

Annual Report 2021

Because we care

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Because we care

This Annual Report puts our purpose 'Because we care' center stage. In 2021 we laid the foundation for this maxim which articulates the positive impact Caldic aims to deliver to our employees, our business partners and the communities we operate in. The stories and activities presented on the following pages illustrate our approach to fulfilling our purpose 'Because we care'.

The cover of this year's Annual Report symbolizes our purpose in a visually abstract way by bringing together two primary colors, red and yellow. These blend smoothly into warm orange, the iconic color reflected in our company logo. Orange combines the energy of red and the feeling of care and attention to detail expressed by yellow. It represents our passion, creativity and dedication to inspire solutions across our key markets and applications. It also symbolizes the connections we make and our relentless commitment to going the extra mile to deliver the optimal result by bringing together people, products and solutions. These endless connections are given powerful visual illustration in this report. We hope you will enjoy the read!

Our company

“I am confident that Caldic will emerge as a stronger, more globally relevant player in the specialty ingredients and chemicals distribution and solutions space”

2021 was another excellent year, despite the continued impact of the COVID-19 pandemic and headwinds caused mainly by supply chain issues and product availability. Against the backdrop of these critical challenges, the company was able to realize a robust business performance in 2021.

It was also an extraordinary year in light of the announcement of the proposed change in ownership of Caldic. Our focus throughout the year was, as it will always remain, the health and safety of our employees and the communities in which we operate, as well as care for our customers and principals.

Xavier Urbain
Chairman of the Board



Solid business performance

Overall, the company delivered a very good performance. Strong demand across our markets drove improved profits even though EBITDA was impacted by additional costs related to transport shortages and sourcing of temporary labor. COVID-19-related restrictions continued to impact parts of the food market, and food service in particular was again seriously hit by lockdowns around the world. Our Pharma business grew strongly versus 2020 and BrandNu and BNL Sciences are now fully integrated in Caldic.

Overall revenue increased by more than 4% off the back of strong demand in most segments. Gross Margin as a percentage improved to 25.6%, resulting in an EBITDA of €102.6m for 2021, an increase of €11.9m (+13,2%) versus 2020. The Caldic team can be proud of these results.

Our key achievements in 2021 included the following:

- From a business systems perspective, big steps were taken to integrate various Caldic entities and recent acquisitions into the common enterprise resource

- planning (ERP) platform (AX Dynamics), with further roll out anticipated across remaining geographies
- A new value-add pricing tool was rolled out across Europe through excellent cross-functional collaboration
- New procurement techniques were deployed that successfully delivered on improvements in our purchasing processes
- Following the integration of BrandNu and BNL Sciences, internal knowledge-sharing and pharma trainings laid a solid foundation for joint commercial cross-promoting initiatives to drive our strategic roadmap
- We fully supported the sale transaction of Caldic by Goldman Sachs Asset Management to Advent International

With respect to the latter, on behalf of the Board, I would like to express our gratitude to the Executive Leadership Team and the project team. They were fully committed and worked diligently on the transaction process, securing what we believe to be the most desirable outcome for Caldic. The future prospect of Caldic merging with Latin America-based GTM provides an excellent platform to accelerate the company's further growth in the top three global players in life science ingredients and specialty chemicals.

Strategic partnerships

Important steps were taken to drive our sustainable growth agenda in 2021. We extended our agreement with Kerry to Asia Pacific to market the savory and sweet flavor portfolio for food applications. In the same region, we partnered with Oterra, formerly Chr. Hansen, to provide food solutions with natural colors in New Zealand.

In Europe, we extended our partnership with Ingredion to include the industrial and pharma markets. Meanwhile, KLK became our European partner for the excipients range in pharma. Caldic DACH stretched the Cargill partnership to Switzerland, leveraging our presence at the Food Ingredients Europe 2021 exhibition, held in Frankfurt in early December, to showcase our commitment. While we continue to develop our portfolio of sustainable products, we signed an agreement with cleantech innovator Celtic Renewables for the European distribution of a bio-solvents range, creating opportunities to support our customers in advancing their sustainability journey.

To leverage these partnerships, investments were made in state-of-the-art GMP pharma facilities in the USA and

Ireland and a cleanroom for filling pharmaceutical solvents in Belgium. In Malaysia, we opened our new office equipped with several application and product testing labs to inspire innovation in food, personal care and industrial applications.

In October, the company announced the acquisition of Scott Chemicals, with its strong presence in New Zealand and Australia, helping Caldic to reinforce its market share in this geography.

Governance

In 2021 there was one change in the composition of the Board of Directors. Djonie Spreeuwers stepped down at the end of November. On behalf of the Board, I would like to thank Djonie for her support in the past few years. Bogáta Baranyi was appointed as a Non-Executive Board member.

Looking ahead

Against the backdrop of the close of the sale transaction of Caldic to Advent International, our strong performance in 2021, and the prospect of broadening our geographic coverage to include Latin America while merging with GTM, I am confident that Caldic will emerge as a stronger, more globally relevant player in the specialty ingredients and chemicals distribution and solutions space. Our strong leadership and highly motivated team provide an excellent basis to pursue the new joint strategy to deliver impactful and sustainable value to our stakeholders across the value chain, because we care.

The Board of Directors

Xavier Urbain

Chairman of the Board

Mike Ebeling

Non-Executive Board member

Adam Dawson

Non-Executive Board member

Mario Preissler

Non-Executive Board member

Bogáta Baranyi

Non-Executive Board member

Tania Howarth

Non-Executive Board member

Olav van Caldenborgh

Non-Executive Board member

Alexander Wessels

Executive Board member - CEO

Bernard Witte

Executive Board member - CFO

“A record year, accelerating growth and continuing to build a performance culture for a future-fit organization in a year of continued global external challenges”

“I’m very proud that our teams responded swiftly and effectively to the challenging external circumstances of this year. We successfully fulfilled an increasing number of customer requests despite unprecedented disruptions in the global supply chains and ongoing COVID-19 restrictions. Customer interactions occurred largely online, and for many of our people working from home remained the default. While we were looking to acquire like-minded companies, our private equity investor, Goldman Sachs Investment Management, announced the agreement to sell Caldic to Advent International. In this eventful year, we further improved our market share and financial performance.”

Alexander Wessels
CEO Caldic

2021 presented challenges that exceeded what we had faced in 2020. As a company, we were able to build on the experience acquired in the prior year with respect to handling the continued impact arising from the COVID-19 pandemic in the workplace. From the start of the year, we operated in a very agile and methodical manner, dealing with the challenges through good teamwork at both global and local level. I am proud that, thanks to the tremendous efforts of our people and the disciplined observance of health and safety guidelines worldwide, we achieved our priority objective of protecting our people.

In this extraordinary year, we also managed to further strongly and organically improve our turnover and EBITDA, even against the backdrop of critical raw material shortages, which intensified during the year. We took a number of impactful actions, including improved pricing management and rigorous working capital management.

2021 also marked the first year of the execution of our Strategic Roadmap 2021–2024, which helps us address the challenges and seize the opportunities from the major global shifts taking place in the specialty ingredients and chemical distribution and solutions industry we operate in. This roadmap will create long-term value for our

stakeholders and increase our positive impact on the environment and society at large in the coming four years. Our achievement of the milestones for 2021 set in our Strategic Roadmap bears witness to our ambition to inspire solutions in life science. It is also a testament to the way our people delivered value-add together with our world-class supply partners and customers. This underlines our unique proposition, encapsulated in our purpose ‘Because we care’.

Our strategic focus

Our employees’ commitment to implementing our strategy helped us to strengthen our position in the life sciences and industrial markets and to progress on our path to value creation.

- Our turnover grew, and we realized above market growth in the life science segments, Food, Pharma and Personal Care, taking this particular part of our portfolio to about 70% share
- We gained a number of new principals in all regions, enabling us to expand our portfolio offering to new geographies and subsegments
- The Caldic branded products and our ‘value add’ solutions continued to grow, bringing their contribution close to 40% of total turnover
- Both gross profit as well as EBITDA improved strongly

As we move forward, implementing our Strategic Roadmap 2021–2024, we aim to become even more customer- and principal-centric, deliver unrivalled solutions, drive sustainable growth, and be a great place to work. This is our commitment to our people, our business partners and a sustainable planet, because we care.

Our financial performance

The year 2021 can be characterized as another challenging year, with strong growth in a dynamic environment. Although the pandemic continued to pose unprecedented challenges for our people and the communities where we operate, the dedication, resilience and flexibility of our teams and the solid fundamentals of our business model resulted in a strong performance. Compared to 2020, many of the economies we operate in showed a strong rebound in growth in 2021. Global shipping disruptions and input shortages kept the industry from expanding production in line with the rapid growth in demand for manufactured goods. The imbalance between strong demand and supply at the global levels, has intensified shortages and led to price volatility, affecting many countries and sectors.

Despite the continuing challenging market circumstances, the financial resilience provided by Caldic’s multi-market and geographical coverage, combined with its diversified supplier and product portfolio, have enabled Caldic to deliver very strong results in 2021. In the twelve months to 31 December 2021 Caldic and its subsidiaries contributed operating income from continuing operations of € 980,3 million (2020: € 892,9 million) and operating result of € 102,6 (2020: € 90,6 million) to the Group’s results.

Our commitment to our business partners

Our partners’ satisfaction is key to our performance, and customer- and principal-centricity therefore take center stage in our culture. There was extensive evidence of this throughout 2021. In Malaysia, our R&D team was recognized by our principal, Dow’s Home Care division, for the development of an all-purpose, multi-functional cleaner formulation, which received the qualification ‘outstanding initiative’. And in the UK, Belgium and Canada,



Message of the CEO

flower bouquets and personal thank-you notes were sent to various of our customer development teams in recognition of their significant efforts to ensure timely delivery of materials to our customers. All these efforts resulted in industry-leading Net Promotor Scores.

Our commitment to sustainability

Last year's Annual Report highlighted our approach to sustainable growth. In 2021, through our data collection, we established the baseline for some of our key sustainability performance indicators, enabling us to start measuring our progress in executing this part of our strategy, in support for the United Nations Sustainable Development Goals.

In 2021 we took further steps towards a more positive climate impact by shifting to LED-light and renewable energy sources. In October we passed the first milestone: 70% of our global electricity consumption now comes from renewable sources, supplied by wind, solar and water power. Some of our sites actually use 100% renewable electricity.

Despite facing constraints on the staging of live events in a number of countries, we volunteered to work at local food banks, picking and sorting food boxes. In other places, we collected plastic waste and pieces of trash along riverbeds. We extended our contribution to the communities in which we live beyond the donation of money and goods and will continue to expand this support when the COVID-19 constraints are lifted.

We are committed to continuing our journey to climate-neutral operations and making our actions along the way more transparent. This is a clear commitment to contribute to a more sustainable world, and we will give regular account of our progress in future Annual Reports.

