



2021

GRI SUSTAINABILITY REPORT

Givaudan

engage your senses

About this report

Being a sustainable business is our promise, acting as a force for good is our objective. In our thirteenth sustainability report, the twelfth in accordance with the GRI framework, we show our performance and progress with respect to Environment, Social and Governance (ESG)-related aspects.

We report against our impacts in our identified material topics, which are rooted in our strategic approach for 2025 and contribute to our purpose of ‘Creating for happier, healthier lives with love for nature. Let’s imagine together.’

Our long-term ambition: Our purpose

Creating for happier, healthier lives with love for nature.
Let’s imagine together.



Our mid-term priorities: Our 2025 strategy

Committed to Growth, with Purpose



Our impacts and material topics

Economic/Governance

- Economic performance
- Governance & business conduct / ethics / transparency
- Product / Ingredients environmental & social performance
- Product quality & safety and ingredient disclosure
- Raw materials availability
- Innovation capabilities & management

Environment

- Biodiversity
- Climate change
- Waste management & circular principles
- Water stewardship

Social

- Diversity, inclusion & people development
- Employee safety, health & wellbeing
- Consumer health & wellbeing
- Human rights
- Responsible sourcing & traceability
- Local community development

This report has been prepared in accordance with the GRI Standards: Core option.

Frameworks applied

- GRI Standards
- SASB Standards
- TCFD Recommendations
- UN Global Compact
- Sustainable Development Goals

GRI 101: Foundation

We have taken into account all requirements and guidelines from GRI 101: Foundation in the preparation of our sustainability report, especially GRI’s reporting principles for defining report content and quality.

Reporting principles for defining report content

- Stakeholder inclusiveness
- Sustainability context
- Materiality
- Completeness

Reporting principles for defining report quality

- Accuracy
- Balance
- Clarity
- Comparability
- Reliability
- Timeliness



This is our Communication on Progress in implementing the principles of the United Nations Global Compact and supporting broader UN goals.

We welcome feedback on its contents.

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A YEAR IN REVIEW

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Letters to stakeholders

“ Our purpose and ambitious goals in the domains of creations, nature, people and communities underpin our B Corp certification journey. ”

Calvin Grieder, Chairman

Living our purpose through the associated bold, ambitious goals allows us to continue being a successful, sustainable business. We are committed to being a company that acts as a force for good and to living our purpose in our actions every day. This will allow us to pursue sustainable value creation for all stakeholders, ensure that we act on our purpose goals and successfully balance people, the planet and profit. Our purpose

and goals also support our quest to become a certified B Corporation, the gold standard for responsible businesses and a designation that will serve as independently verified proof of our commitment. We are proud to be the first in our industry and one of the largest businesses to commit to this journey.



“ It is through our purpose and strategy that we address Environment, Social and Governance (ESG) issues, fully integrating them into our business. ”

Gilles Andrier, CEO

Our company purpose of ‘creating for happier, healthier lives with love for nature’ drives our 2025 strategy and acts as a roadmap for delivering sustainable value creation for all stakeholders. Environment, Social and

Governance issues are fully integrated into our 5-year strategy and therefore our business – we are committed to growth, with purpose. We also continue to express our support for the ten principles of the UN Global Compact with respect to human rights, labour, environment and anti-corruption. These commitments allow us to pursue ambitious financial targets through the creation of inspiring products for happier, healthier lives, all while moving towards our longer-term purpose ambitions in terms of creations, nature, people and communities. They allow us to increase our positive impact on society and the planet in order to ensure sustainable long-term performance.

“ Sustainability is not a journey we can undertake alone. Collaboration and teamwork are vital to achieving our highly ambitious targets. ”

Willem Mutsaerts, Head of Global Procurement and Sustainability

We are proud of our track record of ESG performance. As the world faces urgent societal and environmental challenges, we must continue to work together to accelerate action; through teamwork, through pioneering initiatives and through continued collaboration with our partners. In 2021 we joined the Renewable Carbon Initiative as an Advisory board member, and we became a member of Together for Sustainability. We launched our flagship Sourcing4Good programme; a vital part of delivering on our ambition to responsibly source all materials and services in a way that protects people and the planet by 2030. Our high-performing team has been recognised with a World Sustainability Award. These efforts and achievements reflect our bold ambitions, show how far we have come and demonstrate our commitment to continuing to be a successful, sustainable business.



[READ MORE](#)

2021 Integrated Annual Report › page 10 › [Chairman's introduction](#)
2021 Integrated Annual Report › page 12 › [CEO interview](#)

Conversation with our new Head of B Corp

About B Corp

B Corp certification will measure Givaudan's entire social and environmental performance and provide independent verification. We have committed to the B Corp Declaration of Interdependence and we are a founding member of the B Movement Builders.

Willem Mutsaerts Our efforts to increase sustainable sourcing, our passion for innovation and our deep concern for the environment have driven Givaudan's success for a long time. Now, the climate crisis has shown that we all need to step up our efforts and work together to build inclusive, equitable societies and sustainable economies that benefit all of humankind. You're going to be a lead figure in helping us along this path to become a certified B Corporation. How do you see your role?

Anna Segura First of all, I'm really excited to be heading up Givaudan's B Corp certification journey. It's true that I'll be leading us along the path to certification, but all of us have a role to play. I see our journey towards B Corp certification as a truly collective effort. We'll work together as colleagues, but also with our customers, partners and suppliers to realise this ambition and use our business as a force for good in the world.

WM Going after B Corp certification shows that we're leading the way in reshaping how business is done. We've already done quite a bit of work in many critical areas, but what do you see as the next steps in our certification journey?

AS B Corp certification is awarded by an independent non-profit, B Lab, who will work with us, guiding us through the process. The first few months will serve to prepare for the assessment and define our certification roadmap. All of our business will undergo comprehensive assessments in the areas of workers, customer stewardship, communities, environment and governance – there is a minimum score required to certify. On completing the assessment, companies must meet specific transparency, reporting and governance requirements and pass final background checks.

WM Climate change is a critical challenge for society. We're looking to contribute positively with our new #climatepositivity campaign: we think that optimism about what's possible for our future is hugely important. What are the climate requirements linked to the B Corp certification process?

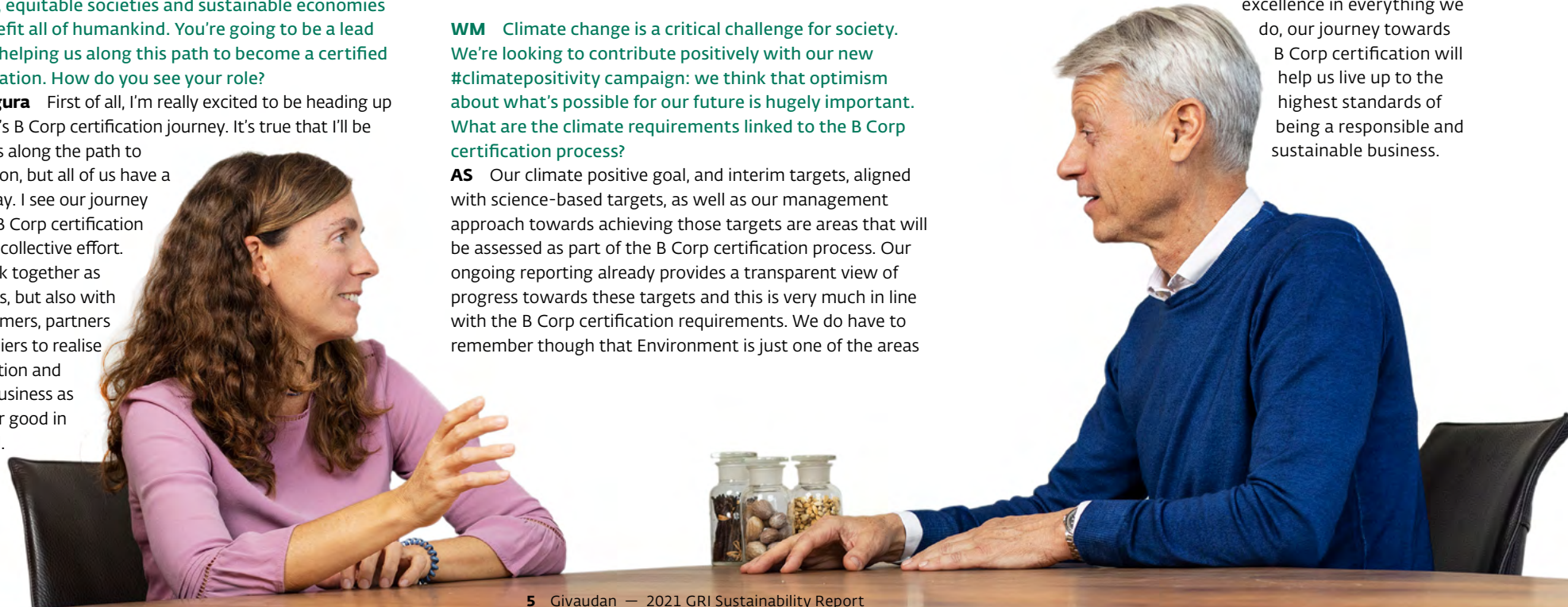
AS Our climate positive goal, and interim targets, aligned with science-based targets, as well as our management approach towards achieving those targets are areas that will be assessed as part of the B Corp certification process. Our ongoing reporting already provides a transparent view of progress towards these targets and this is very much in line with the B Corp certification requirements. We do have to remember though that Environment is just one of the areas

that will be assessed through the Business Impact Assessment. It will also be looking at the areas of Governance, Community, Workers and Customers.

WM Those five areas have been integral to our sustainability work for some time. We're accelerating our progress and looking to maximise our impact by integrating all of this work into our purpose ambitions. Things are speeding up. How long will it take to achieve B Corp certification?

AS This won't be a quick process. We're one of the largest B2B organisations to undertake B Corp certification and we can't put a timeframe on our journey right now. We'll measure our success by the achievement of certification rather than how quickly we get there. As we strive for

excellence in everything we do, our journey towards B Corp certification will help us live up to the highest standards of being a responsible and sustainable business.



Our impact in 2021

ENVIRONMENT

- 84%** Renewable electricity
- 31%** GHG emissions scope 1 + 2 since 2015
- 4%** GHG emissions scope 3 since 2015
- 82%** Production sites registered on Sedex

SOCIAL

- 26%** Women in senior management
- 1.4%** Average base salary difference between men and women¹
- 22%** Reduction of recordable injury rate since 2018
- >16,800** Employees

1. Results for the Givaudan Group globally for equivalent roles and skill sets.

ECONOMIC / GOVERNANCE

- 7.1%** Sales growth LFL²
- CHF 6,684 million** Sales
- 12.6%** Free cash flow as % of sales
- 20%** non-financial targets in Performance Share Plan compensation

2. Like-for-like excludes the impact of currency, acquisitions and disposals.

Our solid track-record of ESG ratings



Double 'A rating' for climate and water for three consecutive years



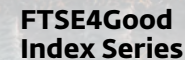
CDP leader board recognition for supplier engagement



Awarded the **EcoVadis Gold** medal, ranking us in the top 5% out of 75,000 businesses



Rated as 'low-risk' in 2021 with a score of 19.1 and a chemicals industry **ranking 13 out of 480**



Ranked in the top 2% in the **FTSE4Good Index Series**, among our peers



Included in **SXI Swiss Sustainability 25 Index**



Since 2017 Givaudan has been rated **AAA** by **MSCI ESG RATINGS**

Our purpose is at the heart of everything we do

Our guiding star to drive sustainable growth

We have translated our purpose into four focus areas that set out specific, measurable ambitions that allow us to gauge our progress over time. They also support the ten United Nations Sustainable Development Goals where we can deliver the greatest impact.

Our B Corp certification will be the independently verified proof that we are living this purpose every day.

“ Living our purpose through the associated bold, ambitious goals allows us to continue being a successful, sustainable business. ”

Calvin Grieder, Chairman

Creating for happier, healthier lives with love for nature Let's imagine together

Creations

Let's imagine together with our customers that through our creations more people will enjoy happier, healthier lives.



Communities

Let's imagine together that all communities benefit by working with Givaudan.



Nature

Let's imagine together that we show our love for nature in everything we do.



People

Let's imagine together that Givaudan is a place where we all love to be and grow.



Working towards sustainable development



ESG fully integrated in our business

Committed to Growth, with Purpose

As a purpose-led company, we can go even further to make our world a happier and healthier place. Our purpose, a guiding star in our 2025 strategy, leads the way to increasing our positive impact on society and the planet in order to ensure our sustainable long-term performance. It is our intention to deliver growth through the creation of inspiring products for happier, healthier lives while achieving our ambitious financial targets and longer-term purpose ambitions.

“ It is through our purpose and strategy that we address Environment, Social and Governance issues. ”

Gilles Andrier, CEO

2025 Strategy



Excellence, innovation, simplicity in everything we do

4 – 5% GROWTH

PURPOSED LINKED TARGETS

>12% FCF



Our sustainability journey

2010

Support for **UN Global Compact** pronounced



2015

Givaudan commits to **RE100** and to set a Science Based Target



2017

New approach to sustainability "**A Sense of Tomorrow**" introduced

Commitment to GHG emissions target in line with **Science Based Targets Initiative**

Givaudan commits to contribute to the **UN's Sustainable Development Goals**



2019

New approach to shaping a sustainable future through the newly defined purpose "**Creating for happier, healthier lives with love for nature**"

Givaudan aligns target to 1.5°C and signs the **UN's Business Ambition for 1.5°C**, reinforcing our commitment to become climate-positive before 2050



2020

Givaudan announces its 2025 strategy "**Committed to growth, with Purpose**"

Givaudan sets the ambition to become **B Corp**, the gold standard for good business



2021

Givaudan introduces the new **Sourcing4Good** programme

Givaudan publishes its **Human Rights policy**

Givaudan joins **Together for Sustainability (TfS)**


Givaudan engaged as advisory board members in the **Renewable Carbon Initiative**

Givaudan includes **TCFD** recommendations

Givaudan includes **SASB** standards mapping



How ingredients help us protect the environment and care for communities



THANKS TO VETIVER

We build infrastructure and provide **access to water and electricity** in Haiti



THANKS TO LAVENDER

We **research preservation and resilience to climate change** in France



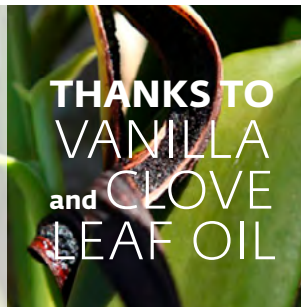
THANKS TO SANDALWOOD

We **help communities preserve the environment** in Australia



We **preserve 150,000 hectares of Amazonian Rainforest** in Venezuela

THANKS TO TONKA BEANS



We **reduce our impact on the environment** and have **planted 700,000 trees** in Madagascar

THANKS TO VANILLA and CLOVE LEAF OIL



Distillation units are energy-efficient; **pickers receive education** in Comoros

THANKS TO YLANG-YLANG



THANKS TO BENZOIN

We **build schools** in Laos



THANKS TO PATCHOULI

We **train farmers and help their businesses grow** in Sulawesi



THANKS TO JASMIN FLOWER

We are partnering to **implement the SOURCING4GOOD programme** and auditing our floral ingredients supply chain in India

Stakeholder engagement

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List of stakeholder groups and key topics and concerns raised

The engagement channels as well as key topics and concerns raised per stakeholder group are listed in the diagram below.

Stakeholder dialogue

Why we engage	How we engage	Key topics & concerns discussed
<p>Customers</p> <p>Strong engagement with our customers enables us to understand their needs and anticipate market trends. Through preference discovery platforms and consumer insight programmes we are able to understand and anticipate consumer preferences and adapt to cultural tastes.</p>	<ul style="list-style-type: none"> • Customer sustainability requests • Audits • Customer innovation days • Customer and industry conferences and events • Key account manager relationships – ongoing dialogue • Use of consumer insight programmes for consumer understanding, cultural insights and sensorial decoding • Leveraging digital capabilities to enhance insights in consumer trends 	<ul style="list-style-type: none"> • Climate change • Consumer health & wellbeing • Governance & business conduct / ethics / transparency • Human rights • Innovation capabilities & management • Product / ingredient environmental & social performance • Product quality & safety and ingredient disclosure • Responsible sourcing & traceability
<p>Suppliers</p> <p>Our suppliers are genuine partners, and we work with them towards mutual value creation: open dialogue secures a pipeline of technological innovation through supplier enabled innovation; supplier engagement and collaboration ensure our suppliers have high standards in business ethics and respect for people and the environment.</p>	<ul style="list-style-type: none"> • Assessments • Supplier audits • Collaborations to improve performance • Multi-stakeholder groups • Supplier events: capacity building, discussing issues • Direct engagement with supplier relationship managers 	<ul style="list-style-type: none"> • Climate change • Human rights • Innovation capabilities & management • Raw material availability • Responsible sourcing and traceability
<p>Employees</p> <p>We engage with our people to foster an environment of open dialogue to mutually resolve conflicts, to identify development initiatives and innovative ideas that will help drive our business. We cannot achieve our goals without a true sense of unity and a workplace where we all love to be and grow.</p>	<ul style="list-style-type: none"> • Works Council consultations • Employee engagement surveys • Annual performance dialogue • Talent management processes • Learning and development opportunities • On-going dialogue with Givaudan Green Teams • Imagine – employee community management platform 	<ul style="list-style-type: none"> • Climate change • Diversity, inclusion & people development • Employee health & safety & wellness • Governance & business conduct / ethics / transparency • Human rights • Innovation capabilities & management

Stakeholder engagement

Why we engage

Investors and shareholders

Our active dialogue with the capital market ensures transparency and helps us improve our reporting practices. Our relationship with debt investors, banks and credit rating agencies ensures we have funding for investment opportunities.

How we engage

- Annual General Meeting
- Annual investor conferences and investor road shows
- Briefings with analysts
- Conferences with investors and other financial stakeholders

Key topics & concerns discussed

- Climate change
- Diversity, inclusion & people development
- Economic performance
- Environmental, Social & Governance
- Governance & business conduct / ethics / transparency
- Innovation capabilities & management
- Raw material availability

Local communities

Open dialogue fosters good relations and enables us to work together with communities and neighbourhoods on projects and causes that benefit local communities, help protect local ecosystems and support livelihoods.

- Community development programme survey
- Local site community engagement programme
- Ongoing dialogue with local authorities and community organisations
- Employees engaged in social activities within the communities in which we operate
- Givaudan Foundation
- Local partners (NGOs or cooperatives) acting as Givaudan agents

- Biodiversity
- Climate change
- Diversity, Inclusion & People Development
- Governance & Business Conduct / ethics / transparency
- Human rights
- Local community development
- Product / Ingredient Environmental & Social Performance
- Responsible Sourcing & Traceability

Public & regulatory agencies

Engagement and collective action with external partners are essential in order to inspire and lead by example as a responsible business. Only collective action can influence decisions. We engage with local governments and regulators to understand the changes, their concerns and find mutually beneficial solutions.

Amongst those we engage with:

- United Nations Global compact
- International Fragrance Association (IFRA)
- International Organization of the Flavor Industry (IOFI)
- WBCSD
- AIM-PROGRESS
- B Lab and B Movement Builders
- CDP
- Ecovadis
- Renewable Carbon Initiative (RCI)
- Together for Sustainability (TFS)

- Climate change
- ESG topics (Environmental, Social & Governance)
- Governance & business conduct / ethics / transparency
- Human rights
- Product / ingredient environmental & social performance
- Product quality & safety and ingredient disclosure
- Responsible Sourcing & Traceability

Innovators and partners

We engage in innovative partnerships to go beyond our own internal capabilities and seek out the extended possibilities and opportunities that collaboration can bring. This allows us to access the latest trends in innovation, to extend our innovation ecosystem to the global level and to accelerate our efforts in this domain.

- Global network of accelerators and incubators
- Partnerships with innovators, accelerators and with academia
- Plugged into disruptive and digital trends
- Co-creation and co-innovation opportunities

- Climate change
- Consumer health and wellbeing
- Innovation capabilities & management
- Product / ingredient environmental & social performance
- Product quality & safety and ingredient disclosure

Stakeholder engagement

Disclosure 102 – 42

Identifying and selecting stakeholders

Working systematically with interested parties and evaluating their perspectives on economic, social, environmental, ethical and governance issues helps us strengthen dialogue. It allows us to better address their concerns and manage the direct or indirect impact on Givaudan. This approach can be used as a strategic management tool, it helps build stronger and lasting relationships with key stakeholders, allows us to manage our business successfully and also lays out the basis for our materiality assessment.

When we set out to develop a materiality matrix in 2011, we carried out a wide-ranging assessment of our stakeholders to determine who had the greatest impact on us and on whom we had the most effect. We identified seven key stakeholder groups from a list of more than 200 organisations: customers, suppliers, owners and investors, public and regulatory agencies, local communities, employees and innovators and partners.

Givaudan has developed specific tools to support interaction with the various stakeholder panels at both global and local levels. We also review and evaluate diverse stakeholder engagement initiatives existing across the Company and continuously monitor their relevance in a two-stage process.

First, we map each direct engagement with an external organisation by considering its relevance to several areas including our stakeholder groups; the key issues in our materiality matrix; our initiatives in sourcing, innovation and environment, and the Sustainable Development Goals on which we have an impact. Then we look at every current or potential external engagement and assess it against several criteria: local or global engagement; membership criteria and membership fees; participating customers and suppliers; participating competitors; participant profiles; type of sessions;

size of groups; impact on our sustainability approach; risks and benefits. Based on the outcome, we decide whether to pursue a current engagement or seek opportunities with new organisations. We then suggest actions to be taken within the engagement for the next three years.

Disclosure 102 – 43

Approach to stakeholder engagement

Listening to our stakeholders is a core element of our sustainability management practice. Their feedback helps us understand expectations and it contributes to the development of our overall sustainability approach. We gather the views of our stakeholders by inviting them to discuss critical issues and strategic priorities. We create dialogue groups to understand how our business affects stakeholders and to determine the most material impacts to be managed.

The sustainability aspects listed in the Givaudan materiality matrix are presented to stakeholders to allow them to confirm which they see as the most important topics, and which they would like to discuss or know more about. The process gives stakeholders a genuine role in setting the direction of our sustainability approach and prioritising the issues.

Ultimately, through stakeholder dialogue, we seek to identify opportunities to improve management and our relationships, as well as create projects for our mutual benefit. This allows us to focus our drive for greater sustainability in those areas that are most important to our key stakeholders. Givaudan has many channels for stakeholder dialogue spread across different departments and teams; this also includes the information and feedback we receive during the ordinary course of business.

Material topics

Disclosure 102 – 46

Defining report content and topic boundaries

Our materiality assessment helps us to align our business with the expectations of our stakeholders and with society in general. Our materiality assessment process aims to identify and prioritise the issues of the greatest material importance; it is also the basis for defining our GRI reporting content and the boundaries of the topics. The process follows the principles of stakeholder inclusiveness, environmental and social context, materiality and completeness according to the GRI Standards.

Materiality assessment

Our activities have an impact that goes far beyond economic results. To be successful in the long run, we need to align our business performance with the expectations of our stakeholders and with society in general. To achieve this goal, a deep understanding of the most relevant topics for the different groups of stakeholders is essential.

Our first materiality assessment was undertaken in 2011 in line with the GRI framework to strengthen our commitment to dialogue, and to support our assumptions and identify the most important topics for our sustainability reporting content. We use the Givaudan materiality assessment to prioritise aspects identified as being of most concern to our customers and other key stakeholders. The matrix is reviewed through discussion with the main stakeholders, and we aim to conduct a comprehensive assessment of surveys and interviews on a regular basis. We address critical issues and strategic priorities, look for opportunities to improve management and relationships, and identify possible projects to work on together.

In the middle of each business strategic cycle, we conduct a review to acquire meaningful information about changes and emerging topics. Our material topics are those that have a

substantial influence on the decisions of our stakeholder groups or that represent Givaudan's significant economic, environmental and/or social impacts. Our last comprehensive materiality assessment including external stakeholder interviews was done in 2019. In 2020, we internally reviewed our list of material topics to make sure it is consistent with our newly defined Purpose, our Strategy 2025 and our analysis of risk categories.

In 2021, we refreshed our materiality assessment with the help of a third-party expert. Starting from desk research, a review of peers, ESG reporting frameworks, internal reviews with selected Givaudan leaders as well as ratings and trend reports (e.g., GRI Standards, SASB Standards, MSCI ESG Rating, Dow Jones Sustainability Index), we developed an initial long list of material topics that might be relevant to our stakeholders. We then reduced this to a short list by assessing the importance of each and clustering overlapping material topics. We also excluded purely financial and operational issues, as well as hygiene factors, as we expect these topics to be actively managed to such an extent that they do not require explicit inclusion.

These short list topics were assessed for their importance, taking potential impacts, risks and opportunities as well as the significance for Givaudan's business into account. The topics were then discussed and ranked in detail through internal workshops with selected Givaudan leaders, who both brought in the perspectives of key stakeholders and evaluated the potential environmental and social impact of Givaudan's business on each topic. The result of this exercise was validated by our Executive Committee and is reflected in our list of 15 topics. We are planning to update our assessment using direct inputs from external stakeholders over the next two years.

Material topics

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Material topics















Our list of material topics is mapped against the GRI Standards topics, our purpose pillars, the United Nations Global Compact (UNGC) Principles and the United Nations' Sustainable





Development Goals (SDGs) to show that they are fully consistent with the most commonly used sustainability frameworks. The list of all material aspects identified in this process is as follows:

Materiality topic	Equivalent GRI topic	Purpose pillar*	UNGC Principles	SDGs mapping
Biodiversity	GRI 304: Biodiversity		Principle 8	
Climate change	GRI 201 – 2: Financial implications and other risks and opportunities due to climate change GRI 301: Materials GRI 302: Energy GRI 305: Emissions		Principle 7, 8, 9	
Consumer health & wellbeing	GRI 416: Customer health and safety			
Diversity, inclusion & people development	GRI 102 – 8: Information on employees and other workers GRI 202: Market presence GRI 401: Employment GRI 404: Training and education GRI 405: Diversity and equal opportunity GRI 406: Non-discrimination		Principle 6	
Economic performance	GRI 201: Economic performance			
Employee safety, health & wellbeing	GRI 403: Occupational health and safety			
Governance & business conduct / ethics / transparency	GRI 102 – 11: Precautionary Principle or approach GRI 102 – 16: Values, principles, standards, and norms of behaviour GRI 102 – 17: Mechanisms for advice and concerns about ethics GRI 102 – 18: Governance structure GRI 205: Anti-corruption		Principle 10	

* Creations Nature People Communities

Material topics

Materiality topic	Equivalent GRI topic	Purpose pillar*	UNGC Principles	SDGs mapping
Human rights	GRI 102 – 41: Collective bargaining agreements GRI 402: Labour/management relations GRI 407: Freedom of association and collective bargaining GRI 408: Child labour GRI 409: Forced or compulsory labour GRI 412: Human rights assessment GRI 414: Supplier social assessment		Principle 1, 2, 3, 4, 5	
Innovation capabilities & management			Principle 8, 9	
Local community development	GRI 203: Indirect economic impacts GRI 413: Local communities		Principle 1	
Product / ingredients environmental & social performance	GRI 301: Materials GRI 302: Energy GRI 305: Emissions GRI 416: Customer health and safety		Principle 7, 8, 9	
Product quality & safety and ingredient disclosure	GRI 416: Customer health and safety GRI 417: Marketing and labelling			
Raw materials availability	GRI 301: Materials			
Responsible sourcing & traceability	GRI 102 – 9: Supply chain GRI 204: Procurement practices GRI 308: Supplier environmental assessment GRI 407: Freedom of association and collective bargaining GRI 408: Child labour GRI 409: Forced or compulsory labour GRI 412: Human rights assessment GRI 414: Supplier social assessment		Principle 1, 2, 4, 8, 10	

* Creations  Nature  People  Communities 

Material topics

Materiality topic	Equivalent GRI topic	Purpose pillar*	UNGC Principles	SDGs mapping
Waste management & circular principles	GRI 306: Waste		Principle 8	
Water stewardship	GRI 303: Water and effluents		Principle 8	

Even though purely financial issues have been excluded in our materiality update, we still report on the topic "Economic performance", which we consider fundamental to our social licence to operate and to our efforts to be a good corporate citizen, by using GRI 201: Economic Performance.

* Creations Nature People Communities

Disclosure 102 – 49

Changes in reporting Changes in material topics

We reduced the list of material topics to 15 from 24 following our 2021 materiality assessment update. Previous content is still included, but it has been better clustered and tailored to Givaudan's context. The material topic definitions have also been clarified.

The report's chapters now directly follow our material topics, with GRI 103 used for each Management Approach. We feel that this will better reflect Givaudan's material topics in the reporting, avoid duplications in content and facilitate reader understanding. GRI topic-specific disclosures are integrated into the relevant material topic chapters. Even though it is no longer explicitly mentioned in our list of material topics, we continue to report on Economic performance. We consider this fundamental to our social license to operate and to our efforts to be a good corporate citizen. Our list of material topics is included in both our Integrated Report and in our Sustainability GRI Index.

Changes in boundaries

A detailed overview of the sites in GRI scope for environmental, health and safety data can be found in the 2021 Integrated Annual Report.

[READ MORE](#)

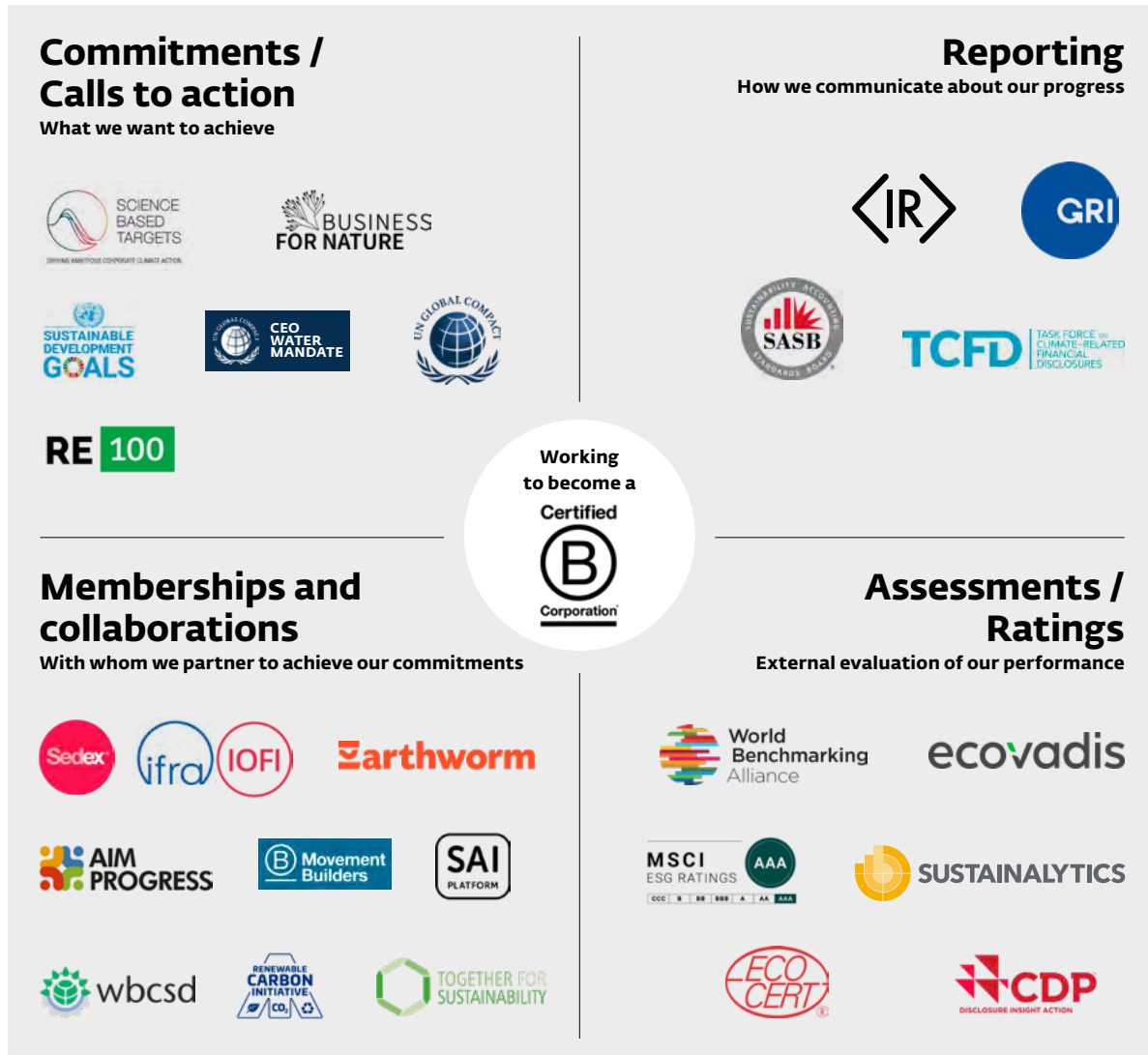
2021 Integrated Annual Report ▶ pages 152–159 ▶ [Givaudan sites worldwide](#)

Disclosure 102 – 50

Reporting period

The reporting period covers the full year 2021 which includes employee numbers and safety data. Environmental data concerns 12 months, the fourth quarter of 2020 through the third quarter of 2021, which is now the regular reporting period for environmental data for the reporting cycles. This enables the publication of the reporting suite with full data assurance process.

Key partnerships



Disclosure 102 – 12
External initiatives

We engage in numerous external initiatives and strategic collaborations with relevant organisations and partners to support and inform our work on the most material sustainability issues. Collaboration across our supply chain as well as with other businesses and non-profit organisations is essential; the more we do together, the quicker we drive sustainable solutions. This chapter details some external initiatives and some of the most relevant strategic partners: it is not meant to be exhaustive.

United Nations Global Compact (UNGC)

What it is

The United Nations Global Compact (UNGC) is a strategic policy initiative for businesses committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labour, environment and anti-corruption.

Why we engage

The UNGC looks to drive business awareness and action in support of achieving the Sustainable Development Goals by 2030.

How we engage

We have been a signatory since February 2010, and we measure our progress towards sustainability against its principles. Our GRI reporting also serves as communication on progress towards the implementation of these principles and to achieving our sustainability targets. We are also involved with the UNGC Swiss Network, allowing us to participate in conferences and share best practices with other members.

www.unglobalcompact.org

Key partnerships

UN CEO Water Mandate

What it is

The CEO Water Mandate mobilises a critical mass of business leaders to address global water challenges through corporate water stewardship, in partnership with the United Nations, governments, civil society organisations, and other stakeholders.

Why we engage

Givaudan has been working on ambitious targets on water and will continue to do so. Water stewardship is an important part of our purpose goal of showing our love for nature in everything we do.

How we engage

Givaudan endorsed the CEO Water Mandate in March 2020.

ceowatermandate.org

CDP

What it is

CDP is a global non-profit that runs the world's leading environmental disclosure platform. CDP drives companies and governments to reduce their greenhouse gas emissions, safeguard water resources and protect forests.

Why we engage

Over 13,000 companies with more than 64% of global market capitalisation disclosed environmental data through CDP in 2021. This represents 35% more than last year and the number has more than doubled since the Paris Agreement was signed in 2015. CDP's questionnaires are fully aligned with the recommendations of the TCFD.

How we engage

Givaudan discloses its climate change and water security impacts through CDP. This year, Givaudan has once again been recognised for the third year in a row with a CDP double A rating.

[READ MORE](#)

www.givaudan.com ▶ Media ▶ Media releases ▶ 2022 ▶ [Givaudan recognised with CDP double A rating](#)

Our CDP questionnaires are found on [givaudan.com](https://www.givaudan.com) ▶ investors ▶ ESG ▶ [CDP report on climate change](#) and [CDP report on water security](#)

www.cdp.net

WBA (World Benchmarking Alliance)

What it is

WBA is a multi-stakeholder alliance that developed a series of benchmarks to assess 2,000 of the world's most influential companies based on seven transformations that need to take place to put society and the worldwide economy on a more sustainable path to achieve the SDGs.

Why we engage

We recognise the urgent need to transform the food system to avoid severe environmental and human risks for all people, our planet and business. Our purpose commitments across Creations, Nature, Communities and People contribute to this transformation.

How we engage

Givaudan participated to the WBA Food and Agriculture Benchmark, which was published in September 2021 and assessed 350 of the world's biggest food and agriculture companies.

www.worldbenchmarkingalliance.org

MSCI Index

What it is

MSCI is a leading provider of critical decision support tools and services for the global investment community. With more than 50 years of expertise in research, data and technology, MSCI powers investment decisions by enabling clients to understand and analyse key drivers of risk and return and confidently build more effective portfolios.

MSCI ESG Ratings aim to measure a company's resilience to long-term ESG risks. Companies are scored on an industry-relative AAA-CCC scale across the most relevant key issues based on a company's business model.

Why we engage

With our purpose at the core of our business, we recognise the value of external feedback. This is why we appreciate every opportunity to be measured and rated by independent agencies and other organisations. We believe that it is an excellent way to learn and to develop further to strengthen our long-term commitment to being a successful, sustainable business.

How we engage

In 2021, Givaudan was rated as a leader in managing ESG related risk and in capitalising ESG related opportunities in its industry. Givaudan was recognised with an overall AAA rating by MSCI for the fifth time in a row.

www.msci.com/our-solutions/esg-investing/esg-ratings

Science Based Targets initiative (SBTi)

What it is

The Science Based Targets initiative defines and promotes best practice in science-based target (SBT) setting, offers resources and guidance to reduce barriers to adoption, and independently assesses and approves companies' targets. It is a collaboration

Key partnerships

between CDP, World Resources Institute (WRI), the World Wide Fund for Nature (WWF), and the United Nations Global Compact (UNGC). It is also one of the We Mean Business Coalition commitments.

