UPTODATE The Newsletter for GELITA Customers #35

GELITA Applications! Gelatine Art – Jason Gomez

Dear Readers,

"We can only grow if our employees themselves grow", says Dr. Ariane Kristof, the Global VP HR of GELITA. In her interview with uptodate, she explains exactly what role managers play, why employees should work according to company guidelines and why the company should be able to be successful essentially without external advisors. Our customers benefit in many different ways from this strategy. On the one hand they are highly motivated, have a strong identification with the company and contribute much to our improvement- and innovation processes. On the other hand, working without external advisors can show just how well GELITA can be cost-effective.

One good example of a recent innovation: the GELITA® RXL Gelatine. It enables the most rapid release of active ingredients from gelatine capsules currently available and also avoids undesired cross-linking; these properties make it possible to control shelf-life and dissolution optimally. Customers can store products produced with GELITA® RXL Gelatine substantially longer – also under extreme conditions – thereby enabling them to save considerable costs.

The way GELITA supports its employees means that it provides what its customer needs – even though the company does not directly benefit. GELITA had no doubt about supporting the GOED Coalition (Global Organization for EPA and DHA Omega-3s), as sales of omega-3 fatty acids had substantially declined as a result of negative press – the customers were in fact affected by the market turbulences.



The Editing Team from up*to*date interviewed Dr. Ariane Kristof, Global VP HR, GELITA AG

Interview

"We can only grow if our employees also grow"





Product innovations Healthy "from head to toe" The collagen peptides from GELITA

We wish you enjoyable reading as well as a successful start into 2015!

Michael Teppner, Global VP Marketing & Communication GELITA AG

Meeting in USA GELITA Symposium 2014



GELITA "Taking a global view" This is how the world keeps fit



Innovations [12] GELITA delivery systems



Artfully designed Sculptor Jason Gomez in Amsterdam



"We invest in employees and innovations instead of expensive external advisors"

With a relatively small team – 2500 employees at 21 plants worldwide – GELITA continually manages to bring new products into the market and further expand its worldwide market leadership in gelatine, collagen peptides and collagen. How does the company manage to motivate its employees to produce such a performance? On this topic, uptodate interviewed Dr. Ariane Kristof, Global VP Human Resources, on flexibility, responsibility and her five months in Africa.

In 2010 Dr. Kristof, you joined a micro-financing project geared to the foundation of mini-companies in Tanzania. You spent five months there living with a family suffering from HIV. This is rather unusual for someone in your position. How did you get this idea?

At the time, I had just returned from Sweden to Germany and wanted to take

on something new. I had time when I heard about a project being run by an English Non-Governmental Organization (NGO). As an economist, the topic of micro-financing interested me so I applied for a job at NGO – and found myself fairly quickly at a village at the foot of Mount Meru. For something like this, one must have the time and the latent wish; these were what I had.

What did this give you?

It gave me formative experience. I have much respect for those who were not lucky enough to be born into such positions like myself, especially when they had to fight every day just to survive. In a country that has no formal labor market, people are essentially left to fend for themselves. I got to realize just how important it is to enjoy the

GFIIT

Interview

current situation. And, more than ever before, I want to take on opportunities with professional challenges.

You have been working for GELITA since July 2014. What were your first impressions?

My first impressions were the cordiality and warmth that greeted me. The open company culture was reflected in the architectural transparent headquarters building in Eberbach. In spite of the openness, it was somehow clear that GELITA had been in existence for over 100 years. Such a tradition demanded the necessary respect from me – for it is anything but understandable that such a company can last and progress that long. Just think of Nokia for example. In GELITA's company philosophy the values of trust, courage, empathy and commitment are well in focus.

What roles do managers play here?

Managers have a role function; they are observed and they set standards with their behavior. Our company demands from them that they interpret the set values and live them. Their task is not just to increase employee performance but – and this is where we place more and more value – to support them in their personal development. Our strategic goals are strongly coupled to innovations with high expectations of the team. It is thus so important for the managers to accompany their employees in this way.

With the "ONE GELITA" motto, the company wishes employees to participate in forming and using company guidelines. What do you think about this?