Our commitment to our people

In 2021, our main priority remained the health, safety and wellbeing of our employees and their families. We continued to provide training and protective measures to our on-site employees to ensure a safe working environment, and guaranteed that all sites complied with social distancing requirements. For those employees who worked from home we ensured regular online check ins on people's wellbeing. Months on end working away from the team created challenging circumstances that we tried as much as possible accommodate to. In May-June we organized a global Virtual Challenge; 350 employees in

the Europe region participated, recording their physical activities as a team, that took them on a 290 km trip across New Zealand. Earlier in the year the North-America team virtually climbed the Everest.

During this extraordinary year, we continued our efforts to be a strong talent-building company. More than 325 employees in Europe enrolled in the Sales Academy, which is designed to enable our customer-facing teams to continuously grow on both the professional and the personal level while delivering an excellent customer experience. Thanks to the success of this initiative, in 2022 the Asia Pacific teams will join the learning paths of the Sales Academy. Our senior leadership teams were provided with 360-degree feedback reviews, supported by professional external guidance on self-reflections and follow-up actions.

In this Annual Report, we have tried to showcase some of our amazing people, who put our purpose 'Because we care' into practice day by day. And we have tried to make this account as globally inclusive and diverse as possible across age, gender, ethnicity, and functions – a celebration of how inspiring solutions can come in all shapes, sizes and disciplines.

Our leadership

This year we strengthened our Executive Leadership Team with the appointment of Dr. Veronika Zuegel, who joined us in May as CHRO on an interim basis. In September, Steve Owen, Co-CEO of Caldic North America, retired. I would like to thank him for his contribution and wish him success in his new phase of life.

At corporate level, our team of supporting staff directors expanded. Maxime Toth, Peter Becker and Birgit Kamp joined us to drive the Strategic Program, IT and Corporate Communications areas respectively.

Our gratitude

On behalf of the Executive Leadership Team, I would like to express our gratitude to our employees, who showed tremendous resilience, solidarity, and flexibility throughout the year. As a company, we continued to transform our organization while maintaining our focus on unlocking value in the life science and industrial markets, because we care.

I would also like to thank our customers and principals for the trust they place in us. Their loyalty and commitment motivate us to do our best, every day.

Finally, I would like to thank Goldman Sachs Asset Management for their trust in our Strategic Roadmap and for their professional guidance throughout the divestment of Caldic. Our interaction with our new private equity investor, Advent International, gives us the confidence that together with Latin America-based GTM, a significant force is emerging that will shape industry standards and will accelerate the value-add impact of products and solutions in the life science and industrial markets. And, by keeping our care at the heart of what we do, we believe that we are well placed to firmly position ourselves as a leading full-service, value-add solutions provider across the globe.

Alexander Wessels
CEO Caldic



Bernard Witte CFO Caldic and **Alexander Wessels** CEO Caldic

Our markets

Our products create possibilities and deliver solutions all around the world. We have been doing this for more than fifty years now. And we see every day as an opportunity to do it better. Over the years, we have evolved from our origins in base chemicals to our current position in specialty ingredients and chemicals with high added value. Today, we deliver innovative and sustainable solutions in life science, in food, pharma and personal care, as well as in the industrial markets across the globe.



Food solutions

From natural colors to plant-based proteins and from antioxidants to functional starches, Caldic's product and service portfolio provides a broad range of solutions to customers in the food processing, food service and retail. Our specialty ingredients portfolio covers all key functional properties, such as appearance, nutrition, stabilization, taste and texture. Whether our customer is looking to develop a clean-label bread roll, a plant-based burger or a low-calorie ice-cream, our local R&D experts are committed to co-create products delivering the right formulation for any food product. Our in-house technical laboratories, test kitchens and production facilities, combined with our in-depth application know-how and market understanding, enable our food technologists to inspire solutions across the globe.

Market segments

Bakery	Beverages
Confectionary	Dairy
Fruit preserves	Ice cream & frozen desserts
Animal nutrition	Nutrition
Savory	

Caldic brands

Dadex® Customized natural and synthetic antioxidant blends to provide shelf stability

Damin-Aide® Enrichment blends that include vitamins, minerals and functional ingredients

Pectacon® Stabilizer systems for use in blends for texture, stabilization and taste



Pharmaceutical solutions

From specialty solvents to active pharmaceutical ingredients (APIs) and from excipients to intermediates, as a global, full-service solution provider Caldic is committed to help customize pharmaceutical products in finished dosage form, whether as tablets, capsules or liquid solutions. The manufacturing of high-purity chemicals and the distribution of raw materials are our core strengths, but we always go the extra mile to find the exact solution to address customer requirements. Our full range of services and our product portfolio enable us to support customers across a wide range of pharmaceutical solutions.

Our extensive portfolio of high-quality products and our global network of sites equipped with facilities such as clean rooms, filling and repacking lines, Good Manufacturing Practice (GMP)-certified manufacturing services and Good Distribution Practice (GDP) warehousing enable our technical experts to support customers and principals in every stage of the development of new products.

Markets

Biopharm	Biotech
Pharmaceutical	Animal health
Consumer healthcare	Nutraceutical



Personal care solutions

From botanical extracts to film formers and from organic oils to pigments, the Caldic product and services portfolio enables our technical experts to meet the high quality and originality requirements of the personal care industry. Our range of innovative and high-quality raw materials, coupled with our unique know-how, sourcing expertise and high quality service and support, guarantees that our customer's personal care product is the shining star.

Our formulation specialists are committed to working together with customers to design solutions that stand out in the personal care industry, supported by our long-term partnerships with raw material producers.

Markets

Hair Care	Skin Care
Makeup	Toiletries

Caldic brand

Calsil®
Silicone solution used in cosmetics



Industrial solutions

From activated alumina to titanium dioxide and from solvents to antioxidants, the breadth of our product portfolio ensures we can meet requirements across a wide range of applications. For essential products for coatings and inks, plastics, rubber, lubricants and water treatment, Caldic customers and principals alike can draw on years of experience and know-how to develop tailored solutions. Our application specialists are committed to working together with our partners to develop solutions that address specific and often unique needs relating to formulations, packaging, production and storage.

Markets

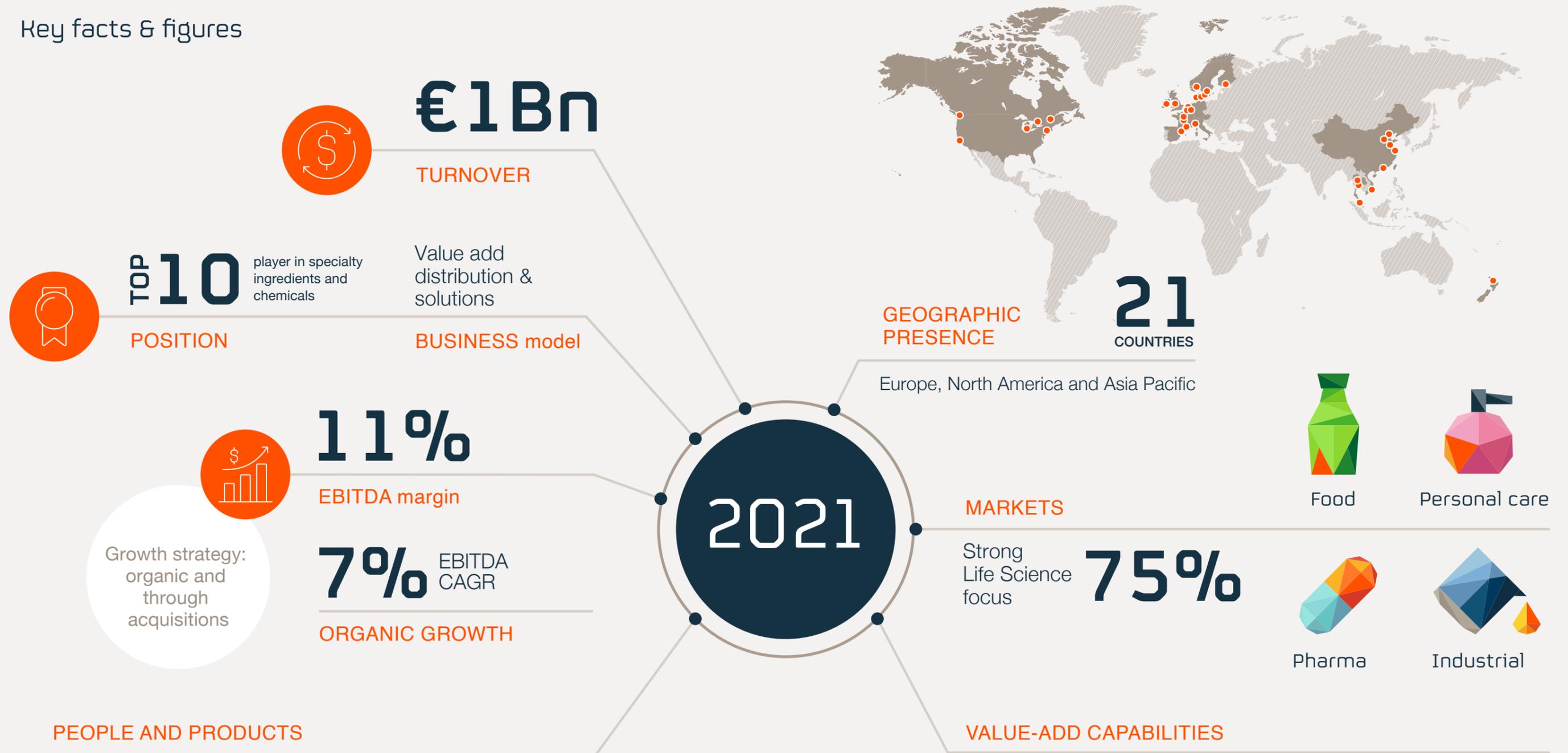
Adhesives & Sealants	Agrochemicals
Chemical Industry	Coatings & Construction
Oil, Gas & Water Treatment	Plastics & Rubber
Surface Treatments	
Other Industries (e.g., cleaning, paper, textile)	

Caldic brands

Calsil® A silicone solution used in industrial applications such as Construction & Coatings and Chemicals

Caltherm® A range of heat transfer fluids used in a wide variety of applications, e.g., plastic, rubber and processing industries

Key facts & figures



Three year summary

Financial facts

Balance sheet as at 31 December 2021

(x € 1,000)	2019*	2020*	2021*
Fixed assets	279.564	251.853	277.878
Inventories	112.844	97.139	132.783
Receivables	136.025	130.103	168.384
Cash and bank	57.260	143.479	145.912
Total assets	585.693	622.574	724.957
Group equity	350.789	359.413	407.847
Provisions	29.904	36.639	30.876
Long term liabilities	55.163	60.517	65.583
Lease liabilities	30.697	38.773	40.007
Amounts owed to credit institutions	8.523	7.065	4.999
Other short term liabilities	110.617	120.167	175.644
Total equity and liabilities	585.693	622.574	724.957