Why we engage

Givaudan has long recognised the urgency of the climate challenge and the natural next step was to confirm our alignment with the SBTi's approved 1.5°C trajectory, the minimum required to mitigate the most damaging effects of climate change.

How we engage

We sought and gained validation from the SBTi of our target to reduce absolute scope 1 and 2 GHG emissions by 70% between 2015 and 2030 as being consistent with levels required to meet the goals of the Paris Agreement. The Company's value chain emission target (scope 3), aiming for a reduction of 20% over the same period, also meets the SBTi's criteria. This is in line with what the latest science considers necessary to meet the goals of the Paris Agreement (from the publication of the Intergovernmental Panel on Climate Change (IPCC) 2018 Special Report on Global Warming of 1.5°C.)

sciencebasedtargets.org

The Global Reporting Initiative

What it is

The Global Reporting Initiative (GRI) helps organisations be transparent and take responsibility for their impacts to create a sustainable future. GRI creates the global common language for organisations to report their impacts, enabling informed dialogue and decision making.

Why we engage

GRI Standards allow for better comparability, greater transparency and accountability and align with other standards

including the OECD guidelines for multinational organisations; ISO 26000; the United Nations Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework; the UNGC's Ten Principles and the United Nations' Sustainable Development Goals.

How we engage

We have used the GRI frameworks, the leading and most widely adopted global frameworks for sustainability reporting, since 2010. We have applied the GRI Standards, the newest evolution of the GRI frameworks, since the reporting period 2017.

www.globalreporting.org

Sedex (Supplier Ethical Data EXchange)

What it is

Sedex is a not-for-profit membership organisation dedicated to driving improvements in responsible and ethical business practices in global supply chains.

Why we engage

Givaudan engages with Sedex to better assess both its production sites and suppliers in terms of responsible and ethical business practices.

How we engage

We register our production sites with Sedex as part of an ongoing process related to acquisitions and the opening of new production sites. We are committed to starting the registration process soon after an acquisition has been announced or a new facility has been commissioned to ensure high standards. Givaudan has been an active user of the Sedex platform since 2008 and reviews and updates the SAQ every year.

www.sedexglobal.com

EcoVadis

What it is

EcoVadis provides a holistic sustainability ratings service for companies, delivered via a global cloud-based SaaS platform. The EcoVadis assessment evaluates how well a company has integrated the principles of CSR into its business and management systems. It examines categories including environment, labour and human rights, ethics and sustainable procurement and assesses the performance of companies across multiple sectors.

Why we engage

As we strive to be a force for good, our teams continue to work hard to achieve our ambitious sustainability and purpose goals. EcoVadis is a stringent, independent assessment of this work.

How we engage

Givaudan has completed the EcoVadis CSR assessment every year since 2008 and has been recognised for its leadership for the past six years. Givaudan was ranked in the top 5% of the EcoVadis Corporate Social Responsibility (CSR) assessment in 2021, achieving the gold medal.

www.ecovadis.com

RE100

What it is

RE100 is an initiative uniting more than 100 influential businesses committed to 100% renewable electricity and to working to increase demand for and the delivery of renewable energy. It is organised by The Climate Group, an international non-profit organisation, in partnership with CDP (see above).

Why we engage

RE100 shares the compelling business case for renewables with factors such as greater control over energy costs, increased competitiveness, and delivery on emissions goals. It

Key partnerships

also highlights business action on renewables and encourages supplier engagement while working to address barriers to companies reaping the benefits of turning to 100% renewable electricity. Our RE100 commitment is an important part of our ambition to become climate positive before 2050.

How we engage

As part of its 'Road to Paris' commitments in 2015, Givaudan committed to procuring 100% electricity from renewable sources by 2025, in line with RE100 membership. In 2021, we reached 84% of purchased renewable electricity.

there100.org

FTSE4Good

What it is

Created by the global index and data provider FTSE Russell, the FTSE4Good Index Series measures the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. These indexes are used by a wide variety of market participants to create and assess responsible investment funds and other products. FTSE Russell evaluations are based on performance in areas such as Corporate Governance, Health & Safety, Anti-Corruption and Climate Change. Businesses included in the FTSE4Good Index Series meet a variety of environmental, social and governance criteria.

Our inclusion

Being included in the FTSE4Good Index Series shows that we have delivered strong performance in five areas that are critical to promoting sustainability. We must show that we are working towards environmental sustainability; developing positive relationships with stakeholders; upholding and supporting universal human rights; ensuring labour standards and working against bribery. Companies must also be in the FTSE All-Share Index (UK) or the FTSE Developed Index (Global).

Our involvement

Following an independent review earlier in 2021, Givaudan has been included for the sixth consecutive year in the globally-recognised FTSE4Good Index Series. The inclusion recognises realised achievements as well as ambitious purpose and sustainability commitments. Givaudan ranked in the top 2% of performers among its peer group in the FTSE4Good Index Series.

www.ftse4good.com

Sustainalytics

What it is

Sustainalytics is the leading independent global provider of ESG and corporate governance research and ratings to investors.

Our inclusion

Givaudan was rated as 'low-risk' in 2021 with a score of 19.1 and a chemicals industry ranking 13 out of 480.

Our involvement

Inclusion in the rating.

www.sustainalytics.com

SXI Switzerland Sustainability 25 Index

What it is

The SXI Switzerland Sustainability 25 Index® includes 25 stocks from the SMI® Expanded Index with the best sustainability scores.

Our inclusion

The Annual Review process involves selecting eligible companies made up of SMI Expanded index companies that are not subject to the exclusionary criteria according to Sustainalytics' research. The top 25 companies in terms of the highest sustainability scores are selected to compose the SXI Switzerland Sustainability 25 Index®.

Our involvement

Givaudan was included on this list.

www.six-group.com

B Corp Certification ambition

What it is

B Corp certification recognises organisations who meet the highest verified standards of social and environmental performance, public transparency, and legal accountability and who balance profit and purpose.

Why we engage

Becoming a B Corp will put us at the heart of a global movement of organisations leading the way in reshaping the future of business. The B Corp movement is an excellent example of what can be achieved when businesses come together for the greater good. Our journey towards B Corp certification will help us to live up to the highest standards of being a responsible and sustainable business.

How we engage

We are pursuing B Corp certification. Our qualification will stand as independently verified proof that we are acting on our purpose goals and successfully balancing people, planet and profit.

bcorporation.net

Business for Nature

What it is

Business for Nature is a global coalition bringing together influential organisations and forward-thinking businesses. The coalition demonstrates business action and amplifies a powerful business voice calling for governments to adopt policies to reverse nature loss in this decade.

Key partnerships

Why we engage

The coalition's aim ties closely to our purpose goal of showing our love for nature in everything we do, reflecting the scale of our ambitions and the need for urgent action on nature.

How we engage

Givaudan became a signatory of the Business for Nature call-to-action in September 2020.

www.businessfornature.org

Disclosure 102 – 13

Membership of associations

The strategic organisations we are currently engaged with include:

WBCSD – World Business Council for Sustainable Development

What it is

The World Business Council for Sustainable Development (WBCSD) is a global, CEO-led organisation of businesses and partners working together to accelerate the transition to a sustainable world by focusing on the maximum positive impact for shareholders, the environment and societies.

Why we engage

Our engagement with the WBCSD addresses the material topics of biodiversity; climate change; consumer health and wellbeing; deforestation; diversity & inclusion; economic performance; human rights; local community development; product environmental and societal impact; responsible sourcing; traceability; transparency and reporting; waste management; water stewardship; and women's empowerment. As active members of WBCSD's programme FReSH (Food Reform for Sustainability and Health), we contribute to transforming global food systems for improved sustainability and health.

How we engage

We actively participate across WBCSD initiatives, helping to drive and shape the agenda. We collaborated closely with WBCSD on the development of the refreshed Vision 2050, which launched in March 2021, and we co-lead a WBCSD plastic and packaging workgroup that will define a transition for B2B chemical products. In 2020, we endorsed WBCSD's CEO call-to-action on Human Rights and signed WBCSD's CEO Guide to Human Rights, a document that sets out the actions businesses must take to meet their corporate responsibility to respect human rights and acts as call-to-action to encourage others to join these efforts. We are active members of FReSH, supporting the shift towards dietary patterns that are nutritionally healthy and environmentally sustainable. The FReSH programme was launched in November 2016 by the WBCSD together with the EAT Foundation with the purpose of accelerating transformational change in global food systems.

www.wbcscd.org

AIM-PROGRESS

What it is

AIM-PROGRESS is an association of consumer goods companies seeking to enable and promote responsible sourcing practices and sustainable production systems.

Why we engage

Through our membership, we enhance our supplier and customer partnerships to help create a more responsible supply chain. Our engagement with AIM-PROGRESS addresses the material topics of deforestation; diversity and inclusion; employee health, safety and wellbeing; governance and business conduct; human rights; responsible sourcing; traceability and transparency and reporting.

How we engage

We have been an active member of AIM-PROGRESS since 2012 and regularly attend conferences that focus on responsible sourcing practices.

www.aim-progress.com

Roundtable on Sustainable Palm Oil

What it is

The Roundtable on Sustainable Palm Oil (RSPO) is an international, multi-stakeholder organisation and certification model to advance the production, procurement, finance and use of sustainable palm oil products.

Why we engage

Givaudan joined the RSPO in 2011 to promote the production and use of sustainable palm oil, supporting our commitment to eliminate deforestation from our supply chain; to address key issues such as traceability and to create a positive difference for workers, farmers and local communities. Our engagement with RSPO addresses the material topics of biodiversity; consumer health and wellbeing; deforestation; economic performance; product environmental and societal impact; product quality and safety; responsible sourcing; traceability and transparency and reporting.

How we engage

T&W RSPO certification: During 2021, in the Taste & Wellbeing division, we were successful in broadening strategic responsible procurement and the supply chain through the Palm Oil RSPO MB certification of six factories: Naarden (Netherlands), Smithfield (Australia), Dortmund (Germany), Dübendorf (Switzerland), Mako (Hungary) and Avignon (France).

Key partnerships

F&B RSPO certification: Nine Fragrance & Beauty sites were successfully audited and received certification in 2021: Jigani (India), Mt. Olive and Towaco (USA), São Paulo (Brazil), Malvinas (Argentina), Singapore (Singapore), Cimanggis (Indonesia), Changzhou and Zhangjiang (China). In 2021 China (Guangzhou) is in process of the certification.

Traceability (T&W & F&B): We also aim to increase transparency of our palm oil supply up to mill level, encourage positive change in our supply chains and support the inclusion of smallholders in the supply chain.

Overall, we aim to reach supply chain transparency to mill level with our top suppliers, equivalent to 80% of our palm products purchased by volume, by 2025.

In 2021, we continued to work with our suppliers on our traceability progress and achieved a level of 73% of palm volume traceable to the mill level.

www.rspo.org www.rspo.org/members/882/Givaudan-SA

American Cleaning Institute

What it is

The American Cleaning Institute (ACI) is an association that aims to support the sustainability of the cleaning product and oleochemical industries. It is committed to driving improvements in sustainability across the industry and throughout the supply chain.

Why we engage

ACI members are committed to innovating and marketing cleaning products and oleochemicals that are effective, sustainable, and safe for human health and the environment. Our engagement with ACI addresses the material topics of climate change and product quality and safety.

How we engage

Givaudan has been an ACI member since 2012 and is a recognised member of the ACI sustainability programme in North America.

www.cleaninginstitute.org

Earthworm Foundation

What it is

The Earthworm Foundation is a global non-profit organisation focused on transforming supply chains for the benefit of nature and people.

Why we engage

The Earthworm Foundation supports Givaudan in implementing its Responsible Sourcing Programme through supply chain assessments and, where needed, co-designing innovative solutions like landscape projects with supply chain partners to create value for all. This engagement addresses the material issues of product environmental and societal impact; raw material availability; responsible sourcing and traceability.

How we engage

Givaudan became a member of the Earthworm Foundation (formerly The Forest Trust) in 2017.

www.earthworm.org

B Movement Builders

What it is

B Movement Builders is a programme for multinational, public companies to come together to lead systems change alongside and in support of the B Corp community, building a new narrative about the purpose of business.

Why we engage

We are committed to helping drive a global movement of business as a force for good, accelerating change to our global economic system and giving business a new role in society.

How we engage

Givaudan became a founding member of B Lab's B Movement Builders in 2020, joining forces with other purpose-led companies. Maintaining B Lab's commitment to strict criteria and transparency, Givaudan and other B Movement Builders commit to taking action in three key areas – leadership, impact and collaboration.

[READ MORE](#)

www.givaudan.com ▶ Media ▶ Media releases ▶ 2020 ▶ **Givaudan becomes founding member of B Lab's B Movement Builders**

bcorporation.eu/b-movement-builders

Together for Sustainability (TfS)

What it is

An industry platform focused on CSR/Sustainability/RS topics using both EcoVadis assessments and third-party audits in the members' supply chain. The purpose is to build capability in the chemical supply chain and to share pre-competitive RS data among the members.

Key partnerships

Why we engage

Our synthetics and Indirect Materials & Services (IM&S) categories are integrated into the Sourcing4Good programme through our membership of Tfs. Because existing activities within that organisation are focused on the sustainability performance and improvement of the related supply chains, many of which we source from, it makes sense for us to benefit from and contribute to this organisation through the assessment and auditing of our selected synthetics or IM&S suppliers.

How we engage

Givaudan has nominated a "Tfs Coordinator" whose responsibility is to ensure that the different stakeholders within our organisation are made aware of the tools and activities within Tfs and of how to maximise our membership. Our Head of Global Procurement and Sustainability is also heavily involved in the organisation from a steering committee perspective. In addition to the Coordinator role, representatives from Procurement and Sustainability are also involved in the different Tfs workstreams such as audit, assessment and scope 3. As we move forward and integrate the sustainability performance management of our suppliers using the tools of Tfs (e.g., EcoVadis and third-party audits), direct involvement of Procurement will increase.

tfs-initiative.com

IFRA – IOFI Sustainability Task Force

What it is

Together with the industry's scientific centre RIFM (the Research Institute for Fragrance Materials), the International Fragrance Association (IFRA) team endeavours to ensure that the usage standards for fragrance materials are put into practice according to the available scientific recommendations and that member companies comply with those standards. This voluntary approach enables the IFRA standards to be adopted rapidly by fragrance houses worldwide and by the industry as a whole.

The International Organization of the Flavor Industry (IOFI) is the global association representing the industry that creates, produces and sells flavourings worldwide. With regional and national associations and major global companies as members, IOFI interacts with relevant stakeholders around the world. IOFI supports the safety and proper use of flavourings and helps members identify and address global challenges.

A Sustainability Committee has been instituted by IFRA and IOFI as an effort to show F & F industries' sense of responsibility and commitment to making a difference. They launched a Sustainability Charter covering five Focus Areas around the flavour and fragrance value chain and 17 specific Commitments. The Charter aims to complement individual company sustainability programmes, helping the industry as a whole to make advances in sustainability by sharing best practices and benchmarking progress.

Why we engage

IFRA and IOFI form an industry body in which some projects are temporary and other forums are permanent. Of those that have a link to sustainability, there are several temporary workshops/projects. Of interest for the programme, permanent groups include the Scientific Committee (SC), the Regulatory Affairs and Advisory Committee (RAAC), the EH&S Committee, the Communication Working Group (CWG), the Green TF (not active the last year), the Environmental Task Force as a subset of the SC (ETF) and the Sustainability Committee.

How we engage

Fragrances and Flavours houses nominate their board members for the boards and RAPS, EHS, sustainability and responsible sourcing team members for technical Committees.

ifra-iofi.org

SAI Platform

What it is

Sustainable Agriculture Initiative Platform (SAI Platform) is one of the primary global food & drink value chain initiatives for sustainable agriculture.

It is a non-profit network that brings together more than 130 member companies and organisations leading the way in sustainable agriculture worldwide. This includes farmer cooperatives, manufacturers, processors, retailers and traders. SAI Platform provides the tools and network for the members to advance their programmes on sustainable agriculture.

Why we engage

SAI Platform tools help us make progress on sustainable agriculture with our suppliers. This platform also allows us to develop expertise and interact with our peers, both customers and our suppliers, in this journey,

How we engage

Farm Sustainability Assessment (FSA) by SAI Platform is our standard protocol for assessing and verifying our suppliers at farm level. We are also an active member of SAI Dairy Working Group as we understood this to be the platform for contributing to a more sustainable dairy sector: by partnering with other companies in this industry, we can contribute to finding solutions for common issues that are not only specific to Givaudan.

saiplatform.org

Key partnerships

UEBT

What it is

UEBT is a non-profit association that promotes ethical sourcing of ingredients from biodiversity, supporting and verifying companies' commitment to sourcing with respect for people and biodiversity. UEBT members commit to gradually implementing practices defined in the UEBT standard.

Why we engage

UEBT has a depth of experience in many of the fragrance related supply chains in which we operate and offers tools and guidance on how to navigate the challenges therein. A number of our customers work very closely with UEBT, so it is an important stakeholder in our responsible sourcing and biodiversity programmes.

How we engage

Givaudan works closely with UEBT, and their responsible sourcing standard is one of the protocols we use for assessing and verifying our suppliers at farm level.

www.ethicalbiotrade.org

The Sustainable Vanilla Initiative (SVI)

What it is

The Sustainable Vanilla Initiative (SVI) is a voluntary industry initiative that aims to promote the long-term stable supply of high-quality, natural vanilla produced in a socially, environmentally and economically sustainable way. It is made up of a range of vanilla supply chain actors and is run by the NGOs IDH and Sustainable Food.

Why we engage

Vanilla is a key product sourced by Givaudan, and the challenges of the Madagascan market and environment around it are well known. Although Givaudan undertakes

many positive initiatives and interventions within its vanilla supply chain in the country, it also makes sense to work with industry peers to ensure an aligned approach on issues such as traceability, deforestation and the professionalisation of the vanilla industry.

How we engage

Givaudan has been represented on the SVI Steering Committee since 2017, with meetings generally on a monthly basis. We are also involved in the whole member forums as well.

www.idhsustainabletrade.com/sustainable-vanilla-initiative-svi

RCI (Renewable Carbon Initiative)

What it is

The aim of the Renewable Carbon Initiative (RCI) is to support and speed up the transition from fossil carbon to renewable carbon for all organic chemicals and materials.

Why we engage

We reconsider carbons from waste (recycled, CO₂ or biomass based) as a new source of building blocks for new materials, which should be in the longer term be recognised as renewable a source of carbon.

This initiative is expected to help us create cross-industry platforms that will demonstrate the feasibility of renewable carbon in tangible activities; advocate for legislation, taxation and regulation changes to give renewable carbon an adequate commercial playing field to play on; and create a wider pull for sustainable options by raising awareness and understanding of renewable carbon level amongst the business community and the wider public.

How we engage

Givaudan has been engaged as an advisory board member with two seats since July 2021. We are also participating in different working groups.

renewable-carbon-initiative.com



ECONOMIC / GOVERNANCE

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Our ambitions

Our contribution to SDGs



CREATIONS

OUR AMBITION

By 2030, we will double our business through creations that contribute to happier, healthier lives.

Focus area	Targets	Status 2021	Actions and measures
Sales growth	Average organic sales growth of 4-5% on a like-for-like basis between 2021-2025	7.1%	<ul style="list-style-type: none"> • Focusing our strategic growth drivers • Focusing on renewable, biodegradable and viable natural solutions • Addressing health and wellbeing issues
Free cash flow	Average free cash flow of at least 12% of sales between 2021-2025	12.6%	<ul style="list-style-type: none"> • Expanding our portfolio • Greater collaboration and co-creation • Exploiting AI and digital opportunities • Increasing operational efficiencies



“ Strong governance systems are the cornerstone of a successful, sustainable business and help us to live and implement our purpose, as we strive to be a force for good for business, society and the planet. ”

Calvin Grieder, Chairman of the Board

Economic performance

Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

Economic performance refers to our ability to operate a profitable business model for the long-term viability of the Company. For Givaudan, this is inextricably intertwined with being a responsible and sustainable company. This means working to secure our long-term economic growth while positively impacting the environment and society and meeting the expectations of all our stakeholders. Short- and mid-term goals must support both our bold financial targets as well as the longer-term ambitions linked to our company purpose. Our intention is to deliver growth in partnership with our customers, achieve ambitious financial targets through the creation of inspiring products that support happier, healthier lives, all while making progress on our longer-term purpose ambitions in the areas of creations, nature, people and communities.

Any business must be financially sustainable. Solid economic performance puts us in a position to support our customers' own market expansion plans and provide them with growth opportunities through the use of our products. It allows us to support innovation with partners including academic and research institutions, start-ups and technology providers. It allows us to focus on our people, making sure that everyone has the right skills and competencies to grow and feel welcome, valued and inspired. Economic strength helps us work with suppliers to ensure the long-term availability of the most vulnerable raw materials; to source materials and services in a way that protects people and the environment, and to increase transparency and visibility within supply chains. Finally, and as critically, solid economic performance allows us to strengthen and improve the social, economic and environmental fabric of the communities where we operate and source our raw materials by supporting local projects and charitable causes.

These four growth enablers of creations, nature, people and communities will help us deliver on our company purpose.

Boundary

- Givaudan
- Customers

Disclosure 103-2, 103-3

MANAGEMENT APPROACH

Our 2025 strategy "Committed to Growth, with Purpose" outlines how we intend to pursue the mid-term goals that will support both our bold financial targets as well as our longer-term purpose ambitions. This approach will allow us to continue delivering sustainable value creation that benefits all.

The 2025 strategy is based on our purpose and serves as our roadmap for delivering sustainable value creation over the next five years for all our stakeholders. It takes global mega trends such as a growing consumer base as well as rapidly changing behaviours such as health and wellbeing priorities and responsible and engaged consumers into account. It also considers both short- and long-term trends linked to the current coronavirus crisis. The strategy is based on three core growth drivers and four growth enablers. All are underpinned by our focus on excellence, innovation and simplicity in everything we do.

The core growth drivers involve expanding the portfolio, extending customer reach and focusing our market strategies. Having successfully integrated the 19 acquisitions made since 2014, we are concentrating on fully exploring the great potential of the portfolio and leveraging our existing capabilities and innovation pipeline. It puts us in a position to expand beyond the current portfolio of flavours and fragrances, naturals and delivery systems further into nutrition, food ingredients and beauty.

Changing consumer preferences have led to a more fragmented customer landscape. We aim to extend our customer reach overall, targeting both large, international, global customers as well as those who are local and regional. A greater focus on tailored services will allow us to better cater to the varied needs of all our customers. Along similar lines, we will look to both maximise mature market opportunities and extend our leadership in high growth markets, particularly China.

Supporting these drivers, we have the four growth enablers of creations, nature, people and communities. Innovation is critical to creating inspiring solutions for our customers because now, more than ever, we need to consider the potential impact of our processes and products on the environment. We concentrate on renewable, biodegradable and viable natural solutions, especially in the area of health and wellbeing. To show our love for nature in everything we do, we look to have a positive impact on the supply of the natural ingredients we rely on, but also to pursue industry-leading specific, measurable goals by reducing our environmental impact through additional actions to preserve the climate, water and forests. In terms of people, we are pursuing diversity, which drives innovation and creates closer ties with employees, customers and partners, as well as focusing on employee development. We will continue to implement programmes that further support the health and wellbeing of our employees. Finally, delivering sustainable value creation for all our stakeholders includes the communities where we source and operate. We are continuing to work with suppliers to source all materials and services sustainably, to increase supply chain transparency and to support these communities.

As the COVID-19 pandemic continued to have an impact on a global level, Givaudan sustained good business momentum whilst maintaining its operations and global supply chain at a

Economic performance

high level, despite ongoing challenges in certain parts of the supply chain. The strong sales growth was achieved across all product segments and geographies, with the mature markets growing at 6.3% and the high growth markets at 8.3% on a like-for-like basis. In Fragrance & Beauty the product segments most affected in the first phases of the COVID-19 pandemic, namely Fine Fragrances and to a lesser extent Active Beauty, delivered excellent double-digit growth in 2021, demonstrating strong consumer demand for these product categories. In Taste & Wellbeing, there was excellent sales growth in the beverage, savoury and snacks categories, as well as in the strategic focus areas of plant-based proteins, health and wellness and naturals. In addition, there was a progressive recovery in the foodservice segment, as restrictions in relation to out-of-home food and beverage consumption started to be eased in certain markets.

Disclosure 201-1

Direct economic value generated and distributed

Our value added is defined as the economic value created by the activities of our business and its employees. This value is distributed to our operating costs including the supply chain, employees through wages and benefits, providers of capital and governments. Our 2025 strategy “Committed to Growth, with Purpose” contributes to our ability to increase this value.

Givaudan's economic value retained of CHF 235 million is the revenue of CHF 6,727 generated less the economic value of CHF 6,492 distributed to stakeholders through operating costs, employee wages and benefits, payments to providers of capitals and taxes.

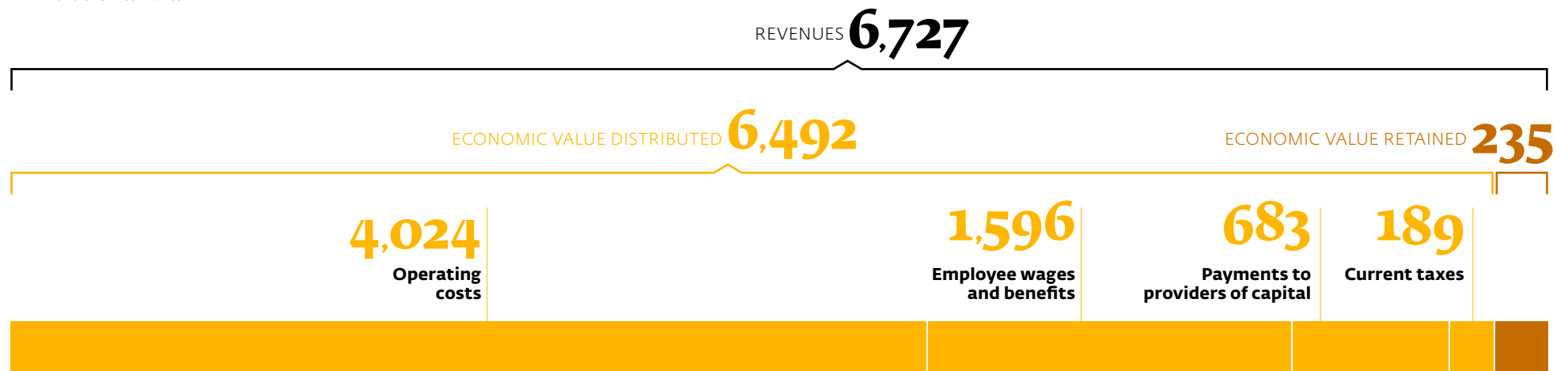
Disclosure 204-1

Proportion of spending on local suppliers

Givaudan prefers to source from local suppliers (defined as suppliers who are based in the same country as the Givaudan facility). This is reflected in the fact that 82% of non-raw material, by value, was purchased locally in 2021. For raw materials, 27% by value was sourced locally in 2021. Several of the raw materials we buy cannot be sourced in countries other than the ones where they grow naturally. This local sourcing policy has a significant contribution to the direct economic value we create in the local economies.

Direct economic value generated and distributed

in millions of Swiss francs



Economic performance

Disclosure 201 – 2

Financial implications and other risks and opportunities due to climate change

The scale of the climate crisis is more visible than ever, and the effects of climate change threaten people, business operations and economies around the world. Looking ahead, we are already acutely aware of the issues at stake: uncontrolled warming could pose numerous potentially negative impacts on our company and limit our ability to operate. For example, a scarcity of water could have a severe impact on our business because it is needed to grow most of our natural raw materials and also as an essential input in our manufacturing activities. Raw materials that are already scarce today risk becoming even more scarce in the future, depending on the evolution of climate change.

As a business potentially affected by climate change, Givaudan has been carefully considering many of the topics addressed by the TCFD disclosures for several years and with increasing scrutiny since the 2015 Paris Agreement. Though we have not yet completed the full quantitative analysis required by the TCFD, we are in alignment with its principles. This is largely demonstrated by the disclosures we submit through the framework of the CDP questionnaire and our subsequent reporting, included as a table p127.

To this end, we are addressing climate change risk through a comprehensive programme that aims to both mitigate it and to turn it to our advantage. We are looking, for example, to minimise our contribution to climate change and promote the transition to a low carbon economy. We have committed to excellence in climate action, basing our own agenda on ambitious GHG emission reduction targets and encouraging our supply chain in efforts to reduce their own emissions. Our Water Policy emphasises our long-standing commitment to water stewardship and outlines how we are focusing on where and what matters

most in operations, the supply chain and communities. Our targets are aligned with the United Nations Sustainable Development Goals and our attention is focused specifically on activities related and contributing to SDGs 6 and 12.

Taking action to decrease our negative impact and aligning ourselves with an ambitious climate agenda also helps us turn risks into opportunities. Our expertise in green chemistry and techniques such as biocatalysis enable us to make products that are high in purity and yield, using less energy and fewer hazardous materials. Our innovation teams are working on side-stream valuation, which enables us to use a larger part of existing raw materials or to reuse food waste from our partners' facilities. This allows us to create raw materials with less energy and reduces the risk of insufficient supply – it allows Givaudan to do more with less. Our Water Stewardship Programme ensures water risks are managed and monitored, and we prioritise places where water challenges are expected. We carry out risk assessments in these areas to develop water mitigation action plans that include efficiency improvements and water reuse opportunities at our manufacturing operations.

As we go forward in our journey to becoming climate positive, we will continue to make important changes to our business. We will scrutinise how we formulate, how we continue to innovate and how we continuously improve our ingredients portfolio to reduce the impact of our products. We will be rethinking movement – from the transportation of materials and goods to how we travel ourselves – and considering how to reduce our use of fossil fuels in favour of renewable sources such as solar, wind, geothermal and biofuels. We will be exploring ways to capture carbon through natural climate solutions such as reforestation as well as through industrial processes offered to us by technology. We will look to reduce our energy consumption through innovations in production infrastructure and increased efficiencies at our plants.

Commitment to TCFD

Financial markets need clear, thorough information on the impacts of climate change including risks and opportunities presented by rising temperatures, climate-related policy and emerging technologies. The Financial Stability Board's TCFD aims to bolster the reporting of such climate-related financial information and Givaudan is committed to the initiative. We largely address it through our extensive reporting through the CDP, a not-for-profit charity that runs the global disclosure system for investors, companies and governments to manage their environmental impacts.

[READ MORE](#)

TCFD Recommendations ▶ page 128

Disclosure 201 – 3

Defined benefit plan obligations and other retirement plans

The Group operates a number of defined benefit and defined contribution plans throughout the world and the corresponding assets are generally held in separate trustee-administered funds. The pension plans are generally funded by payments from employees and by the relevant Group companies, taking into account the recommendations of independent qualified actuaries. The most significant plans are held in Switzerland, the United States of America and the United Kingdom.

Governance & business conduct / ethics / transparency

Material topic definition

Governance & business conduct / ethics / transparency

Ensuring that business practices are in alignment with international standards, local laws and Givaudan standards (Code of Conduct) in countries of operation. Safeguarding the effective functioning of the governing bodies of Givaudan. Disclosing an adequate level of information and data and fostering constructive dialogue with the company's stakeholders.

Purpose pillars

 CREATIONS  NATURE  PEOPLE  COMMUNITIES

Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

Givaudan has built its excellent reputation and name over a long and rich history thanks to our commitment to high ethical standards, good governance and transparency in all our interactions. Continuing to ensure that all of our best business practices are in alignment with international standards, local laws and Givaudan standards helps to provide enhanced value to customers, shareholders and other stakeholders including suppliers, employees, competitors, government agencies and the communities in which Givaudan operates.

Adhering to high ethical standards is not only the right thing to do, it also protects our business from the risks of corruption and bribery, a critical concern at Givaudan. We can be held responsible for our own actions as well as those of people associated with us and penalties for violating bribery and corruption laws are severe. Most of the countries in which we operate have anti-bribery laws. Some of these countries claim extraterritorial jurisdiction with, for example, laws such as the UK Bribery Act, the US Foreign Corrupt Practices Act and the French Loi Sapin II. Mere allegations of bribery or corruption can damage our reputation, and noncompliance with anti-corruption laws may additionally expose us to fines. Either may lead to a loss of customers and confidence.

A good governance system that is supported by responsible management and supervision is essential for shared success and for the continued creation of value for the Company and all its stakeholders.

Being transparent by disclosing an adequate level of information and data fosters strong relationships and constructive dialogue with the company's stakeholders, creates trust and underpins our reputation. Continued and inclusive engagement with our stakeholders is essential as it helps us understand external trends and market expectations and allows us to identify opportunities as well as risks for our business.

Boundary

- Givaudan
- Business partners
- Suppliers

Disclosure 103-2, 103-3, 102-16

MANAGEMENT APPROACH Ethics and integrity

We are committed to adhering to high ethical standards in the way we interact with all our stakeholders: customers, suppliers, shareholders, employees, competitors, government agencies and the communities in which we operate. Being open, transparent and honest in our dealings with these stakeholders allows us to grow responsibly and share our success.

Our Principles of Conduct set out this commitment and underline our ambition to create an environment where trust and confidence is integral to all our endeavours.

Last reviewed and updated in 2018, the Principles of Conduct consist of three pillars: Legal & ethical business dealings, Responsible corporate citizenship and Protecting Givaudan's assets. The Principles also include a section on 'How we live the Principles', which reiterates each employee's responsibility for ethics and integrity and explains the channels for reporting any violation of the Principles ("helpline"). We expect every employee to take personal accountability for upholding our Principles in daily actions within their own sphere of influence and with business partners and stakeholders.

Our Ethics and Compliance Programme is based on the compliance and fraud prevention concept of 'prevent – detect – respond'. The Corporate Ethics & Compliance Officer oversees the administration of this programme supported by a global compliance team and a network of local compliance officers and regional compliance coordinators. Regular compliance risk assessments are carried out by the Corporate

Governance & business conduct / ethics / transparency

Ethics & Compliance Officer with local compliance officers and corporate functions.

Other compliance processes include the selection and engagement of third-party agents and distributors and the global supplier selection process of the Procurement organisation. The Corporate Ethics & Compliance Officer reports regularly to the Board of Directors, the Audit Committee of the Board, the Executive Committee and the CEO.

We monitor for compliance via numerous measures. We ask all Local Compliance Officers to certify the compliance of their country organisations with the laws and with Givaudan's policies once annually.

Disclosure 102 – 17

Mechanisms for advice and concerns about ethics

Givaudan's various mechanisms for advice and concerns about ethics also contribute to monitoring activities. We have a Group-wide Compliance Helpline system that allows employees to report suspected or actual misconduct or violations of the Company's policies on a confidential basis and without fear of retaliation. The helpline consists of a telephony and a web intake. It is serviced by a third-party provider and is available at all sites worldwide 24/7 and in all major languages spoken at the Company. We also have a dedicated grievance email channel that allows third parties to report alleged non-compliance or other issues. This mechanism is mentioned in our Responsible Sourcing Policy. All reported cases are reviewed and investigated as appropriate in accordance with Givaudan's Global Compliance Incident Investigation Procedure. Depending on the nature of the allegations, these cases are handled either locally or centrally. Where required, external specialist support is sought.

Anti-bribery & anti-corruption

Anti-bribery and anti-corruption compliance are managed as focus compliance risk areas within our Compliance Management System. The approach is anchored in our Principles of Conduct, which state that Givaudan has zero tolerance for bribery and corruption and does not make facilitation payments. This principle is further detailed in two policies: Givaudan's Global Anti-Bribery, Gift, Entertainment and Hospitality policy, first enacted in 2011 and last amended in 2019, includes prohibitions on corruption, bribery, inappropriate gifts as well as mechanisms for the approval and reporting of gifts, entertainment and hospitality. Givaudan's Global Charitable Giving and Community Support policy, also last amended in 2019, provides mandatory guidelines on permitted charitable causes, due diligence on recipients, and reporting. The Principles of Conduct and the two policies are available to employees in all major Company languages.

The Corporate Ethics & Compliance Officer regularly reviews corruption and bribery risks as part of compliance risk assessment, which is done at both the local and corporate levels. The results are presented to the Executive Committee, the Audit Committee and the Board of Directors. Given that they present a specific risk group, Givaudan has a process for the selection and engagement of sales agents and distributors that includes a formal due diligence review and requirements for agent contracts and payments.

In the case of acquisitions, we conduct pre-signing due diligence and full integration of acquired companies into the Compliance and Ethics Management system upon closing.

Disclosure 205 – 2

Communication and training about anti-corruption policies and procedures

Basic compliance training on the updated Principles of Conduct, mandatory for all permanent employees once every two years, includes sections on bribery and corruption and the ethical handling of issues linked to gifts, entertainment and hospitality.

We have also introduced specific anti-bribery training for employees with significant contact to external stakeholders. This group of senior managers includes all members of the Executive Committee and other employees whose work involves regular and direct contact with external stakeholders. Givaudan senior managers have been invited to complete this specific anti-bribery training since 2013. The latest training was rolled out from Q4 2021 onwards. The completion rate for Givaudan employees, including Naturex employees, currently stands at 85%.

With further acquisitions over the past years, we have continued to roll out our ethics and compliance programme, which includes training for employees in the acquired companies. Depending on the integration status of the acquired company, the training programme is available either online or offline in all relevant languages. The basic training includes essentially the same material on anti-bribery, corruption and corporate social responsibility as the basic training for Givaudan employees. Additional compliance training may be introduced as a result of pre-acquisition due diligence.

