number of markets, is fascinating and inspiring. Empowering our customers to reduce their carbon footprint and create more sustainable supply chains is very motivating for our team.”

Alain Nekkebroek - Sales and Marketing Manager

External dialogue and communication

We take great pride in our sustainability initiatives and ensure to promote these efforts transparently to all our stakeholders.

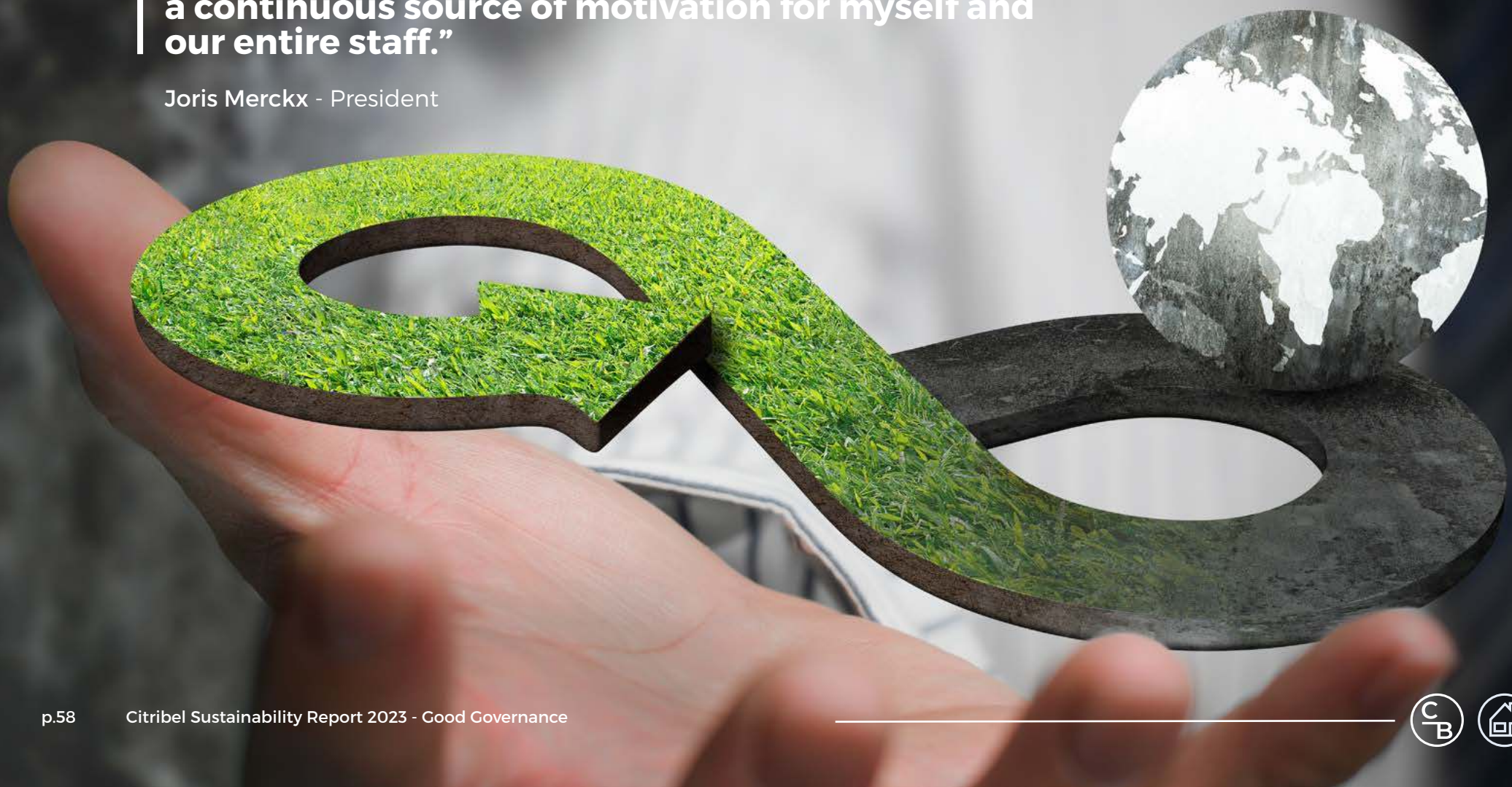
Citribel and its circular journey frequently feature in the media. In the past years, articles have been published on platforms such as 'vrt. news', 'Nieuwsblad' and 'ROB tv', highlighting our plans for the future. Additionally, 'Kanaal Z' aired a report on Citribel and our MycaNova project was the subject of newspaper and magazine articles. We further advance our sustainability approach by participating in events organized by institutions such as 'Vlaio', 'Voka', 'Leuven Mindgate' and 'Ethion', among others.

In addition to these extensive communication channels, we are dedicated to fostering an active and transparent relationship with our immediate community. This entails hosting information days and consultation sessions regarding upcoming projects, as well as conducting regular 'neighborhood committee meetings'. In these gatherings, we openly address inquiries and consider suggestions related to our daily operations. We maintain a 24/7 communication channel for our neighbors to reach out to us.



“Citribel has a unique circular history and know-how. Being able to address our customer’s ever-increasing demand for transparency, conscious production processes and circular ingredients, is a continuous source of motivation for myself and our entire staff.”

Joris Merckx - President



About this report

This document represents Citribel's first sustainability report and is the initial step in our trajectory towards aligning with the Corporate Sustainability Reporting Directive (CSRD). Within this report, we present our sustainability strategy, disclose our ambitions, assess our performance and evaluate our activities throughout the calendar year 2023. Additionally, we underscore initiatives set for the near and medium-term horizon. Over time, we intend to progressively enhance the quantification of our sustainability objectives and key performance indicators (KPIs), while concurrently expanding the reporting scope in line with our sustainability priorities.

For further inquiries about this report, please contact **Sanne Elsen**.

Sustainability

sanne.elsen@citribel.com

Storyline and text

Citribel, in collaboration with Studio D

Design

AltoAlto

Date of publication

February 2024



Citribel NV
Pastorijstraat 249
3300 Tienen

www.citribel.com



**THANK
YOU!**