Profit and loss account

(x € 1,000)	2019*	2020*	2021*
Total operating income	899.496	892.857	980.266
Cost of raw materials	685.441	666.168	741.946
Gross margin	214.055	226.689	238.321
Total operating expenses	136.474	136.067	135.762
EBITDA (normalised)	77.581	90.622	102.558
Depreciation	13.153	14.155	14.651
EBITA (normalised)	64.428	76.467	87.908

Other financial data & ratios

(x € 1,000)	2019*	2020*	2021*
Net interest bearing debt	6.426	-75.897	-75.330
Working capital	138.251	107.075	125.523
Capital employed	417.815	358.928	403.400
EBITDA (normalised)	77.581	90.622	135.762
Cash flow before financing activities	8.291	120.413	17.539
(in %)			
Gross margin	23,8	25,4	24,3
Operating margin	7,2	8,6	9,0
Solvency ratio	59,9	57,7	56,3
Return on capital employed	15,4	21,3	21,8
Return on equity	49,1	6,1	10,1
Interest coverage	5,3	8,5	21,1
Net interest bearing debt/EBITDA	0,1	-0,8	-0,6

*Unaudited full pro-forma IFRS figures

Definitions

Net interest bearing debt	Long-term liabilities plus Amount owed to credit institutions less Cash and banks
Working capital	Inventories plus Receivables less Other short-term liabilities
Capital employed	Working capital plus Fixed assets
EBITDA	Operating result plus Depreciations
Gross margin	Gross margin as percentage of Total operating income
EBITDA margin	EBITDA as percentage of Total operating income
Solvency ratio	Group equity as percentage of Total assets
Return on capital employed	Operating result as percentage of Capital employed
Return on equity	Result after taxation as percentage of Group equity
Interest coverage	Operating result divided by Financial income and expenses
Net interest bearing debt / EBITDA	Net interest bearing debt divided by EBITDA

Yearly highlights



01
January

One year after joining the Caldic group, Arlès Agroalimentaire officially changes its name to Caldic Ingredients France. This leading provider of food ingredients and functional additives solutions in France had been acquired by Caldic in October 2019.

Caldic is appointed exclusive distribution partner of cosmetic ingredient developer and manufacturer GREAF for their active ingredients in the UK and France. GREAF uses advanced techniques, innovative active ingredients and superior skincare solutions to beautify the skin.

04
February



Caldic France and Caldic Benelux enter an exclusive distribution agreement with Oxiris for antioxidants in France and Belgium. With this new collaboration, we expand our current portfolio of antioxidants for the pharmaceutical industry.



16
September

2021

21
January



Caldic and Cargill sign an agreement, making us the exclusive solution provider for Cargill's complete Gerken's Cocoa and Chocolate products for food manufacturers in Lithuania, Latvia and Estonia.



01
September



Kerry and Caldic New Zealand enter into an exclusive distribution agreement for their functional food ingredients range. Thanks to a strong customer focus and ensuring all opportunities are maximized, the partnership is extended to their flavor range.



Yearly highlights

01
October



Caldic New Zealand becomes distribution partner for Oterra's range of natural colors and coloring foods. Oterra, formerly known as Chr. Hansen Natural Colors, is the global leader of naturally sourced colors for food, beverages, dietary supplements and pet food.

Caldic enters into a definitive agreement to acquire Scott Chemicals, solution provider of specialty chemicals for industrial and life science applications. With this agreement, we expand our reach with new locations in New Zealand, Australia, China and the Philippines.



22
October

04
November



Caldic partners with Celtic Renewables for the distribution of high purity bio-solvents with an extremely low carbon footprint. These bio-solvents are produced by Celtic Renewables' first production facility based in Scotland. Read more on page 51.



Goldman Sachs Asset Management sells Caldic to Advent International. In 2014, Advent International acquired GTM, the largest independent specialty chemicals distributor in Latin America. Under Advent's ownership, together we will have the opportunity to continue and further accelerate our growth.

22
November

2021

October
2021

In October Caldic Malaysia moves to a new location. Due to the covid pandemic, the opening is celebrated with a low-key ceremony. The new premises include two offices, four warehouses and enough space for three laboratories: one for Personal Care, one for Food, and one for Industrial applications.



After a pandemic-related break of nearly two years, we attend the Food Ingredients Europe 2021 exhibition in Frankfurt. Our on-trend solutions, from breakfast to midnight feasts, are carefully created to inspire our customers.

30
November





Corporate governance

Within Caldic, corporate governance is organized and secured through a number of bodies. These bodies enable an effective balance of proactive strategic foresight and agility, ensuring that the leadership team can seize opportunities when they arise. Caldic focuses on ensuring transparency, proper checks and balances, and an inclusive environment.

The ultimate responsibility for the management, general affairs, culture, direction and long-term performance of Caldic lies with the Board of Directors (BoD). This consists of two Executive members, the Group CEO and Group CFO, and seven Non-Executive members.

The role of the BoD is to manage the company by balancing the interests of various stakeholders. This means, among other things, that it is responsible for achieving the strategic objectives, managing the risks associated with the company, financing the company, complying with applicable rules and regulations, and engaging in corporate social responsibility matters that are relevant to the organization. The Executive members of the BoD are accountable for these deliverables to the Non-Executive members of the BoD and the General Meeting of Shareholders.

In 2021 the Board established three Committees to cover key areas in greater detail: an Audit Committee, a Remuneration Committee and an ESG Committee. Each committee is chaired by a Non-Executive member.

The BoD supervises the Executive Leadership Team (ELT). Its responsibility is to liaise with the ELT to review and approve the proposed strategy including the underlying tactics and financial planning, with strategic target-setting.

The ELT comprises senior leaders with a wide range of competencies and skills in international business, market

development and finance. It is responsible for the execution of the strategy as approved by the BoD and also for organizational development with a view to positioning the company for today as well as the future. Review and assessment of current business strengths and weaknesses, as well as of threats and opportunities, falls within the remit of the ELT, which supports the BoD in its responsibility to take strategic decisions and to secure the resources required to act upon them.

The ELT is comprised of the Group CEO, Group CFO, Group HRO, each of the Regional CEOs, and the Pharma business CEO.

The ELT members are supported by a Senior Leadership Team (SLT) in each of the regions (Asia Pacific, Europe and North America) as well as for the Pharma Business Group. Besides the regional CEO, the SLT comprises each of the regional functional heads. The SLT ensures that the regions are managed in a transparent, professional and ethical manner.

At a global level, Caldic has various functions to drive programs and initiatives that benefit from a worldwide approach. These functions are: Legal & Compliance, IT, Strategic Programs, HR, QHSE (Quality, Safety, Health & Environment) and Corporate Communications. These teams are responsible for the governance and global processes in each of their functional areas.

Management

Executive Leadership Team



“Our purpose ‘Because we care’ articulates our collective and individual commitment to go the extra mile in everything we do for our colleagues, customers, principals and communities, as well as the environment and society at large”

Alexander Wessels
Group CEO

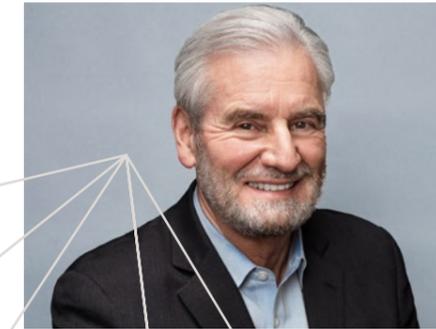
“Caldic’s compass has always been, and will always be, the happiness of society, people, employees and customers, because we care”

Bernard Witte
Group CFO



“Because we care about our employees, customers and principals, we will build a better future for all”

Jill Wuthmann
CEO North America



“Caring makes the difference in how we see each other and how we view the world”

John Gorman
CEO Pharma



“Care is about our employees, who work with passion at Caldic. I consider it my responsibility to care about my colleagues. I fully commit to offer them a safe working environment and to support their career evolution through learning programs”

Laurent Pasqualini
CEO Europe

“Our care is about people, and makes me feel that I’m working for and with the right company. It’s all about growth, learning, getting better and attaining the next level”

Veronika Zuegel
CHRO ai



“We take care of our employees because they take care of the Caldic family”

Wilco Langschmidt
CEO Asia Pacific

Management Staff

“Because we care’ means to me doing the right thing, even when no one is looking. It means acting with respect and integrity, and treating people with dignity”

Samera El Idrissi
Legal & Compliance Director



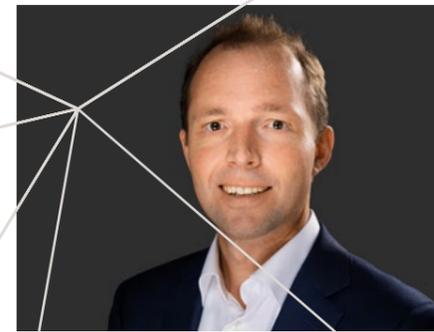
“Care for me brings together understanding, empathy and eye for detail, to do things better, every day”

Birgit Kamp
Communications Director



“We care to build long-standing partnerships, driving impactful added value for all our stakeholders”

Aldrik Vervat
Strategy and M&A Director



“It is because we care that we give the best service to our principals, the best product to our customers, and the best of ourselves in everything we do”

Maxime Toth
Strategic Program Director



“We care for our planet, wanting to pass it on to the next generation in a safe, healthy and sustainable way”

Henk Boden
QHSE Director



“Because we care’ means doing the right things, and doing them right. But also listening, learning, improving and growing together”

Peter Becker
CIO



“Because we care, we are committed to an inclusive culture in which all people are respected, engaged and empowered to develop themselves. Within our diverse teams, we learn, grow and celebrate our achievements together”

Femke Krabbenborg
HR Director



Sustainability

Our purpose

Our purpose, Because we care, lies at the foundation of our perspective on sustainability. These three words articulate precisely how we value the relationship with our stakeholders. It also expresses what drives us to go the extra mile day in, day out, to deliver on our promise to inspire impactful solutions that create value in the life science and industrial formulations markets.

Our purpose underlines our commitment to each and every one of our stakeholders, starting with our people and the communities we live in, widening out to include our business partners such as customers and principals, and ultimately encompassing the environment and our planet. This commitment informs our sustainability agenda and helps us drive our daily operations.

This Annual Report reflects the activities we undertook in 2021 to fulfill our commitments to our stakeholders, capturing the efforts we are making to do better, every day, in our journey towards a more sustainable future.

Material topics

Based on insights from both internal and external sources, we determined the topics and issues that are most material to our business, and on which we could have the most impact in 2021. As the COVID-19 pandemic and the devastating war in Ukraine sadly illustrate, we live in an uncertain and constantly changing world. Materiality helps us report on the sustainability issues that matter most to our business and stakeholders.

A topic is material to Caldic if it meets two conditions. Firstly, if it impacts our business significantly in terms of growth, cost or risk. Secondly, if it is important to our stakeholders - such as investors, principals, customers, society (citizens, NGOs and governments) and our employees - and they expect us to take action on the issue.