The whole is more than just the sum of its individual parts. A company that understands itself as a team is much better than a company that sees its employees as individual workers. Through the "ONE GELITA" motto we think strongly in terms of communal ability. Each employee should have the feeling that his or her contributions are valued. And each person must be able to engage in optimal further development at GELITA.

How do customers benefit from this value-oriented management?

GELITA offers its customers a diverse palette of products and innovations that perhaps may not have been available if the workforce had not been so involved as they are right now.

"At GELITA, we turn a large wheel with a small HR team"

Most employees stay with the company extraordinarily long and are very dedicated. Why is this?

We enable our employees to achieve satisfaction through work while to engage in personal development. This is also part of our company culture. Worldwide, our company employs some 2500 people. At the largest of our plants there are not more than a few hundred; this makes work very personal. The size of our company enables each person to find an area of activity where he or she can find satisfaction without specifically modifying themselves. When we need expertise, we first look at our own people. This means that we virtually give internal development preference over external recruitment.

The needs of our employees are changing these days. More and more for example are asking for a work-life balance. How is GFLITA dealing with this?

What we see is quiet flexibility. GELITA grants much in the way of freedom to the individual – that is really my opinion. Instead of applying strict rules, GELITA builds upon the responsibility taken on by individuals. You won't find lists of house rules hanging in corridors; we offer sufficient leeway for responsibility and individual scope. We build upon the creativity of our managers. They supply the environment that their teams require for optimal work.

How does personnel management fit in with our different cultures?

We are striving for a uniform central company control system but also respect different local circumstances. Such balancing of the culture of a German family company with plants throughout the world is a real challenge; we must deal with this on a daily basis. However, it is also a considerable enrichment as much in the way of exchanges and creativity it generates.

What are the future challenges for HR?

GELITA wishes of course to continue growing and strengthening its innovation power. This, however, only functions if the employees grow correspondingly. HR creates the framework conditions for this process. We are currently working on a worldwide management program; which we plan to implement at all 21 plants in 2015. Our personnel development process will be transparent concerning our key performers, open jobs and requirements for development. Implementing an ambitious international network extending over all our plants is indeed a challenging HR agenda for a company of our size.

How do you imagine handling such a task

A company can of course employ expensive external advisors. This, however, is not what GELITA envisions. We ourselves are aware of what is happening concerning motivation and development; however, we implement this in our own way – programmatic and cost-effective. We place trust in responsible supervisors to carry out and accomplish tasks and on individuals to enhance their own abilities. HR provides coaching and support in all of this.

Where are the focal points?

Apart from developing managers, an Employee Survey is a further focal point; this is being carried out now for the second time. We will base initiatives on results of the survey to make our employees more satisfied and consequently more productive and efficient.

"A company can only grow if its employees also grow with it"

/hy did you select GELITA as a company

I felt it was a challenging task to head the Human Resource Department on a global basis. It is also a great pleasure to work within a multinational culture. In addition, GELITA is very well-positioned. The task is not to close down plants, as is the case in many other companies, but to promote innovation and open up new markets for ourselves and our customers.

Dr. Ariane Kristof

Dr. Ariane Kristof, Dipl. Economist, also has an M.A. in English & American Literature. Before she joined GELITA, she worked, amongst others, for the Boston Consulting Group and for SCA (Svenska Cellulosa Aktiebolaget).

Healthy "from head to toe": with collagen peptides from GELITA

Our health depends largely on whether we can be mobile enough and whether we like our appearance. Fitness and health are – regardless of age – top of our adult priority list. Collagen peptides from GELITA can help us here: in a measureable and visible manner.

One third of the body's protein is collagen. It is thus the most frequently occurring protein in terms of amount in the body and is primarily responsible for joint mobility, stability of limbs, smooth skin and hair, toned muscles and healthy nails. Collagenous protein can be taken via our daily nutrition to balance out to some extent the build-up and reduction of collagen. From a certain age or a high degree of activity, it is difficult to take up the necessary amount of protein. In addition, our nutrition is no longer as rich in collagen protein as it used to be. For this reason, GELITA offers a wide range of bioactive collagen peptides that support natural body functions. On the one hand they represent a source of protein and on the other they stimulate the body's own build-up processes for collagen.

