



SISTERNA[®]

CSR REPORT

2020



Sustainability is an important topic in our business, we are committed to remain a reliable supplier for our customers and an attractive, safe and caring workplace for our employees.

Sustainability is a journey, not a destination as we promote and sell sucrose esters which are produced with sucrose, from beet and cane, and fatty acids from palm and coconut oil we need to work on making our products more sustainable every time.

Managing Board Sisterna

Mrs. Christel Wouters & Mrs. Miranda Huppertz



June 10th, 2021



Peter van der Zande – Ingrid Dijkhuis – Christel Wouters – Miranda Huppertz – François van Etten – Tessa van Wesel – Marieke Leijten – Lia Bax – Sabrina Mehrezi

TABLE OF CONTENT

| | |
|---|----|
| OUR FOCUS | 4 |
| Sustainable Development Goals | 6 |
| OUR PEOPLE | 7 |
| SDG 3 Good health and well-being | 8 |
| SDG 8 Decent work and economic growth | 8 |
| Carbon footprint | 9 |
| Waste Management | 10 |
| Obtained goals in 2020 | 11 |
| Future goals | 11 |
| KPIs | 11 |
| 2021 Performance goal | 11 |
| OUR PRODUCTS & THEIR SAFETY | 12 |
| SDG 12 Responsible consumption and production | 13 |
| Our certifications and claims | 14 |
| New business | 17 |
| Obtained goals in 2020 | 18 |
| Future goals | 18 |
| OUR PARTNERSHIPS | 19 |
| SDG 17 Partnerships for the goals | 20 |
| Obtained goals in 2020 | 21 |
| Future goals | 21 |



OUR FOCUS



As we move on with our sustainability journey we focus on three main topics:
Our People, Our Products & Their Safety, and Our Partnerships.



We aim to be a reliable supplier for our customers, a good partner to our mother company, an attractive, safe and caring workplace for our employees, and a supplier of products that have the environment in mind.



Sustainable Development Goals

To increase our sustainability performance we take into consideration the UN Global Compact Sustainable Development Goals (SDG's). We choose the SDGs that we can impact the most, using our business strategy and purpose to guide our choice.



OUR PEOPLE



When considering our people we believe SDG 3, Good health and well-being, and SDG 8, Decent work and economic growth fit well with the values we have at Sisterna. We also believe that our people should have as little impact as possible on the environment, this is why we calculated our carbon footprint per employee at the Sisterna office.



SDG 3 Good health and well-being

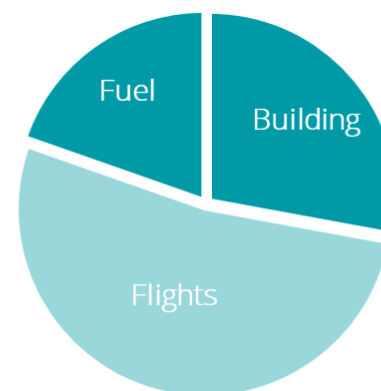
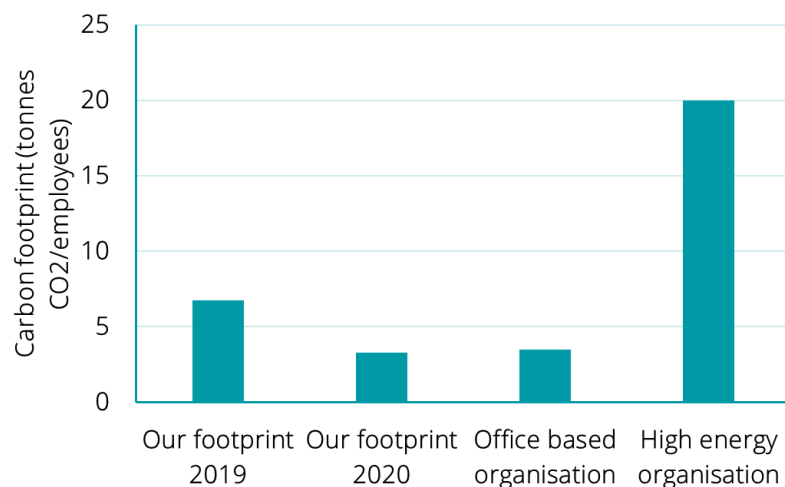
We offer a safe and healthy work environment in which our employees have the opportunity to grow and develop themselves, a budget is available each year for this purpose. All employees at Sisterna work part-time to maintain a good life/work balance. We believe in a fair work environment for everyone, this is one of the reasons we are RSPO certified. Moreover, we promote a healthy life style for the sucrose esters consumers by keeping our guide recipes up to date with recent developments.

