



BIOGEL AG

Corporate Sustainability Report 2021

1. EDITORIAL

Dear readers,

Being a family company, we continue to strive to preserve the value of our natural resources, such as water, energy, and resources nature offers to us. Being part of the Gelatin and Collagen circular economy cycle is an important contribution to the agriculture and animal processing industry.

To document our activities, we are delighted to publish our sustainability report for 2021. It provides information on the progress achieved on projects to improve our environmental record, on work safety for our employees, and on initiatives that benefit people in our surrounding communities also in the future.

Seeing sustainable solutions not only as a competitive advantage, but will also further strengthen our long-term commitment to making good things even better.



Roland Fischer, CEO Biogel AG

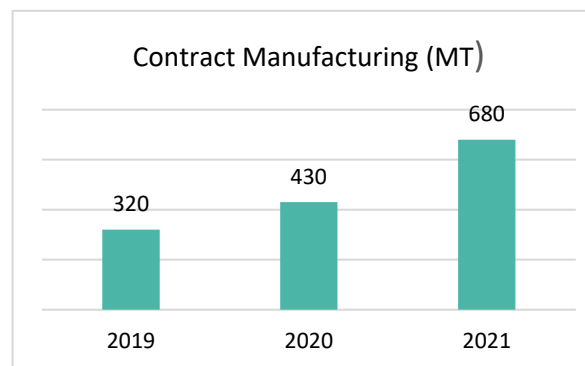
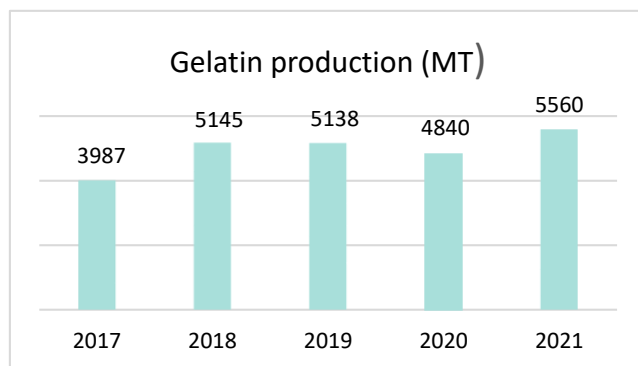


2. PRODUCTION-PORTFOLIO

Biogel's environmental footprint is strongly influenced by the actual production quantity output. For this purpose, the production statistics are included in the sustainability report.