Fresh appearance

VERISOL[®] is a product that increases the elasticity of the skin and has an anticellulite effect. Although many cosmetics contain collagen, external application may only be effective temporarily. In contrast VERISOL[®] enters the blood stream and reaches where the body produces collagen: the fibroblasts. Here, within the deeper skin layers, collagen production is produced for the body. In a completely natural process, the connective tissue is strengthened from within. This means fewer wrinkles, smoother and firmer skin, healthier hair and stronger nails.



Stable bone structures

Just as the collagen peptides in VERISOL[®] are specially optimized that the fibroblasts are stimulated to increase their production, FORTIBONE[®] influences the so-called osteoblasts and osteoclasts, which are in turn responsible for metabolism in the bones. In human bone tissue, collagen is an essential building block. Taking FORTIBONE[®] provides not only bone stability and flexibility but also has an effect against degenerative disease such as osteoporosis. Thus, FORTIBONE[®] offers itself as a nutritional supplement for older people.

Supple joints

Joints are literally the lynchpins of our muscoskeletal systems. As they are usually heavily used, they are especially prone to injury and to wear. Each fourth person today suffers from joint problems. As approximately 70 % of the joint cartilage mass is made of collagen, taking collagen peptides can be very beneficial. With the help of FORTIGEL®, GELITA offers a special bioactive collagen peptide; proven to stimulate the cells responsible for joint cartilage growth – the chondocytes. The regeneration effect shown by FORTIGEL® has been confirmed in a number of scientific studies. It also has a positive impact influence on tendons and ligaments - these sinews consist of up to 85% collagen – by administering collagen peptides. In an extensive placebo-controlled study of more that 1000 athletes, it was shown that the collagen peptides and other micro-nutrition substances administered decreased the number of injuries by 50% over an observation period of two years.

Well-built and well-trained

Those active in sports require a higher protein input in order to increase muscle mass. This is why GELITA developed <u>PEPTIPLUS®</u>, a collagen peptide that is



Osteoporosis

Normal bone matrix

FORTIBONE[®] improves bone stability.

Body Toning



VERISOL[®] increases the elasticity of the skin.

PEPTIPLUS[®] supports muscle building.

FORTIGEL[®] stimulates joint catilage growth.

specially designed for this purpose. To date, this segment was covered primarily by milk proteins such as whey or casein. This is because their amino acid composition is apparently good for muscle-building. Be that as it may, GELITA, was able to substantiate in two placebo-controlled studies that collagen peptides are also capable of increasing muscle mass after sports activity - in fact with a comparatively small amount of only 15 g per day. In the studies carried out, not only was muscle mass increased but fat also broken down. GELITA was subsequently able to register a patent for this effect that had been up to then unknown from any other protein. For seniors who also suffer from the break-down of muscle mass as they age, so-called sarcopenia,

PEPTIPLUS® is the ideal nutrition supplement, as the studies effectively show. Muscle mass remains intact or can be easily built up with sports activity whilst fat is broken down at the same time. VERISOL®, FORTIBONE®, FORTIGEL® and PEPTIPLUS[®] are four products produced by GELITA which can guarantee a healthy collagen supply "from head to toe". And why is there not an individual product containing bioactive collagen peptides and capable of serving all problems at the same time? Dr. Stephan Hausmanns, VP Health & Nutrition at GELITA, laughs and explains: "You of course do not drive to town for shopping in a Formula I racing car or with your electro-car into the desert. Our collagen peptides are highly specialized for the problem location

involved – and there they are particularly effective." In small doses they are very effective. And because only a small dose is required, a high degree of variance is possible. Thus, bioactive collagen peptides can be combined with other substances – and are taste-neutral and low in calories. Hence, precisely right for those who wish to be fit, healthy and attractive all-around.

FURTHER INFORMATION: Dr. Stephan Hausmanns Phone +49(0)627184-2109 stephan.hausmanns@gelita.com Artfully designed: GELITA[®] Gelatine can be so versatile.