SDG 8 Decent work and economic growth

As we promote and sell sucrose esters we need to work on making our products more sustainable every time. We work together with parties that can advise and guide us, but also who can rate us. This way we want to make a positive impact on our planet and the people. The RSPO has developed a set of environmental and social criteria which companies must comply with in order to produce Certified Sustainable Palm Oil (CSPO). When they are properly applied, these criteria can help to minimize the negative impact of palm oil cultivation on the environment and communities in palm oil-producing regions.

Carbon footprint

To make the work we do more sustainable we started to calculate our carbon footprint in 2019. Once we knew in what area's we could improve, we started to set several goals. From 2019 to 2020 our carbon footprint reduced from 6.7 to 3.3 tonnes CO₂ per employee, the main reason for the reduction are the travel restrictions due to COVID-19, making it difficult to compare 2020 to 2019.

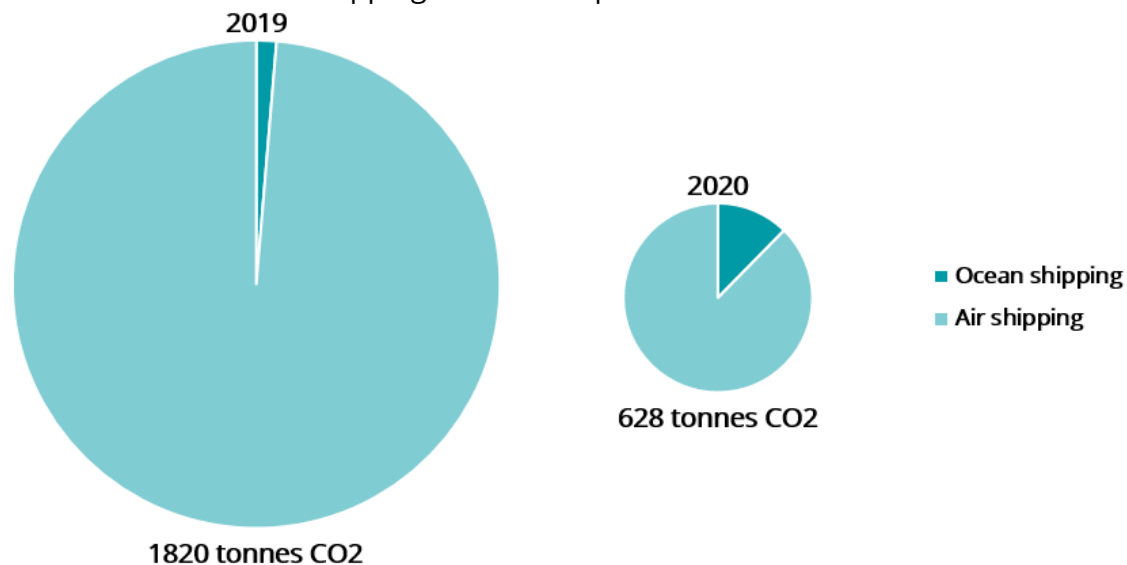


One way Sisterna tries to reduce its carbon footprint is by promoting public transport. When the trip to the office is faster by public transport than by car, employees of Sisterna take public transport. When public transport is as fast as flying, the employees of Sisterna take the public transport.