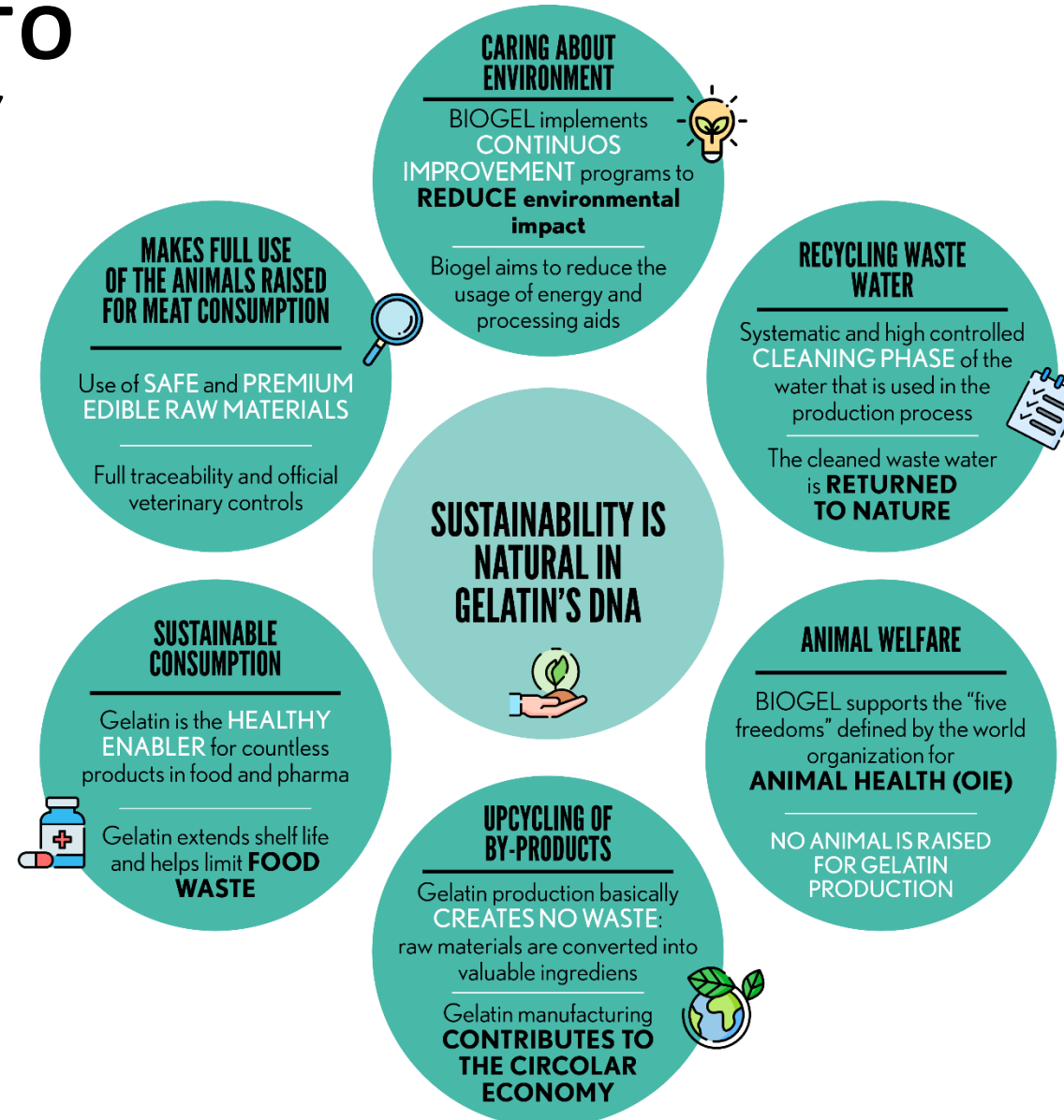
As illustrated on the graph, after a certain reduction in 2020 Biogel increased the Edible and Pharmaceutical Gelatin production substantially again in 2021 (+ 15 %) and continues on such level also throughout 2022. Investments for production increases are continuously realized to meet also further market trends. In addition, the Collagen Peptide contract manufacturing division has developed dynamically and shows promising signs for the future.

The newly installed production line for Collagen Food Supplements has been successfully launched in 2021 and contributes to our core competencies in view of Gelatin & Collagen. As a contract manufacturer for reputable consumer brands, we as well focused on sustainable production processes.



2.1 CONTRIBUTING TO CIRCULAR ECONOMY

In recent years, various projects in the field of the circular economy have emerged in cooperation with our supply-chain partners. Biogel moves towards bringing creative solutions and innovative initiatives into play with the aim of making our market performance more circular. The future task will be to bring these numerous activities and advocates together, exploit synergies, and lend impetus to the circular economy in Switzerland.