With the help of GELITA[®] Gelatine Jason Gomez gave old heads new lustre.

New look for old treasures

When sculptor Jason Gomez came to Amsterdam in January 2013, he discovered a treasure. He found countless long-forgotten plaster casts in the reservation of the Dutch Rijks Art Academy. Using gelatine, he gave part of the collection a new lease in life. His works are always in motion and constantly surprise him.

Right from the beginning, Gomez was absolutely fascinated by the dustcovered plaster casts. Originally they were useful for the students of the reputable Rijks Art Academy as construction drawings. For the sculptor they were a real source of inspiration. Gomez – originally from Los Angeles and invited to the Rijks Academy for two years – occupied himself primarily at this time with a "double", an "omnipresent representation – a shadow". "The figures give the effect of being very valuable due to their classical forms. In contrast to handcrafted originals, however, they were in fact impressions destined for series production", said Gomez and added "My work is intended to inspire the observer to question the purpose of the objects."

Gelatine allows the figures to live

The artist, born in 1986, selected four of the casts he found and first prepared molds. He also selected gelatine as working material for his sculptures. This enabled him to breath life into the figures. "The intention was that the figures change over time, very much in the way of natural aging. In this way the interaction with observers was not just a visual one." The gelatine was intended to be particularly clear and pallid so that light should shine through. These were in fact properties that gelatine from with ballistic gelatine. Their experts gave me very helpful tips for processing the gelatine." Gomez then dissolved the gelatine into the molds. Once the material had solidified, he removed the figures from the molds, placed them on stands and completed his sculptures using light. "Gelatine is translucent and appears to be omnipresent when the light source is very near the figure. I used LEDs for lighting – simple spotlights could not achieve the same effect."

Surprising effect desired

Even if Gomez knew that the figures would experience changes, he simply left opportunity for change. "One figure was in fact "top heavy" and therefore ultimately broke into two parts. However, it was magnificent to see the figure destroying itself and how the gelatine dissipated with noise from the steel structure."

At the end of November in 2013, Gomez presented his sculptures during the "open day" of the Rijks Academy. This was indeed a success: some 7000 visitors came to the annual exhibition of the Art Academy. "I was very satisfied with the result; the Rijks Academy "open day" certainly gave me the opportunity for further presentations", said Gomez.



As a result, the Amsterdam Art Gallery "Magazijn" organized the exhibition "Jason Gomez. The Domestic Archivist" in September 2014. In November 2014, Turin also organized an exhibition with his art. And, what about the figures? "These have shrunk and are becoming more and more petrified; they are now quite different. They surprise me a lot still. I am very pleased to be able to observe just how they have changed and wonder just when this process will be complete."

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GELITA Symposium 2014

Compelling speakers, exciting topics and a diverse program – more than 50 guests from twelve countries attended customer symposium organized by GELITA from September 16–18, 2014 in Denver, USA.

"Gelatine & Collagen Peptides: Solutions for Challenges in Health and Nutrition" was the motto of the symposium. As a prelude, Dr. Franz Josef Konert, Chairman of GELITA, presented the growth goals for the company. A number of well-known speakers from the industry and experts from GELITA showed the various prospects offered by gelatine and collagen peptides in the pharmaceutical, health and nutritional fields. The lectures also included those on the special importance of hydrocolloids for applications in the pharmaceutical industry. The program included global trends in the use of gelatine as well as the most important market factors relevant to the future.

The symposium provided the participants with a platform to enable them to discuss relevant topics with the speakers, opinion leaders, industry peers and GELITA experts.

A diverse and exciting framework program was also provided: the participants were able to visit an abandoned silver mine and take a train trip through Clear Creek Canyon. An interesting and motivational lecture was also provided by Kyle Maynard. Kyle, an American motivational trainer, born with arms that ended at the elbows and legs near the knees, had already climbed Mount Kilimanjaro in spite of his four stunted limbs. Each participant received a signed copy of his book "No Excuses".