Moreover, Sisterna only sends out samples once a month to her distributors to reduce the emission caused by the transport of several small packages.



We also calculated our shipping carbon footprint for 2019 and 2020.



There was a reduction from 1820 tonnes CO2 in 2019 to 628 tonnes of CO2 in 2020 due to the fact that there was a transition from air shipment to ocean shipments.

Waste Management

Sisterna tries to reduce its waste as good as possible. To generate less waste our company's policy is to only print when necessary. The employees of Sisterna try to recycle as much as possible. Plastic, paper and other waste are separated when throwing them away. Some packages are also recycled if they are still in good shape. Sisterna also recycles its ink cartridges and the old computers of Sisterna are donated or get a second life.



Obtained goals in 2020

As mentioned above, we reduced our office and shipping carbon footprint this year.

Future goals

We plan on reducing our carbon footprint even more the coming years. One thing we will do to reduce our footprint this year is replacing all TL lights in our office by LED lights in order to reduce the electricity usage. We also plan to talk to our building manager about the opportunity of placing solar panels the coming year. Furthermore, we will look into using electric or hybrid company cars in the coming ten years.

Furthermore, in 2021 and the years hereafter Sisterna is trying to reduce the shipments by air even more and use ocean shipment more instead.

KPIs

At Sisterna we look at the KPIs; Absenteeism, number of occupational accidents and proportion of women. The majority of Sisterna employees are women, who represent 78% of the workforce in 2020. In the table beneath the KPIs are shown for 2018 until 2020.

| KPIs | 2018 | 2019 | 2020 |
|----------------------------------|-------|-------|-------|
| Absenteeism | 0,47% | 0,58% | 0,95% |
| Number of occupational accidents | 0 | 0 | 0 |
| Proportion of women | 78% | 75% | 78% |

2021 Performance goal

Average absenteeism percentage at companies with less than 10 employees was 2,75%. Sisterna wants to maintain its absenteeism rate below the national average of 2,75% in 2020. Sisterna strives for equality, but competences will be the deciding factor in selections. Sisterna wants to keep the number of occupational accidents at zero.



OUR PRODUCTS & THEIR SAFETY



SDG 12 Responsible consumption and production

We believe in our products and we believe that these products need to be safe, SDG 12, responsible consumption and production fits really good together with these believes.

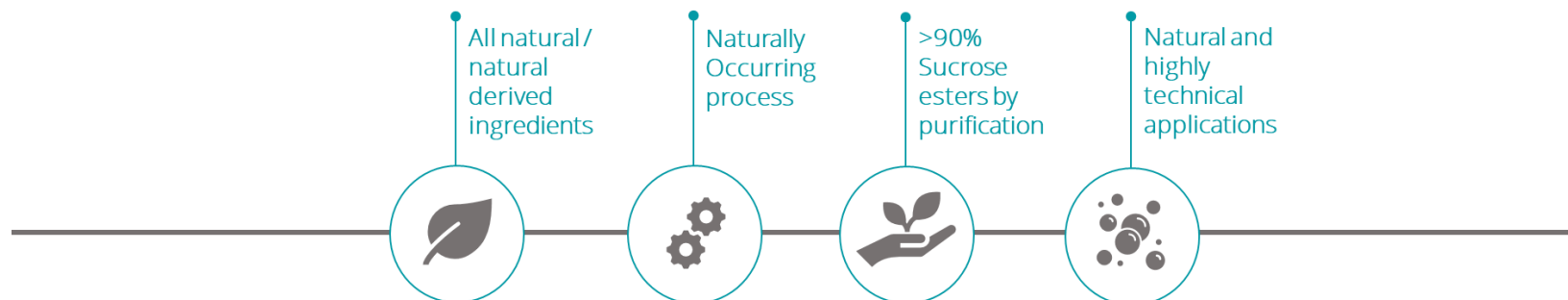


Sucrose esters are a unique range of high quality, PEG-free, non-ionic emulsifiers, with an exceptional performance. Furthermore, we comply with worldwide regulations and have several certifications concerning the responsible production of our sucrose esters.