Governance & business conduct / ethics / transparency

As described in detail in the chapter Responsible Sourcing & Traceability, Givaudan's Responsible Sourcing Policy requires that each supplier complies with all applicable laws in the countries in which it operates. Suppliers are also expected to have adequate systems as well as grievance mechanisms and processes in place to manage business integrity and provide a means for employees to raise compliance concerns in a confidential way and without fear of retaliation.

Charitable contributions and sponsorships are also a potential source of bribery. Givaudan discloses charitable contributions and sponsorships in its Integrated Annual Report.

READ MORE

About it in the 2021 integrated report ▶ Stronger communities, sustainable business ▶ pages 104–106

Disclosure 102–11

Precautionary principle or approach

Risk taking is central to our ability to innovate, to our entrepreneurial success and ultimately to sustained value creations: managing it is then an integral part of Givaudan's business.

Enterprise Risk Management (ERM) is the process of assessing, treating and monitoring the effects of uncertainty that may affect the achievement of Givaudan's objectives. We operate a structured system of identifying, assessing and deciding on responses to mitigate key risks. Our approach proactively addresses all kinds of risks including strategic, operational, financial, legal, compliance and regulatory as well as environmental, social and governance risks. The Audit Committee of the Board of Directors ensures that the Company's risk management systems are efficient and effective.

Givaudan seeks to consciously take the appropriate amount of risk, to manage risks competently at the right level of the organisation, and to seize related business opportunities. Through provident risk management, Givaudan aims to reduce or prevent negative impacts on the economy, environment and society overall. Givaudan's overall ERM system is based on ISO 31000.

Givaudan's Environment, Health & Safety risk management system is based on Responsible Care under consideration of international standards in the areas of quality management (ISO 9001), the environment (ISO 14001) and occupational health and safety (OHSAS 18001 / ISO 45001). Givaudan has signed the Responsible Care charter and has built its EHS

Management system on that basis. We verify the implementation status at our sites with internal audits and drive risk mitigation activities at the local level with risk portfolios at 50 sites currently, as the risk portfolios were extended with 13 Naturals EAME sites in 2021. We plan to continue extending to more sites in 2022. This reduces risks for the whole company.

In terms of product safety, we apply the rules of the UN Global Harmonized System (GHS) for the hazard classification of our raw materials and products. This is further explained in our Safety Data Sheets and is depicted on our labels. We monitor regular classification updates in collaboration with the International Organization of the Flavor Industry (IOFI) and the International Fragrance Association (IFRA). We manage transport safety by following international and national regulations and monitoring their development.

The precautionary approach, principle 15 of the 1992 Rio Declaration, states that "where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation". As such, precaution involves consistent risk assessment, management and communication.

Meeting such rules and regulations is however a minimum and we do not feel that the precautionary principle should be a barrier to doing business. We go beyond basic requirements in, for example, our ambition to become climate positive before 2050. More information can be found in the chapter on Climate Change.

Governance & business conduct / ethics / transparency

Governance

Strong governance systems are the cornerstone of a successful, sustainable organisation and help us to live and implement our Purpose, the overarching guidelines that ensure that the company is a force for good for business, society, and the planet.

At Givaudan, we pride ourselves on transparent governance, which ensures we are managed and supervised in a responsible way. Our structures and processes for the direction and control of our Company allow for a continued focus on value creation and include internal and external

controls and monitoring systems. Our rigorous governance policies and processes ensure that our compensation practices are aligned with our principles of integrity, fairness and transparency.

Disclosure 102 – 18

Governance structure

Our governance structure and processes aim to engage all stakeholders transparently and contribute to the creation of a fair, inclusive business. Robust standards, policies and management systems provide a framework for addressing risks and opportunities through operations and allow us to measure our performance and meet our commitments to stakeholders.

Givaudan's Board of Directors is responsible for the ultimate direction, strategic supervision and control of Givaudan and its management. Our Board of Directors ensures the Company operates according to Swiss and international business standards and practices. Each of the eight Board members has an in-depth knowledge of his or her relevant areas of expertise and contributes to the Board's competencies at the level of the full Board and in the Board's four committees: Audit; Compensation; Nomination and Governance; and Innovation. The Board's knowledge and diversity of experience are important assets in leading a company of Givaudan's size in a complex and fast-changing environment.

BOARD OF DIRECTORS

Calvin Grieder Chairman Swiss national Born in 1955 Non-executive First elected 2014 Chairman since 2017	Prof. Dr-Ing. Werner Bauer German and Swiss national Born in 1950 Non-executive First elected 2014	Victor Balli Swiss national Born in 1957 Non-executive First elected 2016	Lilian Biner Swedish national Born in 1962 Non-executive First elected 2011	Michael Carlos French national Born in 1950 Non-executive First elected 2015	Ingrid Deltenre Dutch and Swiss national Born in 1960 Non-executive First elected 2015	Olivier Filliol Swiss national, born in 1967 Non-executive First elected 2020	Sophie Gasperment French national born in 1964 Non-executive First elected 2020
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EXECUTIVE COMMITTEE

Gilles Andrier Chief Executive Officer French national Born in 1961 Appointed in 2005	Tom Hallam Chief Financial Officer British and Swiss national Born in 1966 Appointed in 2017	Louie D'Amico President Taste & Wellbeing US national Born in 1961 Appointed in 2018	Maurizio Volpi President Fragrance & Beauty Italian national Born in 1969 Appointed in 2015	Anne Tayac Head of Givaudan Business Solutions French national Born in 1968 Appointed in 2016	Simon Halle-Smith Head of Global Human Resources and EHS British national Born in 1966 Appointed in 2015	Willem Mutsaerts Head of Global Procurement and Sustainability Dutch national Born in 1962 Appointed in 2015
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Governance & business conduct / ethics / transparency

The seven-member Executive Committee (EC), led by the Chief Executive Officer (CEO), is responsible for all areas of operational management that the Board has delegated to it. The CEO is appointed by the Board and has the task of achieving the strategic objectives of the Company and determining operational priorities. The CEO also leads, supervises and coordinates the EC, which meets monthly to discuss Company business, strategy and sustainability.

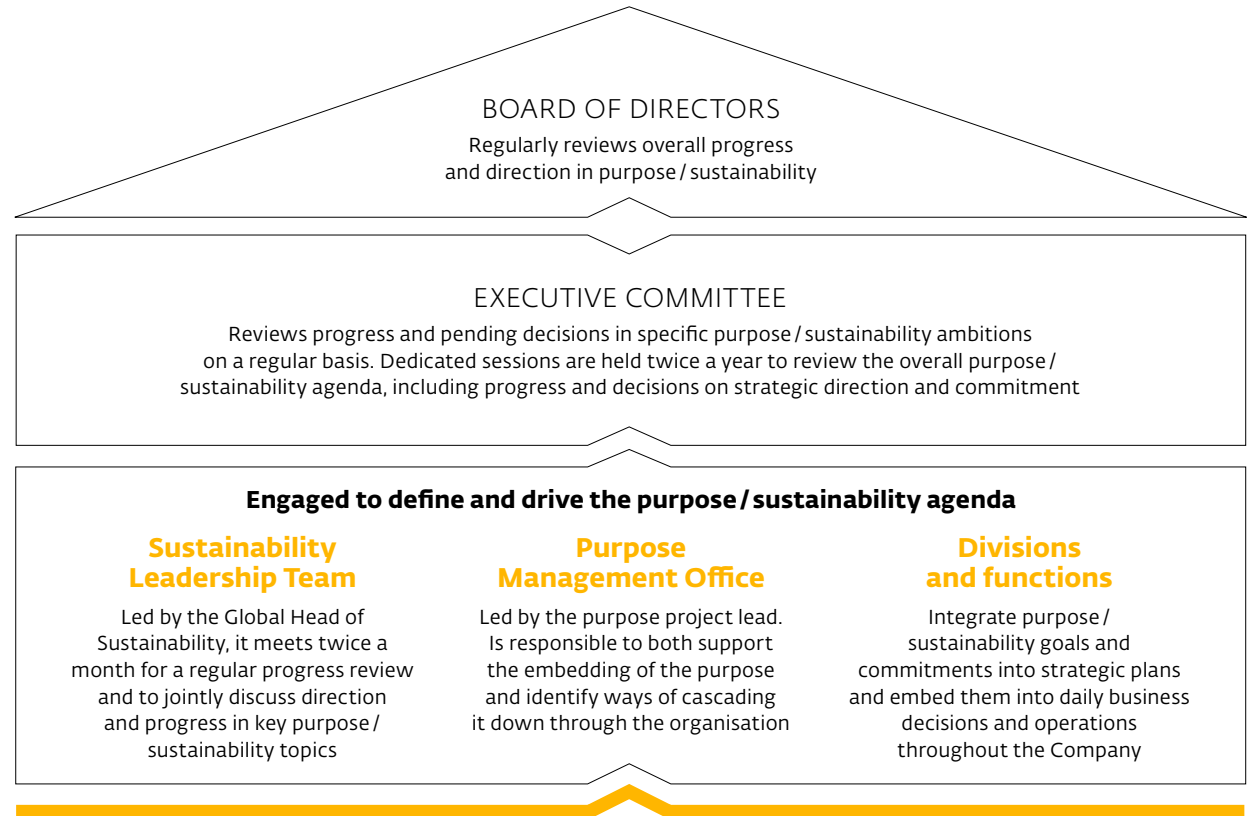
Disclosure 102-20, 102-31

Purpose / sustainability governance

Our purpose drives our sustainability agenda.

The Executive Committee (EC) leads Givaudan's overall strategic direction and is accountable for our purpose and Sustainability ambitions. Topics related to purpose / sustainability ambitions form part of the regular EC meeting agenda so that progress and pending decisions can be discussed. Each purpose ambition is allocated to a specific EC member who leads the regular briefs to the Board of Directors. In addition, sessions dedicated to reviewing the overall progress and strategic direction of our purpose / sustainability ambitions are held twice a year.

The Sustainability Leadership Team (SLT), led by the Global Head of Sustainability, is made up of internal experts on topics linked to purpose / sustainability. The team supports the organisation in reaching relevant goals, working closely with Division and functional leaders and managers to drive the agenda forward. The SLT meets on a regular basis to review progress and agree key recommendations for the EC.



Management tools

- Ambitions
- Policies / Principles of Conduct
- Risk management / Precautionary principle
- Corporate Governance
- External assessments

Stakeholders

- Constant engagement with internal and external stakeholders nurtures our purpose / sustainability agenda
- Allow us to direct our business efforts towards the broader needs of our relevant stakeholder groups

Partners and advisors

- Partner with experts and external bodies for collaboration on key purpose / sustainability matters

Governance & business conduct / ethics / transparency

World Sustainability Award winners

Givaudan won the world Sustainability Team Award from Sustainability Leaders, a global community-intelligence network for Chief Sustainability Officers and ESG executives. Judges awarded us the prize, which recognises teams who have demonstrated creativity, determination and resilience to drive positive change, due to the breadth of the team working on sustainability, including many people whose roles incorporate sustainability outside of the core team; the many projects the team has implemented and the tens of thousands of people positively impacted.



The Purpose Management Office (PMO), led by the purpose project lead, is responsible for both supporting the embedding of the Purpose within the business agenda at the EC and leadership team levels as well as for helping identify ways of cascading it down the organisation.

The divisions and functions leadership teams integrate the purpose / sustainability ambitions into strategic plans and allocate the resources that will make the difference in delivering on our purpose / sustainability agenda.

Disclosure 102 – 35 Compensation

Givaudan aims to attract, motivate and retain a diverse pool of highly talented people to sustain our leadership position in our industry. Our compensation policies are an essential component of this strategy and as such a key driver of organisational performance. Our compensation programmes reflect the performance of the business and of individuals and are aligned with our ambition of ensuring that Givaudan is a place where everyone feels welcome, valued and inspired. We have rigorous governance, policies and processes to ensure that our compensation practices are aligned with our principles of integrity, fairness and transparency. The Compensation Committee supports the Board of Directors (Board) in establishing and reviewing compensation policies.

From 1 January 2021, we introduced a new Performance Share Plan (PSP) aligned with the Givaudan purpose focus areas. While we have retained the financial metrics traditionally used to calculate the PSP, they have been complemented by nonfinancial criteria linked to three of the focus areas of the Givaudan purpose. Within the three focus areas, calculation criteria in the new PSP are: sales and free cash flow in Creations; net greenhouse gas (GHG) emissions reduction in scope 1, 2 and 3 in Nature, and gender diversity, nationality mix

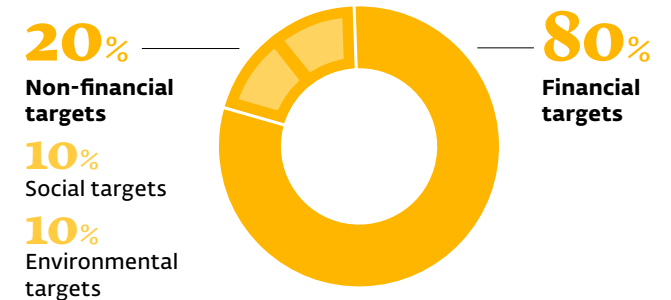
and employee safety in People. The PSP is thus designed to reward executives and key talent who significantly influence the long-term success of the business and our purpose ambitions.

Such targets underpin our purpose aspirations, and a clear methodology and sufficient data will ensure that the targets are appropriate. All the non-financial metrics used in the new PSP will be rigorously measurable and audited, increasing transparency. The chart below reflects the proportion of contribution from the three focus areas of the Givaudan purpose.

Transparency

Transparency and openly sharing information isn't just about compliance; it's a means of bolstering accountability and engagement, and, ultimately, trust. Transparency and clear, open communication are essential to inclusive stakeholder engagement and building solid long-term relationships. These relationships give us a deep understanding of the most relevant topics for different groups of stakeholders, permitting us, in turn, to align our business performance with the expectations of our stakeholders and with society in general, adding to our long-term success.

Performance Share Plan for top 500 employees



Governance & business conduct / ethics / transparency

Collaboration is essential to delivering on our bold ambitions and promoting transparency. We engage with a broad range of external partnerships and initiatives from the entire ESG spectrum, helping us accelerate our progress. In 2020, we started our journey of becoming a certified B Corporation (B Corp) company. This means we will need to meet the highest standards of verified performance, public transparency and legal accountability. Part of this process involves regular materiality assessments, and transparency facilitates the stakeholder engagement that is at the core of these assessments.

We otherwise pursue transparency through the full scope of our activities, from the communication of financial information and performance, product information, our corporate social and environmental impact, workforce demographics and data, information on our supply chain and on charitable partners.

READ MORE

For more information on how we interact with our stakeholders, external partnerships and initiatives, see chapters **stakeholder engagement** and **key partnerships**. Please also consult **our reporting suite**.

Product / Ingredients environmental & social performance

Material topic definition

Product / Ingredients environmental & social performance

Optimising the impact of our products within our whole supply chain, in the way they are designed, sourced, manufactured and ultimately used by the consumer, both in terms of environmental impact (by reducing the environmental footprint of our product formulas, by sourcing raw materials in a responsible, sustainable way, by optimising packaging) and in their ability to positively affect societal issues (by promoting the health and wellbeing of consumers).

Purpose pillars

 CREATIONS  NATURE  PEOPLE  COMMUNITIES

Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

Our company Purpose, at the very heart of our strategy, calls on us to create products that support happier, healthier lives with love for nature. The impact of our products on both society and the environment are of critical importance in our continuing to be a successful, sustainable business. We look to minimise any negative impacts while maximising benefits throughout the entire lifecycle of our products.

Our products have wide-ranging and varied environmental and social impacts from the very beginning of their creation to their end use by the consumer. In terms of impact on the environment, our inputs include both non-renewable and renewable materials and our activities may affect the environment through contamination of air, soil or water that could result from the sourcing and processing of raw materials, product development, production and logistics. Our energy use and downstream / upstream activities lead to the generation of scope 1, 2 and 3 GHG emissions, which affect the environment through climate change.

Social impacts are felt from the earliest stages of the supply chain in terms of the people who grow our natural raw materials and people who manufacture ingredients, to the effects on the consumers that use or consume them. We must make sure that human rights are respected throughout the supply chain and production chain and that products are safe, both for the people who produce them and for the consumer. We aim to go further than these bare minimum requirements though to develop products and services that promote health and wellbeing.

Making a positive impact on the environment and society is central to our strategy, is a primary concern for our customers and their consumers and is key to improving our performance.

Boundary

- Givaudan
- Suppliers
- Customers and consumers

Product / Ingredients environmental & social performance

Disclosure 103 – 2, 103 – 3

MANAGEMENT APPROACH

Our overall approach to optimising the impact of our products within our whole supply chain considers the potential impact of our processes and products on the environment as well as the impact on society in a broader sense. This allows us to be a responsible corporate citizen and pursue our ambition to double our business by 2030 with creations that contribute to happier, healthier lives.

Our efforts to minimise our environmental impact are wide ranging. They include investigating new technologies and processes; optimising approaches to recycling, reusing and reclaiming materials, products, packaging as well as improving energy efficiency and tackling deforestation. We look to assure consumer and worker health and safety through efforts including investment in toxicology expertise and research to ensure that our workers are not harmed in the production of our products. We also strive to avoid causing or contributing to any human rights abuses linked to the manufacture of our products. We expect similar efforts from our supply chain partners and are committed to ensuring that our inputs are sourced responsibly in terms of both people and the environment.

READ MORE

For additional information on topics addressed in this chapter, please read:

- ▶ Givaudan's **Responsible Sourcing Policy**
- ▶ This report's chapter on **Responsible sourcing & traceability**
- ▶ This report's **Environment** section
- ▶ This report's **Social** section
- ▶ This report's **Economic / Governance** section
- ▶ This report's chapter on **Innovation capabilities & management**

Our products

INGREDIENTS ENVIRONMENTAL AND SOCIAL IMPACTS

Minimise negative impacts

- Non-renewable materials
- Air contamination
- Soil
- Water
- Energy and emissions

Maximise benefits

- Renewable materials
- Circularity
- Respect of human rights
- Product safety
- Promotion of health and wellbeing

Our efforts

HOW WE MANAGE THESE IMPACTS

- Innovation in new technologies and processes
- Improving energy efficiency
- Reusing and reclaiming materials, products and packaging
- Optimising approaches to recycling
- Responsible sourcing policy / Sourcing4Good programme
- Eradicate inequality and unfair labour conditions wherever we do business
- Investment in toxicology expertise and research

Product quality & safety and ingredient disclosure

Material topic definition

Product quality & safety & ingredient disclosure

Ensuring our products are safe and comply with high quality standards and all applicable laws, regulations and customer requirements (for example, customer requirements on ingredient disclosure).

Purpose pillars

 CREATIONS  NATURE  PEOPLE  COMMUNITIES

Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

Our company purpose calls on us to develop products that will allow more people to enjoy happier, healthier lives. The quality and safety of these products is then a fundamental element of our continuing to be a successful, sustainable business.

We must clearly provide customers with products and services that meet all agreed requirements and applicable legislation. We otherwise run the risk of extra costs and may damage our reputation. At the same time, the quality of our products is the key to our success and that of our customers. Supplying the necessary information for the proper handling

of our products helps customers manage environmental, health and safety (EHS) risks associated with the use of our ingredients and products.

Boundary

- Givaudan
- Customers and consumers

Disclosure 103-2, 103-3

MANAGEMENT APPROACH

Globally, we ensure that our products are safe for intended consumer use and comply with all applicable laws and regulations. Quality is paramount to our success.

We are a business-to-business organisation and as such we do not sell products directly to the end consumer, but we are responsible for providing safe products to the businesses we sell to, and we seek to ensure health and safety for consumers when using our products. We are also committed to ensuring that our products are safe for our employees and the environment when used as intended, and that these products are compliant with all local laws, as a minimum requirement, in the markets in which we sell. These considerations are of course the bare minimum: the chapter on Consumer health and wellbeing outlines how we strive to go well beyond, creating products that improve peoples' lives.

Through the investment in toxicology expertise and research into the safety of our products, we are committed to leading the industry in ensuring that our consumers can safely use our products in their day-to-day lives. We also invest in environmental safety expertise and research to ensure that our workers and the environment are not harmed in the production of our products. Givaudan has a long history of investing in safety evaluations of its raw materials, and we develop critical data to support these evaluations along with our suppliers.

Givaudan is the industry leader in the development of novel non-animal test methodologies to support both human and environmental safety assessment of our materials. This enables us to comply with safety regulations around the world.

With our regulatory expertise, we not only provide essential advice to our customers, but also ensure that our products meet or exceed all requirements. Customers need to manage any environmental, health and safety risks associated with the use of our ingredients and so it is vital we supply the necessary information for the proper handling of our products and label them sufficiently. Details are provided in the disclosures below.

To help ensure the safe use of flavours and fragrances in consumer products, we also support, and in many cases lead, the development of public policies that impact products developed in taste and wellbeing, and fragrance and beauty. We also work

Product quality & safety and ingredient disclosure

with associations such as the International Fragrance Association (IFRA) and the International Organization of the Flavor Industry (IOFI). Product safety is of prime importance to Givaudan in ensuring the safety of employees, customers and consumers, as well as the environment.

In our pursuit of excellence, we have defined our approach to enhancing Givaudan's food safety culture over the years to come. We will focus on engaging our workforce to take full ownership and display leadership in food safety, increasing knowledge and raising risk awareness to foster best operational practices. This leadership-led initiative complements our efforts in maintaining and continuing to invest in hygienic infrastructures. At the same time, we are driving both the full implementation of Givaudan's global food safety standards in our acquisitions and the continuous improvement of core programmes at all our manufacturing sites. Today, 100% of our Taste & Wellbeing manufacturing sites that are supplying ingredients and solutions for food applications to third-party customers are already GFSI-certified, confirming adherence to the highest food safety standards also within most recent acquisitions.

Sophisticated toxicological science is used in the Fragrance & Beauty division to ensure the safety of list materials, deployed, for example, in the REACH programme. We do not use animal testing for safety assessments unless required to do so by law – REACH, for example, required certain products to be tested in this way. Givaudan is also committed to further developing non-animal test methods such as our KeratinoSens™ assay and the development of a fish gill assay for toxicity assessment in aquatic species. We continue to invest in this important area.

Disclosure 416 – 1

Assessment of the health and safety impacts of product and service categories

All the ingredients used in our formulas are evaluated for any environmental, health and safety impact and this information is disclosed and filed with the relevant regulatory bodies whenever necessary. Quality and environmental data about our products, including safety information, are available through product labels and safety data sheets. The safety data sheets are available in more than 44 languages and are attached to every consignment and are readily available to customers on request. For Taste & Wellbeing products, information related to allergen, GMO, organic, nutritional and religious criteria can be provided.

Disclosure 416 – 2

Incidents of non-compliance concerning the health and safety impacts of products and services

There have been no incidents of non-compliance concerning the health and safety impacts of products and services.

Disclosure 417 – 1

Requirements for product and service information and labelling

The following product and service information is required by the organisation's procedures for product and service information and labelling. 100% of sold products delivered to our customers are subject to product information requirements and regulations.

Sourcing	YES / NO
Content	YES / NO
Safe use	YES / NO
Disposal	YES / NO

Innovation capabilities & management

Material topic definition

Innovation capabilities & management

Innovating in terms of developing ingredients, products and processes with minimal and/or positive environmental impact by using renewable raw materials, eco-efficient manufacturing, green chemistry, upcycling / circular designs. Effectively leveraging digital innovation to support this work.

Purpose pillars

 **CREATIONS**  **NATURE**  **PEOPLE**  **COMMUNITIES**

Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

It is our ambition to double our business by 2030 through creations that contribute to happier, healthier lives. Achieving this and creating meaningful, delightful moments for people while protecting the planet is not possible without innovation.

A strong culture of innovation, in all its forms, is critical to maintaining a sustainable competitive advantage, to guaranteeing differentiated solutions for our customers and, ultimately, new products for end consumers. It allows us to develop products that minimise negative impacts on the environment and society and maximise potential benefits.

Boundary

- Givaudan
- Suppliers
- Customers
- Innovators and partnerships

Disclosure 103-2, 103-3

MANAGEMENT APPROACH

Innovation is at the heart of our business. We take an end-to-end approach and continually seek new ways to address consumer desires and our customers' challenges, all while developing creations that have a minimal and/or positive impact on the environment and contribute to happier, healthier lives. Collaboration and co-creation with customers and partners, the use of renewable raw materials, eco-efficient manufacturing, green chemistry and upcycling are some of the approaches that help us meet this goal. Supplier-based innovation and new digital tools powered by artificial intelligence and big data round out our approach to this topic.

Investments in Research & Development

CHF **562** Million R&D spend

representing **8.4%** of sales

Taste & Wellbeing

Innovation through collaborations and co-creation

The market increasingly recognises the urgent need to transform the food system into one that is regenerative and equitable and aims to provide healthy, safe and nutritious food for all: this means that proactivity and partnerships are essential. We aspire to become the go-to partner for our customers to co-create consumer preferred food experiences. We are well supported in these endeavours by our expertise, technologies and eco-systems.

Our co-creation approach is holistic and aims at truly multi-dimensional give and take with our partners. It starts with understanding consumers at their core, looking to discover not only what they enjoy, but why they enjoy it. From this foundation, we embark on the development path together, from brainstorming to production, and are supported along the way by ingenuity, creativity, speed, efficiency and the fundamental belief that we are stronger together.

In 2021, we formalised a co-creation platform to address customer needs and accelerate development of their products, supporting our collaborative development process in partnership with our customers. Assigning a global lead and regional experts and establishing the process from design thinking to prototyping will allow us to efficiently approach projects that need to reach the market quickly as well as address complex or significant technical challenges. A tested, constantly evolving process that leverages a wide range of resources, from digital tools to operations, has been created and rolled out in all regions.

Co-creation takes many forms, from working directly with customers on projects to the creation of sites or facilities designed for co-creation, to external partnerships and Front-End Innovation efforts.

Innovation capabilities & management

Co-creation

Examples of sites designed for co-creation include the Protein Innovation Centre (PIC) in Singapore and the new Protein Hub at our flagship Zurich Innovation Centre in Kempththal, Switzerland. The PIC welcomes food processing companies, start-ups and university researchers from across the Asia Pacific region keen to co-create plant-based food experiences. The Centre combines the pilot technology of Bühler's extrusion and processing equipment with Givaudan's new culinary facilities and its world-leading expertise in flavour, taste, ingredient and product development.

The Protein Hub builds on Givaudan's industry leading expertise in taste, texture, colours, proteins and ingredients, and provides the experts, technologies and equipment to help accelerate the development of alternative proteins. Customers can come to the Protein Hub to work on all types of applications and every aspect of the product development process, from initial ideation and consumer insights to hands-on prototyping sessions – all with the aim of getting products to market quickly.

Front End Innovation

Front End Innovation (FEI) allows us to expand our innovation capacity. To drive our innovation efforts, we have deployed a worldwide network of partners who are diligently looking for the most promising technology and ingredient opportunities for Givaudan. We tap into the best innovation hubs in the world, such as San Francisco, Switzerland, Israel, Netherlands, China and Singapore. We see an average of 50 opportunities per month and will pursue at least 20% through follow-up conversations and further assessment.

This portfolio of potential collaborations gives us opportunities in potential new masking tools, new ingredients delivering health benefits, the next generation of food colorants, texturisers and natural preservatives. We also see opportunities in technology

platforms, fermentation and protein. Finally, digital is also an area of interest where we have seen many potential disruptors.

Givaudan offers technical and market knowledge, science at scale and all the capabilities for development and commercialisation. Start-ups are nimble and can tap other resources from the ecosystem, accelerating their journey and execution. Front End Innovation is here to combine these two worlds for specific innovation areas.

One example is our Cultured Food Innovation Hub, an entity formed in collaboration with Bühler and Migros to accelerate the development and market penetration of cellular agriculture products. There are many arguments supporting the mass suitability of cultured meat, fish and seafood including meat without slaughter or factory farming, a significantly better climate impact, no use of antibiotics, and contribution to food security. The Cultured Food Innovation Hub will start operations next year. It will be a self-sustained, standalone company wholly owned by Givaudan, Bühler, and Migros, located in The Valley in Kempththal, a hotbed of innovation and technology just outside of Zurich.

Our Scale It Up! challenge with Cargill, Bühler and Puris is another example of this kind of innovation. In 2021, these four companies teamed up to create an innovation challenge for start-ups in North America focused on alternative protein products in the form of plant-based meat and dairy alternatives. The 'Scale it up!' innovation challenge is meant as an opportunity for start-ups to get first-class support from leaders in the food value chain. It accelerates and scales their project, product or solution with the support of Bühler, Cargill, Givaudan and Puris and their expertise, networks and first-class facilities. It is meant to help these companies bring healthy and planet-friendly products to market more quickly.

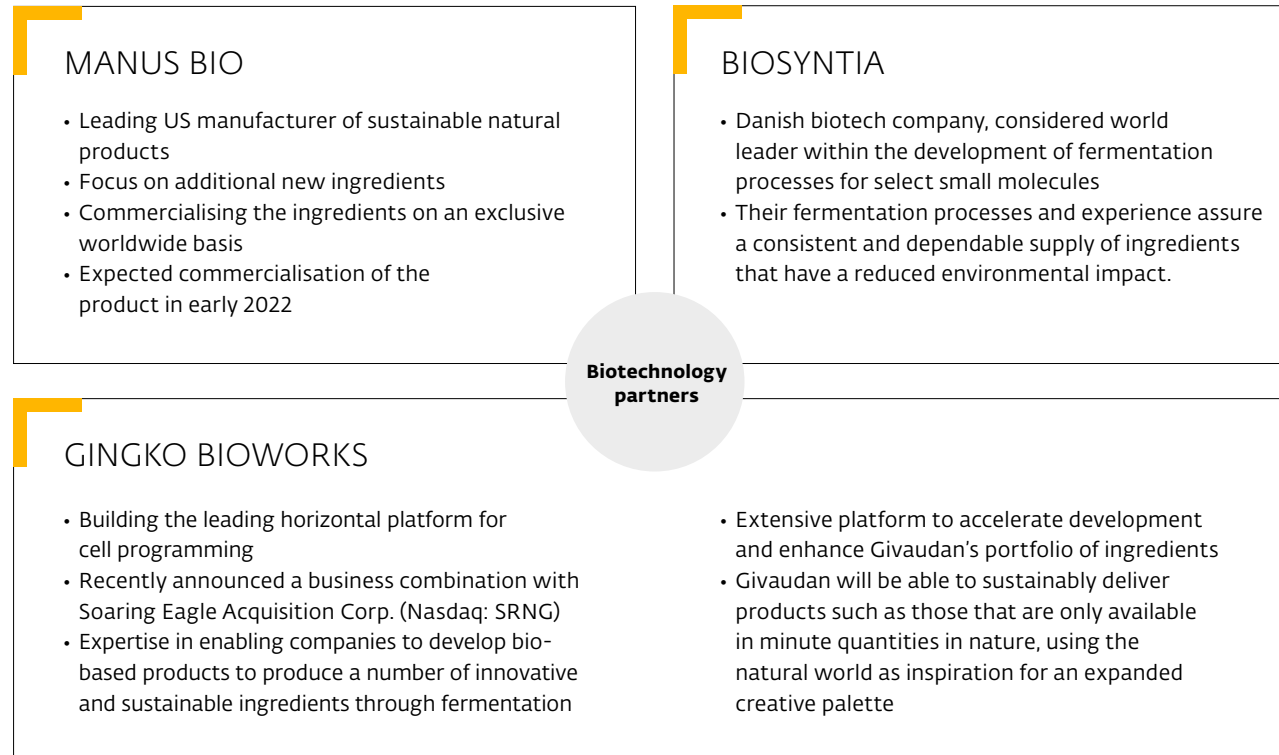
During the challenge, start-up companies who registered and submitted their projects gained visibility in the larger sustainable, plant-based protein ecosystem and were able to network and collaborate with others on a similar journey. The top 15 start-ups selected in the first round pitched their proposals to partner companies virtually, with 5 companies gaining access to the partner companies' testing and scale up piloting facilities in Minneapolis. The six-month contest involved more than 130 people from 22 companies.

The winner, Nowadays, is a company creating large, label-friendly cuts of plant-based meat that resemble the taste, appearance, and mouth feel of poultry when rehydrated. Using sustainable pea protein and produced via dry extrusion, their chicken-like full cuts would have a two-year shelf life at ambient temperature and would be comparatively priced to poultry counterparts. Plant Ranch was selected as First Runner-up for their line of flavoured and sustainable Mexican plant-based proteins. They will receive three months of mentorship from the partner company of their choice.

Innovation capabilities & management

Biotechnology partners

Givaudan has been working for a number of years in biotechnology, implementing a strategy that includes co-creation and development with third-party experts. Significant advancements in development in 2021 include:



Fragrance & Beauty

Innovation through creation

Today's consumers increasingly seek fragranced products made from natural and renewable ingredients that are sourced responsibly. The demand for products with wellbeing and emotional benefits is also rising. We place a special emphasis on these two areas, all while working to reduce the carbon footprint of our fragrance molecule development process. We look to develop cutting-edge, science-backed scent solutions for all product categories that have a positive impact on consumers' lives.

One example includes our Naturality Index™ tool. It is a one-of-a-kind assessment tool that allows perfumers to factor in the environmental impact of their ingredient selection, bringing a new, differentiating dimension to the creative process. The tool encourages nature-conscious fragrance design by assessing ingredients and formulas against a number of measures that affect fragrance sustainability such as biodegradability, renewability and sourcing. The index covers four pillars: Environmental Positive Impact, Ingredient Origin, Energy Efficiency, and Responsible Sourcing. These measures align with Givaudan's nature and community goals and also support customers who are searching for more long-term sustainable solutions for their brands.

Another important tool in our suite of responsible innovations is FiveCarbon Path™, a vision that considers the potential impact of our processes and products by maximising our carbon efficiency.

In Active Beauty, we believe innovation is not simply about inventing something new – it's also about making it better, both for people and the environment.

Innovation capabilities & management

We use, for instance, blue, green and white biotechnology techniques where possible. This involves creating ingredients using living organisms or enzymes, allowing us to create products that are eco-responsible, use less energy and generate less waste. Givaudan's expertise in blue biotechnologies draws on molecules and active ingredients found in the ocean, highly sustainable resources offering powerful beauty properties. White biotechnology allows scientists to create active cosmetic ingredients through the use of microorganisms or enzymes, which are natural processes that result in the use of eco-friendly solvents. Green biotechnology and advanced extraction techniques allow us to reduce waste by using all parts of the plant. A recent partnership with Bio FD&C, a leader in plant cell culture, allowed us to explore ways of leveraging the untapped properties of plants through stem cell cultures and phytopeptides. This has already allowed us to introduce unique new active ingredients for hair and skincare such as K-Phyto™ Camelia and K-Phyto™ GHK.

We also look to optimise the use of the renewable biomass available locally, for example at our unique biorefinery platform in Pomacle, France. This biocatalysis plant helps us prevent waste, be more economical, use less hazardous, safer chemicals and solvents, rely on renewable feedstocks, and be more biodegradable in the environment. As an example, the enzymes that lie at the core of biocatalysis can transform leftover residues and are a prime source of renewable raw materials. The result is a suite of authentically 'green' active cosmetic ingredients that can be used by customers committed to sustainably developing their products.

Animal-free testing

In addition to these pillars, we are also looking to abolish the use of animals in cosmetic testing. Givaudan was the first fragrance company to invest in exploring animal-testing alternatives, and we continue to lead in this area, researching and developing non-invasive ways to test new molecules and ensure the safety of our products, all while speeding up the testing process.

The programme includes our OECD validated KeratinoSens®, a leading non-animal test for skin sensitisation, and PebitoSens™, a combination of in vitro methods for bioaccumulation and acute fish toxicity which involves testing fish cells and enzymes rather than living fish.

This year, the world's first toxicology testing strategy without animal testing, developed and validated in a joint effort by Givaudan and BASF, was approved by the OECD (Organisation for Economic Co-operation and Development). The strategy consists of three alternative methods that can be used to predict whether a substance causes allergic reactions in the skin. We also developed the Kinetic DPRA, another alternative method that allows researchers to predict how intense an allergic reaction in the skin might be without animal testing. Validated in partnership with the chemical company BASF and other institutions, the test received OECD approval this year. This battery of tests complements the now approved testing strategy and allows us to create new molecules that are safe for customers without animal testing.

Givaudan also took its commitment to animal-free testing to the next level by joining the Animal-Free Safety Assessment Collaboration. The AFSA brings together corporations with non-profit organisations such as Humane Society International (HSI), who share the vision of a non-animal approach to product safety assessment to better protect people and our planet.

PLANETCAPS™

Cutting edge fragrance technology

Givaudan scientists have been striving for the last six years to ensure fragrances capsules both deliver outstanding scent release and are kind to nature.

PlanetCaps™, a result of their work, are based on an industry-leading encapsulation innovation that enables long-lasting fragrance in a biodegradable and bio-sourced delivery system for fabric softeners. A combination of high biodegradability and renewable carbon source material, PlanetCaps™ deliver long-lasting fragrance experience that is appreciated by both customers and consumers. Their introduction allows Givaudan's customers to achieve the complex balance between greenness and performance in fabric softeners, one of the consumer goods' applications that relies most on capsules. The introduction of PlanetCaps™ makes Givaudan the first fragrance house to offer a fully scaled solution ahead of the European Chemicals Agency's proposed restriction on microplastics, due for ratification in 2022. The cutting-edge fragrance technology will be expanded to other categories, helping us boost sustainability.

Innovation capabilities & management

Upcycling

A key differentiator that pushes us to rethink how we access, develop and invent ingredients for our portfolio and creative palette is upcycling. This involves transforming co-products, waste materials, useless or unwanted products into new ingredients for products that are of improved quality and sustainable for the environment. Upcycled materials are obtained from the re-use of natural or synthetic materials that are normally disposed of or downgraded. These materials are then transformed into ingredients used by Givaudan in, for example, our creative palette or in our ingredient portfolio. Upcycling is a cross-divisional, cross-functional programme that supports our Purpose and Nature goals. Sponsored by the Executive Committee, the programme is a great example of how we strive to use our business as a force for good.