In GELITA's symposium questionnaire, the participants rated its benefits on average as 4.5 out of 5 possible points. This clearly indicated that symposium program precisely addressed those topics that the industry participants were currently discussing.



























GELITA

GELITA supports the omega-3 industry

GELITA Support

Just to provide its customers with new and innovative products is not enough for GELITA. Instead, it goes a lot further to provide true service. As GELITA sees itself as a partner of its customers, it concerns itself not only as a supplier of collagen proteins but it also helps them deal with market conditions. GELITA for example involves itself much more than other companies in Regulatory Affairs in order to provide such support.

The last edition of uptodate reported comprehensively on this. Another example is when critical press reports on omega-3 fatty acids started to appear, the turnover of the products had a considerable downturn; however, GELITA provided support to the Global Organization for EPA and DHA omega-3s (GOED) – even though GELITA itself is not in the omega-3 business. Success on this particular market is however significant for many of GELITA's customers. It is thus very important for GELITA too.

The goal of the GOED is to bring omega-3 fatty acids positively back to the consciousness of consumers, to give them confidence of the products and to boost them again to their previous favorable status. GELITA sponsors the initiative of GOED – and confirms once more just how it can provide considerable support for its customers.



New technologies and market opportunities GELITA delivery systems



Hard capsules, soft capsules, fruit gummies: it has never been so easy to provide active ingredients, vitamins and other functional components. This alone is no reason for GELITA to rest on its laurels. It researches constantly for new opportunities. The latest innovation is the GELITA[®] RXL Technology, improving the stability and dissolution of gelatine capsules significantly.

Hard capsules were invented around the middle of the 19th century; soft capsules came about 100 years later. In the late 1990s, the first fruit gummies appeared on the USA market. All of these innovations were accepted enthusiastically by consumers. Currently, fruit gummies based on GELITA® Gelatine and enhanced with vitamins, minerals, omega-3 fatty acids and more enjoy great demand in the USA market.

Enjoying vitamins

Originally, fortified gummy bears were developed to provide children with vitamins in an easy way. In the meantime, parents too are so convinced of the positive aspects that they gladly help themselves to such healthy and tasty fruit gummies. This easy and convenient way of consuming vitamins and other ingredients presents manufacturers with added and profitable sectors. Such healthy fruit gummies are also taken by the elderly who often have difficulties swallowing. Furthermore, taste-neutral GELITA[®] Gelatine can be used to manufacture sugar-free – and hence tooth-friendly products – e.g. non-laxative gummies.

Hard and soft gelatine capsules are amongst the favorites for pharmaceuticals and nutritional supplements. Such capsules can be taste-neutral and easy to swallow. Soft capsules are most suitable for fluid or pasty products and hard capsules for product powders. However, when certain reactive ingredients are used under extreme storage conditions such as high temperatures or high humidity, crosslinking (normally abbreviated to XL) may occur between product and capsule shell. An insoluble layer is formed that has a negative effect on stability and function. To date, a number of pharmaceuticals have reacted with stronger cross-linking and have thus become unsuitable for use in gelatine capsules.

GELITA reduces cross-linking

To date, this XL effect has generated enormous costs for the pharmaceutical industry. Today however, GELITA, in cooperation with Heidelberg University, has developed GELITA[®] RXL (Reduced Cross-Linking). The innovative technology reduces cross-linking drastically, even under extreme conditions for storage and dissolution of the capsules.

The patented RXL concept thus improves the market opportunities for the pharmaceutical industry significantly; it can now turn again to reactive products



Soft capsules



Tooth-friendly soft gums



GELITA delivery systems

and nutritional supplements based on gelatine capsules. GELITA® RXL makes it possible for you to adapt both hardand soft capsules to your own product needs. The result: products dissolve optimally and have more stability – hence contributing to the profitability of your company.

> FURTHER INFORMATION: Lara Niemann Phone ++1 712 943 1692 lara.niemann@gelita.com

Still higher. Still harder.