Our certifications and claims

Our products have several benefits that make them a good sustainable option.



Moreover, they have several certifications and claims that make them a great fit for any natural formulation.

COSMOS

The consumers' increasing demand for natural cosmetics has become one of the industry's most important drivers. As raw material supplier we want to support our customers in offering these kind of products.

Each country has its own standard and its own definition of natural and organic ingredients. We choose to apply for a COSMOS approved certificate for our raw materials. COSMOS harmonised all these standards and created an international standard for organic and natural cosmetics.

Ecovadis

Since 2018 Sisterna joined Ecovadis, the world's most-trusted sustainability rating, enables all businesses to reduce risk, drive performances, and improve environmental and social outcomes.

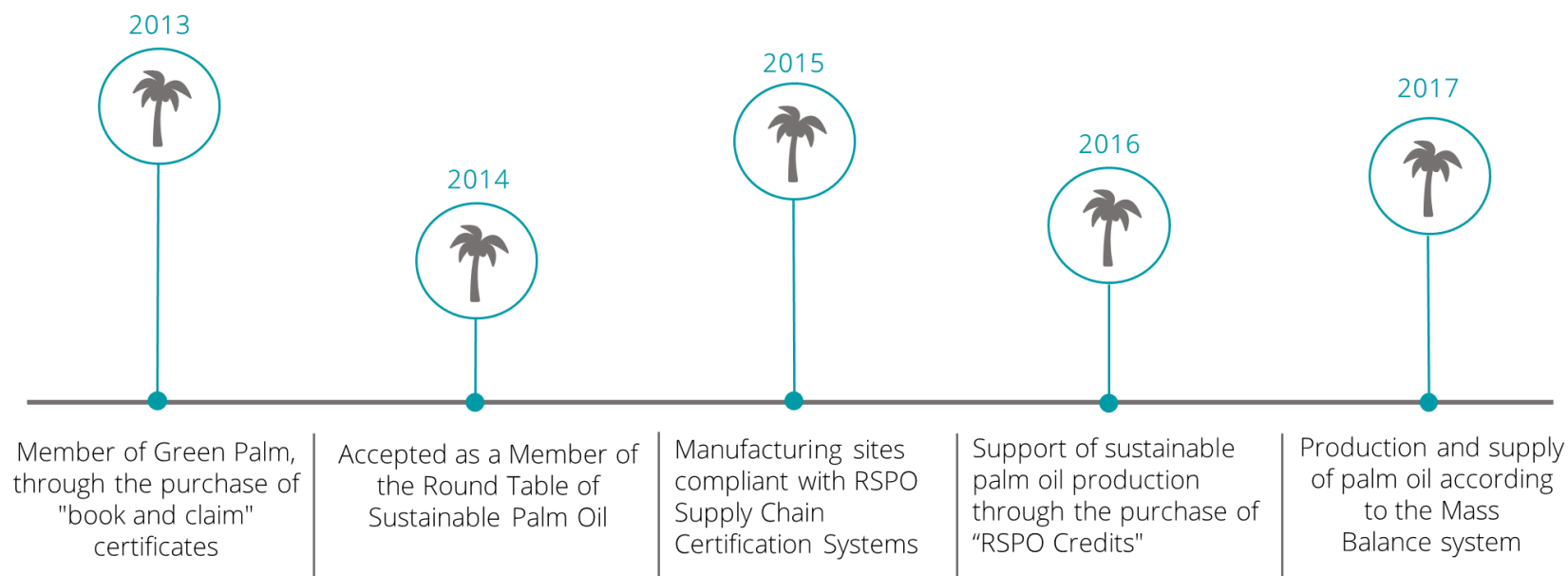
REACH

REACH entered into force on 1 June 2007 with implementation taking place in stages in the years to 2018. The registration deadline for all our pre-registered Sisterna products was 31 May 2018. Sisterna's mother company DKS Co. LTD. has taken over the registration process from Sisterna through an OR (Only Representative) in the course of 2016. All our raw materials are REACH registered.