A recent example is NeoPeach Orpur® - the result of innovative collaboration between Givaudan's flavourists and perfumers. Developed sustainably by our Naturals Innovation team by upcycling side streams from juice production, NeoPeach Orpur® is an exquisite and natural peach ingredient, the first natural peach extract of its kind. This sustainable process allows both divisions to benefit from the low carbon natural extract, using it as an ingredient in both fragrances and food.

Supplier enabled innovation

Another approach to innovation involves mobilising the supply chain to foster innovation through co-creation. This allows us to go beyond what we can do on our own.

Innovation with suppliers has multiple facets, from creating new ingredients, getting access to newness for co-creation and advancing with best-in-class ingredients to deliver better product performance. Of our numerous suppliers, we engage some 300, from large to small and from global to local, in discussions about innovation. Selective matchmaking allows

us to align needs with solutions. Areas that we're actively investigating include food texture and technologies and solutions that contribute to renewability and biodegradability, two clear focus areas in helping us meet our nature ambitions.

One example of successful co-creation is our partnership with supplier Chr. Hansen. It started out with our bringing them into MISTA, which features a product development facility in San Francisco and member-based online innovation platform. Established by Givaudan, we set up MISTA to help start-ups and well-known corporations collaboratively optimise ideas, products and people. Chr. Hansen joined to accelerate its activities in fermented plant-based products. This led to a cross-company project team with Givaudan and other partners getting together to develop state-of-the-art, clean label, dairy-like, stirred yoghurt concepts. Combining the deep technical expertise from each organisation and giving partners a chance to learn from each other allowed the team to meet the challenge with market-ready, fully developed, innovative ingredients.

In our strategic partnership with the biotech company Novozymes, we work on the research and development of innovative sustainable solutions in the areas of food and cleaning. Novozymes brings innovation with extensive know-how in enzymes and microorganisms with substantial investments in technology and R&D. Being the world leader within biological solutions, Novozymes drives sustainable solutions.

As part of our Supplier Enabled Innovation programme, we have a strategic initiative with a selected number of partners called 'Connect to Win'. Its aim is to unlock value from our existing supplier relationships and create a pipeline of technological innovations that differentiate us in the market. It is a structured, open door approach that acknowledges the possibilities of adding significant value to our existing procurement approaches while creating value in Givaudan's innovation agenda.

We look for all supplier collaborations to ultimately feed and fuel our innovation activities in different ways, each contributing to our efforts of creating together a responsible and sustainable future.

Leading the industry's digital innovation

An emerging ecosystem of digital and AI tools is transforming our industry. Pioneering tools open new doors to creative development can dramatically cut the time to market for new products. The Company's 2025 strategy includes leading the way in digitalisation, ultimately allowing Givaudan teams in all regions of the world to streamline the end-to-end creation process from conception to rollout. With this, we aim to significantly shorten the product development cycle, increase the chances of successful launch, and at the same time provide consumers with personalised recommendations and market products.

To lead our industry's digital transformation, a dedicated innovation team works with the business divisions and functions, exploring opportunities to enable our strategy. The work is organised around three pillars: inspiring the organisation by stimulating and encouraging new ideas; Executive Committee-level governance to prioritise topics; a 'digital factory', which is an internal incubator for fast-paced experimentation of the most promising ideas.

Generally, we take every opportunity to harness the opportunities available in our increasingly interconnected world. We continue to invest in our digital capabilities throughout the value chain, including AI and big data, robotic process automation and traceability. Some of the strategic areas we are exploring include how AI and big data can transform our creations and reduce our environmental footprint. We also use technology to learn more about consumer behaviours and thus offer customer-relevant innovations that promote collaboration and data exchange.

Innovation capabilities & management

Taste & Wellbeing's Advanced Tools for Modelling (ATOM), for example, use AI to optimise food and flavour formulation and facilitate co-creation and collaboration with customers. Building on more than two decades of research, ATOM uses AI and data science techniques to minimise trial and error in the process. The tools can identify positive and negative flavour drivers and explore ingredient synergies to generate new options and insights aligned with consumer preferences. The results are then displayed in graphically rich and interactive dashboards that allow Givaudan to co-create with its customers.

The new Aroma Kiosk from the Taste & Wellbeing division is a digital sensory tool that makes use of the ATOM technology. Designed to connect with consumers in environments such as grocery and department stores, universities and shopping malls, it gathers valuable consumer insights and recommends products in real time. Compact and mobile, it combines a simple, user-friendly touch screen linked to ATOM 2.0 and proprietary VAS technology. Consumers smell and rate different aroma profiles, and the data are then translated into personalised flavour preferences using an AI-based algorithm.

We also entered into an industry-first partnership with Tmall, the Alibaba group's open business-to-consumer (B2C) platform. This will allow us to launch the T-Lab source innovation laboratory and capture digital opportunities for fragrance creation in China. Powered by Tmall's consumer behaviour data capabilities and ecosystem of partners, the T-Lab source innovation laboratory will leverage Givaudan's leading creative fragrance solutions and production capabilities in the country.

In Active Beauty, we used AI to support the new active ingredient Chronoglow™. Crafted by green fractionation from Haberlea rhodopensis, also known as the resurrection plant, it can mimic botanical epigenetic mechanisms for skin care benefits. Here, we used AI to better represent clinical results and demonstrate the visual benefits of the product with a beauty avatar that represents the significant results of the ingredient.

New Digital Space to drive innovation in China in 2021

Designed to spark creative, ground-breaking ideas through face-to-face interactions, co-creation and incubation experiences, our new Digital Space in Shanghai will allow us to pursue transformation opportunities and support growth with local and regional customers. From multiplying possibilities through Smart Creation to using AI to foresee market opportunities, Digital Space will enable us to identify opportunities and leverage technologies to co-create products and services, take advantage of digital opportunities and manage evolving customer trends.





ENVIRONMENT

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- 68** Water stewardship
- 75** Biodiversity
- 78** Environmental performance indicators

Our ambitions

Our contribution to SDGs



OUR AMBITION

Before 2050, we will be a climate-positive business based on scope 1, 2 and 3 emissions according to the greenhouse gas (GHG) protocol.

Focus area	Targets	Status 2021	Actions and measures
Emissions 	OPERATIONS: Our operations' carbon emissions (scope 1+2) will be cut by 70% before 2030 and will be climate positive before 2040 (baseline 2015)	-31%	<ul style="list-style-type: none"> Setting an internal carbon price Fixing site environmental targets and assessments Switching to renewable energy sources
	SUPPLY CHAIN: Our supply chain emissions (scope 3) will be cut by 20% before 2030 and will be climate positive before 2050 (baseline 2015)	-4%	<ul style="list-style-type: none"> Sourcing ingredients responsibly Developing low-carbon creations Driving circularity and upcycling
Electricity 	100% of our sites will be powered with renewable electricity by 2025	84%	<ul style="list-style-type: none"> Committing to RE100 since 2015 Setting site renewable electricity targets

We act as a role model in water stewardship, working to protect water-dependent ecosystems and encouraging the sustainable use of resources.

Focus area	Targets	Status 2021	Actions and measures
Water 	Improve water efficiency by 25% on sites facing water stress by 2030 (baseline 2020) We will continuously improve water efficiency on all other sites	-4%	<ul style="list-style-type: none"> Driving continuous improvement using the 3R approach: 'reduce, reuse and recycle'
	100% of our wastewater discharge will meet or exceed regulatory and industry standards by 2030	flat	<ul style="list-style-type: none"> Implementing our wastewater standard Carrying out water risk assessments Tracking site water quantity and quality
		In progress	<ul style="list-style-type: none"> Identifying shared water challenges and local stakeholder priorities in the watershed Exploring water stewardship activity opportunities

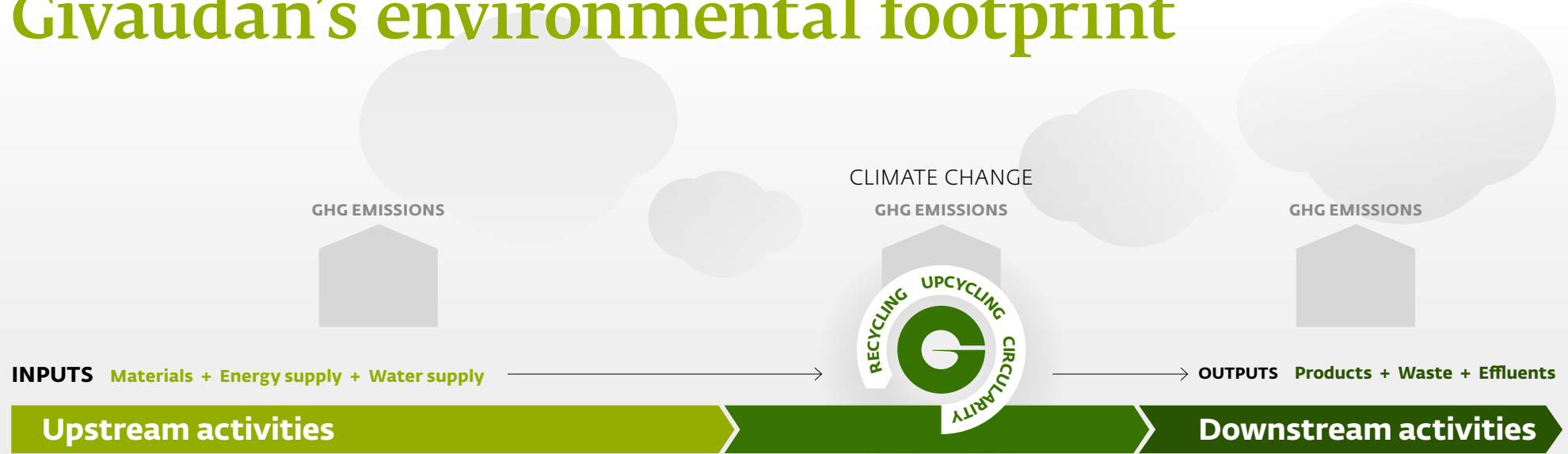
OUR AMBITION

Before 2030, we will replace single-use plastics with eco-friendly alternatives across our sites and operations.

Focus area	Targets	Status 2021	Actions and measures
Plastics 	100% plastics circularity by 2030	In progress	<ul style="list-style-type: none"> Becoming members of the advisory board of the Renewable Carbon Initiative (RCI) Co-leading a WBCSD plastic and packaging workgroup defining a transition for B2B chemical products
Waste 	Reduce waste by 4% per tonne of product, year-on-year average (baseline 2015 – acquisitions not included)	-2%¹	<ul style="list-style-type: none"> Reducing our plastic usage and consumption Applying circular principles in product design, sourcing, manufacturing and packaging Upcycling to reuse materials normally disposed of Acting on the principle of 'no waste by design'

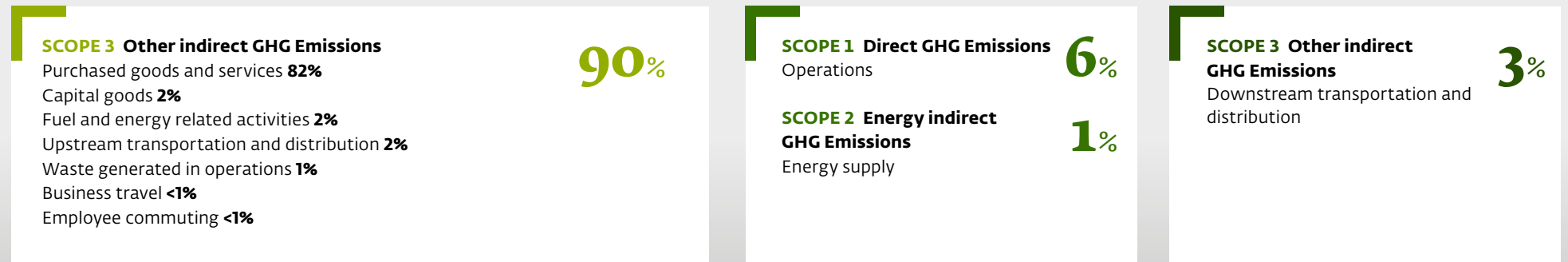
1. Absolute reduction since 2015

Givaudan's environmental footprint

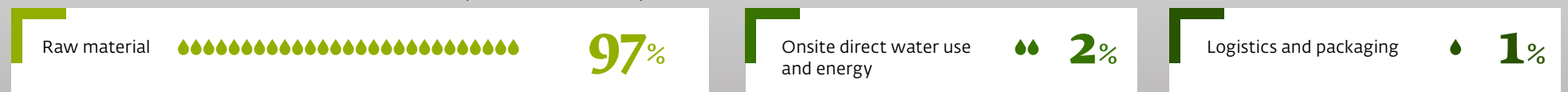


IMPACTS / FOOTPRINTS

GHG EMISSIONS – Approx. 2,300,000 tonnes



WATER CONSUMPTION – Based on 2018 Corporate water footprint



Climate change

Material topic definition

Climate change

Mitigating effects on climate change by reducing GHG emissions and supporting adaptation and actions along Givaudan's value chain (for example, by ensuring sustainable use of land to address deforestation).

Purpose pillars

CREATIONS  NATURE  PEOPLE  COMMUNITIES

Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

Climate change and related shifts in weather patterns and sea levels are disrupting people, business operations and economies around the world. The direct consequences of man-made climate change, that is, an increase in the concentration of greenhouse gases in the atmosphere, include rising temperatures, rising sea levels, higher ocean temperatures, an increase in heavy precipitation and floods, a decrease of precipitation, shrinking glaciers and thawing permafrost. Indirect consequences are wide-ranging, spanning from an increase in hunger, water crises, poverty and political unrest, to loss of biodiversity.

Risk

As such, climate change is a driver for a number of effects that may in turn affect Givaudan's ability to operate. A continued build-up of GHG emissions is expected to lead to changed weather patterns and an even greater threat to supplies of natural raw materials. This may translate into disruptions in the supply of natural raw materials or to operations because of a water supply shortage, for example. It therefore poses significant risks to our operations and supply chain: our business depends on these natural resources and continuity of supply is critical.

Impact

We generate GHG emissions through energy use (combustion in our own processes as well as the use or purchase of electricity and steam) and activities in our supply chain. Specifically, Scope 1 emissions are direct emissions from sources we own or control, including, for instance, fuel combustion in our factories. Scope 2 emissions are indirect emissions related to the use of purchased energy (electricity or steam). Scope 3 emissions are all indirect emissions that occur in our value chain. In terms of synthetic ingredients, we must consider the energy needed to create them, and whether they are made from fossil feedstock. With naturals, we need to consider land use change, deforestation, agricultural practices and animal-derived products.

These are all major components of climate change and we must ensure that our raw materials are produced sustainably. Our efforts in these areas necessarily extend beyond Givaudan to include the supply chain. Details on how we encourage suppliers to observe our rigorous standards are described in the chapter on Responsible Sourcing & Traceability.

Boundary

- Givaudan
- Suppliers

Disclosure 103-2, 103-3

MANAGEMENT APPROACH

The latest climate science says that temperature increase must not exceed 1.5°C compared to pre-industrial levels if we are to avoid the most catastrophic effects of climate change. Reaching this goal requires that emissions fall by half by 2030 and that we reach net-zero emissions no later than 2050. There is therefore limited time for action and the private sector has a crucial role to play.

Living our purpose and showing our love for nature in everything we do also means protecting our precious natural environment and the resources it provides. There is an urgent need to accelerate action in many areas of our business and we have adopted global standards and ambitious goals. We wish to be accountable for our climate action and support global efforts such as the UN's Sustainable Development Goal 13 on climate action.

SBTi's Net-Zero Standard

We were among the companies taking part in the 2021 road test of the SBTi's Net-Zero Standard. The world-first common framework recognises the urgency of the climate crisis and the need for businesses to respond robustly and credibly, aligning action across industries and geographies. We strive to deliver on purpose and sustainability ambitions, knowing that no one business can tackle the issue alone. Action depends on a collective effort and shared commitment to creating a future we can be positive about.



Climate change

We are committed to becoming climate positive – removing more greenhouse gases from the atmosphere than we put in – before 2050 as part of our purpose. One element of this is that Givaudan will cut GHG emissions from operations (scope 1 and 2) by 70% between 2015 and 2030 and is working towards operations becoming climate positive by 2040. The Science Based Targets initiative (SBTi) has approved Givaudan's scope 1 and 2 GHG reduction target as being in line with 1.5° C. We also aim to achieve our RE100 commitment to convert our entire electricity supply to fully renewable sources by 2025. The Company's value chain emission target (scope 3), aiming for a reduction of 20% over the same period, also meets the SBTi's criteria and is in line with current best practice.

In 2019, we signed the UN Pledge Business Ambition for 1.5°C, which was proposed by the United Nations to aim for net-zero value chain emissions by 2050. Helping to validate our climate positive ambition, our engagement means we commit to having net-zero targets in line with the new SBTi net-zero standard, introduced in October 2021 and road tested by companies including Givaudan. In September 2020, we signed the CLG Europe CEO letter to the EU on 2030 GHG emissions targets. The letter is designed, at a critical policy moment, to send a clear signal to policymakers and other businesses that it is essential to ramp up climate ambition. We have also signed the Business for Nature 'Nature is everyone's business' call-to-action. The call-to-action brings together more than 500 companies with combined revenue of USD 4 trillion and urges governments to adopt policies now to reverse nature loss in this decade.

We constantly assess and mitigate the risks posed by climate change and drive adaptation and remediation in our own operations and across our supply chain, from the raw material suppliers to indirect materials and service providers. We expect

all of our suppliers to support our efforts by working collaboratively to provide data and information about their carbon footprint when required, and to work to reduce their overall impact over time.

Our overall roadmap focuses first on reduction and then on balancing remaining/unavoidable emissions with neutralisation/compensation measures.

Our operations (scope 1 and 2)

In our operations, we are primarily focused on renewable energy sources and increasing energy efficiency to reach our goals.

Energy efficiency

Here, our primary focus is on reducing consumption and we are leading significant energy consumption reduction projects across operations. Energy site assessments, for example, help us identify opportunities to improve efficiency and identify conservation measures. In 2021, we conducted four such assessments. Other investments and efforts in terms of energy efficiency plans and targeted projects have also allowed us to make improvements.

Ambitious GHG emission reduction is not possible without an evolution of the technologies we use. We seek opportunities to partner with experts from diverse fields in finding new ways to improve our environmental performance. In particular, we look at energy-intensive steps in our processes, for example, cooling and refrigeration needs, and seek opportunities to use alternative technologies to achieve the same performance and jointly reduce our GHG emissions. We have found that solar energy, for instance, offers an energy-efficient way to power industry's needs for cooling and refrigeration. The opportunity is in developing the technology that will be able to efficiently and reliably respond to variable needs across a range of processes and sites.

HYCOOL

Solar heat for cool innovation

Our site in Sant Celoni, Spain hosts a pilot for HyCool, a groundbreaking technology for industrial cooling systems. Funded by the European Union, the aim of the innovative energy technology project is to develop cost-effective solutions using solar heat for industrial purposes. Installation started in summer 2021 and, once completed, and at full scale, is expected to reduce site GHG emissions by 3%, reduce electricity and gas consumption, and deliver refrigeration with 25% greater efficiency. This will help us deliver on our goals to reduce our Scope 1 and 2 GHG emissions and lessen our overall carbon footprint through the use of high innovation technologies. If it proves cost effective, we will be able to use it in countries with even more favourable weather conditions such as Mexico, South Africa or Singapore.

Climate change

Our roadmap to becoming CLIMATE POSITIVE

OUR ACTIONS TO REACH OUR AMBITIONS

Scope 3

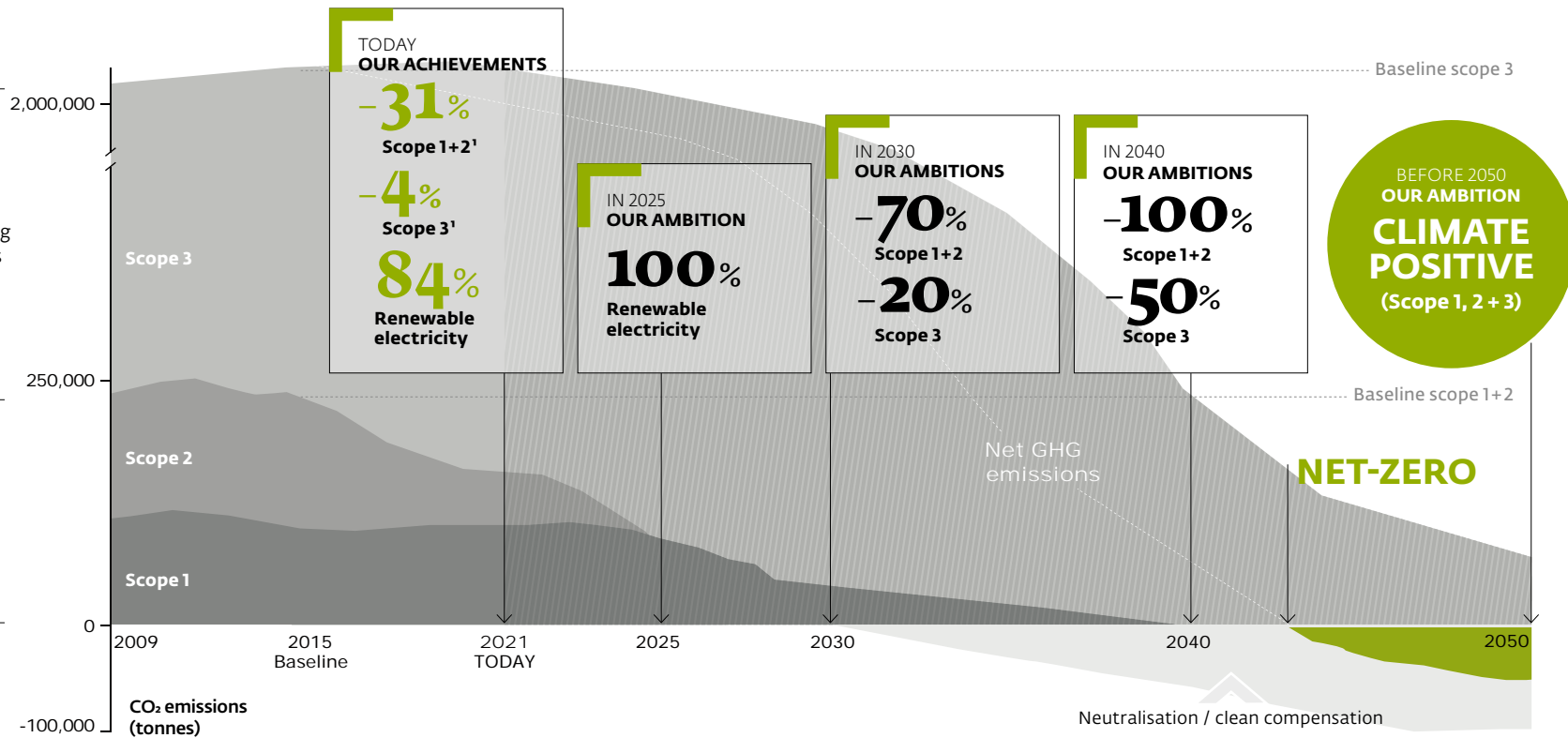
- Sustainable procurement of ingredients
- Low-carbon creations
- Driving circularity and upcycling
- Optimising packaging, logistics and transport of goods
- Optimising business travel and employee commuting

Our operation (scope 1 + 2)

- Renewable energy sources
- Energy efficiency

Neutralisation / compensation

- Carbon capture technology
- Natural climate solutions



Enablers to reach our ambitions

- Supplier engagement
- Budget and financial mechanisms
- Advocacy and promotion
- Partnership and governance



1. Compared to baseline year 2015.

Climate change

Renewable energy sources

Innovative sourcing strategies are an important part of reaching our targets. In 2020, we set a new renewable electricity strategy prioritising first on-site generation, then off-site generation and finally the purchase of Electricity Attribute Certificates (EACs). Our stringent procurement strategy helps add more renewable electricity to the grid. In 2021, we purchased electricity that accounted for 32% of the total energy used across the Company but which equated to 15% of our total CO₂ emissions.

We are proud to be a member of RE100, a collaborative, global initiative organised by the Climate Group in partnership with CDP. It unites more than 300 influential businesses committed to 100% renewable electricity and is part of our strategy to fully convert our electricity supply.

Replacing our fossil-based energy with renewable fuels like biofuels is also part of the strategy to reduce emissions, particularly those related to the production of heat.

Energy – Progress 2021

Though we do not have a formal target in terms of energy intensity – the quantity of energy required per tonne of product – we have recorded a decrease of 0,7% for 2021 vs. 2020.

We have also made considerable progress in terms of renewable electricity supply (scope 2 GHG emissions) and are on track to meet our target of converting our entire electricity supply to fully renewable sources by 2025. We attained 84% renewable electricity supply in 2021 and 45 production sites were powered 100% by electricity from renewable sources by the end of the reporting year.

We also reduced the GHG emission load per purchased kWh of electricity by 45% for 2021 vs. 2020.

Disclosure 302 – 1, 302 – 4

Energy consumption and reduction within the organisation

	2020 (restated) ¹	2021 ²	Change to 2020 in %
Direct energy: from primary sources (Gj)			
Natural Gas	2,121,738	2,166,714	2%
Town Gas	172	257	49%
LP Gas	10,119	10,827	7%
Light fuel oil	34,381	40,592	18%
Heavy fuel oil	91,367	93,664	3%
Biofuel	217	397	83%
Biogas	0	76	
Biomass	23,776	22,626	(5%)
Steam sold from steam produced on site	25,294	30,735	22%
Geothermal	6,294	8,107	29%
Waste used as energy	181,324	199,330	10%
Total direct energy	2,444,093	2,511,855	3%
Indirect energy: purchased electricity and steam (Gj)			
Electricity purchased	1,231,837	1,217,506	(1%)
Electricity purchased covered by Energy Attribute Certificates	–	1,026,918	
Electricity sold	4,499	7,487	66%
Electricity self-produced from renewable sources	5,135	8,528	66%
Electricity self-produced from non-renewable sources	44,236	60,343	36%
Steam purchased	75,053	80,838	8%
Total indirect energy	1,307,527	1,299,385	(1%)
Total energy	3,751,620	3,811,240	2%

1. Assured 12-month rolling figures (Q4 2019 to Q3 2020) for values excluding the acquisitions of Naturex, Vika and drom sites. These latter figures have been included in the reported values, but have not been assured by the third-party auditor. See the "Restatements of information" section for restatements.
2. Assured 12-month rolling figures (Q4 2020 to Q3 2021) for values including the acquisitions of Naturex, Vika and drom sites.

Disclosure 302 – 3

Energy intensity

	2015 (restated) ¹	2020 (restated) ²	2021 ³
Energy intensity (Gj per tonne of product)	6.98	6.57	6.52

1. Assured 2015 full-year figures. These values are excluding the acquisitions done of Naturex, Vika and drom sites.
2. Assured 12-month rolling figures (Q4 2019 to Q3 2020) for values excluding the acquisitions of Naturex, Vika and drom sites. These latter figures have not been assured by the third-party auditor. See the "Restatements of information" section for restatements.
3. Assured 12-month rolling figures (Q4 2020 to Q3 2021) for values including the acquisitions of Naturex, Vika and drom sites.

Scope 1 and 2 emissions progress 2021

We made good progress towards our targets in 2021 with absolute total direct (scope 1) and indirect (scope 2) GHG emissions decreasing by 75,600 tonnes. The evolution of absolute total scope 1 and 2 GHG emissions in 2021 vs. the 2015 baseline was –31%.

Our scope 1 and 2 GHG emissions intensity (GHG emissions/tonne of product) decreased by 11% in 2021 vs 2020.

Climate action leadership recognised by CDP

Demonstrating our industry leadership in climate action and the transition to a low-carbon economy, we once again participated in the annual Climate Change CDP questionnaire for investors as well as in the Climate Change Supply Chain questionnaire at the request of a number of customers. This allows us to showcase our efforts to reduce GHG emissions and also provides a basis of comparison against other companies. Our CDP score was this year an A (on a scale of A to D, with A being the highest) for Climate, at the leadership level once again.

Climate change

Givaudan has already been recognised as a world leader in supplier engagement on climate change, earning a position on the Supplier Engagement Leaderboard by CDP for 2020 (2021 score published at end of Feb. 2022), the non-profit global environmental disclosure platform, in recognition of our actions and strategies to reduce emissions and lower climate-related risk across our supply chain. In 2021, just 2% of companies that participated and were scored in CDP's questionnaire for investors made the A List.

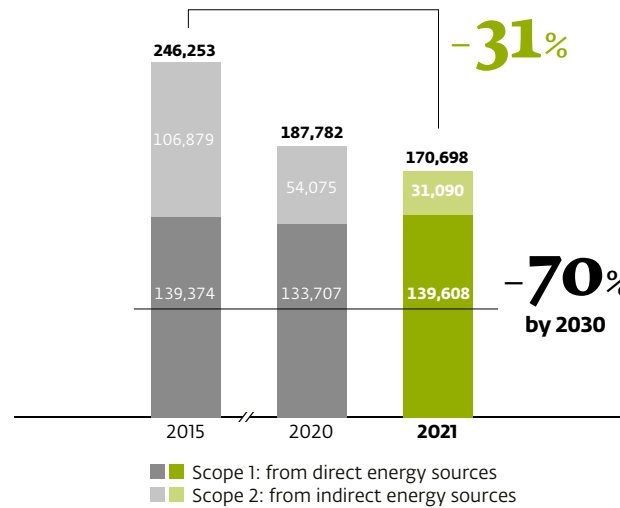
Scope 2

One project, at our Taste & Wellbeing site at Pune in India, involved fitting more than 2,000 solar photovoltaic panels to rooftops, ground mounts and carports to significantly cut reliance on fossil fuels. The installation, which dedicated about 5,300 square metres to the solar panels, resulted in electricity generation of about 971,520 KWh and represents a 20% cut in the use of fossil fuels and a carbon footprint reduction of 1,000 tonnes.

Brazil example

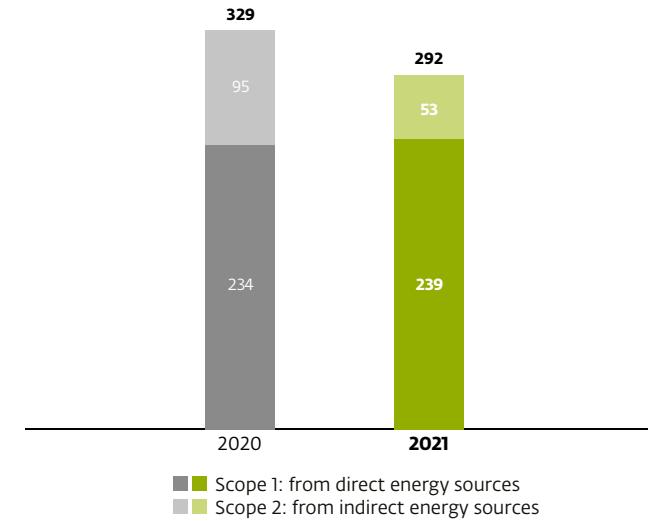
In Brazil, we aimed to migrate to 100% renewable electricity on our sites by 2025. Our Brazil teams migrated our Jaguare and Botucatu sites to renewable electricity generated by wind. Migration was achieved in just 6 months, five years ahead of the 2025 target. No additional investment was needed and we anticipate we will deliver CHF 750,000 in savings over five years.

Disclosure 305-1, 305-2, 305-5
Direct and energy indirect GHG emissions¹
 GHG emissions (tonnes)



1. Compared to baseline year 2015. Excluding biogenic emissions. Assured 12-month rolling figures (Q4 2020 to Q3 2021) for values including the acquisitions of Naturex, Vika and drom sites.

Disclosure 305-4
GHG emissions intensity
 GHG emissions (kg) per tonne of product



Assured 12-month rolling figures (Q4 2020 to Q3 2021) for values including the acquisitions of Naturex, Vika and drom sites.

Climate change

Scope 3

Scope 3 emissions are those that come from the value chain activities outside of our operations. We include a wide range of activities related to our business, from commuting to business travel, transportation or waste treatment. The biggest impact comes from the sourcing of goods and services, especially the production of raw materials. We consider the direct impact of our own operations but also see ourselves as responsible for all activities related to our business throughout our whole value chain. We therefore pursue a range of activities with respect to scope 3 emissions to help us reach our ambitions. An assessment of our overall carbon footprint shows that most impacts come from upstream activities, which are related to suppliers. Collaboration with suppliers is therefore crucial to tackling reduction of our scope 3 emissions.

Sustainable procurement of ingredients

One of our main focus areas in our approach to decreasing scope 3 emissions is the sustainable procurement of ingredients. There are many facets to this, including pursuing a zero-deforestation policy, targeting regenerative agriculture, supporting renewable energy sources in the supply chain and promoting supplier innovation.

Direct or indirect deforestation increases the amount of CO₂ in the atmosphere by removing carbon sink and carbon ecosystems from the Earth's surface. We expect our suppliers to avoid deforestation and land conversion for agriculture and ask them to commit to the "No Deforestation, No Peat, No Exploitation (NDPE)" principles as part of our Responsible Sourcing Policy, supporting us in our aim to source products that are deforestation and conversion free. Our involvement in standards such as the Roundtable on Sustainable Palm Oil (RSPO) helps us to move our supply chain to deforestation-free sourcing.

Regenerative agriculture

Regenerative agriculture practices aim to regenerate soils, increase biodiversity, optimise the water cycle and improve the provision of ecosystem services. All of these aspects have a direct and indirect impact on farm carbon cycles. Specifically, implementing regenerative agriculture practices allows us to drastically reduce carbon emissions in the whole agriculture supply chain and to improve carbon sequestration in soils to potentially become climate positive. We partner with and support local communities through a variety of social and environmental projects, including climate-related projects and working with farmers on regenerative agricultural practices. We have the unique opportunity to train farmers/smallholders on good and sustainable agriculture practices in order for them to adapt to fast-changing weather patterns and their impact on crop yield, drought and water management. It is beneficial to Givaudan to support farmers/smallholders and these are long-term agreements with mutual benefits, helping us to secure the supply chain for our iconic substances. Our agronomic team is currently working on supply chain prioritisation to select those where we can directly implement regenerative practices and test their impacts. This regenerative approach is holistic by nature: it brings benefits in terms of GHG reduction but also generates a positive impact on biodiversity and on the livelihoods of stakeholders.

Renewable energy sources in the supply chain have a direct reduction impact on GHG emissions. We are collaborating with our main suppliers to encourage them to increase their use of renewable electricity or fuels. This allows them to reduce their scope 1 and 2 emissions and us to reduce scope 3. As an example, in 2021 we benefited from a collaboration with a supplier who allocated 100% renewable electricity to the product we purchased. This led to a 5% reduction in CO₂e emissions for this product.

Sustainable procurement is also driven by the Procurement team, who looks to engage suppliers and foster supplier innovation. Our dedicated programme "Connect to Win" encompasses key sustainability aspects by scouting and identifying key suppliers who can be integrated into our innovation portfolio, helping us to reduce our carbon footprint, among other goals. The programme falls under the procurement innovation pillar of our Global Procurement strategy.

Low-carbon creations

Low-carbon creations are another approach to lowering our scope 3 emissions. Our Science and Technology and formulation teams consider GHG emission factors in how they design processes and formulations. We do this either by working on new technology for ingredient production (i.e., biotechnologies) or by selecting ingredients that are less carbon-intensive by nature. In this way, we innovate to create the ingredients of the future.

As an example, Givaudan's Fragrance Compaction programme looks at ways to design more highly concentrated fragrances for all product categories. Using higher impact, higher value-added ingredients to deliver fragrance performance allows us to offer an increased value proposition to customers while reducing emissions. Fragrance contribution is divided 34 times from standard design, with a positive impact in every step – from RM processing to manufacturing and distribution – where fragrance is involved. Givaudan is well-positioned to take advantage of preferences for low-carbon products because of our responsible sourcing and sustainable innovation initiatives including reuse and recovery of process side streams and waste. As our customers become more environmentally aware, Givaudan has the opportunity to differentiate itself from competition by staying ahead in terms of eco-design and ensuring that our marketing and sales reflect the progress we make in eco-efficiency.

Climate change

Scope 3 model evolution

The modelling of scope 3 GHG emissions is an iterative process based on science that is still evolving. We started our efforts here in 2017 with our first full scope 3 inventory based on financial activity data (input/output model) using the so-called ESHER model. The model has since gone through several evolutionary steps. We have begun modelling our raw material with a process-based approach that applies the best available proxy data from verified generic databases. We add granularity and accuracy through the inclusion of additional packaging categories and new classes of business travel. These modifications imply potentially important increases or decreases in the data and modelling of our scope 3 emissions. This is a necessary part of the journey and we will recalculate our baseline accordingly, as required by GHG protocol to ensure progress is diligently reported. We actively advocate for more transparency and alignment in this area by participating in several relevant initiatives.

Renewable carbon is all carbon sources that avoid or substitute the use of any additional fossil carbon from the geosphere. Plants do this naturally and some technologies are now able to do so as well. By increasing the use of renewable carbon, we drastically reduce the extraction of carbon from the ground and limit the increase of CO₂ concentration in the atmosphere. This is well aligned with our journey towards nature-conscious creations.

We employ green chemistry principles for efficient carbon use, meaning that all carbon atoms in the bio-based starting material end up in the final product, resulting in zero carbon waste and thus limiting carbon emissions.