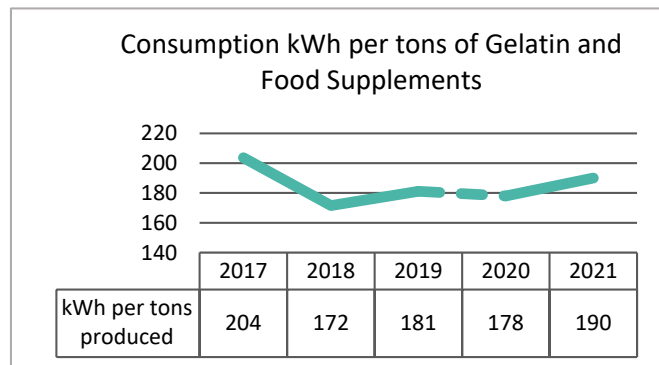
3. ENVIRONMENT MATTERS

3.1 OUR FOCUS



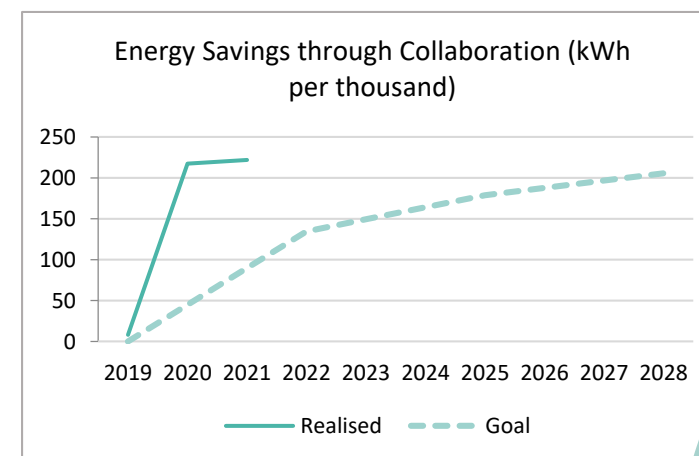
We consider reducing energy consumption and improving our CO₂ balance to be at the core of our sustainability vision and one of our most crucial priorities. To achieve significant improvements in our CO₂ emissions, Biogel initiated 2018 a cooperation with *Energie Agentur der Wirtschaft* with the objective to analyze potential energy optimization possibilities, which will lead to a substantially improved CO₂ emission balance. In 2020 a major investment has been completed for the reduction of electric energy in the production halls. Nevertheless and due to the launch of the new production line, the average consumption per metric ton has increased due to more complicated formulas and food safety measures.

We are proud of the fact that the Swiss Federal Government and partners recognized this effort by supporting a renewed certificate, attributing Biogel’s effort for sustainable climate protection, by actively reducing CO₂.



→ -6,9%

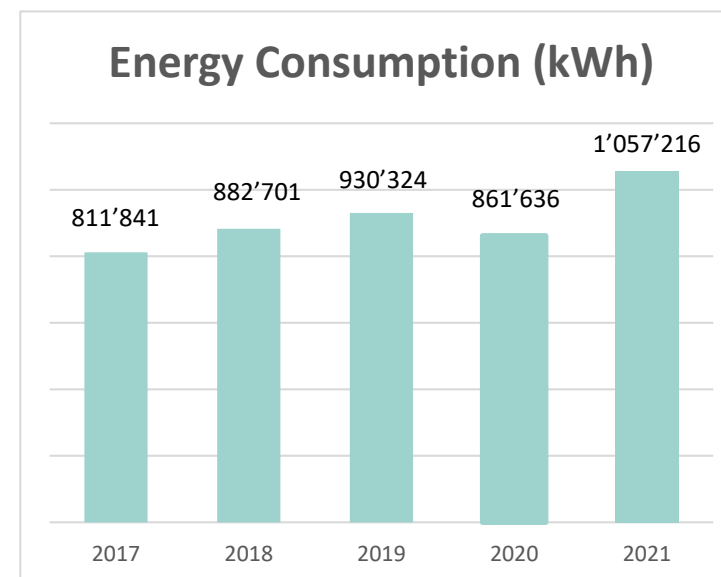
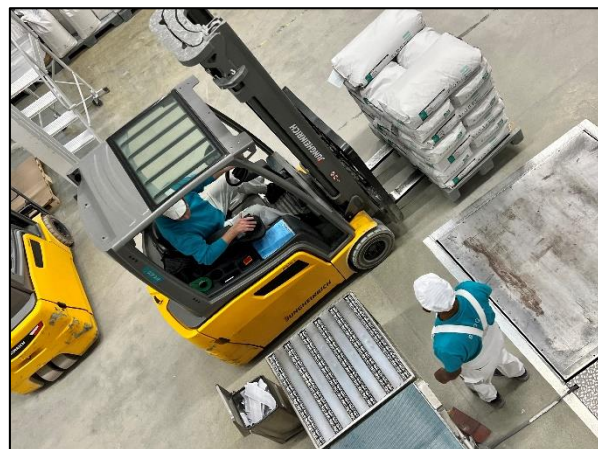
Energy production by photovoltaic installations on our production, warehouse, and office buildings is the aim of a newly launched project. Biogel plans to have 10 – 20 % of electricity produced in-house and completely for its own production purpose.