RSPO

One of the most important certifications that Sisterna has is from the Roundtable on Sustainable Palm Oil (RSPO). Sisterna is a small user of palm oil, but we recognize the need for sustainable palm oil sourcing. It is an essential issue for the global environment, biodiversity and the working conditions for the local plantation workers. We want to take our responsibility so we offer a sustainable palm-based emulsifier.



Natural product Association

Our products are also certified by the Natural Products Association since 2012, this is the US largest and oldest non-profit organization dedicated to the natural products industry.

FSSC 22000

Our mother company DKS, producer of the raw materials, has been certified with FSSC 22000, a Food Safety Management System. It distinguishes itself from other food safety certifications because of its focus on certifying the Food Safety Management System of an organization.



ISO 16128, 14001:2015, 9001:2015

Our products comply with the ISO 16128 guidelines about natural and organic cosmetics, and are certified with ISO 14001:2015 about environmental management and ISO 9001:2015 about quality management.

Kosher

Kosher means fit, genuine or correct. When it comes to Kosher food the word Kosher means 'fit for consumption' for those adhering to Jewish dietary laws. The products of Sisterna are Kosher and Parev certified through March 31st, 2022 by Manchester Beth Din. This means our ingredients and production process is up to the Kosher standard.

FDA approved

The Sucrose Esters of Sisterna and the process is FDA approved.

Non-GMO, Vegetarian, Vegan

The products of Sisterna are all non-GMO and suitable for vegetarians and vegans.



New business

By investigating new natural emulsifiers and surfactants to add to our portfolio we are focusing on making our product range more sustainable. Our goal is to find an emulsifier and/or surfactant that has the following properties:



Sustainable



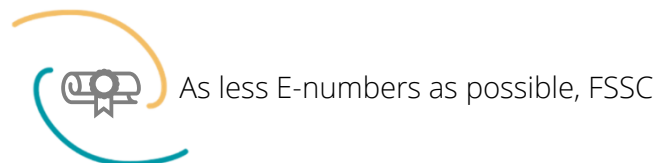
Biobased



Non-allergen



Natural taste



As less E-numbers as possible, FSSC



Non-animal



Palm oil free



Produced in the EU



Unique



Natural (COSMOS, Ecocert, NPA, ISO 16128)



Obtained goals in 2020

Sisterna hired a new employee to start looking into new business opportunities.

Future goals

Sisterna plans to uphold its certifications in order to ensure its customers of the quality of its products. In the coming five years Sisterna wants to add a new natural, sustainable emulsifier and/or surfactant to its range of products.



OUR PARTNERSHIPS



SDG 17 Partnerships for the goals

Our value of having good partnerships with other companies closely relates to SDG 17, partnerships for the goals.



We believe that partnerships are essential to reach goals, this is why we work together with our supplier and different cooperation parties and certification providers.

Our biggest partner is our mother company DKS. DKS founded Sisterna together with Royal Cosun in 1992 as a joint venture. Since 2009 the ratio of shares between DKS and Cosun is 95-5%. We have a good relationship with our mother company, who is also the producer of our sucrose esters.

We also work together with Royal Cosun who is a shareholder of Sisterna, we use the facilities and knowledge of Cosun to conduct research and development work.



Apart from these two shareholders we have a big network of distributors, logistic partners, and other companies that we work with.

Obtained goals in 2020

We keep in good contact with our mother company DKS and have meetings with them at least once each month. This year Sisterna reached out to several companies regarding to its new business. Sisterna started working with a design firm to update the style.

Future goals

We plan to keep good contact with all of our partners and we hope we can expand this network even more over the coming years.



Experience our Expertise

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