Biotechnology also holds enormous potential for carving out a more sustainable future for perfumery and for our planet. At Givaudan, it has already led to some extraordinary innovations. For example, we can now use green chemistry including a biotransformation step to produce the biodegradable ingredient Ambrofix®, an iconic molecule in perfumery, from sustainably sourced sugar. This results in 100% renewable carbon, in line with our FiveCarbon Path™, the new Givaudan sustainability ambition for molecules, and uses 100 times less land compared to the traditional production method starting from the clary sage plant.

Driving circularity and upcycling

Upcycled materials are in essence low-carbon materials because they are considered to be valorised waste streams. With an allocation system based on value, the waste streams are almost carbon-neutral materials and valorising them into new products is beneficial: it both reduces the carbon footprint of our products and increases circularity in our supply chain and reduces waste. This well-known practice has been applied for years in the industry because the same principle applies to reducing costs and lowering stress on scarce resources or unstable supply chains. In designing

innovative processes, we also look at how we can reuse and recover process & waste side streams (upcycling).

One excellent example is that of previously discarded solvents and oils that are now being reused in future production stages. The project had an impressive impact, upcycling 200,000 kg of solvent/oil in a 12-month period, saving costs on raw materials and waste disposal fees and saving 108 metric tonnes of carbon dioxide.

In designing innovative processes, we also look at how we can reuse and recover process side streams. By following green chemistry principles, we ensure ingredients are safe by design and that our processes make efficient use of energy and materials while reducing water consumption and waste. As an example, our latest sustainable ingredient is KoffeeUp™, a beauty oil crafted from upcycled Arabica coffee. KoffeeUp™ has been called the "new argan oil" in the beauty industry because of its natural, eco-conscious and effective properties, which bring facial skin care benefits such as hydration, protection and anti-aging to customers. The product was developed in collaboration with Danish company Kaffe Bueno, a biotech start-up at MassChallenge Switzerland. This groundbreaking 'upcycling' approach helps us to reduce waste and minimise our environmental impact.

Optimising packaging, logistics and transport of goods

Packaging is a focus for many companies, including Givaudan, and we work to reduce the impact of packaging on our CO₂e footprint through several approaches. We plan to bring more circularity in our packaging, to use more renewable solutions, to work on making packaging lighter and optimising it for transport solutions, and to investigate reusable and recyclable solutions, all while keeping safety and regulatory considerations a top priority.

Climate change

The subject of packaging must be seen in the broader context of our own operations and our active participation in the WBCSD plastics stream supports both our efforts to reduce the overall impact of plastics and the environmental impacts of packaging. We have several local initiatives to valorise packaging after it has been cleaned and this has a direct impact on reducing our footprint and creating additional circular flow.

The optimisation of transportation is a complex topic for companies. We investigate current opportunities in alternative fuels and optimised engines that can result in the reduction of emissions and try to evaluate the impact of these initiatives. We will also work on optimising the network and switching the maximum possible freight from high- (i.e., air) to low-emission (i.e., sea) modes of transport. This will also require a change in our operation processes and the way we manage customer demands to always keep customers highly satisfied.

We are working with suppliers to find collaborative measures or programmes to reduce our common emissions. One example of such a proposal is combining several orders into full container loads to reduce transport emissions. Cascading commitments in the supply chains of suppliers is also a key element to driving action.

Finally, these two topics combine perfectly when packaging is optimised to reduce transport needs. Working on compacting products and making sure that trucks are as full as possible is how logistics efforts can drive reduction in our emissions.

Optimising business travel and employee commuting

The pandemic has drastically reduced the amount of business travel and office-based employee commuting. Having the right technology and digital collaboration tools in place has meant that we have been able to maintain business productivity and

keep travel to a minimum. We are continuing to invest in these capabilities, with our travel management team working on better tools to manage and reduce business travel emissions, and it is an essential part of the GBS & IM&T 2025 strategy.

We also foster ideas and propose new commuting solutions directly to employees via our Green Team network. This tool raises awareness and drives new ideas and solutions for local entities. Over the last few years we have been finding ways to encourage everyone to reduce the GHG emissions of their daily commutes. We continue, for instance, to promote a bike-to-work initiative at our Swiss sites, facilitating a carpool service internally and introducing charging stations at some of our sites to support the transition to electric vehicles.

Scope 3 progress in 2021

In 2021, we saw a slowdown in our scope 3 GHG emissions with a decrease of 4% against the 2015 baseline figure. A detailed explanation on progress per category is given below. For the calculation methodologies please see page 84.

Compared to last year's report, we have integrated some recent acquisitions that have an important impact on the overall performance of the company and have therefore modified our emissions profile. We also have to consider the impact of the COVID-19 pandemic situation in the analysis: as an example, some 17,000 tCO₂e of the reduction are related to a decrease in business travel and employee commuting, despite the growth of the company. While in this instance the effects of the pandemic helped reduce emissions, in some other cases, such as distribution and logistics, it rather contributed to an increase in emissions.

Purchased goods and services

For the raw materials category, the 2021 figure decreased by 0.8% in absolute terms compared with our 2015 baseline and

remained stable compared to the previous year. This good performance is the result of a global change in portfolio content, with fewer carbon-intensive substances such as dairy products, and a decoupling of business growth and carbon emissions in that category. This number has to be considered with caution as the modelling is very sensitive to changes and potential developments in the field of carbon accounting and modelling. We nonetheless continue engaging internal stakeholders in the scope 3 journey, aligning internal governance and building scenarios for quantifying benefits. Raw materials are a prioritised category for carbon emission reduction as they represent about 78% of our scope 3 emissions.

For example, RSPO certification from our palm oil sourcing ensures that the sustainability claim at the end of the supply chain is credible. It also includes a beneficial impact on carbon emissions because RSPO-certified Palm Oil Production has a reduced carbon intensity of approximately 36% in kgCO₂e per kg of palm oil. As Givaudan covers part of its supply chain with certified palm oil, it also impacts our scope 3 inventory. In 2020, we were able to reduce the average CO₂e emission per kg of palm oil and palm oil derivatives by 5% compared to 2015 and our efforts continued throughout 2021.

For packaging, despite business growth, the estimated 2021 footprint is 92,000 tCO₂e, with a decrease of 0.1% compared with the 2020 footprint. This stabilisation reflects both a more efficient use of packaging and the reuse of some packaging items that then do not need to be purchased. It is also linked to a reduction in certain product volumes in some factories: this enabled us to reduce the amount of packaging, which offsets Givaudan business growth and the related increased demand for packaging. We are assessing ways of reducing our footprint, for example, by reducing the weight of our packaging and using alternative packaging with more sustainable and renewable materials content.

Climate change

For "other indirect materials and services," emissions decreased by 9% compared to 2015, representing a decrease of spend in this category. With a spend-based model on secondary data, it is not yet possible to reflect specific supplier performances in this category.

Supply chain

Our ambition is to drive action through supply chain engagement and to collaborate across the industry. The CDP Supply Chain Programme is one of the tools Givaudan uses to engage with suppliers on climate action and gain understanding of its supply chain: all the data collected through the CDP Supply Chain Programme contributes to this.

The level of the impact of engagement varies depending on the level of maturity of our suppliers in terms of climate action. With suppliers already leading and managing carbon-related issues, we seek to create partnerships to put in place collaborative measures or programmes to reduce our common emissions and cascade action further down the supply chain. For suppliers starting their climate action journey, we work towards a shift in behaviour and provide support and guidance. This is aligned with and contributes to our delivering on our science-based target for scope 3 emissions.

This year we went further and already engaged in collaborations regarding potential reductions with our most advanced suppliers. The key topics are biosourced raw materials, renewable energy in the supply chain and the valorisation of by-products (upcycling). These collaborations take time to implement, and we will continue to collaborate with our suppliers on these topics in the years to come.

We measure the success of our engagement with suppliers through the CDP Supply Chain Programme via different key performance indicators (KPIs):

1. Supplier response rate: In 2021, our supplier response rate rose by 17% to 83% compared to 66% in 2020. This is an excellent outcome, considering that we also increased the number of suppliers by 38 in 2021.

Below, points 2, 3 and 4 are a means of measuring how many suppliers are more advanced in their climate action journeys. These are the suppliers with whom we are working to find collaborative measures or programmes, for example, combining several orders into full container loads to reduce transport emissions, to reduce our common emissions. Encouraging suppliers to cascade commitments in their own supply chain is another key element of driving action.

2. Percentage of suppliers with a leadership (A or A-) or management (B or B-) score: 51% of our responding suppliers, compared with 29% last year. This is a significant gain and is the effect both of supplier improvement and an increase in the number of suppliers involved.

3. Percentage of suppliers reporting active targets: 78% vs. 80% last year. The decrease is due to the important increase in the number of suppliers involved and is not interpreted as a negative development.

4. Percentage of suppliers engaging their own suppliers: 82% vs. 66% last year.

Givaudan's leading work on climate change and water security has once again been recognised with a CDP double A rating.

ULTIMO measures, monitors utilities consumption in real time

The ULTIMO platform, installed at our Vernier site, measures and monitors the consumption of utilities in real time, allowing operations to proactively address anomalies and focus efficiency improving efforts with qualitative data. This has allowed our Distillation team to identify ways of reducing water consumption in the cleaning process; another unit is using it to monitor temperatures while testing the idea of using heat blankets to keep various products warm, a move that would reduce the heating load on the heating room. An external company has used data to conduct a Steam and Boiler insulation study to confirm insulation savings and energy reduction benefits. ULTIMO has allowed us to realise savings of CHF 106,000 through Q3 2021 and will be rolled out to our major production sites as part of our 2025 Strategy.

Climate change

Capital goods

Capital goods figures increased by 8% in 2021 compared to the base year 2015 despite an important reduction of 23% between 2020 and 2021. This reflects changes in the amount of capital expenditure modelled. With a spend-based model on secondary data, it is not yet possible to reflect specific supplier performances in this category.

Fuel- and energy-related activities (not included in scope 1 or 2)

In fuel- and energy-related activities, we have made good progress since 2015 with an absolute reduction of 66% due to the increase in the supply of renewable electricity. This is excellent progress, and we are continuing efforts to reach 100% renewable energy sources, which will again reduce our scope 3 in this category. We can also mention that the reduction of intensive electricity energy sources like coal supports the reduction of scope 3 emissions and is aligned with our overall climate journey.

Upstream and downstream transportation and distribution

In 2021, we increased the total absolute emissions for transport by 25% compared to 2015. An important increase of 7% took place between 2020 and 2021. This is related to the COVID-19 pandemic and the logistics situation, which required the use of carbon-intensive modes of transport to mitigate potential disruption in supply. With about 5% of our total scope 3 emissions coming from transport, this is a topic we integrate into our carbon reduction management approach.

We are assessing ways to reduce our footprint through, for example, consolidation and distribution network design. We are also assessing opportunities to switch modes of transport, but such changes impact the whole value chain and operation strategy. Time and careful assessment are needed to make sure improvements are implemented to last and show long-term reduction. The challenge is to integrate these actions into

Disclosure 305 – 3

Other indirect (scope 3) GHG emissions

GHG emissions (tonnes)	2015 (restated)	2020 (restated)	2021
Purchased good and services	1,917,037	1,901,374	1,902,794
Raw materials	1,691,701	1,676,242	1,677,400
Other Indirect materials & services categories (excluding existing categories) ¹	146,856	132,686	133,055
Packaging	78,480	92,446	92,339
Capital goods ¹	51,722	72,797	56,003
Fuel and energy related activities	105,744	68,001	36,349
Upstream transportation and distribution	29,674	42,320	39,990
Waste generated in operations	19,321	22,644	24,084
Business travel	24,461	12,587	1,794
Employee commuting	21,516	20,454	13,277
Downstream transportation and distribution	54,615	56,099	65,297
Outbound product to customers	39,503	38,172	42,343
Outbound intercompany deliveries	15,112	17,927	22,954
Total	2,224,090	2,196,276	2,139,587

1. These two categories do not include data for the recent acquisitions of Naturex, Vika and drom.

Disclosure 305 – 6

Emissions of ozone-depleting substances (ODS)

	2020 (restated in 2021) ¹	2021 ²
CFC inventory (kg)	7,639	3,881
CFC 11 equivalent inventory (kg)	783	574
CFC loss-replacement (kg)	765	526
CFC 11 equivalent loss/ replacement (kg)	42.08	28.91

1. Assured 12-month rolling figures (Q4 2019 to Q3 2020) for values excluding the acquisitions of Naturex, Vika and drom sites. These latter figures have been included in the reported values, but have not been assured by the third-party auditor. See the "Restatements of information" section for restatements.
2. Assured 12-month rolling figures (Q4 2020 to Q3 2021) for values including the acquisitions of Naturex, Vika and drom sites.

Disclosure 305 – 7

Nitrogen oxides (NOx), sulphur oxides (SO₂), and other significant air emissions

	2020 (restated in 2021) ¹	2021 ²
Nitrogen oxides – NO _x (tonnes) ³	66.71	69.28
Sulphur dioxide – SO ₂ (tonnes) ³	96.84	98.37
Volatile organic compounds (tonnes)	1,018	1,069

1. Assured 12-month rolling figures (Q4 2019 to Q3 2020) for values excluding the acquisitions of Naturex, Vika and drom sites. These latter figures have been included in the reported values, but have not been assured by the third-party auditor. See the "Restatements of information" section for restatements.
2. Assured 12-month rolling figures (Q4 2020 to Q3 2021) for values including the acquisitions of Naturex, Vika and drom sites.
3. Quantity is calculated by multiplying the annual fuel consumption by the corresponding emission factor for fuel type.

Climate change

our scope 3 calculation models. Emissions related to transport continue to grow as Givaudan's business grows. The decoupling of this activity is complex and requires important changes in the design of the entire supply chain. The COVID-19 pandemic has also complicated transport activity in general, and this was not beneficial to our footprint.

Waste generated in operations

This figure increased by 25% between 2015 and 2021. This increase is partially due to a reclassification of waste streams, which led to an increase of total GHG emissions related to waste of 6% between 2020 and 2021, for example. We also identify an increase due to product mix evolution as well as particular liquid discharges being separated from wastewater flows and being treated separately, accounting for waste in the reporting. We have confidence in the future performance of waste emissions in scope 3: our waste reduction strategy and scope 3 emissions reduction are perfectly aligned. We continue to focus our attention on reducing waste production and evaluating valorisation streams instead of disposal.

Business travel

COVID-19 and associated travel bans and restrictions contributed to a drop of more than 93% in business travel in 2021. The challenge here is to organise a post-pandemic strategy to travel less and more efficiently.

Employee commuting

During 2021, we carried out an employee commuting survey to collect data and better understand the impact of our various initiatives in this category. With 7,000 employees participating, we learned that our emissions are decreasing: without taking COVID-19 and associated working-from-home measures into account, we reduced our output of CO₂e/employee per year to 1.15 tCO₂e from 2.0 tCO₂e in 2015. If we take working from home due to the pandemic situation into account, the figure drops to

0.87 CO₂e/employee per year. Givaudan actively encourages its employees to reduce the GHG emissions of their daily commute by supporting a range of schemes including a bike-to-work initiative at our Swiss sites, the facilitation of carpooling through our intranet platform, and the provision of recharge stations to support the transition to electric cars at some sites.

Neutralisation / compensation

Though our Climate Strategy prioritises the reduction of emissions, we also look to neutralise or compensate residual emissions that cannot be reduced. Carbon removal solutions are an essential element to going beyond net zero and achieving our climate positive target. The journey in front of us is long and the results will take time. This is why we are starting now.

Natural Climate Solutions

Our approach is now focused on Natural Climate Solutions (NCS), which aim at the better management, protection and restoration of ecosystems. They target a reduction of GHG emissions related to land use and changes in land use, the capture and storage of additional CO₂ from the atmosphere and, finally, the improvement of ecosystem resilience, thereby helping communities adapt to the increases in flooding and dry spells associated with climate change.

Carbon capture technology

Insetting, that is, the neutralisation of our emissions through a carbon capture and storage project within our value chain, is highly relevant for Givaudan because we have a direct footprint in natural supply chains located in countries where the environment is under pressure. For us, insetting means natural solutions in the supply chains, with the producing communities. It is not the easiest approach because it involves land availability and long-term commitment, traceability and auditing. It is the most credible, relevant approach to Givaudan and in line with our SBTi engagements. It will also benefit our communities socially.

The three most relevant insetting solutions for Givaudan are reforestation, improved plantations (for example, firewood plantation for distillation) and improved agricultural practices.

Enablers

Our efforts to become climate positive also include a number of transversal enablers. They are not linked to a specific annual timeframe but are rather meant to support our climate journey over the next 30 years. The approaches include innovation, supplier engagement, budget and financial mechanisms, advocacy and promotion as well as partnership and governance.

Innovation

Ambitious GHG emission reduction is not possible without innovation and an evolution of our technologies. We seek opportunities to partner with experts from diverse fields in finding new ways to improve our environmental performance. Givaudan invests substantially in R&D – it's part of our DNA. For climate action in particular, we look at energy-intensive activities of our processes, for example, our cooling and refrigeration needs, and seek opportunities to use alternative technologies to achieve the same performance and jointly reduce our GHG emissions. We have found that solar heat offers an energy-efficient way to power industry's needs for cooling and refrigeration. The opportunity is about developing the technology that will be able to efficiently and reliably respond to variable needs across a range of processes and sites.

As discussed in the section on low-carbon creations above, biotechnology also holds potential for carving out a more sustainable future for perfumery and for our planet. At Givaudan, it has already led to some extraordinary innovations. Akigalawood®, a novel material that has a profile similar to that of patchouli, is another example of a raw material now produced through biotechnology and a groundbreaking, environmentally friendly process.

Climate change

Budget and financial mechanisms

Budget and financial mechanisms are also important enablers, and we have a dedicated budget for energy efficiency. Accordingly, and compared to the standard, extra capital is allocated to the design and construction of new greenfield facilities with higher energy-saving design standards.

We have also identified and agreed on an internal price of carbon mechanism to employ for our scope 1 and 2 emissions reduction projects. We are currently running proof of concepts with representative real projects before rolling out the process globally.

Advocacy and promotion

Givaudan's involvement in numerous engagement activities demonstrates our ambition to help mitigate climate change and our desire to work in a broad global partnership of proactive companies dedicated to making a positive difference.

Examples include our membership of the International Fragrance Association (IFRA) and the International Organization of the Flavor Industry (IOFI); RE100, an initiative uniting more than 100 influential businesses committed to 100% renewable electricity; Business ambition 1.5°, an urgent call to action from a global coalition of UN agencies, business and industry leaders; the UN Global Compact, a strategic policy initiative for businesses committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labour, environment and anti-corruption and, finally, the Renewable Carbon Initiative.

Partnership and governance

In terms of governance, the Executive Committee leads Givaudan's overall strategic direction and is accountable for our purpose and Sustainability ambitions, including those on

climate. The Sustainability Leadership Team, led by the Global Head of Sustainability, is made up of internal experts on topics linked to purpose / sustainability.

Still, we know that we cannot achieve this alone. Externally, we seek to partner with our suppliers, customers and communities. For example, we work together with local communities on projects and causes that benefit the communities where we work. We define local communities as persons or groups of people living and/or working in any areas that are economically, socially or environmentally impacted (positively or negatively) by Givaudan's operations. The local community can range from people living adjacent to operations to isolated settlements at a distance from operations that may experience the impacts of these operations. On most sites, formal relationships have been established with local authorities and with significant organisations representing neighbours, or working on specific environmental and social issues.

We built partnerships with non-profit organisations and support these local communities through a variety of social and environmental projects. This includes climate-related projects, from working with farmers on reforestation in Indonesia to supporting schools in Madagascar, Laos, the Comoros islands and Haiti.

Internally, we are getting organised with cross-functional teams delivering training on specific topics related to carbon management, CO₂e emission modelling or supplier engagement to internal stakeholders.

In addition, Givaudan joined the Together for Sustainability organisation this year and, more specifically, engaged in their scope 3 workstream, which is developing partnerships between chemical companies on scope 3 management and

modelling. We also contributed to the WBCSD Value Chain Carbon Transparency Pathfinder initiative dedicated to enabling standardised exchange of information or carbon emissions data between companies.

Waste management & circular principles

Material topic definitions

This chapter addresses our following two material topics:

Waste management & circular principles

Pursuing a culture of waste elimination by adequately managing all Givaudan's waste streams, from product design and manufacturing processes to packaging and use.

Purpose pillars

 CREATIONS  NATURE  PEOPLE  COMMUNITIES

Raw materials availability

Ensuring a stable supply of raw materials used in Givaudan's products by strengthening partnerships with strategic suppliers and diversifying our portfolio through new technologies (for example, upcycling, or innovation to create alternative ingredients) and sources of supply.

Purpose pillars

 CREATIONS  NATURE  PEOPLE  COMMUNITIES

Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

Waste management and circular principles that support us in minimising the extraction of natural resources and the generation of waste, in fostering waste prevention and optimising environmental, material and economic values throughout the life cycles of our products are critical elements to living our purpose and showing our love for nature in everything we do.

Pursuing a culture of waste elimination by adequately managing all of Givaudan's waste streams through, for example, recycling and reuse or ensuring recovery or disposal in an environmentally sustainable way, helps us limit our impact on the environment; reducing waste also allows us to lower the costs of production. Making better choices about what natural resources to use in the manufacturing and packaging of our products helps us protect the precious natural environment and not squander the resources it provides.

We have set a waste management target to reduce incinerated and landfilled waste production per tonne of product by an average of 4% year on year. We are currently working on a new target.

Careful waste management and the application of circular principles also help us meet stakeholder expectations. As an example, plastic waste is a topic that has drawn considerable public attention in recent years. Applying the principles of a circular economy here is no longer seen as a mere trend, but rather as an essential activity and we are committed to 100% plastic circularity by 2030. We also see plastic as a business opportunity, an enabler to grow and show our leadership in sustainability. We are convinced by the value of renewable carbon, whether it comes from recycled, bio- or GHG-based sources: the carbon that can be recuperated serves as the building blocks of new renewable materials. Givaudan is supporting this concept through its involvement with the Renewable Carbon Initiative, which aims to speed up the transformation from fossil fuel carbon to renewable carbon.

Our efforts in all of these areas extend beyond Givaudan to include the supply chain, as detailed in the chapter on Responsible Sourcing & Traceability.

Boundary

- Givaudan
- Suppliers

Disclosure 103-2, 103-3, 306-1, 306-2

MANAGEMENT APPROACH

Protecting the environment means acting on waste and our goal is to continually reduce the waste generated by our business activities including product and process development, manufacturing, formulation, packaging, marketing and distribution. Our decisions about what materials to use also have consequences in terms of waste and we strive to reuse or recycle materials where possible.

We work hard to limit the amount of waste we produce through a three-pronged process based on the key concepts of 'rethink,' 'reduce,' and 'recycle'. We are rethinking how processes are done currently and challenging our ways of working. We are reducing the amount of waste we create as a by-product of our processes; then we reuse where possible and recycle in an effort to move away from disposal in landfill or incineration. Where waste is incinerated, we make sure energy is recovered.

One of the ways we are getting closer to our waste management targets is by putting more emphasis on notions ingrained in the idea of the circular economy, a generic term for an industrial economy where waste should not exist anymore, and closed loop uses are favoured. We apply circular principles in sourcing, product design, manufacturing and packaging.

Another important element of our approach is our new commitment to replacing all single-use plastics across sites

Waste management & circular principles

and operations with eco-friendly alternatives before 2030. For Givaudan it means concretely moving towards 100% plastic circularity.

More generally, we approach waste management in the following ways:

Procurement

In procurement, we give preference to options that avoid hazardous waste, result in reduced quantities of waste or in increased recycling. We prefer to use raw materials of higher quality or with less impurity when this leads to reduced amounts of unwanted by-products. We favour reusable packaging and transport systems. If reusable packaging is not feasible, we prefer to select packaging materials that are recyclable and for which a recycling option exists. We give preference to equipment with an extended lifetime, that is, which offers features such as robust construction, upgradeability, repair friendliness, and with a reduced need for auxiliary material such as filters and oils. Please see the chapter on Responsible Sourcing & Traceability for more information.

Products and processes and packaging

In the research and development of products and processes, we prioritise solutions that avoid waste, result in reduced waste quantities or in increased recycling. We seek an increase of yield or in material productivity, a reduction of material input/consumption, in-process recycling and possibilities for the segregation of hazardous components from waste streams. We give preference to raw materials with a reduced environmental footprint, for example those that are less hazardous or that have a lower environmental impact in their production, and to those that come from renewable sources. Finally, we take into consideration the different possible direct and indirect pathways of the products (including disposal of unused products) into various waste streams at the end of their lives already during product development.

Optimising our approach to packaging in respect to ecological and economic criteria also helps us reduce our impact. For example, in India we have turned to local sources for glass sampling bottles instead of continuing to import them from Europe. This has helped us reduce costs, lead times as well as our carbon footprint as the bottles are no longer being imported. At our Vernier, Switzerland site we have replaced some metallic drums, generally used once, with cardboard boxes for uses including shipping. This new packaging is six times less expensive than the drum and much lighter, reducing our carbon footprint even more. We should be able to use these cartons with about 70% of the annual volume. The other 30% is made up of products that can only be shipped by drums. More generally, reusability and recyclability are other important factors to consider when looking to minimise waste in new product and transport packaging concepts.

Production and operations

In terms of production and operations, we develop and guarantee a safe and environmentally sound waste management approach before new processes and activities are started. This is managed through each site's obligatory waste management system, which is uniformly applied throughout the site or organisational unit. The system must ensure that there is an unbroken chain of responsibility and documentation for all waste from generation to final disposal (cradle to grave) and that we comply with applicable national and local legislation on waste. Various relevant responsibilities are covered, respectively, by the site manager, the waste producer, the site EHS manager, the Product and Process Development function, the Corporate and Site Procurement function and Divisional Management.

Production planning must consider all options of preparation for reuse and recycling (e.g., of solvents) to increase material productivity and to minimise waste streams. Waste optimisation

opportunities that result from technical innovation and/or availability of recycling options are to be evaluated on a regular basis as a part of the environmental programme of each site. We are also tackling single-use plastics across our sites and operations with an ambition to replace them with eco-friendly alternatives before 2030.

Upcycling

We look to minimise waste by using recycled materials and incorporating elements of the circular economy, reusing the by-products of our processes to create additional products when we can. Upcycling, or creative reuse, guides us in

EAST HANOVER, USA

Upcycling discarded solvents

Our site at East Hanover, USA produces both liquids and naturals and our aim was to reduce both waste and greenhouse gas emissions. For liquids, the team created a process that recovers and reuses oils from washed extracts so that the discarded citrus oils can be reused for future products. In naturals, the team identified how solvents such as alcohol and ethyl acetate can be recovered and reused. These modifications resulted in 190,000 kgs of upcycled solvent/oil in a 12-month period, saving \$30,000 on waste disposal fees and \$616,000 on raw materials. This also saved us 108 metric tons of carbon dioxide.

Waste management & circular principles

continuing to innovate and improve our ingredients portfolio to reduce the negative impact of our products. Externally, we engage with customers to develop new products and technologies that are more sustainable in this way.

For example, in 2021 we introduced Omegablue®, a cosmetic ingredient created from upcycled wild bilberries. Traditionally used in the food industry for their juice and sugar, bilberries are also an excellent source of anthocyanidins, which are extracted from the pulp and fruit skin for the supplement and pharmaceutical industries. The tiny seeds of the berries contain up to 20% of linoleic acid (omega-6) and α-linolenic acid (omega-3) in an optimal ratio. Both are known for their capabilities to improve hydration and skin barrier functionality.

Our plastics strategy



This gave us the idea to upcycle the seeds into a natural ingredient to address skin dryness, irritation, and desquamation caused by lipid barrier damage.

Rethinking plastics – plastic circularity

We are determined to manage our use of plastics in a responsible, sustainable way. While we believe that plastic is a useful and necessary material that presents many advantages, we are concerned about its end of life and are determined to improve it. Though we intend to use plastics in our operations for the foreseeable future, we need to ensure that our approach is sustainable. Our long-term vision for sustainable plastics involves applying the principles of the circular economy and focusing on the key principles of Rethink, Reduce, Recycle.

We are committed to replacing all single-use plastics across sites and operations with eco-friendly alternatives before 2030. For our business, this means moving towards 100% plastic circularity. This requires us to be innovative in terms of plastics type, processes and technologies, as well as to rethink our business models.

When talking about plastics, we are small in quantity and high in complexity compared to the packaging industry. Our main challenges are that our plastics are complex due to their required functionality and that the products they contain may make them difficult to recycle in conventional ways. In addition, there are few relevant sources of food-grade recycled plastics available for our applications.

There is a sense of urgency in solving environmental issues, especially the ones in relation with plastics, and urgent solutions are required, but achieving 100% plastic circularity will be a long-term journey. The way forward will require business agility and the anticipation of trends. It may also require investments. This is why it is important to remain positive and resilient on the topic.

76% of all our waste in 2021 was diverted from disposal.

Anticipation is key to doing good things in a good way and we will be guided by a strategy that supports our long-term vision for sustainable plastics. This strategy is articulated around three main axes: designing our packaging to be more circular, increasing the renewable materials content and improving the system for the end-of-life of our plastics. The first step, which is integrated into each axis, is to reduce plastic usage and consumption in all our actions. Our partnerships and system tools will also be powerful enablers. We will use plastic circularity to engage employees and also as a common platform for speaking with customers.

Progress in 2021

Waste

During the course of 2021, the amount of waste sent for incineration with and without energy recovery and landfill per tonne of product increased by 9% compared to last year's figure. This is mostly due to an evolution in the product mix as well as to specific liquid discharges being separated from the wastewater flows and being treated separately. If we compare 2021 waste for disposal (waste sent for incineration with and without energy recovery and landfill) per tonne of product vs. the 2015 figure, we see a reduction of 2%. If we were to compare the same metrics in 2021 and 2015 with a like-for-like approach, performance would be even better with a reduction of 6%.

In total, we diverted 76% of all our waste from disposal in 2021. The amount of waste diverted from disposal per tonne of product has increased by 44% since 2015. The reduction of landfill is also a priority and half of our sites (31 out of 62) are without landfill waste.

Waste management & circular principles

Plastics

Now at the beginning of our journey to 100% plastic circularity, we have a strategy and a roadmap for replacing all single-use plastics by eco-friendly alternatives by 2030. We have appointed a Global Head of Plastic Circularity, set up a cross-functional team and have drawn up new governance to facilitate the implementation of solutions in our operations. During 2021, this enabled us to develop guidelines to help our teams on the ground. We are also developing educational tools to share knowledge, learnings and information.

One of the first things we did was to increase the plastic knowledge of our teams and equip them on the topic of understanding plastics, how they are produced, used and managed at the end of the life cycle. In June 2021, at our headquarters in Switzerland, we organised a booth on plastics to spread knowledge and support teams on the best way to act at every level. With our sites worldwide, we are now preparing a toolkit on plastic that will help them to share important information on the matter. A detailed 'Plastic Book' is being prepared to better understand our detailed plastic footprint: this is essential for setting priorities, being ready for new regulations or compliance schemes, and following our progress. External partnerships can also play a role in speeding up transformation and generating benefits.

Disclosure 301 – 1 Materials used by weight or volume



1. The figures refer only to the volume of ingredients from the Cardex and the Palette used for fragrance and flavour products as shown in 2021 table below.

Weight of purchased raw materials (tonnes)	2020	2021
Total	568,554	591,088

Weight of purchased packaging (tonnes) ¹	2020	2021
Plastic	8,734	9,253
Steel/Metal	15,347	14,613
Fibre	627	226
Paper/Board	2,986	2,985
Wood	8,906	10,438
Total	36,600	37,515

1. Those figures do not include Naturex, Vika and drom.

[READ MORE](#)

2021 integrated report ▶ Our purpose commitment to responsible sourcing ▶ pages 101–103

Disclosure 306 – 3 Waste generated

Waste (tonnes)	2015 ¹	2020 (restated) ²	2021 ³
Hazardous waste	26,219	34,085	43,026
Non-hazardous waste	36,758	69,152	81,021
One-off waste ⁴	2,219	2,509	2,354
Total waste	65,197	105,746	126,401

1. Assured 2015 full-year figures. These values exclude the acquisitions of Naturex, Vika and drom sites.
2. Assured 12-month rolling figures (Q4 2019 to Q3 2020) for values excluding the acquisitions of Naturex, Vika and drom sites. These latter figures have been included in the reported values, but have not been assured by the third-party auditor. See the "Restatements of information" section for the restatements.
3. Assured 12-month rolling figures (Q4 2020 to Q3 2021) for values including the acquisitions of Naturex, Vika and drom sites.
4. This indicator measures the total quantity of waste that is not directly related to the daily operations, but is categorised as one-off waste. Examples of waste in this category are waste materials coming from demolition or remediation activities or waste or raw materials following an unusual incident, e.g., a fire.

Waste management & circular principles

Disclosure 306 – 4

Waste diverted from disposal

In tonnes	2015 ¹	2020 (restated) ²	2021 ³
Hazardous waste			
Preparation for reuse ⁴			12,495
Onsite			3,003
Offsite			9,492
Recycling			9,150
Onsite			36
Offsite			9,114
Other recovery operations ⁴			7,103
Total hazardous waste	15,152	20,969	28,748
Non-hazardous waste			
Preparation for reuse ⁴			1,621
Onsite			19
Offsite			1,601
Recycling			63,814
Onsite			1,101
Offsite			19,315
Composted (offsite) ⁴			16,420
Biogas production (offsite) ⁴			26,978
Other recovery operations ⁴			487
Total non-hazardous waste	28,117	55,863	65,921

1. Assured 2015 full-year figures. These values exclude the acquisitions of Naturex, Vika and drom sites.
2. Assured 12-month rolling figures (Q4 2019 to Q3 2020) for values excluding the acquisitions of Naturex, Vika and drom sites. These latter figures have been included in the reported values, but have not been assured by the third-party auditor.
See the "Restatements of information" section for restatements.
3. Assured 12-month rolling figures (Q4 2020 to Q3 2021) for values including the acquisitions of Naturex, Vika and drom sites.
4. This data was not collected in 2015. We started to include this category in our reporting in 2020. In the past, this treatment was included in the recycling processes.

Disclosure 306 – 5

Waste directed to disposal

In tonnes	2015 ¹	2020 (restated) ²	2021 ³
Hazardous waste			
Incinerated without energy recovery offsite	4,412	5,853	5,917
Incinerated with energy recovery	6,337	7,042	8,225
Onsite			1,529
Offsite			6,695
Landfilled (offsite)	318	221	137
Total hazardous waste	11,067	13,116	14,279
Non-hazardous waste			
Incinerated without energy recovery (offsite)	1,153	1,318	1,256
Incinerated with energy recovery	1,076	2,336	3,610
Onsite			0.02
Offsite			3,610
Landfilled	6,412	9,635	10,233
Total non-hazardous waste	8,642	13,289	15,099
Total waste	19,709	26,405	29,378

1. Assured 2015 full-year figures. These values exclude the acquisitions of Naturex, Vika and drom sites.
2. Assured 12-month rolling figures (Q4 2019 to Q3 2020) for values excluding the acquisitions of Naturex, Vika and drom sites. These latter figures have been included in the reported values, but have not been assured by the third-party auditor.
See the "Restatements of information" section for restatements.
3. Assured 12-month rolling figures (Q4 2020 to Q3 2021) for values including the acquisitions of Naturex, Vika and drom sites.

Water stewardship

Material topic definition

Water stewardship

Optimising the use of intake water and ensuring the quality of discharged water. Assessing and addressing water risks at owned operations and in our supply chain to minimise impact on the environment and society in the areas where we source and operate.

Purpose pillars

 CREATIONS  NATURE  PEOPLE  COMMUNITIES

Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

Shared water challenges associated with climate change and extreme weather events are likely to increase in frequency and intensity in the coming decades. Declining water quality, long-lasting droughts and increased water stress are all elements identified as material water risks faced by some of our operations and supply chains. We need to work collaboratively with our neighbours - including suppliers, local partners and communities - to address challenges at the watershed level so we can regenerate stressed watersheds and mitigate water risks.

Water is essential to our production activities and to our entire value chain. In operations, we use water primarily for hygiene and cleaning, cooling and processing. Additionally, our use of water generates wastewater, and we need to ensure that it is treated appropriately before being discharged to the environment. In our supply chain, water use is related to the raw materials that rely on agricultural irrigation and to the synthetic raw materials that require water in production.

We also recognise that access to fresh water and sanitation services are an essential human right. Therefore, we strive to protect water resources and promote global access to Water, Sanitation and Hygiene (WASH) principles, seeking to guarantee access to water to all our employees and to vulnerable communities in the areas where we source and operate.

We are confident that managing water as a precious resource and reusing it as much as possible will allow us to mitigate watershed challenges and to improve the lives of everyone along our value chain.

Driven by our purpose, we must lead the way by delivering on our own ambitious commitments while harnessing the power of collaboration across sectors to drive change. Givaudan is striving to be an industry leader in conservation and stewardship, and we look to use water in a socially equitable, environmentally sustainable and economically beneficial manner.

Boundary

- Givaudan
- Suppliers

Disclosure 103-2, 103-3, 303-1, 303-2 MANAGEMENT APPROACH

Responsible use of water is essential to the company's leadership and we believe that our business model must be fully aligned with, and contribute to, sustainable water management in the key water basins where we source and operate, particularly in high water-risk basins. We intend to champion water stewardship, working to protect water-dependent ecosystems and encouraging the sustainable use of water resources.

Our overall strategy for monitoring and reducing water consumption is embodied in our Water Policy, an approach based on the UN Global Compact's CEO Water Mandate and

driven by our Purpose. The policy emphasises our commitment to water stewardship: we strive to drive a positive impact in watersheds where we source and operate. In our operations, we are looking to secure water supply and optimise water use and continuously improve how we manage effluent discharge. In our supply chain and in our communities, we are mitigating water risk and improving water quality management aspects. We look to foster sustainable water use at the watershed level and improve access to water, sanitation and hygiene, thus supporting communities to thrive. The policy is also used to guide our growth strategy in terms of location, technology and procedures. We put emphasis on places where water stress is expected, carrying out detailed risk assessments to develop water mitigation action plans, including efficiency improvements and water reuse opportunities.