3.2 SMARTER ENERGY USE

Biogel's energy consumption is mainly influenced by the Gelatin production volumes and since 2020 also by additional quantities of Food Supplement products. The gains towards obtaining the most efficient energy consumption as possible are embedded throughout the entire value chain at Biogel. The contracted cooperation with "Energie Agentur der Wirtschaft" was initiated in 2018 and we continuously analyze potential energy optimization possibilities. The action plan with improvement possibilities is followed accurately and accompanied by swift decisions and investment planning. Already, now, an important number of improvement projects have been finalized and Biogel will continue to strive for perfecting our food-print also in the future.

Biogel only uses exclusively renewable electric energy from Swiss hydropower plants.

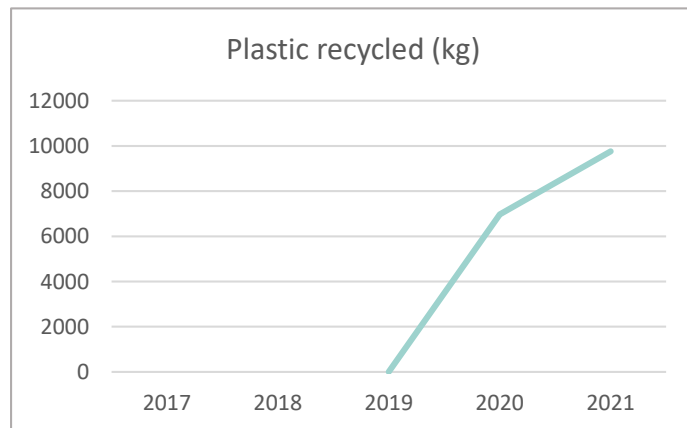


3.3 WASTE MANAGEMENT



Biogel strives to reduce possible waste while focusing on recycling processes. By having the new production line commissioned a temporary increase in waste has not been avoidable. Whereas waste in Gelatin production has continuously decreased, the amount of waste originating from the new production line will be optimized. Investments have been completed in 2022 in order to reduce such waste to close to zero in 2023.

All our local packaging plastic is 100% recycled by Beck Umweltservice AG, which enables us to strengthen our objectives for more sustainability. Since 2020 also cardboard waste has been reduced to close to zero since investments for such have been successfully completed. Our suppliers support our objectives to have less packaging waste materializing and at the same time maintain the highest Food Safety Measures.



3.3 WASTE MANAGEMENT

Part of our used BigBags are being recycled by *Beck Umweltservice AG*. A major part is lead into other industries for re-use or upcycling purposes.

Due to food safety regulations, not all our pallets can be reused. Therefore Biogel cooperates together with Tschopp Holzindustrie AG, them collecting the non-reusable pallets and recycling such sustainably. Since 2017, the number of recycled pallets dropped due to investments into new pallets leading to substantially fewer quality rejects. 100 % of non-usable wooden pallets are being recycled.





3.4 COMMUNITIES

Biogel strives to lead an environmentally friendly relation with all stakeholders. For this reason, the company actively reaches out to its interest groups in order to determine improvement opportunities for and within the community. During the past years, several improvements to lower the production facilities' noise emissions have been implemented, such as new air and noise ventilation systems.

In 2021 a new dust-reduction system has been installed with the objective to have even purer process air being released into the environment.

Furthermore, Biogel prefers to cooperate with local constructors and service entities which supports an overall ecological footprint and the local economy. It comes hence also natural to us to support local sports and cultural events involving the local population.



4. OUR PEOPLE



We at Biogel believe that our employees belong to our most valuable asset. As a fair and progressive employer, we assume responsibility wherever we operate. We invest in our partners by sharpening their skills, developing their talents, and supporting their healthy lifestyles and safe work environments.

A full EcoVadis audit was conducted in 2021. EcoVadis is the world's most trusted provider of business sustainability ratings, providing a compilation of best practice ethical audit techniques. This rating provides detailed insight into environmental, social, and ethical risks. Due to our commitments and efforts, Biogel was awarded a Gold medal as a recognition of our EcoVadis Sustainability Rating. Furthermore, we demonstrate our commitment to continuous education and social contributions.



Let's connect
sustainably

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