Further to our initial materiality assessment, we prioritized a number of sustainability topics. While we established

a baseline assessment for some topics in 2021, we also identified and commenced several initiatives to drive improvements in our sustainability performance. During 2021 we continued to collect data for the other areas for which we yet have to define the baseline and the associated programs aimed at making progress against the relevant environment, social or governance metrics.

This Annual Report takes a deeper dive into some of the areas in which we make progress during 2021. In the coming years, we will make our sustainability strategy more explicit and will provide more transparency on our progress and the milestones we have achieved.

The UN Sustainable Development Goals

The recently published Intergovernmental Panel on Climate Change (IPCC) Report and the discussions at the United Nations Climate Change Conference (COP26) held in Glasgow in November 2021 clearly demonstrate that our planet faces massive economic, social, and environmental challenges. To deal with these, the United Nations has formulated 17 Sustainable Development Goals (SDGs) to define global priorities and aspirations for 2030. Governments and private and public organizations worldwide have agreed to work on these goals.

At Caldic, we have identified six SDGs to which our company can contribute, as shown on the next page. Our strategic roadmap aims to reconcile financial stability with social and environmental sustainability and to create enduring value for our stakeholders across the value chain, as the case studies in this Annual Report highlight.

Because we care



Because we care

Care for our business partners

Because we care, we work in close partnership with our customers and principals, looking at the world from their perspective as we search for inspiring solutions that will add measurable value to their businesses.

Important actions

Global compliance program: we are committed to deliver value-add solutions, in compliance with all applicable regulations so as to meet our partners' business requirements in a compliant and ethical manner, and in accordance with the agreed quality standards.

Goals for 2024

Program to drive compliance awareness, including annual trainings and sign-off for Code of Conduct. Implementation of quality management systems.



Care for our people and the communities we live in

Because we care, we value our people, providing them with a workplace where health & safety is paramount, where talent is stimulated, and where accountability and performance are recognized and rewarded.

Important actions

Implementation of safety awareness program, focus on reducing Lost Time Incidents (LTIs). Programs to promote employee engagement and talent development, and community engagement through voluntary work in support of local initiatives.

Goals for 2024

- Zero Lost Time Incidents (LTIs)
- Drive safety awareness and promote safety culture
- Total of two working days of voluntary work every year per employee
- A minimum of two projects per region per year



Care for the environment and our planet

Because we care, we help protect the planet by embracing the principles of sustainability, designing products, services and processes with these in mind.

Important actions

Our focus lies on the increased use of renewable energy sources as well as on reducing CO₂ emissions. Furthermore, we aim to reduce waste and wastewater and work to develop a more sustainable portfolio offering with a lower carbon footprint. All Caldic locations are externally validated by means of EcoVadis assessments. Continuous work on improvements that deliver a positive impact on our climate (e.g. packaging).

Goals for 2024

- Minimum 50% renewable energy use. Other energy consumption to be CO₂-neutral by 2024.
- 20% reduction of CO₂ footprint per mt of shipped product in 2024 vs 2020.
- 50% reduction of waste and wastewater per mt shipped in 2024 vs 2020.
- Year-on-year growth of 10% in sustainable product offering.
- All Caldic locations to achieve EcoVadis Gold status by 2024.



Our sustainability ambitions and goals are an integral part of our strategic roadmap 2021–2024



Care for our business partners

Care for our business partners

Legal and compliance

Legal and Compliance encompasses topics such as Code of Conduct, Speak Up (our whistleblowing tool), antitrust, anti-corruption, sanctions and data privacy. As part of our Corporate Governance we also look at Data Security, Risk management and contingency planning. In 2021 our focus was on the latter three subjects in particular.

Because we care,
we always go the extra mile to make it easier for our customers and principals at every step of the process and to make their products excel in the market, however specialized the requirement. Customization is in our DNA. Our solutions, carefully sourced and customized to specifications whenever required, are backed by outstanding research & development, technical & regulatory support, and customer service. More importantly, they are also supported by a strong corporate governance foundation on which every Caldic employee receives training, so as to ensure a compliant business environment.

- Legal and compliance
- Quality management

The organizational structure described in the governance paragraph of this Annual Report forms the foundation of our company. The corporate structure and various bodies that manage our organization have been put in place to ensure sufficient independence and controls to comply with legal requirements and good corporate governance guidelines. In that light, in 2021 an ESG (Environmental, Social and Governance), Audit and Remuneration Committee were established. Every Committee is chaired by one or more Non-Executive Board members. In addition to this, in the course of 2021 we also implemented Management Regulations and a Delegation of Authority to promote empowerment while ensuring the necessary controls.

Within Caldic we review our policies every two years. In 2021 the Code of Conduct, Data Protection policies, Speak Up Policy and Compliance Manual were thoroughly reviewed and amended wherever required. The Compliance Manual is a practical guide that sets out the basic requirements with which each location needs to comply. In order to ensure commitment to our core values and policies, every employee is requested to sign the Code of Conduct on a yearly basis.

Legal topics and, more importantly, compliance as a key subject, are put on every employee's radar by means of communication and training. Quarterly updates, which take a deeper dive into certain subjects, provide a channel to create topical awareness and understanding. They are supplemented by the trainings provided at various moments in the year, starting with the onboarding program, which encompasses several trainings on compliance topics including the Code of Conduct. In addition to the onboarding trainings, each year various employees are selected to take part in the annual Compliance Training. In 2021 we achieved a 93% completion rate. Furthermore, throughout the year, specific trainings and presentations were provided to various functions and teams, such as Regional Management teams, the Global HR team, the Board of Directors, the Executive Leadership Team and the Audit Committee.

Risk Assessments and audits are carried out on an ongoing basis. The travel constraints imposed by the COVID-19 pandemic meant that audits and other checks were by and large carried out remotely.

Care for our business partners

Quality management

While our attention to legal and compliance supports our partners in doing business with Caldic in a compliant and ethical manner, quality management is another equally important area of focus.

Caldic and all Caldic entities operate in accordance with global standardized quality certification schemes. The specific quality certificates depend on the scope of activities at entity level, such as sites that manufacture industrial speciality formulations or others dedicated to the processing of food ingredients. The global scheme covers the required standards such as ISO certification (e.g. 9001, 14000 and 22000), GFSI, CSR, RC, REACH and beyond. All Caldic entities operating across our three regions met the requirements in 2021, in line with previous years.

Quality Management System certification is performed at entity level. Based on activities and customer requirements, each entity has its own QMS and local certification. Depending on the type of certification scheme, certification audits are carried out by internationally accredited third parties. Additionally, internal audits are conducted as part of internal improvement programs. The ownership of every QMS lies at entity level, while expiry is monitored at Group

level. In the event that major non-conformities are raised during certification audits, actions are reported and controlled at Group level.

In 2021, we introduced a Risk Analysis based on the Merieux NutriSciences databases for food ingredients. For every product or product group, the risk is evaluated with respect to food safety, food fraud and food contact, not only for the single product, but, if applicable, also in combination with other ingredients, based on our own or our customer's formulation. This new service provides our customers with an additional quality and safety assurance.

Furthermore, in 2021 we extended our QHSE reporting system by introducing a module for complaints. In this section, both quality as well as environment-related issues can be reported. The structure of this section enables us to identify product-related issues along the entire supply chain.



Care for our people and our communities

Because we care,

we value our people, providing them with a workplace in which health and safety are paramount, talent is stimulated, and accountability and performance are recognized and rewarded. Moreover, we look beyond our own employees to the communities in which we operate in order to ensure that these people also receive our support.

- Health & Safety
- Our culture
- Talent development
- Community engagement

Health and Safety

The safety of our people is paramount. We value every employee and want to provide everyone with a workplace where safety comes first. We firmly believe that the care for safety lies in our own hands. And we believe it is our individual and collective responsibility, every day, everywhere, to keep ourselves and others around us safe. This applies both inside and outside the workplace. We want everyone to come home safely after each working day, returning in good health to enjoy the company of their beloved ones.

With this in mind, in 2021 we established a Health and Safety program with a focus on people, processes and tools to steer performance improvements. In terms of tools, the program provides a newly introduced set of 10 Life Saving Rules, recordings of LTIs (Lost Time Injuries), and a safety awareness training program that was kicked off during the summer of 2021. The initial focus of the training program was on leadership, securing endorsement and example-setting at the highest level. Further steps were taken to ensure management support and employee awareness, along with adoption of the Life Saving Rules, by means of webinars and individual sign-off on the part of all participants.

In 2021 the topic of safety was kept high on the agenda in team meetings, during site visits by management (despite travel constraints caused by COVID-19), as well regular communication through internal channels. There was a sharp focus on the number of LTIs, driving awareness and understanding of our goal to achieve zero LTIs. In 2021 we recorded a total of 12 LTIs versus 17 the previous year. All LTIs were minor injuries such as cuts, bruises and sprains. With a goal of zero LTIs, every LTI is regarded as one too many.

During the year, a number of initiatives were taken to improve the safety of the workplace environment.

For the industrial markets, investments were made in our plant in Hemiksem (Belgium) to enable under-loading of solvents, delivering a significantly safer and more environmentally friendly way of working, as highlighted by the case study on the following pages. In addition to this, traffic lights were installed at some other sites to make dock loading safer, as were railings in order to support safe car parking. Furthermore, the use of new antistatic clothing now provides a safe solution to mitigate the risk of explosion (ATEX) in the loading and unloading areas of one of our food production sites.

Life Saving Rules

The introduction of the Life Saving Rules (LSRs) follows from our strong conviction that every injury and incident is preventable. Working safely is a pre-requisite of any employment. We are aware that safety is a challenge in our workplace environment: we have not yet been able to bring down the number of LTIs to zero, and so we must continue to strive for excellence. Following rules and instructions is critical to a safe workplace. Statistics demonstrate that the implementation of LSRs is effective in preventing incidents.

In addition to the LSRs, our focus lies on facilities, equipment and tools that are designed, operated and maintained to a high safety standard. We encourage everyone to lead by example and to show strong leadership

when it comes to participation and commitment to work safely. Safety is everyone's responsibility, as underlined by the Life Saving Rules. Violation of the Life Saving Rules results in interventions for both employees and contractors, who are instructed to comply with the LSR on Caldic sites.

Driving safety culture

In 2021 we started the development of a safety awareness training program, drawing on specialist external support. This program will be rolled out in the coming years through a train-the-trainers approach, with internal safety champions driving local initiatives and support being provided to reinforce awareness and motivation. Our ambition is to create consistency regarding the 'language of safety and risk' used across the company, to implement best practices globally and likewise to globally align on our rules, standards and approaches.

In addition to the implementation of the global program, we are developing multiple-year, site-specific initiatives customized to reflect the relevant type of operations and risk profile. All these initiatives should ultimately contribute to embedding and internalizing safety deeply into our culture, as per the DuPont Bradley Curve.