Specifically, we act as a role model in water stewardship, working to protect water-dependent ecosystems and encouraging the sustainable use of resources. In our operations, our targets are, by 2030, to improve water efficiency by 25% on sites facing water stress - defined as the ability, or lack thereof, to meet human and ecological demand for fresh water - compared to 2020 levels and continuously improve water efficiency on all other sites. A full 100% of our wastewater discharge will meet or exceed regulatory and industry standards by 2030. In our supply chain and in our communities, our goals are to improve and protect water quality and quantity in our priority natural supply chains and improve access to water, sanitation and hygiene (WASH) in vulnerable communities where we source and operate. These latter goals contribute towards the Communities goals of our purpose.

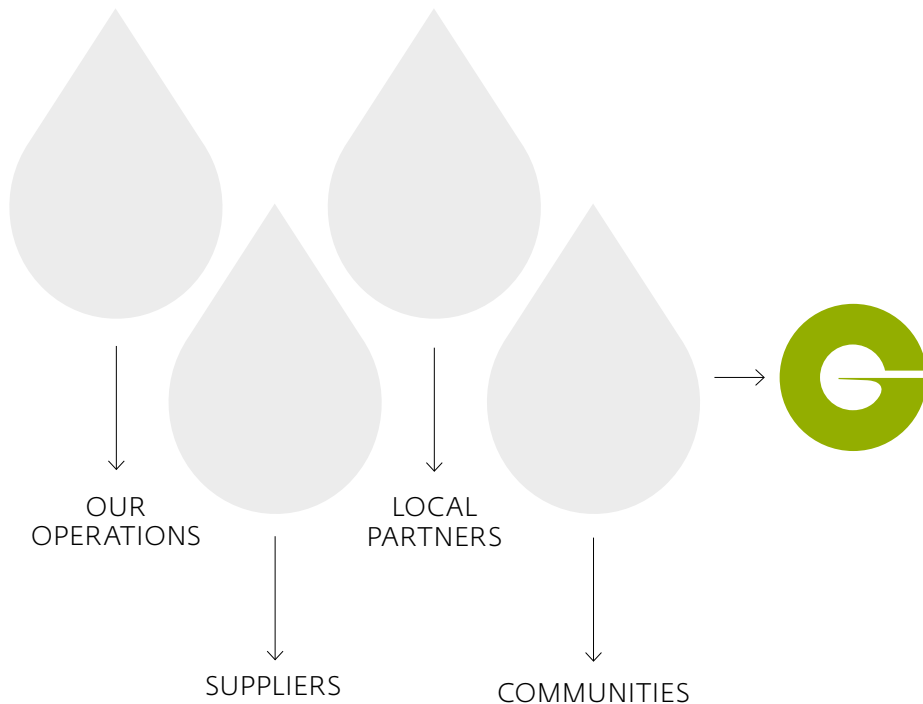
Water is a local issue and needs to be addressed locally.

Water stewardship

Our response to increasing water challenges

SHARED WATER CHALLENGES

Droughts / Water stress / Declining water quality / WASH



Water is a precious natural resource that we are committed to protecting.

OUR OPERATIONS

Targets

- We will improve water efficiency by **25%** on sites facing water stress compared to 2020 levels
- We will continuously improve water efficiency on all other sites
- **100%** of our wastewater discharge will meet or exceed regulatory and industry standards

Means

- Drive continuous improvement to site water use by applying the 3R approach: Reduce, reuse, recycle
- Implement wastewater standard in addition to the regulatory requirements
- Conduct annual contextual water risk assessment using the Aqueduct Water Risk Atlas
- Track site water quantity and quality KPIs within our operations both for water withdrawal and water effluents

SUPPLY CHAIN AND COMMUNITIES¹

Goals

- We will improve and protect water quality and quantity in our priority natural supply chains
- We will improve access to water, sanitation and hygiene (WASH) in vulnerable communities where we source and operate

Means

- Work in partnerships with experts and communities
- Assure all manufacturing facilities provide adequate WASH services
- Engaging with suppliers regarding their employees' access to WASH services through our Responsible Sourcing programme, Sourcing4Good and promote the use of CDP Supply chain programme to share water stewardship data and monitor suppliers' performances
- Promote regenerative agricultural practices and better use of irrigation

1. These goals contribute towards the Communities ambition of our purpose.

Water stewardship

Our targets and goals are aligned with the United Nations Sustainable Development Goals, and we focus our attention specifically on activities related and contributing to SDG 6 (Clean water and sanitation) and SDG 12 (Responsible consumption and production) to ensure we contribute to safer and more sustainable company development. Our policy also follows best practices from the UN Global Compact's CEO Water Mandate, which we endorsed in 2020.

We carry out periodic corporate risk assessments that include both water- and climate-related risks as we recognise the strong link between the two topics. This allows us to identify relevant exposures and perform analyses that are specifically related to the watershed-level context.

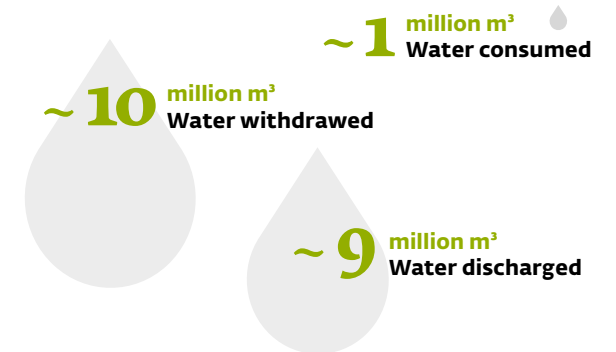
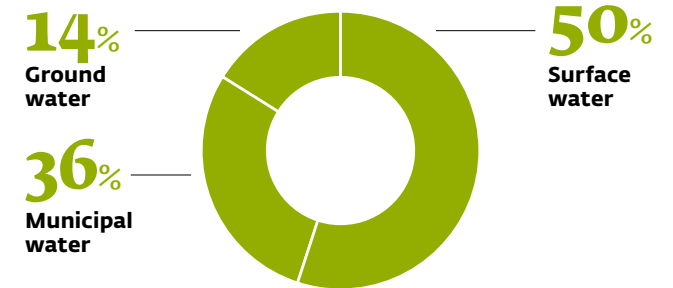
We report annually to the CDP Water Security questionnaire and strive for continuous improvement as part of our water resources management and stewardship commitments.

Water use

Our water footprint indicates that 97% of our water use can be accounted for by consumption in the supply chain. This is primarily linked to the agricultural irrigation of the natural raw materials we source. The availability and quality of water is then highly important to our sourcing as it has an impact on the quality and the availability of certain raw materials. In order to manage this impact, we leverage our engagement beyond our own operations and address the issue in our supply chains.

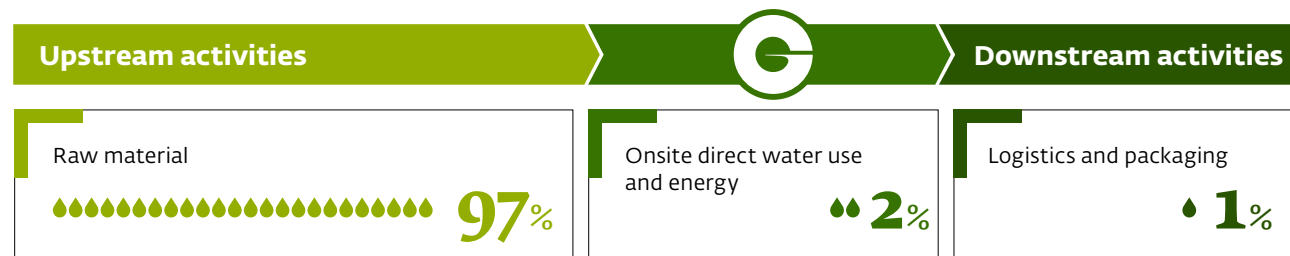
Onsite direct water use and energy accounts for an additional 2% of our consumption, while the final 1% is linked to logistics and packaging. The diagram below shows the distribution of our global water footprint.

Source of water withdrawal in our operations



Givaudan's water consumption

Based on 2018 Corporate water footprint



Operations

In our operations, we want to set clear objectives to optimise water efficiency, with a focus on water stressed areas and wastewater treatment. Our business operations are fully aligned with and contribute to the sustainable management of water in the key watershed basins in which we work. We intend to be a role model in water stewardship by working to protect water-dependent ecosystems and encouraging the sustainable use of water resources. The majority of the water withdrawal in our operations is taken from surface water; other sources are municipal supplies and groundwater.

Water stewardship

Our use of water generates wastewater, and we ensure that this water is treated appropriately before being discharged to the environment. Such treatment can range from full primary and/or secondary on-site treatment before discharge to the environment, to partial primary and/or secondary pretreatment before the wastewater is sent to third-party sewage, to direct discharge into the environment because of its flawless quality, etc. We ensure that our wastewater meets or exceeds regulatory and industry standards by monitoring parameters such as pH, chemical oxygen demand (COD), biochemical oxygen demand (BOD), fat, oil and grease (FOG), total nitrogen, total phosphorus, total organic carbon, temperature, heavy metals, etc., at least as frequently as requested by local legislation and industry standards.

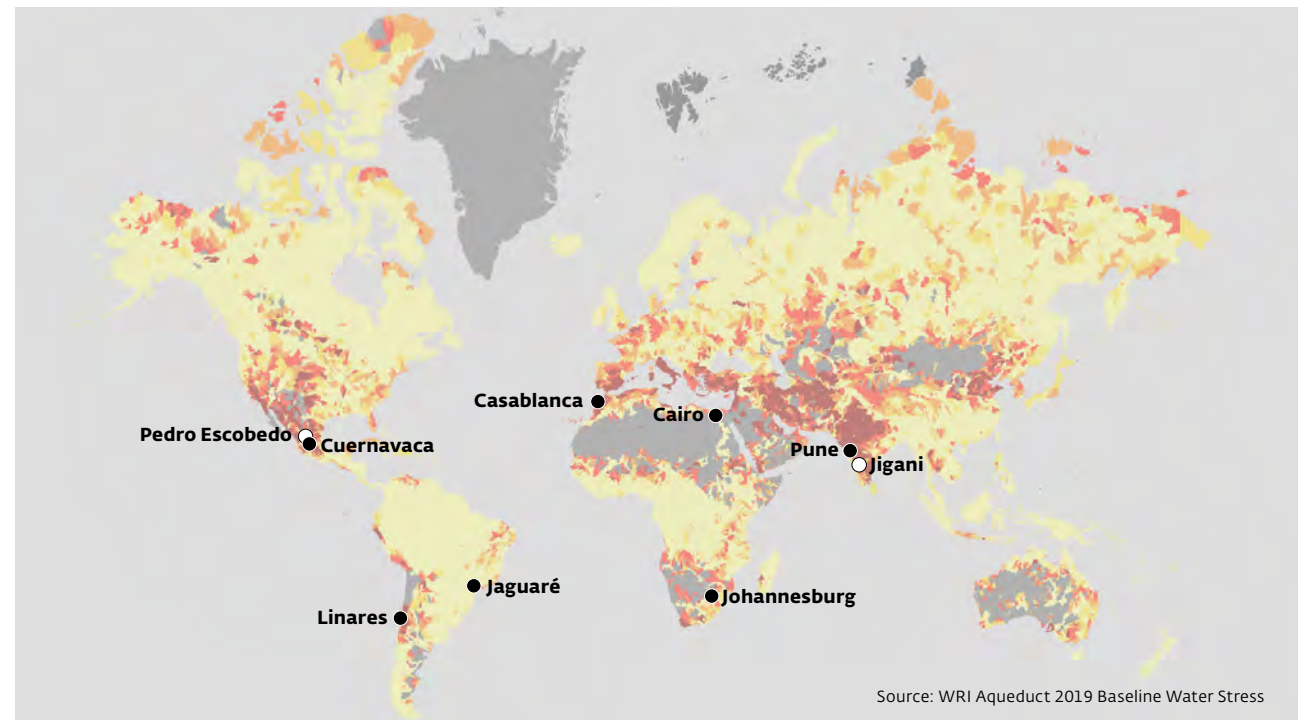
On sites that are not deemed to face particular water stress, we will in any case drive continuous improvement to site water use through the 3R approach.

On all sites, we will implement our wastewater standard, highlighting requirements to be fulfilled by all sites in addition to regulatory requirements. We will also conduct annual contextual water risk assessments using the Aqueduct Water Risk Atlas developed by the World Resources Institute, and review and update the list of sites in water stress areas accordingly. We will also track site water quantity and quality KPIs within our operations for both water withdrawal and water effluents.

Our sites continually review hotspots and introduce technical improvements that drive our water efficiency strategy. We put a special focus on places facing water stress to develop mitigation action plans that include efficiency improvements and water reuse opportunities. In terms of improvements in efficiency, we first focus on the basics, looking to avoid any leakages and ensuring preventive maintenance. The next step is to look at the production processes such as CIP, overall

Our sites in water stressed areas

- Extremely high (>80%) ■ High (40-80%) ■ Medium high (20-40%) ■ Medium low (10-20%) ■ Low (<10%)
- Arid and low water use ■ No data
- Taste & Wellbeing ○ Fragrance & Beauty



cleanings and utilities-related consumption including water treatment, steam and cooling that use water. Once all continuous improvement opportunities have been tackled, the next move involves a step change, moving towards semi-closed or closed loops wherein the discharged water is cleaned

and reintroduced as water inputs whenever possible in terms of quality, safety and cost. Our new water strategy has identified 9 sites as being in water-stressed areas.

Water stewardship

HUMA

Water management improvement

In Hungary, we first used statistical data analysis and a detailed study of the on-site water network to identify where water use was highest. The local team then implemented specific projects to optimise existing technologies in the washing process and reduce water consumption, allowing us to improve the cleaning process of equipment on site, all while using less water. By the end of the third quarter of 2021, this water consumption translated to an estimated 6.2 m³/ton, a further 6.6% reduction in specific water volume compared to the 6.6 m³/ton in 2020.

Operations water risk management

In addition to updated water risk assessments for sites located in water stress areas and the review of wastewater discharge compliance to regulatory and industry standards, we manage water risk in our operations through periodic corporate risk assessments. They allow us to identify relevant exposures and perform analyses at the watershed level. Assessments include all Givaudan production facilities and consider indicators covering aspects related to physical scarcity, quality, reputation, regulation and flooding risk. We use internal knowledge as well as criteria linked to production volume and risks in terms of water withdrawal to prioritise the facilities.

In our sites facing water stress, we drive continuous improvement in water use through a number of measures. This includes applying the 3R, or reduce, reuse and recycle approach; assessing opportunities and implementing projects to reduce our water withdrawal; applying water circularity principles in and around our production sites as well as implementing new technologies to reuse and recycle water in our operations.

Our actions and progress

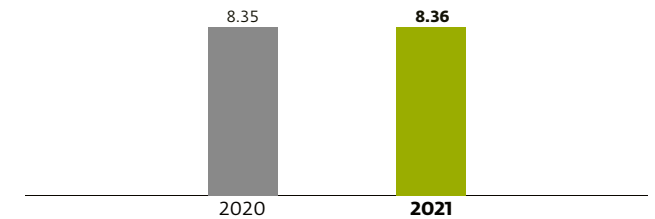
Some practical approaches to improving site water use have included switching processes that currently use municipal water to our existing cooling tower loop, meaning we were able to reduce the amount of municipal water required for cooling. Another is the installation of automatic valves to manage water needed for purging product dust from recirculating scrubber water. There are many water-saving initiatives ongoing at Givaudan sites worldwide, from on-site biological treatment of wastewater and subsequent reuse in the Netherlands to rainwater harvesting in India.

We continue to work to ensure that the wastewater from our operations is disposed of responsibly and to monitor its quality, especially through Chemical Oxygen Demand (COD) analysis, an indicator of water quality or pollution. The total quantity of COD discharged was measured at 245 tonnes in 2021, a 14% decrease over 2020.

In 2021, Givaudan's overall water intensity (municipal and ground water/tonne of product) remained flat against 2020. Focusing on the key sites located in water-stressed areas, there was important improvement with a decrease of 4% since 2020 for the same indicator.

Water efficiency¹

In m³ per tonne of production



1. Includes third-party water (municipal supplies / purchased water) and groundwater.

In 2021, CDP again recognised our leadership in water security by giving Givaudan the highest 'A' score for the third year in a row. This recognition follows a leadership score for climate action and places the Company in the double 'A' category of best performing businesses in terms of mitigating environmental impact.

Water stewardship

Disclosure 303 – 3 Water withdrawal

	2020 (restated) ²	2021 ³
Water intake (m ³) ¹		
Surface water	4,923,265	5,088,104
Fresh water ⁴	–	5,088,104
Other water ⁴	–	0
Groundwater	1,561,661	1,390,612
Fresh water ⁵	–	1,353,985
Other water ⁵	–	36,627
Seawater	–	547
Third-party water – purchased water	3,205,348	3,495,105
Rainwater collected directly and stored by the reporting organization	13,200	14,099
Third-party water – wastewater from another organisation	275,828	248,004
Total water²	9,979,302	10,236,472

1. Assured 2015 full-year figures. These values exclude the acquisitions of Naturex, Vika and drom sites.
2. Assured 12-month rolling figures (Q4 2019 to Q3 2020) for values excluding the acquisitions of Naturex, Vika and drom sites. These latter figures have been included in the reported values, but have not been assured by the third-party auditor. See the "Restatements of information" section for restatements.
3. Assured 12-month rolling figures (Q4 2020 to Q3 2021) for values including the acquisitions of Naturex, Vika and drom sites.
4. This data was not collected in 2015. We started to include this category in our reporting in 2020. In the past, this category was included in the surface water category.
5. This data was not collected in 2015. We started to include this category in our reporting in 2020. In the past, this category was included in the groundwater category.

Disclosure 303 – 4 Water discharge

	2020 (restated in 2021) ¹	2021 ²
Water discharge (m ³)		
To the environment w/o biological treatment	3,832,499	4,414,878
Surface water	–	4,368,133
Fresh water	–	3,853,411
Other water	–	514,722
Groundwater	–	33,126
Fresh water	–	33,126
Other water	–	0
Seawater	–	13,619
Fresh water	–	13,619
Other water	–	0
To the environment after biological treatment	2,131,546	2,076,603
Surface water	–	1,623,716
Fresh water	–	301,124
Other water	–	1,322,592
Groundwater	–	45,127
Fresh water	–	45,127
Other water	–	0
Seawater	–	407,761
Fresh water	–	406,578
Other water	–	1,183
To external treatment facility w/o pre-treatment	790,277	751,256
Fresh water	–	551,127
Other water	–	200,128
To external treatment facility with pre-treatment	1,881,652	1,987,000
Fresh water	–	1,321,521
Other water	–	665,479
Total discharged water	8,635,974	9,229,737

1. Assured 12-month rolling figures (Q4 2019 to Q3 2020) for values excluding the acquisitions of Naturex, Vika and drom sites. These latter figures have been included in the reported values, but have not been assured by the third-party auditor. See the "Restatements of information" section for restatements.
2. Assured 12-month rolling figures (Q4 2020 to Q3 2021) for values including the acquisitions of Naturex, Vika and drom sites.

We cannot report data on water discharge per destination because we do not currently measure it this way, but rather by treatment method and by distinguishing between what is discharged to the environment and what is sent to an external treatment facility.

Disclosure 303 – 5 Water consumption

	2020 (restated in 2021) ¹	2021 ²
In m ³		
Water consumption ³	1,343,328	1,006,734

1. Assured 12-month rolling figures (Q4 2019 to Q3 2020) for values excluding the acquisitions of Naturex, Vika and drom sites. These latter figures have been included in the reported values, but have not been assured by the third-party auditor. See the "Restatements of information" section for restatements.
2. Assured 12-month rolling figures (Q4 2020 to Q3 2021) for values including the acquisitions of Naturex, Vika and drom sites.
3. Includes sanitary, cooling and process water.

Water stewardship

Supply chain and communities

Givaudan is acting as a role model in water stewardship, working to protect water-dependent ecosystems and encouraging the sustainable use of resources. In our communities, we want to set goals that develop watershed strategies and collaborative actions in our priority sourcing areas.

Here, we will work in partnership with experts and communities in our priority natural supply chains – defined by our Responsible Sourcing programme, Sourcing4Good – to improve and protect water quantity and quality by first identifying those that are exposed to water risks. For those identified, we will define shared water challenges and local stakeholder priorities in the watershed; explore water stewardship activity opportunities, including nature-based solutions and potential project partners and then develop an activity implementation roadmap.

We also look to improve access to water, sanitation and hygiene to positively impact the lives of communities where we operate and source through a number of measures. For instance, our EHS policy aims to safeguard adequate access to safe drinking water, sanitation and hygiene for all employees in locations under company control. We also implement our goal of ensuring all our manufacturing facilities provide adequate WASH services, including all those facilities acquired in recent years. We engage suppliers regarding their employees' access to water, sanitation and hygiene via Sourcing4Good. We also engage with communities around company operations to identify those without safe and adequate access to water, sanitation and hygiene and establish local partnerships to provide this access by 2030, including long-term maintenance.

Supply chain water risk management

We will conduct contextual watershed risk assessments using the Aqueduct Water Risk Atlas platform developed by the World Resource Institute. We will promote regenerative agricultural practices and better use of irrigation and include water aspects in our sourcing criteria. We will also engage our suppliers around water stewardship through Sourcing4Good and promote the use of CDP Supply chain programme to collect water stewardship data and monitor supplier performance.

Our supply chain water risk assessment is a metric-based methodology that characterises our corporate water footprint in terms of water risks. This assessment allows us to identify hot spots in our main supply chains and gives us a clear understanding of the risks and impacts encountered. In addition to quantifying the total water consumption of our activities, this study also quantifies the water scarcity footprint along the Givaudan value chain. This data is consolidated with internal expertise from our sourcing team to make sure we integrate specific contextual aspects that can influence the risk level in some specific watersheds. This assessment allows us to set priorities for reducing water use and develop a mitigation plan.

To better understand our supply chain water risk, Givaudan collects primary data information from our main suppliers to be used with the supply chain water risk assessment. We foster an improvement in water management and enhanced water risk identification through the promotion of data reporting in our supply chain. Our Responsible Sourcing policy guides suppliers to comply with local wastewater treatment regulations, urging them to reduce their impact on watersheds where they operate in terms of aspects including water scarcity, quality and stress.

Our actions and progress

We engage with our suppliers to advance the water stewardship journey. We ask for information on their relevant accounting systems, for details on their water management strategy such as governance and targets, and for examples of actions they have taken to reduce their impact. This information can be used by our procurement team to better understand the challenges the suppliers are facing and make sure they implement the appropriate mitigation measures. This can also help less advanced companies identify risks to avoid disruption and these questionnaires indirectly impact their water management. At any level of maturity, we expect the supplier to improve in the following years.

Overall, Givaudan looks to champion best practices across the value chain, leveraging our influence with business partners and suppliers to promote good water management. We want our strategic suppliers to move beyond simply reporting water accounting information and into active management. This is why we work together to help them understand their water impact and then take action to reduce it. We measure the success of our engagement in terms of supplier actions that demonstrate improvement year on year.

For instance, we participated in the CDP Supply Chain programme, using its water security questionnaire to request a variety of information from our key suppliers on relevant risks and opportunities. Our supplier response rate this year was 67% (80/120 responded), up by 16% from 2020. In 2021, an additional 12 suppliers have shown engagement by responding to the programme at our request. In 2021, 95% of our respondents reported having a companywide water policy, but only 6.1% report an active basin level target. This is part of our potential focus for engagement with suppliers along with other information extracted from the CDP Supply Chain programme.

Biodiversity

Material topic definition

Biodiversity

Contributing to the conservation of biodiversity and the preservation of a rich diversity of natural ingredients (for example, through reforestation programmes) as well as a balanced ecosystem in and around related growing and harvesting communities.

Purpose pillars

 CREATIONS  **NATURE**  PEOPLE  COMMUNITIES

Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

Biodiversity is essential for the survival of all species and it is the natural heritage we leave as a legacy for future generations. Experts highlight an unprecedented rate of biodiversity loss, noting that a million species of plants and animals are now close to extinction. We are fully aware of this urgency, the direct consequences for humanity and, consequently, our industry. We are actively working to reduce our impact or even nullify it by assessing and monitoring each step of our activity throughout the life cycle of our products.

Givaudan could not exist without a steady supply of more than 11,000 ingredients from across the globe, natural resources used in the creation of our Taste & Wellbeing and Fragrance & Beauty products. Our activities depend on biodiversity, as do the many communities we work with and look to support. A combination of protection, sustainable management and, where necessary, restoration is then needed to ensure the future of a diverse, living planet.

We believe that our activities can have the greatest impact on biodiversity in terms of SDG 15, “Life on Land,” SDG 2 “Zero Hunger” and SDG 17, “Partnerships for the Goals.” Our efforts in biodiversity help protect, restore and promote sustainable use of terrestrial ecosystems and promote food security and sustainable agriculture. Our partnerships serve to strengthen the means of implementation.

Boundary

- Givaudan
- Raw material suppliers

Disclosure 103-2, 103-3

MANAGEMENT APPROACH

Givaudan is a purpose-driven company and our approach to the topic of biodiversity is embedded in these guiding principles. Nature is an integral part of our purpose, expressed in the statement “Imagining together that we show our love for nature in everything we do.” Moreover, Givaudan has set an ambition to become a certified B Corporation (B Corp), a designation reflecting the highest standards of environmental performance.

Givaudan supports the terms of the Convention of Biological Diversity: the conservation of biological diversity; the sustainable use of the components of biological diversity, and the fair and equitable sharing of the benefits arising out of the utilisation of genetic resources. The Nagoya Protocol implements Article 15 of the convention, which covers access to genetic resources – and associated traditional knowledge – and the sharing of monetary and nonmonetary benefits linked to their use. We are identifying the potential implications of the Nagoya Protocol and its access and benefit sharing (ABS) framework on our activities in order to comply with all our obligations. Givaudan has developed comprehensive policies that recognise the need to protect the environment and its

natural resources, in particular Givaudan’s Principles of Conduct, Givaudan’s EHS Policy on Safety and Environmental Protection and Responsible Sourcing.

Biodiversity has therefore been integrated into the company’s global approach, is supported by management through the purpose, and is gradually being deployed throughout the organisation. Generally, our approach to biodiversity in our day-to-day work can be summed up in the steps of avoiding negative impacts, or reducing them when this is not possible, regenerating the environment, and inspiring the different stakeholders we work with. We take the global life cycle of our products into account, from sourcing our raw materials responsibly and sustainably, to treating our waste and water and managing our consumption and emissions.

Internally, Environmental sustainability teams, EHS and Green Teams carry out projects that support climate action, water stewardship and waste management all over the world.

Externally, we work with our supply chain through Responsible Sourcing and Procurement actions as well as through the Regulatory Affairs & Product Safety Department. We continually assess the potential impact of biodiversity laws worldwide, including access- and benefit-sharing legal frameworks inspired by the Nagoya protocol principles. We have implemented key programmes to manage the assessment of our procured, manufactured and research & development raw materials activities to ensure we comply with regulations on conservation, sustainable use and fair and equitable sharing of benefits arising from the use of genetic resources. We also discuss aspects of sustainability, including biodiversity, with our customers and surround ourselves with experts particularly well versed in specific issues. Participating in industry platforms and think tanks allows us to act together on certain aspects related to biodiversity.

Biodiversity

It is part of our business, as well as our responsibility, to join forces with local stakeholders to preserve the equilibrium of the landscapes from which we source. This year, we have launched a strengthened responsible sourcing programme, Sourcing4Good, which outlines our commitments in favour of promoting biodiversity even more clearly. We look, for example, to “Reduce environmental impacts and promote biodiversity” in areas including land use and soil health, good stewardship and limitation of hazardous substances, water management, waste management and animal welfare. Sourcing4Good requires all suppliers of raw materials to conserve biodiversity.

Approaches to conserving species include verification in the field via third-party audits. They examine the preservation and sustainable use of biodiversity and support best management practices and climate adaptation strategies that can help preserve yield and income as well as sustain the long-term viability of complex or simple value chains of smallholder farmers, big players, traders and transformers. The recent integration of the Agronomy Department into the Origination team will also help us to achieve these goals and promote nature-based solutions, scaling their implementation through selected supply chains.

We can already point however to a transversal tool in the launch of the Naturality platform, meant to help facilitate responsible fragrance design and promote the use of fragrances that are respectful to nature.

Surrounding ourselves with experts, exchanging with our customers on aspects of sustainability and being part of industry platforms, we strive to strengthen our approach and inspire players in the industry.

Disclosure 304 – 1

Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

Aromasur, one of our extraction and distillation sites, is located in a protected area in the Sierra Norte Natural Park, to the north of Seville, Spain. The production factory, which is approximately 26,000 m² in area, opened in 1974 and was acquired by Albert Vieille in 1991. Aromasur is located within, but on the edge of, a space recognised by several protection figures as sharing geographical boundaries with the following areas (the biosphere reserve is an exception as there is more extensive overlap):

- Sierra Norte de Sevilla “Natural Park” (Andalusian regional network of protected natural areas – RENPA).
- Sierra Norte de Sevilla “Special Area of Conservation” -SACs- (EU Red Natura 2000; under Habitat Directive).
- Sierra Norte de Sevilla “Special Protection Areas” -SPAs (EU Red Natura 2000; under Birds Directive).
- Sierra Norte de Sevilla “Global Geopark” & “European Geopark Network” (UNESCO & EU).
- Dehesas de Sierra Morena “Biosphere Reserve” (UNESCO).

The historical development of regional, national and community environmental policy has established this series of protection categories, which go beyond the criteria defined by the International Union for Conservation of Nature. This protected area constitutes one of the best and most extensive representations of Mediterranean ecosystems in Europe. Forms of agro-livestock and forestry management coexist and the regions are characterised by a high degree of sustainability. There are a multitude of threatened and protected species,

especially birds, and forest habitats, from natural forests to the actual “dehesas”, agrosilvopastoral systems, where trees, native grasses, crops, and livestock interact positively under management. These forests are subject to an ancestral method of management that makes use of natural resources and diversification of land use compatible, without undermining ecosystem processes and natural values in the broadest sense.

Disclosure 304 – 2

Significant impacts of activities, products, and services on biodiversity

Our significant impacts are likely to be linked to our ingredient supplies and indirectly through our activities.

Water, effluents, waste and GHG

We strive to meet the twin challenges of climate change and biodiversity loss because they are intimately linked. Biodiversity is impacted by the effects of climate change, but can also serve as a means of mitigation and adaptation to its consequences. High biodiversity can help with the capture and storage of greenhouse gases by increasing the productivity of systems over the long term, by regulating air and water quality, soil fertility, fighting against diseases and reducing the impacts of extreme climatic events.

Land use, agricultural and collection practices

The establishment of factory, agricultural plots, cultivation and collection practices are also likely to impact biodiversity. We encourage practices that promote and preserve soil fertility, preserve and enhance soil biodiversity and improve soil water management including sustainable management of hazardous substances. We promote animal welfare as well. Thanks notably to our Agronomy team, we work with our suppliers on these aspects in order to ensure and support them if necessary in the implementation of good practices through various actions as explained in the following paragraphs.

Biodiversity

Disclosure 304 – 3

Habitats protected or restored

Our best practices approach from field to process has inspired initiatives to preserve biodiversity in different areas and they have resulted in significant improvement. Work with our suppliers on our sourcing policy, appropriate land use and good agricultural, collection and process practices have contributed to this progress as have biodiversity enhancing programmes in specific and prioritised supply chains as detailed below by core topic.

Promoting good agricultural and collection practices

We have dedicated projects in materials such as patchouli, turmeric, guarana and jasmine that include training in good agricultural practices, safe plant protection measures and compost management. Such projects have an impact on several thousand smallholders.

Domestication of wild resources to mitigate our impact

The Agronomy department works on the cultivation of raw materials generally taken from the wild such as rosemary, reducing our impact and ensuring good cultivation practices.

Addressing deforestation and ecosystem conversion

Most biodiversity loss is taking place in tropical forests, including rainforests. We address specific issues of biodiversity preservation such as those related to deforestation through a number of approaches.

1. Forest conservation with tonka bean collectors

The Givaudan Foundation, through an agreement with Conservation International, supports a programme aimed at improving local livelihoods and protecting the forest in the

Caura basin in Venezuela. The local communities are part of a conservation agreement by which they receive support and guidance on techniques for the handling and selling of beans. In exchange, they commit to actions preserving the flora and the fauna of their ecosystem. They patrol the 150,000 hectares of the conservation area and control the expansion of the agricultural frontier in the forest. They also survey several animal species such as the American tapir, jaguar, or spectacled caiman because they serve as key indicators of the ecosystem's health.

2. Palm oil position statement

In 2020, we introduced our palm position statement in which, among other things, we emphasise our commitment to non-deforestation, including "No Deforestation, No Peat, No Exploitation (NDPE)" principles. We are also co-funding projects targeting sustainability issues at the beginning of our palm supply chains in Indonesia and Malaysia in collaboration with Earthworm Foundation and other companies.

3. Dairy Working Group

To best cover our cheese and butter supply chains, we are members of the SAI Platform's Dairy Working Group and so collaborate with dairy supply chain actors. This includes Givaudan, as well as some of our suppliers and customers. This year, this group has launched the SDP, which is an approach that buyers will use to ask suppliers to report on their progress in sustainability at farm level. This SDP covers multiple sustainability topics including deforestation.

4. Preserving natural resources through efficient process

We continued work on reducing fuelwood consumption and replanting fuelwood trees in the distillation of key ingredients such as ylang ylang and patchouli.

5. French Alliance pour la Préservation des Forêts

Since 2013, Givaudan has been a member of APF, a food sector initiative that addresses the challenge of deforestation and ecosystem conversion within raw material supply chains. Missions of APF include communicating issues associated with deforestation and development within the concerned sectors; serving as a platform for interaction and collaboration between private players and other stakeholders and, finally, supporting its members in the practical implementation of their commitments by facilitating the pooling of tools and the conciliation of approaches both up- and downstream.

Supporting the conservation of diversity of species

We have been collaborating for about a decade with the University of California, Riverside (UCR) to support the care and preservation of one of the world's most extensive, unique and diverse citrus collections from the impending threat of citrus greening disease, also known as Huanglongbing, or HLB. The collection includes 1,000 varieties of citrus fruits from around the globe.

Environmental performance indicators

Key performance indicators		2015 (restated in 2021) ¹	2020 (restated in 2021) ²	2021 ³
Energy				
Energy (GJ)	Direct energy consumption primary sources ⁴	1,710,865	2,444,093	2,511,855
	Indirect energy: purchased electricity & steam	977,021	1,307,527	1,299,385
	Total energy	2,687,886	3,751,620	3,811,240
Energy efficiency (GJ/tonne of production)	Direct energy efficiency	4.44	4.28	4.30
	Indirect energy efficiency	2.54	2.29	2.22
	Total energy	6.98	6.57	6.52
Emissions				
GHG emissions (tonnes)				
Scope 1	From direct energy sources ⁵	139,374	133,707	139,608
	From biogenic sources ⁶	4,700	3,925	3,574
Scope 2	From indirect energy sources ⁵	106,879	54,075	31,090
	From biogenic sources ⁶	0	1,333	397
	Total scope 1 + 2 GHG emissions direct and indirect	246,253	187,782	170,698
	Total scope 1 + 2 GHG emissions biogenic	4,700	5,257	3,971
Scope 3	Purchased good and services	1,917,037	1,901,374	1,902,794
	Raw materials	1,691,701	1,676,242	1,677,400
	Other Indirect materials & services categories (excluding existing categories) ⁷	146,856	132,686	133,055
	Packaging	78,480	92,446	92,339
	Capital goods ⁷	51,722	72,797	56,003
	Fuel- and energy-related activities	105,744	68,001	36,349
	Upstream transportation and distribution	29,674	42,320	39,990
	Waste generated in operations	19,321	22,644	24,084
	Business travel	24,461	12,587	1,794
	Employee commuting	21,516	20,454	13,277
	Downstream transportation and distribution	54,615	56,099	65,297
	Outbound product to customers	39,503	38,172	42,343
	Outbound intercompany deliveries	15,112	17,927	22,954
	Total scope 3 GHG emissions	2,224,090	2,196,276	2,139,587
Total GHG emissions (excluding biogenic emissions)		2,470,343	2,384,058	2,310,285
GHG emissions efficiency (tonnes of GHG/tonne of production) ⁸	Scope 1: from direct energy sources (excluding biogenic)	-	0.23	0.24
	Scope 2: from indirect energy sources (excluding biogenic)	-	0.09	0.05
	Total GHG emissions	-	0.33	0.29

Environmental performance indicators

Key performance indicators		2015 (restated in 2021) ¹	2020 (restated in 2021) ²	2021 ³
Waste				
Hazardous waste (tonnes)	Preparation for reuse ⁹	–	–	12,495
	Recycling	–	–	9,150
	Other recovery operations ⁹	–	–	7,103
	Total hazardous waste diverted from disposal by recovery operation	15,152	20,969	28,748
	Incinerated without energy recovery offsite	4,412	5,853	5,917
	Incinerated with energy recovery	6,337	7,042	8,225
	Landfilled	318	221	137
	Total hazardous waste directed to disposal by disposal operation	11,067	13,116	14,279
	Total hazardous waste	26,219	34,085	43,026
Non-hazardous waste (tonnes)	Preparation for reuse ⁹	–	–	1,621
	Recycling	–	–	63,814
	Recycling	–	–	20,416
	Composted	–	–	16,420
	Biogas production	–	–	26,978
	Other recovery operations ⁹	–	–	487
	Total non-hazardous waste diverted from disposal by recovery operation	28,117	55,863	65,921
	Incinerated without energy recovery	1,153	1,318	1,256
	Incinerated with energy recovery	1,076	2,336	3,610.02
	Landfilled	6,412	9,635	10,233
	Total non-hazardous waste directed to disposal by disposal operation	8,642	13,289	15,099
	Total non-hazardous waste	36,758	69,152	81,021
Total incinerated and landfilled waste (HZ and NHZ, tonnes)		19,709	26,405	29,378
Waste efficiency (kg/tonne of production)¹⁰		51.2	46.2	50
One-off waste (tonnes)¹¹		2,219	2,509	2,354
Total waste (tonnes)		65,197	105,746	126,401

Environmental performance indicators

Key performance indicators		2015 (restated in 2021) ¹	2020 (restated in 2021) ²	2021 ³
Water				
Water intake (m³)	Surface water	5,006,361	4,923,265	5,088,104
	Groundwater	1,390,267	1,561,661	1,390,612
	Seawater	–	–	547
	Third-party water - purchased water	2,359,818	3,205,348	3,495,105
	Rainwater collected directly and stored by the reporting organisation	13,249	13,200	14,099
	Third-party water - wastewater from another organisation	259,727	275,828	248,004
	Total water withdrawal¹²	9,029,422	9,979,302	10,236,472
Water efficiency (m³/tonne of production)¹³		9.74	8.35	8.36
Water discharge (m³)	To the environment w/o biological treatment	–	3,832,499	4,414,877.87
	To the environment after biological treatment	–	2,131,546	2,076,603.46
	To external treatment facility w/o pre-treatment	–	790,277	751,255.64
	To external treatment facility with pre-treatment	–	1,881,652	1,987,000.33
	Total water discharge	–	8,635,974	9,229,737.30
Water consumption (m ³)	Water consumption	–	1,343,328	1,006,734.44
COD (tonnes)	COD load of water discharged to the environment	–	284.50	245.19
Other data				
	Nitrogen oxides – NO _x (tonnes) ¹⁴	–	66.71	69.28
	Sulphur dioxide – SO ₂ (tonnes) ¹⁴	–	96.84	98.37
	Volatile organic compounds (tonnes)	–	1,018.46	1,069.22
	CFC inventory (kg)	–	7,639	3,881.41
	CFC ¹¹ equivalent inventory (kg)	–	783	574.00
	CFC loss-replacement (kg)	–	765	525.62
	CFC ¹¹ equivalent loss/replacement (kg)	–	42	28.91
Production	Production quantities (tonnes)	385,189	571,141	584,154.76

1. Assured 2015 full-year figures.

For Scope 1, 2 and 3 these values include the acquisitions of Naturex, Vika and drom sites. See the "Restatements of information" section for restatements.