GELITA Trail Marathon, Heidelberg 2014

Almost 1500 participants had registered for the second GELITA Trail Marathon in Heidelberg at the beginning of October. 500 decided for the traditional marathon distance of 42.195 kilometers, where a total of 1500 meters of height were to be overcome. The participants were especially enthusiastic about the new design of the route: the first half of the route led over the scenic trails that presented quite a running challenge. For Almuth Grüber this was not be a problem; she provided another victory. And Philipp Eisel made it again for the men. Employees from GELITA showed considerable sports spirit by participating – with some success: Jutta Hugenberg, scientific staff at GELITA won the demanding "Stairway to the Sky".



Trade fairs with record attendance

GELITA present at HNC and SupplySide West Expo:

In June 2014, GELITA took part at the HNC Expo in Shanghai and in October 2014 at the SupplySide West (SSW) in Las Vegas.

Both fairs were better attended that ever before. Some 63,300 visitors from 131 countries attended HNC, ten percent more than last year. The SSW tempted 13,000 visitors from 62 countries, an increase of seven percent.

At our fair stands, the specialist visitors were especially interested in the bioactive collagen peptides – VERISOL®, FORTIGEL®, PEPTIPLUS® and FORTIBONE® – as well as the innovative gelatine GELITA® RXL. Many business partners of GELITA as well as new potential customers utilized the fairs to inform themselves of the innovative products and to discuss new application areas.

DATES

Visit GELITA and see our inovative products for the megatrends of tomorrow. In 2015 also we will be exhibiting at the following fairs:

ENGREDEA Anaheim	March 06-08, 2015
Viatfoods SA São Paulo	March 24 - 25, 2015
FIC Shanghai	April 01-04, 2015
Vitafoods EU Geneva	May 05 - 07, 2015
HNC Shanghai	June 24 - 26, 2015
IFT Expo Chicago	July 12 - 14, 2015
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uptodate is a newsletter of the GELITA Group

Herausgeber: GELITA AG Uferstr. 7 69412 Eberbach Germany www.gelita.com Editing team: Stephan Ruhm, Marketing & Communication stephan.ruhm@gelita.com Michael Teppner, Head of Marketing & Communication michael.teppner@gelita.com Phone: +49(0)62 71 84-2190 Fax: +49(0)62 71 84-2718 Design and text by: srg werbeagentur ag, Mannheim, Germany

Print: Metzgerdruck, Obrigheim



GELITA

From the global point of view

This is how people worldwide keep themselves fit

Whether in the USA, Germany or Brazil: HIIT (High-Intensity Interval Training) is the real fitness hit worldwide. The strenuous interval training leads the top 20 of trends for 2014^{*}.

The effective program lasts only 20-30 minutes – ideal for those who don't have a lot time. One of the varieties of HIIT is CrossFit: this type of circuit training that combines own weight exercises, weight lifting, sprinting and gymnastics trains stamina, strength, quickness, movement and balance.

Own body weight and special fitness programs are very popular training sessions for older people and personal training remains very popular. Just as these and older fitness programs are equally prevalent, the market for bioactive collagen peptides is also in coming. More and more sports enthusiasts are discovering the advantages of collagen peptides and therefore consuming functional drinks, dairy products, beverage ampoules, powders and capsules. With FORTIGEL® or PEPTIPLUS®, GELITA provides both pharma and food industries with innovative collagen peptides and supports the manufacturers in opening up interesting new markets.

*International Study performed by the American College of Sports Medicine (ACSM)





USA

National sport in the USA is American Football. In fact, ball sports such as basketball, baseball or volleyball are also well established. For many, sport is a priority in leisure time. 18 percent of Americans attend fitness studies. Swimming, golf, tennis and athletics are also popular.

Germany

Almost 35 percent of Germans are soccer (football) enthusiasts, most of course as stadium spectators or in front of the TV. For other activities, most cycle, do gymnastics or attend fitness studios. For the latter, not quite so many find this as popular as Americans but at least every tenth German is a member.

Brazil

In Brazil too football is very significant – their national team have been extremely successful with 5 World Cup football victories, the most for an individual country. The national sport, however, is Capoeira, a martial style of fighting that African slaves developed from their dances. Brazilians keep themselves fit: with beach volley ball and open-air weight-lifting competitions.



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