Stepping up in safety while stepping down for bottom loading



One of the main hazards of industrial oxygenated and hydrocarbon solvents is flammability. To ensure an accident-free environment, Caldic is committed to the highest safety standards to protect employees from exposure to harmful substances. A new bottom bulk method introduced in September 2021 ensures safe loading processes of flammable substances.

“The most important thing is that our people return home safe and sound”

Stefaan de Leebeek
Plant Manager Hemiksem, Belgium

Stefaan de Leebeek, Plant Manager of the Hemiksem site in Belgium, oversaw the creation of this ground-breaking project, designing the new installation together with Operations Manager Hans Merckx. Their engineering backgrounds and extensive expertise in handling solvents were instrumental in developing the innovative concept, while the production and installation were outsourced.

Accident-free workplace

“Safety is paramount for securing an accident-free workplace environment,” explains Stefaan. “While it has always been high on Caldic’s agenda, the safety and overall wellbeing of our people in the workplace has recently received heightened attention.” Safety interventions may range from smaller investments, such as the ergonomic design of control panels for machine operators, to switching from diesel to electric, zero-emission forklift trucks. Everything is done with safety, health and the environment in mind. “The most important thing is that our people return home safe and sound. I think we’re currently managing this, but it remains our job to stay alert and keep on improving in this area.”

Mitigating hazards

Solvents are crucial in many industrial processes, providing key functionalities for a wide variety of everyday product applications – from personal care cosmetics and pharmaceuticals to adhesives, cleaners, paints, and inks. Without solvents, such products would not perform effectively. While solvents are multifunctional, they are also high-risk materials than can



jeopardize safety, health and the environment if not handled appropriately. To mitigate potential hazards and address regulatory requirements, Caldic Benelux built a new installation that enables bottom loading of trucks – an investment that delivers a triple win from a safety, health and environment perspective.

In contrast with splash loading via the upper side of the truck, the bottom bulk loading method is conducted via the bottom of the truck. This new installation enables us to minimize the generation of static charge, the formation of vapor and the risk of product contamination. The upscale of the weighing bridge facility ensures permanent monitoring of loading activities. An electronic device serves as independent overfill protection and automatically stops at the required volume load. “This is risk management measure greatly increases the reliability of our bulk loading system,” observes Stefaan.

Reducing VOC pollution

While they were working on the new installation, Stefaan and Hans also came up with a solution for the volatile organic compounds (VOCs) that are released when loading – another potential risk for the health of our employees and the environment. As a result, the investment was extended to incorporate a fume extractor that is redirected to an active carbon filtering system to capture these VOCs. This system safeguards employees and contractors working on-site against the risk of inhaling toxic

volatile vapors and helps ensure a clean, healthy working environment.

“By providing a cone with an extraction system, we guarantee that the loading area remains vapor-free,” explains Stefaan as he surveys the newly built system. “The extraction system, which is connected to an active carbon filter, combined with the under-level loading ensures that the environmental impact of VOCs is minimal. This offers the possibility to handle strong-scented products. The actual capacity of the carbon filtering system anticipates the potential to capture VOCs from other operational activities on the same site in the future. Our current VOC reduction amounts to two tons per year. Eventually we will be able to triple the VOC capture in order to deliver our environmental contribution. This installation is future-proofed in terms of safety, health and environmental requirements: a triple win.”

Too passionate to retire

With his passionate and energetic approach, it is hard to imagine that Stefaan will be reaching retirement age at the end of 2022. “This job is the crowning glory of my entire career,” he says. “After 13 years with Caldic, I still see so many opportunities to improve the site and the working environment of our employees. In this job, all the pieces of the puzzle come together for me: it’s where quality, operations, environment and safety meet.” Whether he will stay on a little longer has not yet been decided, but one thing is sure: people like Stefaan are the driving force behind Caldic and are the most valuable assets a company can wish for.

Care for our people and our communities

Our culture

At Caldic, we focus on creating a workplace where people can feel that they belong, make a positive impact and take pride in the work they do. We celebrate our successes, learn from our failures, and work collaboratively to continuously improve ourselves and the solutions we provide for our stakeholders.

Our training and coaching programs facilitate continuous performance improvement and learning, while developing all our employees and selectively attracting new, diverse talent is at the heart of our people strategy.

As part of our strategic roadmap 2024, we set clear goals for the further development of the Caldic Company Culture. Our aim is to create and maintain a positive, performance-based and purpose-driven culture in which employees are highly engaged and support the organization in achieving the company goals while enjoying opportunities to develop themselves at both the personal and the professional level.

Values & behaviors

With these values at front of mind, 2021 was the year in which we kicked off our Employee Engagement & Culture program. Through a series of webinars, we introduced the Caldic Culture Wheel: five behaviors that embody the Caldic culture, with Respect and Integrity at the center. These are our core values and are present in everything we do on a daily basis. Since delivering the webinars,



we have embedded the Culture Wheel in all phases of the employee journey. The Culture Wheel figures in onboarding training, posters displayed at our locations worldwide, a foldable hexagon-shaped Culture Wheel to put on desks and meeting room tables, and digital company updates and trainings.

Global Excellence Awards

In 2021 we organized the **Global Excellence Awards**, an annual recognition program at global level which is run in addition to existing regional recognition programs. Because we care for our people, we attach importance to recognizing team achievements that contribute to the attainment of our strategic goals, helping us advance on our roadmap 2021–2024. The business cases that were submitted all demonstrated how our core values and behaviors are clearly tied to our business performance. These include putting the customer first, collaborating across functions, and acting in an agile way. The case study describing our close partnership with a food customer on the following page exemplifies this culture. Due to COVID-19-related travel constraints, the awards ceremony was organized as a virtual event that was held at the beginning of 2022.

Virtual Challenge

The physical and mental wellbeing of our employees is very important to us and we would like all our people to be engaged, healthy, and in good shape. At the start of 2021 – while the pandemic obliged many employees to continue working from home – we launched Caldic’s Virtual Challenge. This was an athletic challenge with a virtual starting- and end-point, totaling a distance of 290 kilometers that could be covered either by walking, cycling, running or swimming; every movement counted along the trail and was tracked in the Virtual Challenge app. This was a great opportunity in which many different teams across the company participated. Connecting with colleagues was just as important as physical exercise in this activity.

Collaboration is the winning formula

When exploring ideas to ramp up our commercial partnership with one of our business partners, teamwork and collaboration led to an inspiring new packaging solution for our customer and a Global Excellence Award for the team involved.



“When everyone is moving forward together, success takes care of itself”

Desiree Matheson
Customer Development Manager



Besides her focus on developing new blend solutions, another idea occurred to Desiree Matheson, Customer Development Manager, while she was walking round her local health food store. Desiree noticed that similar products were sold in stand-up pouches, not the tubs that our partner was using. Further investigation showed that the current tubs were a cumbersome choice. Lids and labels had to be sourced separately from the tubs, and COVID-19 was affecting the reliability of tub delivery. The shape of the tubs also created waste when it came to packaging and storage. It was obvious that stand-up pouches would be more logistically efficient while improving the visual impact of the product on the shelf.

However, production capabilities at Caldic were not set up to package into these small pouches. Desiree decided to run the figures. After carefully checking pricing for this option, she discovered it was possible develop a sustainable business case while offering the stand-up pouches – even when the pouches would initially need to be hand-filled.

Perseverance and teamwork

Through perseverance and masses of teamwork, Desiree and the operations team were able to acquire the production line equipment needed to make this a success. It was a real team effort. “It’s been amazing to see the team collaborate and bring this project to fruition,” reflects Desiree. “This is a great example of many of our cultural behaviors being put into practice to achieve a terrific outcome. Putting the customer at the center and working collaboratively with a wider team to address the customer’s challenges creates an inspiring atmosphere in which ideas and solutions thrive and come to life. It’s exciting to see our core values aligning for growth opportunities.”

Co-developing solutions with customers creates real, lasting value for Caldic. Desiree believes that: “Great things in business are never done by just one person. When everyone is moving forward together, success takes care of itself.”

Finding a match for matcha tea powders

When a relatively new tea bar business based in the Netherlands approached us looking for alternative ingredients, we were excited to co-develop and create the perfect match.

When trying to ‘match’ a product, it is not only a question of getting the same taste; we also seek to replicate the full functionality of the ingredient, including texture and interactions with other products. An additional challenge in this context was investigating and finding a solution to regulatory issues surrounding the import of specific products into the Netherlands.

“It was a great sense of achievement when we realized we’d perfected what our customer was looking for”

Sanne van den Bos
Application engineer



Our customer asked us to match several of their tea creamers. Not all challenges are equal, and in fact finding a match for the first one was easy, as it was just case of blending two creamers that were readily available from one of our principals. However, the other creamers were being bought in from Taiwan, and were more complicated to match, primarily because we didn’t have all the raw materials.

We were tasked with finding a match for their matcha blend, so we talked to our principal, who was able to supply us with various matcha tea powders. Together with the customer, we selected the most suitable one through a really enjoyable and collaborative process. Sanne van den Bos, the application engineer who led the innovation project, recalls, “We were invited to the tea bar before opening hours, so we were working behind the counter like real tea baristas”. Together, we found the perfect blend, and this product is now being served in all of the customer’s tea bars.

Technical challenges

The more complicated blend was the taro blend, as it contained real taro powder. “This is technically a very challenging beverage”, explains Sanne. “It’s a balancing act between getting the mouthfeel, viscosity and suspension of the taro powder right, and at the same time the sweetness profile and the flavor. Taro is a sweet purple potato that grows in Asia, so we enlisted the help of our colleagues in China, who were able to help us in acquiring a suitable powder. Our colleagues from QHSE in Nieuwegein, meanwhile, supported us in getting the powder approved for use in Europe. Besides the regulatory challenges involved with this blend, we also had the additional complexities of finding the right mouthfeel, preventing sedimentation and getting a desirable sweetness and flavor.”

The taro powder gives the blend its color, taste and also some of its viscosity. When the dosage was too high, however, there was sedimentation. This was not

aesthetically pleasing as the drink is sold in transparent beakers. “To find the right amount of taro powder was very challenging, as we needed it for taste and color, but when we added too much, it would sink to the bottom of the cup,” explains Sanne. The search for the right formulation was very challenging. It required 26 trials before we were all fully satisfied with the outcome. It was a great sense of achievement when we realized we’d perfected what the customer was looking for.”

In this case, the customer shared the original product with us and, using only the ingredient declaration and the nutritional value, we made an estimate of the likely ingredients. Sanne explains further that, “We then evaluated the product, and although we have the capability to analyze the powders, it wasn’t necessary in this situation. Once this initial assessment was completed, we started on the major testing. We studied the impact of different ingredients, different ratios and, of course, we did a lot of tasting.

With solutions such as our Pectacon® blends, we managed to overcome various challenges.”