For all other figures, these values exclude the acquisitions of Naturex, Vika and drom sites.

2. Assured 12-month rolling figures (Q4 2019 to Q3 2020) for values excluding the acquisitions of Naturex, Vika and drom sites. These latter figures have been included in the reported values, but have not been assured by the third-party auditor. See the "Restatements of information" section for restatements.

3. Assured 12-month rolling figures (Q4 2020 to Q3 2021) for values including the acquisitions of Naturex, Vika and drom sites.

4. For 2021 includes natural gas (0.0336 GJ/m³), light fuel (39.5904 GJ/m³), heavy fuel (40.1759 GJ/m³), Liquid Petroleum Gas (24.6719 GJ/m³), town gas (0.0254 GJ/m³), waste used as energy source (22.5000 GJ/m³), biofuel (33,1080 GJ/m³), biogas (0,0342 GJ/m³), biomass (0,0116 kg/GJ), geothermal energy (0.0036 GJ/kWh), deducting steam sold (3.0750 GH/tonnes).

5. Including emissions from CH₄ and N₂O from usage of biomass/biofuels.

6. Including emissions from CO₂ from usage of biomass/biofuels.

7. This two categories do not include data for the recent acquisitions of Naturex, Vika and drom.

8. Includes only scope 1 and scope 2.

9. This data was not collected in 2015. We started to include this category in our reporting in 2020. In the past this treatment was included in the recycling processes.

10. Includes incinerated with and without energy recovery and landfilled waste (HZ and NHZ).

11. This indicator measures the total quantity of waste which is not directly related to the daily operations, but is categorised as one-off waste.

Examples of waste in this category are waste materials coming from demolition or remediation activities or waste or raw materials following an unusual incident, for instance a fire.

12. Includes sanitary, cooling and process water.

13. Includes third-party water (municipal supplies / purchased water) and groundwater.

14. Quantity is calculated by multiplying the annual fuel consumption by the corresponding emission factor for fuel type.

Environmental performance indicators

Disclosure 102 – 48

Restatements of information

Explanation

Over the year we may face changes in data or calculation methods that impact data that has already been published. We therefore restate the data, both to provide a meaningful comparison between years for environmental performance and to monitor key performances indicators.

Baseline recalculation

In order to enable a meaningful comparison of environmental performance over time, Givaudan has established a standard process, based on the GHG Protocol, to recalculate its baseline indicators in case of structural changes such as acquisitions, changes in calculation methodology or inventory boundaries.

This allows us to compare performance on a like-for-like basis over time. The process includes definitions of recalculation triggers and the process of reporting the information. Thanks to this guidance, Givaudan is able to track its environmental performance in a transparent manner and with confidence that the data are accurate despite changes related to business growth.

Baseline years

In this report we use two baseline years to show our performance indicators, 2015 and 2020. The GHG emission science-based targets were set against a 2015 baseline and water targets have a baseline of 2020. Our waste ambition has a baseline of 2020.

In this report, the baseline recalculation applies only to GHG emission numbers as these are the only absolute targets published by the Company. To consider the impact of 2015 and all subsequent acquisitions, we recalculated the 2015 baseline.

Reasons for change

General

The majority of the changes are due to the impact of integrating information from recently acquired companies Vika, Naturex and drom into our baseline and past-year data. We also restate data when we identify corrections that must be reflected in the past performance or when we use a new calculation or measurement methodology for certain indicators. This is done with the aim of keeping the data consistent and comparable over time.

Business travel

This year we recalculated the baseline for Business travel & employee commuting using the number of employees of our acquisitions as a proxy indicator based on the performance in 2015 of CO₂e/employee. We applied the same principles for 2020 data.

Fuel- and energy-related activities

This year, we recalculated the baseline for fuel and energy related activities using the total amount of energy consumed by our recent acquisitions as a proxy indicator based on the performance in 2015 of CO₂e/GJ for the whole category.

Employee commuting

This year we recalculated the baseline and improved our model. We recalculated the baseline using the number of employees of our acquisitions as a proxy indicator based on the performance in 2015 of CO₂e/employee per category. In parallel, we integrated new emission factors from DEFRA data base for 2015, 2020 and 2021 to best reflect the performances of our employees. This new modelling led to minor changes in terms of performance and this category continues to reduce its impact every year.

Packaging & Upstream and downstream transportation

This year we recalculated the 2015 baseline for Packaging & Upstream and downstream transportation using the production tonnage of our acquisitions as a proxy indicator based on the performance in 2015 of CO₂e/production tonnage per category. We applied the same principle for the 2020 data.

Waste treatment

This year we recalculated the 2015 baseline for scope 3 emissions from waste treatment using the production tonnage of our acquisitions as a proxy indicator based on the performance in 2015 of CO₂e/production tonnage for this category.

For 2020, we used the waste data collected directly from the acquisitions and integrated them in the model.

Raw materials

This year we recalculated the baseline for our Raw materials category including all acquisitions since 2015 on our scope 3 calculation model. We used the proportion of raw materials volumes purchased through the acquisitions as a ratio for calculating their impact on the baseline. We specifically applied our average dairy category emission factor for part of our portfolio as it best reflects the nature of the material purchased. We otherwise used the average Givaudan 2015 CO₂e/kg of raw materials. We applied the same principle for the 2020 data.

Direct energy (from primary sources) and Direct energy efficiency

Since 2015, data for primary and indirect energy has been shown without the acquisitions. The change for 2020 is mostly due to the integration of the values from the acquired sites of Naturex, Vika and drom. Some spontaneous corrections of past reported data for Givaudan historical sites have also been included.

Environmental performance indicators

Indirect energy (purchased electricity & steam) and Indirect energy efficiency

Since 2015, data for primary and indirect energy has been shown without the acquisitions. The change for 2020 is mostly due to the integration of the values from the acquired sites of Naturex, Vika and drom. Some spontaneous corrections of past reported data for Givaudan historical sites have also been included.

GHG emissions (Scope 1) and GHG emissions efficiency (Scope 1)

The change for 2015 is mostly due to the integration of the values from the acquired sites of Naturex, Vika and drom.

The change for 2020 is mostly due to the integration of the values from the acquired sites of Naturex, Vika and drom. Some spontaneous corrections of past reported data for Givaudan historical sites' fuel consumption, which impact the emissions calculation directly, have also been included.

For both years, there has also been a minor change due to the improvement of biogenic vs. non-biogenic emissions reporting. CH₄- and N₂O-related emissions are now in the scope of non-biogenic emissions, whereas CO₂ related emissions are included in the biogenic category.

GHG emissions (Scope 2) and GHG emissions efficiency (Scope 2)

The change for 2015 is mostly due to the integration of the values from the acquired sites of Naturex, Vika and drom.

The change for 2020 is mostly due to the integration of the values from the acquired sites of Naturex, Vika and drom. Some spontaneous corrections of past reported data for Givaudan historical sites' fuel consumptions, which impact the emissions calculation directly, have also been included.

For both years, there has also been a minor change due to the improvement of biogenic vs. non-biogenic emissions reporting. CH₄- and N₂O-related emissions are now in the scope of non-biogenic emissions, whereas CO₂ related emissions are included in the biogenic category.

Hazardous waste, Total incinerated and landfilled waste and Waste efficiency

The change for 2020 is mostly due to the integration of the values from the acquired sites of Naturex, Vika and drom. Some spontaneous corrections of past reported data for Givaudan historical sites have also been included.

Non-hazardous waste (Recycling, Incinerated and Landfilled)

The change for 2020 is mostly due to the integration of the values from the acquired sites of Naturex, Vika and drom. Some spontaneous corrections of past reported data for Givaudan historical sites have also been included.

One-off waste

The change for 2020 is mostly due to the integration of the values from the acquired sites of Naturex, Vika and drom. Some spontaneous corrections of past reported data for Givaudan historical sites have also been included.

Water intake Third-party water

The change for 2020 is mostly due to the integration of the values from the acquired sites of Naturex, Vika and drom. Some spontaneous corrections of past reported data for Givaudan historical sites have also been included.

Water discharge to external treatment facility with and without pre-treatment

The change for 2020 is mostly due to the integration of the values from the acquired sites of Naturex, Vika and drom. Some spontaneous corrections of past reported data for Givaudan historical sites have also been included.

NO_x and SO₂

The change for 2020 is mostly due to the integration of the values from the acquired sites of Naturex, Vika and drom. Some spontaneous corrections of past reported data for Givaudan historical sites' energy consumption have also been included.

In addition, we have used the NO_x and SO₂ emission factors related to new fuels, updated in 2021, for 2020 to ensure better data comparability.

Volatile organic compounds

The change for 2020 is mostly due to the integration of the values from the acquired sites of Naturex, Vika and drom. Some spontaneous corrections of past reported data for Givaudan historical sites have also been included.

CFC inventory and CFC loss-replacement

The change for 2020 is mostly due to the integration of the values from the acquired sites of Naturex, Vika and drom. Some spontaneous corrections of past reported data for Givaudan historical sites have also been included.

Environmental performance indicators

Emission calculation methodologies

Scope 3 model evolution

The modelling of scope 3 carbon emissions is an iterative process based on science that is still evolving. We started our efforts in this area in 2017 with our first full scope 3 inventory based on financial activity data using the so-called ESHER model. This is an extended multi-regional input-output model based on Global Trade and Analysis Project (GTAP) data in addition to internal modelling for categories like business travel, packaging, waste and transport.

Since then, the model has gone through several evolutionary steps. We have begun modelling our raw material with a process-based approach that applies the best available proxy data from verified generic databases like ecoinvent or our own LCA data. We have also added granularity and accuracy through the inclusion of additional packaging categories and new classes of travel for business trips. We are continuing with the evolution of our model by implementing more details on the concentration of our product, integrating allocation principles and taking dedicated proxies for the main processes in our supply chain into account.

These modifications all imply potentially important changes, either increases or decreases, in the data and the modelling of our scope 3 emissions. This is a necessary part of the journey and we will be sure to recalculate our baseline accordingly, as required by the GHG protocol.

We actively advocate for more transparency and alignment in this area, as was done decades ago for financial reporting, by participating in several relevant initiatives such as the WBCSD pathfinder of the TfS (Together for Sustainability) workstream on scope 3 emissions.

Purchased goods and services

Raw materials

For Natural and Synthetic raw materials, figures are estimated according to process-based modelling using individual modelling per substance and considering all physical inputs (energy, fertilisers, etc.). The model allows us to identify the carbon footprint of each substance using its weight (kg) and the most accurate emission factors. Emission factors are based on data from global generic Life Cycle Inventory databases (ecoinvent, World Food LCA Database) and internal primary data. Specific emission factors are used for substances representing the highest volume purchased. Proxies have been extrapolated for others. The model has been applied on purchased data from 2015, 2020 and 2021, which allows us to establish the current performance and the 2015 baseline. The baseline is recalculated for the acquisition according to the GHG protocol standard using the amount of raw material purchased by the acquired entity.

Indirect material and services

For other Indirect materials & services categories (excluding existing categories), figures are calculated through the ESCHER model – an extended multi-regional input-output model based on Global Trade and Analysis Project (GTAP) data – on the basis of financial values of materials purchased during 2015 and the country of origin. The 2021 GHG emission figure was then calculated by using the 2015 ratio between spend and GHG emissions and extrapolating to the 2021 spend figure.

Packaging

For packaging materials, the figure was calculated by extracting the number of units used for each type of packaging used at Givaudan from the Company's ERP database. This number was multiplied by the carbon footprint figure for the type of packaging (as received from suppliers or in publicly available databases). The totals for each type of packaging were consolidated to give a total Givaudan figure.

Capital goods

The figures are calculated through the ESCHER model on the basis of financial values of hardware purchased during 2015. The 2021 GHG emission figure was calculated by using the 2015 ratio between spend and GHG emissions and extrapolating to the 2020 spend figure.

Fuel-and-energy-related activities (not included in scope 1 or 2)

The calculation considered the primary energy carriers for the production of heat, electricity and steam, and the technology standard in the countries of the respective sites. The data basis for the life-cycle inventory is the ecoinvent database 3.6 (method: IPCC 2013, 100 years). The scope 3 emissions were estimated directly through the analysis of the respective ecoinvent datasets by subtracting scope 1 and 2 emissions from overall emissions. Scope 3 emissions for the delivery of electricity (infrastructure, grid losses and direct emissions) have also been accounted for.

Upstream transportation and distribution

We monitor the environmental impact of transportation (air, ship and road) by calculating the associated GHG emissions. We do this through a model that tracks all transport movements through our SAP system (by mode of transport), from delivery to receipt locations of raw materials. To calculate the GHG footprint, we use emission factors per mode of transport according to the Cefic (European Chemical Industry Council) guideline.

We have integrated recent acquisitions for which we did not have data in SAP by using production tonnage proxy to extrapolate their impacts.

Environmental performance indicators

Downstream transportation and distribution

We monitor the environmental impact of transportation (by air, ship and road) by calculating the associated GHG emissions. We do this through a model that tracks all transport movements through our SAP system (by mode of transport), from delivery to receipt locations of intercompany deliveries and deliveries to customers. To calculate the GHG footprint, we use emission factors per mode of transport according to the Cefic guideline.

We have integrated recent acquisitions for which we did not have data in SAP by using production tonnage proxy to extrapolate their impacts.

Waste generated in operations

Emission factors on a per tonne waste basis (as extracted from scope 3 guidance documents from WBCSD + WRI) have been multiplied with the total weight of waste generated at our manufacturing locations. The scope of the calculation covers waste to landfill and to incineration.

Business travel

Data on distance travelled are collected through our global and local travel agencies. To calculate the GHG footprint, emission factors per haul and class are used according to the 2021 Department for Environment, Food and Rural Affairs (Defra, UK) definition. We use the Emission factor including the RF effect.

Employee commuting

The reported 2021 figure is based on our new employee commuting survey/questionnaire, which was conducted for the fourth time. This year we also adapted our model so it includes the Defra emission factors for 2015, 2020 and 2021 for the respective survey. We collected information from about 7000 employees on commuting habits by including mode of transport and distance covered. The GHG emissions related to

the category are calculated by multiplying the distance per dedicated mode of transport emission factors (according to Defra's GHG conversion factor). The total emissions are then extrapolated for all employees including the recent acquisitions integrated in the report. In light of the COVID-19 pandemic situation, we included parameters allowing us to collect information on commuting restrictions so we can compare regular performance and include the impact of the pandemic in this category. The next survey is planned for 2024.



In this section


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Our ambitions


Our contribution to SDGs




OUR AMBITION Before 2030, we will be an even more balanced and inclusive company.

Focus area	Targets	Status 2021	Actions and measures
Diversity and inclusion 	We will be rated amongst the leading employers for inclusion globally before 2025	In progress	Building more inclusive hiring practices: <ul style="list-style-type: none"> • Inclusive job ads • Balanced slates for hiring and promotion • Hiring Manager Training
	50% of our senior leaders will be from high growth markets before 2030 (baseline 2018)	26%	Fostering inclusive leadership development: <ul style="list-style-type: none"> • Evolving our Leadership Development programmes • Better Balance Approach • Managing unconscious bias at work
	50% of our senior leaders will be women before 2030 (baseline 2018)	26%	

OUR AMBITION Before 2025, we will improve how we care for all of our people.

Caring for employee safety, health and mental wellbeing 	We will reduce our total recordable injury rate by 50% before 2025 (baseline 2018)	-22%	<ul style="list-style-type: none"> • Investing in our plant and technical equipment • Further developing our Responsible Care Management System • Conducting periodic assessment of risk and control on-site • Expanding our behavioural safety programme: advanced safety leadership training and comprehensive worker trainings on health and safety
	Everyone on our sites will have access to mental and physical health initiatives, tools and training before 2025	In progress	Providing access to mental and physical health initiatives, tools and training for all employees such as: <ul style="list-style-type: none"> • Employee assistance programme • Happier, healthier habits circles; health and wellbeing communities of practice

OUR AMBITIONS By 2030, we will source all materials and services in a way that protects people and the environment. By 2030, we will improve the lives of millions of people in communities where we source and operate.

Communities benefit by working with Givaudan 	100% of materials and services will be sourced responsibly by 2030	In progress	Implementation of our Sourcing4Good programme, Responsible Sourcing policy
	Ambition to improve the lives of millions of people in communities where we source and operate by 2030 – targets are being determined	In progress	Through employee activities, Green Teams and the Givaudan Foundation, develop initiatives that: <ul style="list-style-type: none"> • Respond to needs within communities • Support activities ranging from health and education to enhancing environmental and agricultural practices

Diversity, inclusion & people development

Material topic definition

Diversity, inclusion & people development

Having a balanced workforce that reflects the societies in which Givaudan operates, including the elimination of all discrimination to ensure that people from all backgrounds and gender have the opportunity to succeed. Effectively recruiting, developing, engaging, deploying and retaining talent that meets future business imperatives.

Purpose pillars

 CREATIONS
  NATURE
  PEOPLE
  COMMUNITIES

Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

Having a diverse workforce that reflects the societies in which we operate, with multiple perspectives, backgrounds and points of view, improves business decisions because of the breadth and depth of experience brought to the table. Eliminating discrimination and providing equal opportunities to people from all backgrounds and genders empowers people to seize the opportunities they deserve, boosting morale and loyalty and cultivating leaders with legitimacy. Diversity and inclusivity are then critical to our business and help us manage our complex operating environment and serve our customers in the best possible way.

As an example, equal treatment of women and men is not just the right thing to do – it is also good for business. The full participation of women at Givaudan, including equal pay, makes sound business sense and embracing women's empowerment as a key goal will benefit us all. Looking beyond the company, women's empowerment is also essential to expanding economic growth and promoting social development.

As the leading employer in its field with a global workforce of more than 16,800 employees, Givaudan depends on its people. Working in a wide variety of roles, they help transform the original creations of Givaudan's talented perfumers and flavourists into products that are designed to satisfy the most demanding requirements. These innovative, creative professionals are fundamental to our success.

Managing talent and encouraging people is therefore another critical element of meeting our business and sustainability goals. People who are passionate about our work and committed to creating a sustainable society make significant contributions to the success of our business. Effectively recruiting, developing, engaging, deploying and retaining a balanced workforce that meets future business imperatives is critical to improving staff retention, reducing costs and increasing our revenue. It helps us attract and keep the best and the brightest.

Boundary

- Givaudan
- Suppliers

Disclosure 103-2, 103-3

MANAGEMENT APPROACH

We believe that diversity and inclusivity add strength and balance to our workforce and we look to contribute to full and engaged employment and decent work for all. We want to accelerate our journey in these directions and have set three ambitious objectives to help us along the way.

We intend, before 2025, to be rated globally among the leading employers for inclusion. Before 2030, 50% of our senior leaders will be from high growth markets and 50% of our senior leadership will be women. Progress in these objectives will be measured against the baseline year of 2018.

At Givaudan, the path to leadership is open to all motivated, talented and qualified people and we are committed to equal opportunity. Our Principles of Conduct state that it is our policy to recruit, employ and promote people solely on the basis of the qualifications and abilities needed for the work to be performed without regard to race, age, gender, national origin or any other non-relevant category. This is fundamentally the right way of doing things and makes sense from an operational perspective. We provide opportunities for people of all backgrounds, gender and origin. We support women's empowerment and the associated economic growth and development of societies through compensation policies including the ratio of remuneration of women to men. We also focus on employee development to improve skills and productivity, to constantly adapt skills to requirements and to offer the best opportunities to our people.

Diversity and inclusion

Our approach to diversity and inclusion involves efforts to eliminate all discrimination and to give people from all backgrounds the chance to succeed. We seek to attract local talent and industry experts to support growth in all markets. We embrace diversity throughout our organisation and recruit to build a representative and inclusive workforce.

We implement policies and programmes that are consistent with promoting equal opportunities for everyone, without discrimination. We ensure that Givaudan respects human rights by acting with due diligence, as defined in the UN Guiding Principles for Business and Human Rights, which include a right to non-discrimination. We also expect our suppliers to recruit, employ and promote employees on the sole basis of the qualifications and abilities needed for the work to be performed, without regard to race, age, gender, national origin, religion or any other category not relevant to performance.

Diversity, inclusion & people development

Givaudan Mexico recognised as a 'super company for women'

RANKED 13TH OUT OF 100

“I feel safe here. Gender equality is promoted as part of our culture.”

Daniela

“Givaudan has been evolving to achieve the diversity and inclusion that it has and to ensure that everyone has a voice that can be heard.” Enrique

“This Company is unique because it inspires me; I can be who I am within a place that gives me infinite options to create, inspire and learn.” Paulina

We assess and review the numbers of our workforce, particularly relating to gender and nationality, and track progress in this regard, including the percentage of women and high growth market nationalities in leadership positions. Our Diversity Position Statement outlines our commitment to ensuring a representative workforce that reflects the diverse communities in which we operate. One way we will continue to promote a representative workforce is through our Better Balance approach: this is how we evolve our leadership mix to reflect consumer demographics while ensuring that everything that we do is inclusive and without unconscious bias.

Disclosure 102 – 8

Information on employees and other workers

The following tables give a breakdown of employees by category, region and gender.

Total Givaudan employees

	2021	2020
Total number of full-time employees ¹	16,842	15,852
Total head count ²	14,128	12,807

1. This is defined as the equivalent full-time employees and includes acquisitions (Activ International, Vika B.V., Naturex, Centroflora, Expressions Parfumées, Albert-Vieille, Golden Frog, Ungerer, drom, Fragrance Oil, Alderys, DDW and Custom Essence).
2. This is defined as the number of physical people and includes internal temporary and regular employees. In 2020, it included Activ International, but all other acquisitions excluded. In 2021, it includes Activ International and drom integrated entities; all other acquisitions are excluded.

Employees¹ by employment type

	Full-time		Part-time		Total	
	Women	Men	Women	Men	Women	Men
Asia Pacific	1,422	1,582	11	1	1,433	1,583
Europe	2,093	3,302	151	49	2,244	3,351
SAMEA	305	737	1	0	306	737
Latin America	758	1,291	2	0	760	1,291
North America	832	1,587	4	0	836	1,587
Total 2021	5,410	8,499	169	50	5,579	8,549
Total 2020	4,864	7,732	162	49	5,026	7,781

Employees¹ by employment contract

	Permanent		Temporary		Total	
	Women	Men	Women	Men	Women	Men
Asia Pacific	1,393	1,556	40	27	1,433	1,583
Europe	2,167	3,239	77	112	2,244	3,351
SAMEA	300	725	6	12	306	737
Latin America	740	1,243	20	48	760	1,291
North America	836	1,587	0	0	836	1,587
Total 2021	5,436	8,350	143	199	5,579	8,549
Total 2020	4,935	7,681	91	100	5,026	7,781

1. This is defined as the number of physical people and includes internal temporary and regular employees. In 2020, it included Activ International, but all other acquisitions excluded. In 2021, it includes Activ International and drom integrated entities; all other acquisitions are excluded.

Diversity, inclusion & people development

Disclosure 405 – 1

Diversity of governance bodies and employees

Composition of governance (Executive Committee and Board of Directors)

	<30	30-50	>50	Women	Men	Total
Headcount	0	0	15	4	11	15
- in %	0%	0%	100%	27%	73%	100%

Employees' categories and composition of governance

	Women	Men	<30	30-50	>50	Total
Senior Leaders ²	51	148	–	71	128	199
-in %	26%	74%	0%	36%	64%	100%
Middle managers	1,967	1,941	101	2,821	986	3,908
-in %	50%	50%	3%	72%	25%	100%
Associates	3,561	6,460	2,161	5,971	1,889	10,021
-in %	36%	64%	22%	60%	19%	100%
Total 2021	5,579	8,549	2,262	8,863	3,003	14,128
Total 2020	5,026	7,781	2,014	8,002	2,791	12,807

1. This is defined as the number of physical people and includes internal temporary and regular employees. In 2020, it included Activ International, but all other acquisitions were excluded. In 2021 it includes Activ International and from integrated entities; all other acquisitions are excluded.

2. Including the Executive Committee.

Non-discrimination

Highly qualified candidates may be more likely to consider working for a company if they believe opportunities for economic growth will be available to them as they demonstrate their value, regardless of their gender or nationality. Companies who compensate men and women and people from all backgrounds equally will have access to a larger talent pool when recruiting and hiring, and are more likely to retain these highly talented people.

We produce analytics to assess and review the numbers of our balanced workforce. We are committed to providing and contributing to a work environment that is based on mutual respect among people and is free from harassment. Our Responsible Sourcing Policy calls on suppliers to treat all their employees with respect and dignity. Diversity in the workplace is respected. Harassment and abuse are not tolerated.

Disclosure 406 – 1

Incidents of discrimination and corrective actions taken

We expect our people to comply with all local laws against discrimination, but Givaudan's ethical values go beyond legal requirements. All our employees have a responsibility to support and promote our Principles of Conduct. We take all allegations very seriously and conduct appropriate investigations. This process is managed locally in all locations Givaudan operates. The numbers are not captured globally.

Equal pay

We support women's empowerment and the associated economic growth and development of societies through compensation policies including the ratio of remuneration of women to men. This is a priority at Givaudan and every year we

conduct studies in each of our key markets where we operate to monitor gender pay equity, identify any outstanding pay gaps and ensure they are promptly addressed. These studies are conducted according to the methodology of the Swiss Federal Office for Gender Equality with a view to ensuring equal pay for equal responsibilities. Results for the Givaudan Group globally show that the average base salary difference between men and women is 1.4% for equivalent roles and skill sets. For total cash compensation (fixed and variable pay) the difference is 1.4%. In 2021, our sites in Switzerland received an equal pay certification, recognition as a fair employer. The Swiss Fair-ON-Pay certificate was received following a review by quality controller SGS, in accordance with the recognised statistical methods.

Disclosure 202 – 1

Ratios of standard entry level wage by gender compared to local minimum wage

With our commitment to an empowered workforce comes our commitment that all employees are paid at least – and in most cases well above – the minimum salary stipulated by law or collective agreements. Wages are managed locally with a global oversight to ensure competitive and equitable practices. In all cases, Givaudan pays above minimum wages as stipulated by law or applicable collective agreements.

Disclosure 405 – 2

Ratio of basic salary and remuneration of women to men

For the Givaudan Group globally, the average base salary difference between men and women is 1.4% for equivalent roles and skill sets. For total cash compensation (fixed and variable pay) the difference is 1.4%.

Equal pay certification

As part of its commitment to being an inclusive and balanced employer, Givaudan in July, 2021 obtained the equal pay certification for all sites in Switzerland.



Diversity, inclusion & people development

People development

Attracting and retaining talents

Our business is about our people and their talent. It is their passion that continues the Company's long history of delivering with excellence and ensures the best possible customer experience.

We insist on fair compensation, labour rights and good labour and management relations as well as continuous development of the skills of our talented workforce. Our approach results in an engaging and inspiring environment for employees and allows them to realise their career aspirations. We foster proactive talent development, offer targeted technical and functional support and work to strengthen our leadership capabilities. We also underpin the growth of a strong workforce by nurturing a pipeline of industry experts and future leaders to develop skills for sustained success; similarly, we seek to attract local talent and industry experts to support growth in all markets.

Finally, fair and competitive compensation is essential to attract, motivate and retain the best talent in the industry. Our remuneration policy is based on the principles of pay for performance, external competitiveness, internal consistency and fairness.

Disclosure 401-1

New employee hires and employee turnover

We have reinforced our inclusive hiring strategy to attract and hire the right people for the future. In recruitment marketing, we piloted tools that will help us create more impactful and inclusive job advertisements to attract, engage and assess top talent faster, in line with being a more balanced and inclusive company.

Staff¹ turnover by age group, gender and region

	Age range			Gender		Total
	<30	30-50	>50	Women	Men	
Asia Pacific	15%	9%	11%	11%	10%	10%
Europe	12%	6%	8%	8%	7%	7%
South Asia, Middle East and Africa	15%	6%	9%	8%	8%	8%
Latin America	15%	10%	7%	12%	10%	11%
North America	30%	15%	15%	15%	19%	17%
Total 2021	16%	9%	10%	10%	10%	10%
Total 2020	12%	8%	9%	8%	9%	9%

New employee¹ hires by age group, gender and region

	Age range			Gender		Total
	<30	30-50	>50	Women	Men	
Asia Pacific	176	248	14	199	239	438
Europe	290	417	27	306	428	734
South Asia, Middle East and Africa	61	80	3	52	92	144
Latin America	216	274	10	179	321	500
North America	184	252	80	142	374	516
Total 2021	927	1,271	134	878	1,454	2,332
Total 2020	629	914	89	684	948	1,632

1. This is defined as the number of physical people and includes internal temporary and regular employees. In 2020, it included Activ International, but all other acquisitions were excluded. In 2021, it includes Activ International and drom integrated entities, all other acquisitions are excluded.

Diversity, inclusion & people development

Disclosure 401 – 3

Parental leave

Guided by our people ambition to create a place where we love to be and grow, and in line with Sustainable Development Goal 8 of supporting decent work, we are committed to nurturing a supportive work environment for our people and their families. We wish to contribute to a happier and healthier life, especially for new parents and their children.

This year, we have enhanced our parental leave policy in the U.S. Under the updated policy, new parents will have an additional six weeks of paid leave. This is in addition to the six weeks provided to birth mothers through the current 'pregnancy disability benefits. In addition to the official parental leave introduction in the U.S., we are also looking into a global parental leave alignment in 2022. This involves designing a global parental leave framework that will define minimum standards to be applied across our company to support employees as new parents. This helps provide a healthy start in the life of their children, and promotes their own wellbeing as working parents.

In addition to this leave, and within our global flexible working framework, employees have the option to pursue flexible working arrangements in line with the local rules and guidelines.

Disclosure 404 – 2

Training and education

We provide an engaging and inspiring environment for employees to realise their career aspirations. This involves proactive talent development, targeted technical and functional support and work to strengthen leadership capabilities. We also underpin the growth of a strong workforce by nurturing a pipeline of industry experts and future leaders to develop skills for sustained success.

We focus on employee development to improve skills and productivity, constantly adapt skills to requirements and offer the best opportunities to our people. Talent development involves developing leadership capabilities and ensuring we have the people who can deliver on the needs of tomorrow. It also enables us to retain and motivate qualified people.

Our internal programmes focus on proactive talent development and nurturing a well-balanced workforce. All programmes offer challenging and inspiring learning environments where employees are encouraged to explore and experience new ways of thinking and working. This often involves a blend of digital tools, self-reflection, coaching, classroom sessions and virtual teamwork, providing a safe environment to apply and test what employees learn. There is a strong focus on applying what has been learned back into the work environment.

For example, we have specific mentoring initiatives and flavourist, operations and management trainee programmes; a sales academy in Taste & Wellbeing and the Givaudan Perfumery School in Fragrance & Beauty. In 2021, we also introduced the 'Sharpist Coaching' programme in Zurich. In this pilot, about 10 employees benefited from one-to-one video calls with a professional coach and from tailored learning content that complemented many of our programmes.

During 2021, we also added LinkedIn Learning to offer 'just-in-time' training to more of our employees, across all our locations.

Customised initiatives were also pursued at the local level. In India, HR teams designed and introduced a training plan and calendar customised to employees. In China, the local team ran workshops to help employees develop a growth mindset, resulting in both personal and business benefits. In addition to workshops, employees were provided videos, audio books and live streams on relevant topics including self-awareness, enhancing capacity and cultivating learning as a habit.

In the Asia Pacific region, Fragrance & Beauty introduced an 'Upskilling Yourself' programme to equip employees with skill sets to help them succeed in changing environments. A survey in the region showed that employees wished to focus on communication in a virtual environment, influencing stakeholders remotely and engaging teams virtually. Nearly 400 training seats were provided to F&B employees in the region.

Our long-established Leadership Senses curriculum, which aims to nurture and develop talent from within the Company, was redesigned during 2021. We used feedback from 300 managers and participants, integrated our purpose and 2025 strategy, and looked at case studies from leading organisations to redesign the programmes to accelerate effective leadership behaviour development in key talent. The five programmes of Leadership Senses – Discover, Begin, Grow, Evolve and Enhance – offer sequential steps in building leadership skills at every stage of a person's career journey.

Since the launch of our leadership programmes in 2015, a total of 1,292 of 2,300 targeted managers have been trained – of which 50% are in our leadership pool. Our foundational manager programmes which are designed for front-line

⁹ This programme was piloted in late 2014 with 35 participants, and in 2021 we redefined and focused the scope of the targeted population.

Diversity, inclusion & people development

leaders, new or newly promoted managers, in total had 1,105 participants since the initial launch.

Our global learning courses, which have been successfully running for the past six years, were made available virtually and designed to stimulate a classroom setting. We delivered 147 courses globally this year.

During 2021, we also added LinkedIn Learning to offer 'just-in-time' training to more of our employees, across all locations, when and where they need it. We also introduced the role of Learning Champions, who facilitate training for their entire team. By December 2021, there were already 2,066 activated users and 71 Learning Champions. We are following a phased plan to reach even more employees over time.

Our drive to develop and engage our talented professionals is further reflected in projects such as our regional ONE Givaudan onboarding initiative, a programme that allows new employees to acquire fundamental knowledge about our Company and its rich heritage, our business and our DNA. We also have a set of customised management training programmes called Leadership Senses, a yearly performance cycle that includes talent reviews and career discussions, all embedded in a culture of continuous learning, curiosity and feedback.

Disclosure 404 – 3

Percentage of employees receiving regular performance and career development reviews¹

	2020	2021
Women	94%	92%
Men	83%	82%

1. This is defined as the number of physical people and includes internal temporary and regular employees. In 2020, it included Activ International, but all other acquisitions were excluded. In 2021, it includes Activ International and from integrated entities; all other acquisitions are excluded.

The discrepancy between ratios for male and female employees is due to the fact that more men are under collective agreements.

Employee safety, health & wellbeing

Material topic definition

Employee safety, health & wellbeing

Providing a safe and healthy working environment, encouraging responsible employee behaviours and maintaining a work-life balance.

Purpose pillars

CREATIONS NATURE PEOPLE COMMUNITIES

Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

Ensuring the safety, health and wellbeing of our staff is an essential part of being a responsible company and employer and we actively promote safe and secure working environments for all. We look to reduce the number of health and safety incidents by improving the workplace environment, safety behaviour and awareness through a number of measures. We strive to manage risks associated with working in industrial environments and with hazardous chemicals.

Boundary

- Givaudan

Disclosure 103-2, 103-3

MANAGEMENT APPROACH

Givaudan's Executive Committee defines our Environment, Health and Safety (EHS) Policy and determines the organisational structures responsible for its implementation. A member of the Executive Committee is appointed to take responsibility for EHS as well as the Responsible Care Management System (RCMS). Givaudan's Corporate EHS function monitors policy implementation and submits policy proposals to the Executive Committee. Corporate EHS has

the authority to translate the EHS Policy into processes that are mandatory throughout Givaudan – our Directives, Standards and Guidelines. These documents describe and define responsibilities and processes for all areas of the organisational structure.