Meeting customer needs

Our customers choose to match products for several reasons, including shorter lead times and local stock-keeping. By working closely with our colleagues, customers and principals, we were able to co-develop a solution that met the customer’s needs, which in this case involved supplying these creamers in small transparent packs produced on our special packaging line in Nieuwegein.

Sanne shares her sense of pride in this achievement: “When I walk past a tea bar and see people queuing outside to get a bubble tea, I feel really proud that they might be buying the product that I developed. And with franchises popping up like mushrooms on all sides, we expect the volumes of these solutions to increase. It’s a great feeling, knowing that we were able to take care of our partner’s products and business.”



Care for our people and our communities

Talent development and capability-building

With more than 1,200 talented and engaged employees across the regions, it is our people who are central to the effective execution of our strategic roadmap. We believe that we can maintain our strong growth journey by building our talents, developing and growing people from within. We want our people to have a challenging and rewarding work experience – one that gives them the opportunity to gain new experience, make an impact and further develop themselves. We do this by offering employees attractive and relevant learning and career development opportunities and by strengthening the leadership and diversity pipeline across the organization.

In 2021, as part of our broader Leadership development program, we organized 360° assessment sessions for our employees in senior leadership roles and employees who play an important role in the execution of the strategic plan, with the aim of supporting individual and organizational development. The goal of this program is to identify key strengths and areas for development. Following the completion of the 360° assessment, personal development plans are put in place to further support personal and professional development. These plans ultimately contribute to the successful implementation of our strategy.

Caldic Sales Academy

2021 marked the launch of the Caldic Sales Academy for the region Europe. The Sales Academy is a two-year, bespoke training program with a strong focus on sales and leadership training, designed to help our commercial colleagues develop their capabilities in line with our strategic goals, while achieving their professional potential. Through a combination of online sessions, coaching and

personal study, this interactive program enables our employees to better capitalize on business opportunities that support our strategic growth.

With training modules covering subjects ranging from customer-centricity to value-based selling, the program delivers the fundamentals that will help Caldic in its ambitious growth trajectory. With over 327 employees enrolled in Europe during 2021, this program aligns capabilities and ensures that our teams all achieve a uniform standard in professional sales development.

Read some of the experiences of the participants on the next page.

Developing home-grown sales talent



Liselotte Verhoeven, Customer Development Manager Industrial Markets, was one of the first participants of the Sales Academy in 2021. She is very happy at having had the opportunity to be enrolled in the Academy, because it offered her many new and useful insights. “One of the key outtakes for me,” she observes, “was that you need to be prepared and well informed about your customer in advance. Do all kinds of research to make sure that you don’t overlook something. The essential lesson is to listen to your customer.”

Arzu Erdem, Inside Sales Industrial Markets, is new to sales. She believes that by covering real customer issues and presenting real-life examples, the training is preparing her well for a fulfilling career. Arzu: “I appreciate the fact that the Sales Academy was created specifically for Caldic, so it features realistic situations. In particular, I like learning about the FOCA (Facts, Opinions, Change, Actions) technique as well as the idea of how to stop a circular argument with a customer.”

For Arnout van Damme, who joined Caldic as Customer Development Manager Industrial Markets in 2021, it is his first job since graduating. Like Arzu, he has enjoyed the practical nature of the training. “The Sales Academy has helped me in focusing my time on the decision-makers. One of the reasons I joined Caldic was because the company nurtures the entrepreneurial

spirit, and I see this coming out in the Sales Academy.” When asked what his most valuable learning was, he doesn’t need time to think. “The whole trial and error process: that failure is part of the process. What matters is how you deal with a setback, turn it into your advantage and use it to do better next time”.

Facilitating global connections

Besides all the valuable lessons learned at the Caldic Sales Academy, creating cross-company connections is another essential element of participation. These connections enable commercial teams to leverage sales skills and experience across a broader employee base, helping to accelerate the Caldic way of doing business. And while the pandemic inevitably increased remote working and feelings of isolation, being part of the Sales Academy facilitated new connections. The interaction within the group and the chance to discuss subjects in smaller groups and learn from each other were welcomed with great enthusiasm. “Because of the Sales Academy, I was in touch with more experienced colleagues who are active in the same field,” says Liselotte. “That enabled me to ask questions and gave me the opportunity to develop myself further.”

Next up is rolling out the Sales Academy in other regions, starting with Asia Pacific, North America, and – with the recent acquisition of GTM – also in Latin America.



Liselotte Verhoeven
Customer Development Manager
Industrial Markets



Arzu Erdem
Inside Sales Industrial Markets



Arnout van Damme
Customer Development Manager



Knowledge transfer for Pharma market

At the end of 2020, Caldic acquired Brand Nu and BNL Sciences as a strategic step in expanding its existing (bio)pharma activities. With these two companies on board, we have been able to strengthen Caldic's presence in the growing pharma and biopharma markets. Following several knowledge transfer sessions, our teams are now well equipped to optimize cross-selling opportunities for high-purity specialty chemicals and biological raw materials.

Fastest-growing segment

Around the world, the population is aging. This is leading to a rise in the incidence of chronic conditions such as cancer, diabetes and heart disease. "Pharmaceutical and biopharma manufacturers are actively working on new medicines and treatments, so this has become one of our fastest-growing segments over the past years," says Toni Patton, Sales Manager Pharma in North America.

Over the years, regulatory agencies have substantially raised the standards for higher quality levels of raw materials and manufacturing. This development has further reinforced the need for

pharmaceutical production has supported pharmaceutical companies, as acknowledged by the long-lasting partnerships both companies enjoy with their customers.

"Partnering with pharmaceutical and biopharma manufacturers means we're part of the supply chain that facilitates our customers' ability to bring medicines to patients and this includes life-saving medicines that are critically needed by patients worldwide," explains Toni. "For us, this was all the more reason to quickly roll out our capabilities to Europe, including quality trainings on GMP and our portfolio."



Toni Patton
Sales Manager Pharma in North America

"Collaboration was key in this project"

companies specializing in products and services that go beyond the provision of chemicals alone.

Long-lasting partnerships

The strength of Brand-Nu and BNL Sciences in supplying chemicals and biologicals for large and small-molecule

Spearheaded by John Gorman, CEO of Pharma Global, Toni and Dries Segers, Business Development Manager Pharma Europe, organized the training sessions for the European sales teams to transfer their expertise and knowledge. Covered topics included packaging and formulations,

manufacturing under cGMP (current Good Manufacturing Practices), quality systems, and product portfolio extension.

Collaborating for success

During the training sessions, there was great cooperation and collaboration between the teams from North America and Europe. "Collaboration was key in this project," recalls Toni. "Working together with Dries and other colleagues in Europe made the well-prepared training sessions a success. As a result, the commercial teams immediately tried to process how they'd be able to offer these products to their customers or find approaches to bring this offering to new segments".

The knowledge transfer has already enabled the commercial team to drive new business development opportunities in Europe. Within a short time, the team was able to solve a supply problem faced by one of Brand Nu's customers. Caldic was able to supply a chemical that is difficult to source and the opportunity for cross-selling became a reality. While regulatory and customer demands will continue to shape the changes in the industry, it is clear that today Caldic's Pharma team is very well positioned to deliver on the evolving requirements in the global pharma and biopharma industries.

Care for our people and our communities

Community engagement

While developing our strategy at the beginning of 2021, we concluded that working for Caldic means working for a better world. And it means working with the world. Working with colleagues, business partners, and beyond – society at large – to inspire innovative solutions that make a positive difference, every day. Our commitment to community engagement, which is outlined in our strategic roadmap, falls within this scope.

Around the globe, a large number of Caldic entities support initiatives to improve local lives and to protect the planet we all call home. Whether volunteering at local food banks, collecting toys for children's camps, or planting trees, our employees' generosity and humanity is making a difference.

Since we believe that by joining forces we can have a greater impact, we have identified a number of non-profit organizations (NGOs) and initiatives that are close to our business. These we intend to support in the coming years. They include the Food Bank, Doctors Without Borders (Médecins Sans Frontières) and The Ocean Cleanup.





Donating time at the food bank

Local and national companies are essential partners in the work of food banks. From mobilizing employee volunteers to sponsorships and donations, small businesses as well as organizations with a global reach can make real change in local communities.

At Caldic, various initiatives have been organized to support food banks in countries including in Canada, France, Nordics and the Netherlands. Here we take a closer look at the food bank in the Netherlands, where in September 2021, a team of European management colleagues volunteered at the Food Bank Rotterdam. They rolled up their sleeves, donned safety clothing and got to work sorting, checking and packing emergency food parcels for a large number of households in the region.



Extra pairs of hands

Femke Krabbenborg, HR Director Europe, was also there to play her part. "I'm very impressed by what the food bank in Rotterdam is doing for this large number of households in need," she recounts. "To give you an idea of its scale, over 600 volunteers are needed to provide weekly food parcels to around 6,300 households, and it's the biggest of 10 national distribution centers in the Netherlands. Supporting

them by donating money and food is very welcome, but they are most in need of extra pairs of hands."

Laurent Pasqualini, CEO Caldic Europe, confirms this. "We were surprised to hear that more than food, the Food Bank needs volunteers to help with logistics," he explains. "This meant our time spent at the center was more valuable than we'd realized. And research shows that going forward, more and more people will rely on food banks to help them in times of need. That's why we have decided that, Because we care, we will commit to regularly supporting the Food Bank Rotterdam".

Going forward, other colleagues will also participate in this worthwhile activity. Caldic has committed to supporting this food bank in its future plans to create a number of 'supermarkets'.

"I'm very impressed of what the food bank in Rotterdam is doing"

Femke Krabbenborg
HR Director Europe

Because we care, we help protect the planet by embracing the principles of sustainability, designing products, services and processes with these in mind.

- Climate change
- Waste and wastewater
- External assessment
- Sustainable packaging



Care for our environment and planet

Climate impact

Considering our position in the supply chain as distributor and solutions provider to the life science and industrial formulations market, we acknowledge the impacts our activities have on the environment due to energy use in our locations, shipping of products, and our operational process. We are committed to reducing our environmental footprint while driving our business forward.

Energy

As Caldic, we can influence our environmental impact in two primary areas when it comes CO₂ emissions: inbound and outbound logistics, and energy consumption in our locations. With respect to the data collection for the baseline measurement, our focus lies on the measurement of energy consumption that falls within GRI (Global Reporting Initiative) scope 1 and 2 and associated carbon dioxide emissions (CO₂e), while we aim to reduce our CO₂ footprint per metric tonne of shipped product. All Caldic entities report on Key Performance Indicators (KPIs) that have been outlined in our strategic roadmap.

Renewable electricity

In 2021 we focused intensely on increasing the share of renewable electricity use in our facilities. We took further steps towards a more positive climate impact by shifting to renewable energy sources and LED lighting. In October we passed the first milestone as we recorded a more than 70% share of renewables in our total usage. In 2020 this figure was 64%, roughly a 9% increase compared to the previous year. This is the result of a growing number of Caldic locations in Europe and Asia Pacific using solar generated energy as well as energy provided by hydro and wind power. Some of the Caldic locations rely fully on 100% renewable electricity.

In terms of energy consumption in 2021, we used in total 92.059.943 megajoules, which equates to 5067 MT CO₂e. The GHG emissions intensity, based on our CO₂ emission per million € of sales, was 5168 kg in 2021.

Source	units	2021
Electricity-non renewable	MWh	3450
Electricity-renewable	MWh	7811
Natural gas	M3	708750
Gasoil (heating)	Liter	131928
Diesel	Liter	541916
Gasoline	Liter	144182
LPG	Liter	0

Overview of total Caldic energy consumption in 2021

Our commitment to reduce energy consumption translates into energy-saving projects that we initiated across several locations. These included partnering with Energy4Climate in Belgium, external consultant-led energy scans in Italy and Canada, and investments in insulation and heating systems in Spain.

Salt solves energy storage challenge

The rate of climate change continues to accelerate, encouraging experts worldwide to seek new approaches to deliver energy security. This is also how HEAT-INSYDE was born. It is a consortium of industry specialists working together to provide a solution for households to store heat using salt.



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The European Union is targeting a 32% share of renewable energy by 2030. This ambitious goal requires immediate and effective action. The main use of energy by European households is for heating, but until recently, no compact and affordable solution was available to efficiently store and supply heat energy based on user demand.

Affordable, compact, loss-free storage Time for change, is what a group of organizations and industry specialists from the Netherlands thought a couple of years ago. It all started with CREATE (Compact Retrofit Advanced Thermal Energy Storage), a consortium of 11 partners working together on the development of an advanced thermal storage system. Their aim was to enable economically affordable, compact and loss-free storage of heat in existing buildings. The hero of this story? Salt.

Storing heat in salt

Henry van der Meer, Product Manager Specialty Chemicals at Caldic Benelux, represented Caldic and coordinated the salt supply and manipulation for CREATE. "The heart of this "heat battery" consists of a vessel in which salt is hydrated, which creates energy," explains Henry. "When the salt is dehydrated, this energy is stored in the salt itself. Storing locally generated solar heat in summer for use during the cold winter months bridges the gap between supply and demand for renewable heat".

Caldic not only supplied the salt but also advised on and developed the optimal shape for the salts. The salt type that was used is called potassium carbonate. Graphite was used as an additive to shape the salts into the desired form.

Taking it to the next level

Eventually, the heat storage system was successfully delivered and installed at an orphanage in Warsaw. So, after concluding the CREATE project, two of the participants – The Technical University of Eindhoven (Netherlands) and TNO (The Netherlands Organization for Scientific Research) felt they could simplify the rather large and complex CREATE installation, making it available to more households. They asked Caldic to define the optimal production process for the thermochemical material to be used. More participants joined in, and soon a new consortium was established: HEAT INSYDE. Together, they managed to make the system smaller, lighter and more effective.

"Right now we are in the phase of testing and tweaking, and looking into the possibility of transporting heat to households from areas where lots of energy is produced – industrial plants," says Henry. "By the end 2022 we will run a commercial test project in Geleen, the Netherlands, where we will install this optimized heat battery."

Energized by energy project

While his regular activities for Caldic evolve around providing value-add solutions for customers in specialty chemicals, Henry is keen to continue his support in the HEAT INSYDE project. "Being part of this group of innovative scientists joining forces to tackle the energy challenge gives me the energy to go the extra mile and come up with innovative solutions. We reinforce each other, and this is something I can apply in my job as Product Manager. It gives us an opportunity to develop ourselves and at the same time to make a contribution, however small, to a better world."



"Jointly tackling the energy challenge gives me the energy to go the extra mile"

Henry van der Meer
Product Manager Specialty Chemicals at Caldic Benelux

Care for our environment and planet

Waste and wastewater

We are committed to responsible waste and water management in our supply chain. And we are keen to reduce the use of water across our businesses while respecting and complying with local legislation and the relevant requirements of the communities in which we operate.

When we established our baseline measurement for reporting on waste in 2020, little did we realize that the attention given to the subject would raise overall awareness and trigger subsequent initiatives to reduce the levels. Remarkably, this resulted in a reduction of waste generated by around 23% in 2021, down to 1,247 mt from 1,620 mt in 2020.

The consumption of water increased due to usage for water-based products and dilutions, which grew significantly in 2021. Water usage was 47.600 m³ in 2021 compared to 42.333 m³ in the previous year.

Care for our environment and planet

Sustainable portfolio

In a world where products with a smaller environmental footprint are gaining traction, we are strongly encouraged to identify products and services that help our customers on their sustainability journey. Across our businesses we provide different solutions that can help deliver a more favorable environmental footprint.

In the context of food applications, for instance, our Dadex®, range of natural antioxidants significantly increases shelf life. As a result, food products remain fresh and retain their quality for longer, which directly impacts food waste, reducing the amount of food thrown away. Another example, leveraging the growing interest in vegan and vegetarian options, is the formulation work done by our food technologists to develop tasty meat alternatives with a smaller environmental footprint.

Beyond food, we are exploring the use of bio-based materials – for the automotive industry, for example, where conventional engine coolants typically contain additives such as corrosion inhibitor to prevent damage to surrounding engine components. Such additives are mineral-based and contain nitrate and silicate – substances that are potentially toxic to the environment. Caldic has developed an Organic Acid Technology-based OAT Long Life coolant. Our Malaysian pilot with light-weight city cars proved that OAT Long Life not only provides a more sustainable formulation but interestingly also outperforms the conventional coolant technically in terms of product life.

To further drive a more environmentally friendly product offering, in 2021 we agreed an exclusive partnership with cleantech innovator Celtic Renewables for the European distribution of a range of bio-solvents. The case study on the following page details the opportunities this creates for our customers to advance their sustainability journey.



Partnering for the future of the planet

Increasing the number of sustainable products in our portfolio is part of our strategic plan and ensures we can meet the needs of customers who increasingly make decisions based on the environmental credentials of products.

One of the latest additions to our portfolio is a bio-solvent solution, which means we can offer alternatives to fossil-fuel-based ingredients and chemicals that are currently used in personal care, pharmaceutical, food, and industrial chemical products.

Roger Collis, Business Development Director, explains. “Many everyday products, from paints and plastics to nail polish remover and lipsticks, contain solvents that are almost entirely derived from fossil fuels. However, customers are increasingly looking to make choices that are better for the environment, so we wanted to find a solutions partner to meet this demand.”

In 2021 we started working with Celtic Renewables, an innovative biotech company based in Scotland (UK). Their pioneering solution has the potential to steer the world away from dependence on petrochemicals. Using low-carbon technology, they convert unwanted and low-value biological material into high-value renewable chemicals, sustainable biofuel, and other commercially and environmentally valuable products. “This inspiring solution,” Roger goes on to say, “capitalizes on established technology that has been adapted and enhanced for use in a modern biotechnology context. It’s exciting to be their first major re-seller.”

Everyday sustainability

One of the new solutions Caldic will bring to the market is bio-butanol, which

is produced through a fermentation process utilizing sustainable biomass. This results in a high-purity bio-butanol, which produces up to 85% lower carbon emissions than alternative, petroleum-based sources. Roger explains that “Primary applications for bio-butanol can include coatings, adhesives and inks, or it can be used as a solvent and an intermediate in the production of monomers and polymeric emulsions. It can also be used in the manufacture of high-performance biofuels.

“We’ll also be offering two other solutions, bio-acetone and bio-ethanol, to the market,” Roger continues. “These also use the same fermentation process, providing greener alternatives for products such as paints, coatings, adhesives, inks, cosmetics, personal care products, household and industrial cleaners, pharmaceuticals, research chemicals, and other specialties. This high-purity bio solution, with its extremely low carbon footprint, will provide Caldic’s customers with a sustainable bio-based alternative to fossil-fuel-derived solvents.”

Alternative solutions

Sustainability is an important metric for all businesses, and driving down carbon footprints is an important step in meeting ESG (Environmental, Social, and Governance) goals. In addition to creating pollution, fossil fuels are finite and their scarcity is driving up prices. Finding alternatives for use in products therefore makes not only environmental sense but also economic sense. “We’re excited to be able to bring these unique bio-solvents to the market,” concludes Roger. “From manufacturers of personal care and homecare products to those involved in the production of biofuels, exploring the benefits of this sustainable solution makes sense, and we’re excited to be involved in helping people to make sustainable choices.”



“This high-purity low carbon solution will provide Caldic’s customers with a sustainable bio-based alternative to fossil-fuel-derived solvents”

Roger Collis
Business Development Director



A greener all-in-one cleaner

House cleaning typically requires a handful of products to help with the task. The mix of cleaning bottles normally clutters the kitchen cabinet but, more importantly, requires individual packaging with the accompanying environmental footprint.

Our principal in Malaysia, Dow, sought to resolve this challenge via a request for new formulation proposals while enabling capability development. Thanks to Caldic Malaysia, an all-purpose multi-functional cleaner with biodegradable ingredients was developed.



“I’m happy to see Dow has embraced the concept”

Mindy Lim
Technical Development Manager
at Caldic Malaysia

Dow strongly believes in driving innovation together with supply chain partners such as Caldic. To encourage product development, last year Dow’s Home Care division requested formulation proposals from some of its partners. Four partners were invited to participate. Caldic was among these four and was chosen to deliver the solution.

Technical expertise

Equipped with a Bachelor’s and Master’s degree in biotechnology, Mindy Lim, Technical Development Manager at Caldic Malaysia, set out to work on the formulation that would simplify house cleaning. “My R&D background and experience in new product development in prior jobs were instrumental in helping us develop the new formula that would

do the trick for a range of cleaning tasks,” explains Mindy. “In our application laboratory, we applied a mix of Dow products as key ingredients and the resulting prototypes were extensively tested by panelists. Their evaluation allowed us to tweak the formulation to optimize the cleaning properties. Once we had demonstrated its superior performance against benchmark products, we submitted the formulation to Dow for assessment”.

The result is a formulation that delivers a single concentrate that can be diluted with ordinary tap water to create cleaning products for a range of different purposes.

Environmentally friendly

As of July 2021, Dow’s Home Care portfolio proudly features a marketing leaflet promoting the All-purpose multi-functional cleaner, which is available in Southeast Asia, Australia and New Zealand. “I’m happy to see Dow has embraced the concept,” says Mindy. “It makes mundane cleaning tasks so much easier. Whether it’s washing the dishes by hand, cleaning table-tops, or even cleaning floors, it can all be done with a single product by simply diluting the concentrate. Keeping your house clean and hygienic has never been easier. The final formulation contains ingredients that are readily biodegradable while delivering impressive cleaning results, so it is friendlier for the environment as well.”



Solutions inspired by nature

Helping people to make ethical and sustainable choices when it comes to developing personal care products is high on our agenda. It makes sense as a business to meet this increasing demand, but it is also the right thing to do for the environment and humanity as a whole. Developing products and solutions that have been ethically sourced as well as being sustainable is part of our strategic direction.

Nature versus science

One recent addition to our product line is a solution for fighting the impact of blue light on the skin. This challenge has become even more relevant today, given the increasing amounts of time spent using screens, whether in the form of smartphones, tablets, televisions or computers.

Blue light is everywhere however: we are not exposed to it from screens alone. Streetlights, sunlight and even energy-saving lightbulbs all give off this blue light, which penetrates the skin even more than ultraviolet light.

Including the natural plant source *Medicago sativa* (alfalfa) in Urbluray MS from GREAF enables the absorption of visible light of the relevant wavelength. Not only can this product protect this skin; clinical trials have shown it can also effectively repair skin damage caused by blue light.

Balanced future

With ingredients such as these, our customers can develop products such as sunscreens and body lotions that avoid toxicity concerns, are more environmentally responsible and perform better than earlier formulations. Today,

Within Personal Care, we are continually investigating new opportunities as well as reviewing existing supply chains, product origins and technologies, to ensure we are able to offer more environmentally sound choices to our customers, who can then meet the increasingly ethically driven demands of consumers.

Combining personal care with ethical considerations, we scour the globe, searching for innovative active ingredients to enable our customers to deliver on these big asks. When considering the wider impact of a product, we look at everything from social impact and child labor to whether a product is vegan and PEG (polyethylene glycol)-free, so we can find the innovative ingredients that meet consumer needs as well as more stringent stakeholder and investor requirements.

Michiel Kerkhoven, Business Development Manager Personal Care Europe,

believes that, “Staying a step ahead of trends means innovating and taking inspiration from nature”, and that, “Having a range of products that have been sourced with sustainability and other ESG factors at front on mind is key in being able to meet the needs of our customers, who are looking to meet their own customers’ increasingly ethically driven demands.”

“Staying a step ahead means innovating and taking inspiration from nature”

Michiel Kerkhoven
Business Development Manager Personal Care Europe



Impacts of this high-energy visible (HEV) light, which has stronger penetrating power than ultraviolet A-rays (UVA), leads to irreversible skin damage, including a weakening of the epidermal barrier, pigmentation and lipid impairment, leading to skin darkening, skin aging, erythema, water shortage and dry skin.

we are able to balance years of innovative scientific developments with the best of the natural world to bring inspiring active ingredients that respect both people and our planet.



Extending shelf life reduces food waste

The United Nations estimates that each year a third of all the food produced worldwide, equivalent to 1.3 billion tons, ends up in the bin. It has therefore set a target of halving the amount of food waste by 2030. This challenge involves many players, from farmers to end-consumers, so we all need to play our part in reducing this waste.

At Caldic, we are actively taking steps to support our customers by introducing products into our sustainable portfolio that extend the shelf life of both food for human consumption and pet food. “Sustainable sourcing comes in various forms,” observes Isabelle Tremblay, Director Nutrition and Pharmaceutical at Caldic Canada. “In addition to our drive to partner with manufacturers and suppliers, we are committed to these same sustainability goals.”

We work closely with our customers and principals to understand their shelf-life requirements and find solutions that meet

“Sustainable sourcing comes in various forms”

Isabelle Tremblay

Director Nutrition and Pharmaceutical Caldic Canada



their needs. As Isabelle says, “We aim to provide ingredients to our customers that extend the shelf life of finished goods. This reduces the impact on the environment and addresses key sustainability goals for our customers, as well as for us.”



Over the last year, we have seen examples of products spending longer than expected both in warehouses (as a result of the COVID-19 pandemic) and trucks (due to Brexit). Many items could no longer be sold due to spoilage. Increasing the shelf life of products also provides a buffer for unexpected delays.

We have been offering the Dadex® range of antioxidants in North America for 40 years, and it is widely recognized as a leader in powerful antioxidant solutions for the food, pet food and aquaculture markets. We have recently introduced this brand to Europe and it is exciting to see awareness of it increasing in this region too.

The Dadex line includes synthetic, natural, non-GMO and organic blend antioxidants solutions customized to specific applications and finished products. With our fully equipped laboratories and experienced R&D teams, we assist our customers with shelf life assessment, residual antioxidant analysis, and recommendations for increasing the shelf life of their finished products.

The power of nature

We now also offer the most comprehensive line of natural antioxidants in the industry. These can contain tocopherols, rosemary, green tea, lecithin, among

other naturally occurring antioxidants. John Craven, Principal Scientist, shares how we go about finding the optimal solution for a customer. “We keep flavor and aroma to a minimum while still offering the best performance by optimizing the ratios of the ingredients. When a customer comes to us with a

microbial control systems and various preservatives, we’re able to help customers extend the shelf life of their food products, and therefore limit the amount of waste.”

Isabelle concludes: “With over 80 solutions available to solve the toughest

“We see a drive to achieve longer shelf life using antioxidants from natural sources”

John Craven
Principal Scientist



challenge, our dedicated R&D application and process development support teams welcome the opportunity to make a difference. Combining our unique blend of science, quality and customer service guarantees great results, whether that’s in the finished product, operation or supply chain arena.”

John adds: “The overall trend we see is a drive to achieve longer shelf life using antioxidants from natural sources. As a result, we need to be more targeted with our solutions. By supplying these innovative antioxidant solutions, natural

antioxidant challenges, our teams are passionate about helping customers make the right decision, for themselves and the planet.”

Care for our environment and planet

External validation



To validate our sustainability performance, we implemented Ecovadis assessments across all Caldic locations. Ecovadis is a globally recognized provider of sustainability ratings, evaluating performance of organizations across 21 indicators covering the broader topics of environment, labor and human rights, ethics, and sustainable procurement.

In 2021, 11 of our locations participated in the Ecovadis assessment, with seven achieving a higher rating compared to the previous year. Four of our entities were awarded with the Gold rating for the first time, bringing it to a total of five entities with a gold rating. Additionally, we gained one new Silver rating, and two new Bronze ratings. These awards not only recognize Caldic's existing commitments across a number of areas but also encourage us to continue to improve going forward. Ultimately our goal is for every location to achieve the Gold rating by 2024.

Care for our environment and planet

Sustainable packaging

We believe packaging has a place in our business. In our supply chain, packaging plays a crucial role that enables us to ensure products are delivered intact and at the quality level our customers require.

At the same time, we acknowledge that while packaging is protective by nature, it has a negative impact on the environment, hence our interest in this topic. In 2021 we had in-depth discussions with various colleagues across our businesses to determine baseline measurements for data collection, and to develop our understanding of opportunities to do better in terms of reducing our impact on the planet. We will continue to explore the increased use of, for instance, biobased plastic to replace fossil-fuel-based alternatives and to identify how we can make more use of recyclable packaging.

Returnable packaging

In our quest for more sustainable solutions, we partnered in 2021 with key customers in Asia Pacific to study new types of packaging, such as the flexi bag and high-density polyethylene (HDPE) drums. Such formats could potentially be more environmentally friendly alternatives to ISO tanks and steel drums, besides helping to further reduce waste. In our warehouse facilities in Thailand, we implemented a returnable package system that is more environmentally friendly. The system utilizes intermediate bulk containers (IBCs) as returnable packaging in place of steel drums. This change has been beneficial from both an environmental and an operational perspective, delivering cost savings, less waste to be destroyed, and reduced filling time as well. A multiple-win project.

GRI Content Index 2016

SRS	Disclosure	Disclosure requirements	Reference 2021 Annual Report
GRI 102: General disclosures 2016			
1. Organizational profile			
102-1	Name of the organization	a. Report the name of the organization	Corporate governance
102-2	Activities, brands, products, and services	a. A description of the organization's activities. b. Primary brands, products, and services, including an explanation of any products or services that are banned in certain markets	Key facts & figures 2021
102-3	Location of the organization's headquarters	a. Report the location of the organization's headquarters.	Key facts & figures 2021
102-4	Number of countries operating	a. Number of countries where the organization operates, and the names of countries where it has significant operations and/or that are relevant to the topics covered in the report.	Key facts & figures 2021
102-5	Nature of ownership and legal form	a. Report the nature of ownership and legal form.	Letter from the Chairman Letter from the CEO
102-6	Markets served	a. Markets served, including: i. geographic locations where products and services are offered; ii. sectors served; and iii. types of customers and beneficiaries.	Key facts & figures 2021
102-7	Scale of the reporting organization	a. Scale of the reporting organization, including: i. total number of employees; ii. total number of operations; iii. net sales (for a private sector organization) or net revenues (for a public-sector organization); iv. total capitalization (for a private sector organization), with a breakdown in terms of debt and equity; and v. total number of units of products and services sold or provided.	Key facts & figures 2021 Financial figures 2021
2. Strategy			
102-14	Strategy Statement from senior decision-maker	a. A statement from the most senior decision-maker of the reporting organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy for addressing sustainability.	Message from the CEO
102-15	Key impacts, risks, and opportunities	a. A description of key impacts, risks, and opportunities.	Message from the CEO
3. Ethics and integrity			
102-16	Values, principles, standards, and norms of behavior	a. A description of the reporting organization's values, principles, standards, and norms of behavior.	Our culture

SRS	Disclosure	Disclosure requirements	Reference 2021 Annual Report
102-17	Mechanisms for advice and concerns about ethics	a. A description of internal and external mechanisms for: i. seeking advice about ethical and lawful behavior, and organizational integrity; and ii. reporting concerns about unethical and unlawful behavior, and organizational integrity	Legal and compliance
4. Governance			
102-18	Governance structure	a. Governance structure of the reporting organization, including committees of the highest governance body. b. Committees responsible for decision-making on economic, environmental, and social impacts	Corporate governance Legal and Compliance
Topic Specific Standards: Most material topics on which Caldic is starting to report in alignment with the GRI Standards			
GRI 200: Economic topics			
205	Anti-corruption 2016		Code of Conduct, corporate governance
206	Anti-competitive behavior 2016		Supplier Code of Conduct
GRI 300: Environment topics focusing on climate action			
GRI 302: Energy 2016			
302-1	Energy consumption within the organization		Climate change
302-3	Energy intensity		Climate impact
302-4	Reduction of energy consumption		Climate impact
GRI 303: Water and Effluents 2018			
303-3	Water withdrawal		Waste and wastewater
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) CO ₂ emissions		Climate impact
305-2	Energy indirect (Scope 2) CO ₂ emissions		Climate impact
305-4	GHG emissions intensity		Climate impact
305-5	Reduction of CO ₂ emissions		Climate impact
GRI 306: waste 2020			
306-3	Waste generated		Waste and wastewater
306-4	Waste diverted from disposal		Waste and wastewater
GRI 400: Social topics (human rights in operations and supply chain)			
404-1	Training and education 2016		People development and capability building
408-1	Operations and suppliers at significant risk for incidents of child labor		Code of Conduct



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