Disclosure 403-1

Occupational health and safety management system

Givaudan is committed to driving continuous improvement in EHS performance. This commitment is underlined by our Responsible Care Management System (RCMS), which provides the framework within which our EHS policy, procedures and daily activities operate. This framework is structured around the International Council of Chemical Associations' Responsible Care® Global Charter, a voluntary commitment by the global chemical industry to drive continuous improvement and achieve excellence in EHS performance. Our approach is also based on the International Chamber of Commerce's Business Charter for Sustainable Development as well as guidance from internationally recognised associations including IFRA (International Fragrance Association), IOFI (International Organization of the Flavor Industry) and ISO (International Organization for Standardization). RCMS is an established and successful initiative to improve performance in occupational health and safety and builds on existing EHS policies and procedures, providing a coherent framework to bind them together.

As a signatory to the charter, Givaudan commits to actively strengthening Responsible Care worldwide by dedicating its people, technologies and business practices to the charter's six elements: Corporate Leadership Culture; Safeguarding People and the Environment; Strengthening Chemicals Management Systems; Influencing Business Partners; Engaging Stakeholders and Contributing to Sustainability. The RCMS provides a solid

framework for implementing this engagement on a day-to-day basis, driving continuous improvement and helping us achieve excellence in EHS performance throughout Givaudan.

All workplaces within Givaudan fall under the management system, whether used by Givaudan employees or not. With the growth of the Company through recent acquisitions, we are gradually bringing new businesses into the Givaudan EHS reporting system. We expect this to be completed for all recent acquisitions in 2021.

Disclosure 403-2

Hazard identification, risk assessment, and incident investigation

Our management system includes Process Risk Analysis, which aims to identify the risks associated with chemical and non-chemical processes and to limit them to a tolerable level. The approach is meant to ensure the protection of employees, visitors, contractors and the surrounding neighbourhood from health hazards associated with work or the working environment. It also protects the safety of operations by preventing incidents that might harm people, the community or the environment, damage property or jeopardise Givaudan's reputation and goodwill. This process has been rolled out in all regions and is complemented by risk portfolios for each site.

The risk portfolio is an EHS management tool that serves to identify the main risks on manufacturing sites. They are meant to define which control measures need to be implemented to manage the main risks. All the manufacturing sites are required to have up-to-date risk portfolios covering risks including fire, explosion, process safety, occupational health, etc. The risk portfolio, first introduced in 2018, has proven to be an effective EHS management tool.

Employee safety, health & wellbeing

Givaudan's company and site managers are responsible for safety, health and environmental protection in all areas under their control. They have the authority to establish local EHS organisational structures and to allocate responsibilities and resources as required to support the local organisation. The individuals responsible for EHS at each site are clearly identified. Site management also has the authority to introduce local standards and guidelines to ensure compliance with local laws and regulations. Company Managers and /or Site Managers are fully supported by Givaudan's group and divisional management.

More generally, Givaudan's Health and Safety directives require that all Givaudan sites carry out adequate periodic assessment of risks and control measures within the workplace. These reviews, led by an EHS professional trained in the execution of workplace assessments, serve to give a comprehensive and valid judgment regarding the protection level of occupational health and safety accomplished at the workplace. It documents the protection status attained and whether or not control measures are adequate. The standard is valid for all workplaces within Givaudan worldwide and other sites operated under the Company's responsibility. Joint ventures and toll manufacturers may also be subject to this standard, where agreed by both parties.

The review team draws conclusions, discusses appropriate control measures, and determines objectives and deadlines for any foreseen remedies. Where control is judged as being inadequate or not enough information is available, workplace assessment has to identify ways of correcting the situation. All the information and facts gathered in the course of the assessment are documented.

Internal audits ensure that sites apply our EHS management system. In 2019, the internal EHS audit programme finished the first cycle with 34 sites, with a focus on EHS Management. The expansion of the programme has since been delayed by COVID-19 but is scheduled for relaunch in Q1 2022. We have also developed a five-year plan to incorporate new sites and acquisitions. The external audit programme from our insurers (Zurich) was restarted in October. As with internal audits, the programme scope has been reviewed to incorporate acquisitions and new sites.

We continue to successfully drive EHS contacts, which are quality conversations correcting environment, health and safety issues and reinforcing good safety behaviour, we had 39,686 such contacts this year.

Though our health and safety activities have traditionally focused on production sites, in January we expanded our scope to include non-production sites such as commercial offices and laboratories. This will mean the reporting of health and safety data from all Givaudan sites (please note that Givaudan regularly acquires companies and that they may not be included in this scope at the time of writing) and the subsequent public disclosure of performance.

Risk analyses are to be reviewed whenever relevant changes, identified by our Management of Change (MOC) standard, are made or at an interval dictated by local law or regulations (e.g. US PSM) or at least every five years, though longer revision time may be obtained with the formal agreement of the Global EHS.

Every Givaudan employee is required to take reasonable care in the workplace for their own health and safety, and for that of others. Employees are empowered to challenge any situation they believe to be dangerous and are encouraged to

All incidents or non-compliances are reported, recorded and investigated to establish the causes.

report unsafe conditions and activities. Employees are able to report to supervisors/site EHS/global EHS. The EHS reporting system can be found through multiple platforms, including on our intranet, via SAP, via mobile and tablet apps. Reports can be made online and offline using a form. Employees can also use the compliance helpline to report in confidence either by phone or by web intake in all company languages. It is important to note that our principles of conduct state that we do not tolerate retaliation.

All incidents or non-compliances are reported, recorded and investigated to establish the causes. In keeping with the magnitude of the problem and its potential effect, corrective action is taken to eliminate the cause. Any necessary changes to processes or working practice are implemented, checked, recorded in documented procedures and reviewed for effectiveness as part of scheduled reviews.

Our approach to incident investigation is based on root cause analysis. This approach includes gathering facts, performing an investigation, identifying immediate and root causes and building an action plan based on the hierarchy of controls. We then validate the report with relevant peer review and clearly assigned accountability in terms of implementing control measures.

Employee safety, health & wellbeing

Relevant global experts are part of the investigation team for certain events. Their role is to ensure adequate learning, consistency and the proper sharing of what has been learnt, at the site, regional and global levels when required. These learnings are also used to improve occupational health and process safety programmes and are shared with the relevant expert networks. Important findings are shared with all sites.

Disclosure 403-3

Occupational health services

Our Occupational Health Programme is based on the pillars of Health Surveillance, Hazard Recognition, Hazard Management, Hazard Assessment and Workplace Controls. A three-year implementation plan based on the "plan-do-check-act" approach – an iterative management method used for the control and continuous improvement of processes and products – has involved site preparation, training and implementation support for occupational health programmes on ergonomics and exposure control.

The chemical exposure control programme helps us better protect our people. Based on new tools for workplace assessment, which help find the limit of exposure for each chemical and facilitate the development of engineering or other techniques to lessen such exposure, the programme has been rolled out to 48 production sites. We plan to begin roll-out at additional sites in 2022.

We have been extending the Ergonomic initiative, introduced to flavours and fragrance production sites in 2015, now to commercial and office sites. Such measures allow us to reduce incidents and improve the long-term health and wellbeing of all employees. Ergonomic assessment in operations is carried out by experts, while self-assessment in the office is carried out via digital training.

Through the use of the Humantech Industrial Ergonomics Software, sites can focus on assessing activities and identifying ergonomic risks with the aim of improving performance and reducing risk in the different workplaces. Rollout of the global programme for the acquisition sites is going as planned and commercial site expansion is scheduled for 2022. We held virtual workshops in April for sites in Naturals EAME region, in June for the engineering community, covering advanced ergonomic design concepts and in September for sites in the APAC region. A total of 257 ergonomic assessments were completed at 35 production sites in 2021. We also started trials of the wearable SoterSpine device to improve physical wellbeing in the workplace. The device and the associated app-based training programme allows employees to improve ergonomic practices and avoid physical injury. Our first pilot programmes were at our sites in Devon and Avignon, and we plan to extend the use of this technology in 2022. Our Devon and Carol Stream sites also implemented a Fit for Work initiative to complement the traditional assessment approaches. Fit For Work personnel identify and correct minor ergonomic issues before they become injuries.

The implementation of the Humantech Office Ergonomics software (formerly Ergopoint), provides to all Givaudan employees a training module and platform to perform self-assessments of individual computer workstations, resulting in recommendations for correct workplace set-up and office habits that help in the prevention of musculoskeletal disorders. In 2021, about 943 employees completed the e-learning course and more than 829 self-assessments were entered throughout the year. Since the programme launched in 2020, more than 2740 employees have completed the e-learning course and more than 3000 self-assessments have been entered. The roll-out of the Office Ergonomic software was affected by COVID-19 pandemic and will continue in 2022.

Excelling in health and safety everywhere, every day

Impressive safety records have been set at two of our production sites in India, with no recordable case injuries at Jigani for more than nine years and none at Daman for over twelve years.

This success is the result of a positive health and safety culture that stems from the engagement of leaders and team-focused efforts addressing people, training and processes. Creating awareness is also a priority. Both sites organise engagement events for employees, including activities for families and the community, extending the culture of care beyond the sites.

This safety behaviour has been applied at our site in Pune where we had no lost time injuries since the production at this factory started in 2019.



Employee safety, health & wellbeing

Disclosure 403 – 4

Worker participation, consultation, and communication on occupational health and safety

Each Givaudan site must have an EHS Committee (SEC). Convened regularly, it governs and provides a forum for exchange on EHS topics relevant to the site. The members of the SEC represent all site activities and perform high-level reviews of EHS requirements, assess options, costs and consequences of potential measures and decide on measures and activities to be taken to improve EHS performance where required or recommended.

The committee must meet at least once a quarter and should be made up of the site head as the Chair, the EHS Manager as the secretary and members composed of other relevant site functions such as the production manager, engineering manager and other employee representatives that are either appointed or elected, depending on local law. In the Europe Africa and Middle East region, for example, in some countries including France, Germany and the UK, the works council or a dedicated team of works council members (delegated by the trade unions) needs to be informed. In other countries such as Hungary and India, the safety committee is represented by Company/Site Manager, representatives from line management, representatives from the works council, and other production and non-production employees. Similar legal requirements also exist in some countries in the APAC region. In Indonesia, for example, it is legally required to have an EHS Committee Team. This Committee Team consists of representatives from each department and meets monthly. In Malaysia, and as required by law for every workplace with more than 40 employees, we have a Safety & Health Committee in Melaka and for the GBS office. The committee involves employer representatives and employees from different departments.

Communication

Good communication demonstrates commitment, deals with concerns and questions, raises awareness, provides information, motivates and drives improvement. Lines of communication are defined, internally and externally to ensure a good flow of information within the organisation and to communicate necessary information on occupational health and safety.

Internal communication processes are established and maintained throughout the organisational structures. Programmes are in place to enable employees to ask questions about the organisation, express opinions and stimulate a dialogue while addressing concerns and sharing information. Knowledge-sharing with peers, internally and externally at all levels, is essential to our success and is actively supported and promoted.

Decisions, actions and outcomes of any and all reviews are recorded and communicated to all stakeholders involved or affected by the review or incident and, where required, regulatory and/or legal bodies are informed.

Disclosure 403 – 5

Worker training on occupational health and safety

Our goal at Givaudan is to eliminate accidents and get everyone home safe every day. We engage our employees in actively contributing to this target through awareness campaigns and specific training programmes and look to ingrain these reflexes into our very culture. Overall, our programmes help embed a culture of health and safety at work and at home, and include workshops, awareness campaigns and engagement events. Our EHS Facilitators play a key role in engaging their peers through hazard awareness, risk reduction and toolbox talks. So far, we have trained over 200 facilitators. In 2021, we started rolling out the programme in China and India as well as reinforcing the role in other countries including in the U.S.,

Spain, U.K, Brazil, France and Switzerland. In 2021, 52 new facilitators were trained in 9 countries, and an additional 13 trainers were trained through our online train-the-trainer sessions. There has been a delay in the accreditation of 11 new trainers because of the pandemic. As a consequence, implementation has been delayed in the affected sites. We plan to complete these accreditations and continue implementation in APAC in 2022.

Generally, training is provided on a site-to-site basis and is available in a range of local languages such as Bahasa, Hungarian, Japanese and Italian.

Employees are trained in all of the relevant EHS standards and we ensure that people are able to perform according to these standards. Our approaches also include safety leadership training for line managers and a set of Safety Ground Rules. Every location receives a yearly pre-defined local safety target that is aligned with and contributes to the global objective in accident reductions. Our EHS Excellence Programme aims to develop the EHS culture across Givaudan and it has been introduced to 38 sites in 23 different countries. This year has been focused on reviewing the model, the maturity model and the implementation approach. No additional sites were added, but after pilot projects in Vernier and Pomacle, both started in October, we will finalise the programme and move on to the next phase of implementation. This will involve repeat workshops at the 38 sites and rollout to the acquisition sites.

In this way, our EHS mission goes beyond rules and processes by aiming to empower all employees to take shared responsibility. Our goal is to enhance this EHS mindset in the daily activities of all employees so it becomes second nature as well as the right thing to do. Safety underlies everything we do and we are now building on our commitments with two recently introduced purpose goals – before 2025, we will

Employee safety, health & wellbeing

reduce our total recordable injury rate by 50% and ensure access to mental and physical health initiatives, tools and training for everyone on our sites.

Our health and safety activities have focused exclusively on our production sites, but we are now expanding our scope to include non-production sites such as commercial offices and laboratories. It is important to educate and equip all our employees with appropriate safety information and access to support. This will mean the reporting of health and safety data from all recently acquired businesses and the subsequent public disclosure of performance. The programme, which included training EHS people at our non-production sites, continued in 2021, helping us meet our aim to provide EHS coverage for the whole organisation, including acquisition sites.

In terms of specific programmes, the EHS group this year continued its global fire safety campaign. Fire represents a threat to our people, assets and business and the campaign was launched to improve employee awareness of fire safety and to minimise risks. The aim is to build a proactive, preventative fire safety culture and to fill any technical gaps in fire prevention measures. This year's phase of the campaign, which focuses on the top three causes of fire in a workplace – waste, electrostatic charges and electric risk – centred on electrostatic charges, building awareness and competences through a train-the-trainer model. In 2021, we conducted 28 sessions, with more than 200 employees trained at our operations sites. We expect this third phase of the campaign to be completed in 2022.

We were able to carry out some in-person interactions such as site visits, site-specific demonstrations or face-to-face meetings as allowed by the evolution of the pandemic situation, though others were either postponed or organised as virtual meetings.

For contract work, both the contracted party and Givaudan must be fully aware of and prepared for associated hazards. Contractors are required to demonstrate a full understanding of the job/task/activities being performed and have a system to understand and control the risks in place. The contractor is inducted into site policies and procedures and mandatory Contractor Safety Orientation/Training is performed before the contractor is allowed on site. Refresher training is performed annually. Training content is tailored according to assessed risk level and can range from basic safety guidelines to topics such as hazardous energy isolation. Training is currently provided on a site-by-site basis.

Disclosure 403 – 6

Promotion of worker health

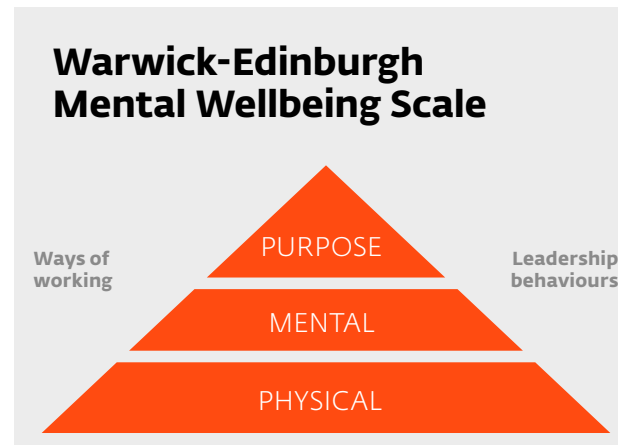
Overall, we review our employee benefits every year to see whether they are in line with the market. We first consider local social programmes and then build on them with specific company benefit plans. For instance, in many countries (U.S.,

U.K., Singapore, France, Indonesia, Malaysia and Hungary, to give a few examples) we provide company health plans in addition to basic government health plans. This is our overall approach to facilitating access to medical services and care on a social and complementary health basis.

More specifically, our promotion of worker health and wellbeing is based on a framework inspired by the Warwick-Edinburgh Mental Wellbeing Scale, which was developed to aid in the measurement of mental wellbeing in the general population and with the evaluation of projects, programmes and policies that aim to improve mental wellbeing. Our approach is built on the three bases of physical and mental wellbeing, as well as a sense of purpose, supported by appropriate ways of working and leadership behaviours, to ensure that we can all take responsibility to care for our own health as well as that of our colleagues.

Physical health

With the term "physical health," we refer to the overall physical condition of the body. Key drivers of our physical wellbeing are sleep, recovery, nutrition and exercise. We are not always aware of the importance of recovery/relaxation and often find little time for recovery in the workplace, even though it is critical to maintaining good physical health. Tools for addressing physical health at Givaudan include our local occupational health and fitness programmes. Programmes offered vary by region, but include, for instance, employee-led fitness groups and running clubs in many of our sites as well as activities such as the yoga courses. At some sites, we also offer the seasonal flu vaccine to active employees.



Employee safety, health & wellbeing

Our global Employee Assistance Programme offers a 24/7 online help-point in over 200 languages as well as telephone advice with local consultants.

Mental health

We use the term “mental health” in relation to our feelings and thought processes. It is about our ability to concentrate, make good judgments or remember details. If we are feeling stressed, anxious or depressed, we will find it harder to concentrate, or make a decision. At Givaudan, we support our employees in looking after their mental health through our global Health & Wellbeing programme, local mental wellbeing webinars, a global employee assistance programme hotline, local employee support groups as well as local mental health first aiders. While programmes vary by location, overall we look to make sure that people are aware of signs of feeling unwell and we place a big emphasis on prevention.

We launched our ‘Happier, Healthier Habits’ campaign in 2020 to foster connections between colleagues and offer guidance on physical and mental health. Mental wellbeing impacts all areas of life and influences how we think, feel, and behave in daily life. It also affects our ability to cope with stress, overcome challenges, build relationships, and recover from setbacks. This initiative was continued in 2021 through ‘Happier Healthier Habits Circles’. A second series called ‘Connecting for #climatepositivity’ invited employees to explore how building connections with each other and nature can lead to positive outcomes such as better relationships, more positive conversations and the ability to find calm and build resilience.

This approach of building connections is also seen in our ‘Health & Wellbeing Communities of Practice’ programme, which was launched globally during the year as a forum for sharing common interest and best practice in health and wellbeing initiatives. Involving employees from North America, Latin America, the UK and Dubai, topics included strategies for better sleep, demonstrations of cooking to aid mental health, and the benefits of family activities. Many additional local initiatives focusing on physical and mental health and wellbeing took place: this included badminton tournaments in China, health coaching in North America, and a ‘workout for good’ challenge in Singapore.

In line with our purpose ambition, we are committed to ensuring that we continue to provide more tools that support our employees’ mental and physical health. Employee Assistance Programmes are a commonly offered benefit designed to help employees deal with personal problems that might adversely impact their work performance, health and wellbeing. We have introduced a confidential tool to support the mental, physical, social and financial wellbeing of our employees.

Our EAP partner offers a 24/7 online help-point in over 200 languages as well as telephone advice with local consultants. It offers support on a variety of topics such as personal wellbeing, mental health, relationships, family matters and workplace challenges. All employees can access EAP including those from newly integrated companies. Family members of Givaudan employees can also use the EAP services. Employees can connect to services by phone, app or by web platform using country specific log-in details.

Sense of purpose

A sense of purpose, or motivation, is another significant element of wellbeing. It is important to have things in our lives that give us meaning – living without motivation or a sense of

purpose can have a negative impact on your overall wellbeing. Motivation can be increased by how much time you spend on activities that involve giving to others rather than receiving from them. We look to boost employee motivation through a number of actions including our continuing programme Imagine; a dedicated channel “Let’s Imagine Together” on Ollie, our community-driven employee communications platform, where we share more about Givaudan’s Purpose and why we do what we do; local Green Team activities as well as local charity committees.

Our continuing programme Imagine helps employees understand our purpose, and gives them space to personally connect to it. In 2021, we invited everyone to Imagine. This programme is an invitation for all colleagues at Givaudan to come together to explore our purpose. We took the opportunity of new, virtual ways of working to invite colleagues to co-create the programme. More than 150 employees took part in its development, suggesting stories, examples and different ways to bring our purpose to life. This approach also allowed us to cross language barriers, translating the content into the 18 most commonly spoken languages at Givaudan.

These three bases need to be supported by ways of working and by leadership behaviours. Being conscious of how we work is critical during this time. Pressures involving deadlines, responsibilities, task complexity, challenge, relationships and supervision can seriously reduce our wellbeing, especially if we fail to recognise and manage it well. At the same time, good leadership behaviours are key enablers to building and maintaining workplace wellbeing and resilience. By modelling wellbeing behaviours, demonstrating good work-life integration, strong working relationships and a healthy lifestyle, we can lead and champion wellbeing.

Employee safety, health & wellbeing

We approach and help employees with ways of working through our Spark your Senses Learning and Development Newsletter, our Humantech Office Ergonomics tool, our IT collaboration tool guides as well as local HR and EHS team support. We continued to provide support and resources for employees in 2021. Many regions held training sessions to help employees to be more effective with virtual working and a flex working toolkit is also being introduced locally to support employees and managers. This year we published three issues of the Spark your Senses Learning and Development newsletter to support colleagues during COVID-19. They focused on how listening is a great way to support each other and help each other during this time; finding balance and staying connected, with a focus on addressing Webex fatigue and, finally, an issue on embracing digital learning, where we celebrated a year as we transitioned to remote/virtual learning because of the pandemic. In addition, we continue to support our colleagues with the Humantech office ergonomics tool that works both at work and in the home office. We also provided IT collaboration tools for continuous development and tips and hints.

Disclosure 403-7

Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

We look to prevent and mitigate occupational health and safety impacts linked by business relationships through a number of approaches. We ask, for example, certain suppliers to carry out an audit – the Sedex Members Ethical Trade Audit, SMETA – as validation of their commitment to our key responsible sourcing pillar of Health & Safety. More information can be found in the chapter on Responsible Sourcing & Traceability.

We also continue to ensure the compliance of our classification and labelling for all products (raw materials, intermediates and finished products) that we sell, produce and ship. We harmonise and optimise packages and labels.

We review our labelling in relation with industry association standards annually. The labelling manual is a coordinated effort of the Fragrance and Flavour industry and results from a review of classification and labelling information for our ingredients, covering both synthetics and natural complex substances. Internal and external stakeholders impacted by changes were informed in advance and the new classification and labelling information was updated in June. We have seen very smooth and successful implementation.

The Product Stewardship Team also reviews Safety Data Sheets (SDS) and is continuously improving this documentation in relation with industry association standards, new regulations or additional information. The Safety Data Sheets (SDS) mainly provide information on chemical identity & physical/chemical properties; hazards for health, safety, environment; preventive and emergency response measures, disposal instructions as well as medical advice. SDS of raw materials are provided to our employees, while those of finished goods are supplied to our customers.

We look to prevent and mitigate occupational health and safety impacts linked by business relationships through a number of approaches. We continue, for instance, to ensure the compliance of our classification and labelling for all products (raw materials, intermediates and finished products) that we sell, produce and ship. We harmonise and optimise packages and labels.

Disclosure 403-9

Work-related injuries

In helping meet our ambition to reduce our total recordable injury rate (TRCR) by 50% by 2025 compared to the 2018 baseline, we are expanding our focus to take into account all medical cases as well as lost time injuries (LTIs). Our TRCR is the total of lost time injuries, restricted work cases and medical treatment cases per 200,000 hours worked. The number of actual cases increased relative to previous years because of the inclusion of cases from recently acquired companies, yet the reduction in our recordable injury rate points to our success in embedding a positive and long-term culture of health and safety. We are well on track to reaching our target.

In 2021, we have reduced our recordable injury rate by -22% since 2018.

Disclosure 403-10

Work-related ill health

We have a number of measures for helping our employees avoid work-related ill health. The exposure control programme helps find the limit of exposure for each chemical and facilitate the development of engineering or other techniques to lessen it.

We have been extending industrial and office ergonomics initiatives as described above. Such measures allow us to reduce incidents and improve the long-term health and wellbeing of all employees. Ergonomic assessment in operations is carried out by experts, while self-assessment in the office is carried out via digital training.

Employee safety, health & wellbeing

We also look to support the mental health and wellbeing of our employees. Our EAP partner offers support on topics such as personal wellbeing, mental health, relationships, family matters and workplace challenges. All employees can access EAP including those from newly integrated companies. Family members of Givaudan employees can also use the EAP services.

We continued to foster connections between colleagues and offer guidance on physical and mental health in 2021 through our 'Happier Healthier Habits Circles' programme. A second series called 'Connecting for #climatepositivity' invited employees to explore how building connections with each other and nature can lead to better relationships, more positive conversations and the ability to find calm and build resilience. Givaudan does not have an illness reporting system for occupational diseases that covers all group and external employees.

Health and safety indicators

	2018	2020	2021
Number of Total Recordable Cases (TRC) ¹	130	115	180
Fatalities	0	0	0
Number of LTIs	24	32	59
Number of Restricted Work Cases (RWC)	56	46	63
Number of Medical Treatment Cases (MTC)	50	37	58
Total Recordable Case Rate	1.33	0.88	1.04
LTI rate	0.25	0.25	0.34
Number of lost days ²	645	998	855
Lost day rate ³	6.61	7.65	4.95
Number of hours worked ⁴	19,503,663	26,094,174	34,544,283
Absenteeism ⁵	2.7%	2.9%	3.6%

1. TRC is according to the official OSHA definition. The 2021 figure increased with the inclusion of our acquisitions.

2. 2020 includes 73 days carried over from previous year. 2021 includes 21 days carried over from previous year.

3. Number of lost work days resulting from work-related accidents per 200,000 working hours.

Calculation based on scheduled work days lost from the day after the accident.

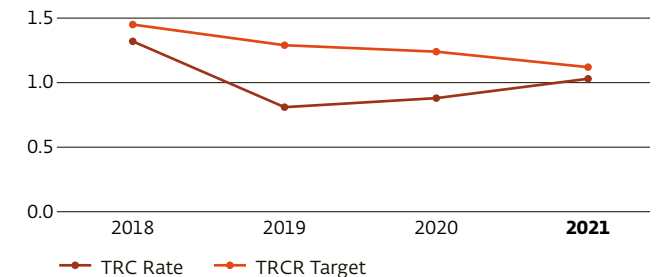
4. 8.9% of these represent external contractors for whom the Company is liable.

5. Compared to the number of normal available working days, includes correction for employees working on a part-time basis. With regards to COVID-19, only absences due to positive tests are in scope.

Total recordable cases by region

	2,020	2,021
Asia Pacific	17	15
Europe, Middle-East & Africa	51	74
Latin America	4	9
North America	43	82
Total	115	180

2021 Safety performance - 'Everyone Home Safe everyday'



Consumer health & wellbeing

Material topic definition

Consumer health & wellbeing

Developing products that promote the health and wellbeing of people as they experience our ingredients and formulations in everyday consumer products.

Purpose pillars

 CREATIONS  NATURE  PEOPLE  COMMUNITIES

Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

The creation of innovative, sustainable solutions is at the core of our company purpose. We strive to develop products and services that inspire emotions and touch millions of lives, improving our world and making it a happier, healthier place. As a key player in taste and wellbeing and fragrance and beauty, we are in an optimal position to influence both the health and wellbeing of consumers. For example, by developing great tasting plant-based foods and solutions for foods with lower levels of sugar, fat and salt we can encourage the uptake of healthier diets. Fragrance contributes to the sense of wellbeing and can be used around the world to drive consumers to choose products with desired health benefits.

Our product portfolio allows us to meet the needs and expectations of our customers and their consumers, while contributing to human health and wellbeing.

Boundary

- Givaudan
- Customers and consumers

Disclosure 103-2, 103-3

MANAGEMENT APPROACH

Being a truly sustainable business includes developing products with health and wellness benefits. This is why we aim, by 2030, to double our business through creations that contribute to happier, healthier lives. We are committed to driving purpose-led, long-term growth with the intention of increasing our positive impact on the world by innovating sustainable solutions.

We are a business-to-business organisation and do not sell products directly to the end consumer. We do however work with customers in the food, beverage, consumer goods and fragrance industries to create products that are integrated into drinks and meals, fine perfumes and laundry care. As detailed in the chapter on Innovation capabilities & management, we look to integrate sustainability into all of our innovation, developing products that benefit society and the environment.

Taste & Wellbeing

Today, more than ever, consumers are seeking holistic food experiences. Going beyond great taste, they look to shift to more mindful diets. From reduced-sugar chocolate bars to functional foods and vitamin and mineral-rich nutritional beverages, they want their foods and beverages to be both delicious and nutritious. At Givaudan, we enable our customers to deliver unforgettable food experiences that empower consumers to make more nutritious choices.

With our Nutrition and Health pillars, part of the “Does Good” experience space, we provide solutions that enhance the nutritional value of food and support healthy living, bringing more of the natural wellbeing benefits that consumers want.

Our Nutri TasteSolutions® programmes enable the reduction of undesirable ingredients such as sugar, salt or fat. For example, Nutri TasteSolutions® Sugar provides nutritionally balanced alternatives that cut sugar but do not compromise on taste: the products are just as satisfying and complex as their full-sugar counterparts, helping consumers with their sugar reduction needs. The Nutri TasteSolutions® Sodium programme helps tackle the issue of ‘hidden salt,’ which is salt added in the manufacturing process as a taste enhancer to packaged foods: it accounts for more than 70% of our sodium intake. Products developed through this programme help our customers create food experiences that meet consumer demand for salt reduction while maintaining great flavour. Similarly, Nutri TasteSolutions® Fat and TasteSolutions® Mouthfeel can provide a rich and rounded taste sensation on the tongue while also addressing health and wellness concerns by reducing fat and calorie levels.

Our Nutri Essentials offering adds desirable nutrients, derived from natural ingredients. Our acerola is a highly standardised source of naturally sourced vitamin C derived from acerola cherries grown sustainably in Brazil. The cherries are harvested manually and processed carefully to preserve the fruit’s naturally high vitamin C content. The resulting ingredient is so rich in vitamin C that a low dose is needed to achieve 100% of the recommended daily intake. Another example is our oat extract SWEOAT®. Rich in fibre and high in protein, it delivers an exceptional nutritional profile and a range of proven benefits, including lowered risk of cardiovascular diseases¹, reduced blood sugar increase after eating², good digestion³ and satiety⁴.

1. Ferguson et al, 2019, Clinical Nutrition, Volume 39, Issue 1.

2. Tosh SM, 2013, The European Journal of Nutrition, <https://doi.org/10.1038/ejcn.2013.25>.

3. Poeker et al, 2018, Scientific reports, <https://doi.org/10.1038/s41598-018-22438-y>.

4. Hlebowizc et al, 2008, Journal of the American College of Nutrition, Volume 27, Issue 4.

Consumer health & wellbeing

Our oat extract SWEOAT® is rich in fibre and high in protein, delivering an exceptional nutritional profile.

Our Wellness Essentials botanical ingredients and infusions are rooted in traditional uses that offer an authentic-tasting wellness experience while addressing growing consumer interest in supporting wellbeing through clean, natural functional food and beverages.

Amongst our Health Essentials offering, one example is our award-winning turmeric extract, TurmiPure Gold®. Results from a proprietary study indicate TurmiPure Gold® delivers superior curcuminoids bioavailability at a low dose¹. Across the 24-hour study period, a small dose of TurmiPure Gold® (300mg) was shown to deliver as many curcuminoids to the blood as 1,920mg of standard turmeric extract. Completely natural* and 100% organic, the product can be used in a wide range of nutraceutical applications, including new formats such as shots or gummies thanks to its instant water dispersibility.

Other examples include our Cereboost® American ginseng, a natural adaptogen that delivers scientifically substantiated cognitive health benefits. We have recently published a study that has demonstrated promising effects on cognitive function and mood, potentially via gut microbiome modulation².

Last but not least, Flowens®, produced from a full-spectrum cranberry blend, is an award-winning ingredient that meets growing consumer demand for natural solutions supporting urinary health. It has been clinically shown to improve lower urinary tract symptoms (LUTS) in men³ and overactive bladder (OAB) in women⁴. It is further supported by seven approved health claims related to lower urinary tract health – six from

Health Canada and one from the Colombia National Food and Drug Surveillance Institute (INVIMA).

With our Wellness Essentials and Health Essentials portfolios we are looking to provide intuitive wellbeing benefits designed to meet food & beverage expectations as well as clinically proven benefits through innovative bioactive ingredients specifically developed for the supplements market. They include a selection of natural solutions that address common health needs such as immune system support, relaxation and energy, cognitive performance, or digestion and gut health.

Plant-based diets are recognised as being 'planet friendly' diets as well as beneficial for human health. Through our Plant Attitude platform and an entire ecosystem of experts, we co-create diverse food choices and plant-based food experiences that meet consumer needs and contribute to lowering the environmental footprint of consumer diets. We have technologies and an integrated portfolio specifically designed for meat, fish or dairy alternatives. We offer a holistic portfolio of ingredients and solutions to deliver on taste, colour, nutrition and health. We have built a global community of innovators, including industry partners, academia, and start-ups to augment our world-class capabilities in alternative proteins.

1. Fañca-Berthon et al, 2021. The Journal of Nutrition, Volume 151, Issue 7.
2. Bell et al, 2021. The European Journal of Nutrition, <https://doi.org/10.1007/s00394-021-02654-5>.
3. Vidlar et al. 2016, World Journal of Urology, <https://pubmed.ncbi.nlm.nih.gov/26049866>.
4. Cho et al. 2021, Journal of Urology, <https://doi.org/10.1097/JU.0000000000001384>.

* No artificial nor synthetic ingredients.

DISCLAIMER

This section is intended to provide business-to-business information on our solutions. As it can be accessible from many locations, the information provided might not be applicable, or is not intended to satisfy the requirements of all countries: the information and its uses must be checked for compliance under appropriate local regulations. Any communication to end consumers must be done according to the appropriate local regulations/guidance.

Fragrance & Beauty

Promoting health and wellbeing also means helping people feel better and lead happier, healthier lives. Consumers want to look good and feel good, and look for products that promote mental and bodily health and wellbeing. They seek, for example, fresh scents that can get rid of bad odours in clothing and the environment, boosting self-confidence and in turn improving social inclusivity. They want fragrances that positively influence how they feel as well as products that contribute to their sense of self-esteem and are good for the environment.

In Fragrance & Beauty, we aim to develop products that smell great, but also bring wellbeing benefits to consumers and are good for the planet. Wellbeing is a significant concern to customers and we carry out extensive scientific research at our Health and Wellbeing Centre of Excellence in Ashford, UK to help us understand it and how it relates to fragrance. This gives us deep insight into how fragrances are perceived and how they affect the way we think, feel and act.

We have, for example, used in-depth neuroscience research to develop our portfolios of Scentz technologies, which are designed to provide holistic or specific wellbeing benefits for consumers. Our patent-pending technology DreamScentz™ is now using our understanding of the link between fragrance, positive mood states and good sleep to explore how fragrances can be used to help people sleep better and longer. Our patented MoodScentz™ guidelines enable perfumers to harness the power of fragrances to evoke positive moods. MoodScentz™ is backed by solid scientific research, giving our perfumers confidence in the emotional impact of their compositions and making it possible for customers to create unique products that deliver genuine wellbeing benefits. VivaScentz™ is a revolutionary technology that measures consumer wellbeing holistically in the context of perfume or oral care. Rigorous testing involving 2,000 consumers showed that fragrances

Consumer health & wellbeing

created with VivaScentz™ enhanced the user's overall state of being, with consumers reporting that they felt more optimistic and better equipped to face their everyday lives.

We are also developing products that address malodour, which can have a negative effect on self-confidence, mood and wellbeing. Our Zap portfolio, the first ever patented malodour technologies platform for specific product categories, is designed to enhance the consumer experience and hygienic performance of our customers' products. This year, we launched a new addition to the portfolio, Natzap™, to address demand within differentiated naturality segments globally. Oral care is another important area in emotional wellbeing. From toothpaste to mouthwash, we look to develop solutions that smell and taste great, and contribute to freshness and confidence all day long.

Another key focus for our Fragrances team is creating products to enhance wellbeing and self-esteem, and to promote a positive mindset. We are already leading the industry in researching the effects of odours on emotion. Our studies have revealed how scents can increase positive emotions, decrease negative mood states, disrupt cravings and reduce physiological signs of stress such as inflammation.

Two examples of such innovative fragrance technologies are Phytogaia™ and Thalassogaia™, which allow perfumers to bring the natural benefits of forests and the oceans into perfumes. They were developed according to our Naturality Guide™ principles and Company purpose, and designed in a nature-conscious way to bring multiple health and wellbeing benefits to consumers in all fragrance categories.

Inspired by the Japanese art of forest bathing, Phytogaia™ captures the wellbeing benefits of molecules called phytoncides, which are emitted by forest trees and are proven to have a positive effect on people. The molecules provide wellbeing benefits when used in fragrances by improving consumers' moods and by reducing stress and fatigue. The success of this product led our Science and Technology team to study oceanic atmospheres and coastal environments, leading in turn to the creation of Thalassogaia™. Drawing from the inspiring surroundings of the beach, our scientists developed a collection of Thalassogaia™ perfumery accords that mimic the composition of the marine environment and are meant to trigger the calming feeling of being near or in water. They can be used in all fragrance categories.

**Phytogaia™ and Thalassogaia™
allow perfumers to bring the
natural benefits of forests and the
oceans into perfumes.**

Human rights

Material topic definition

Human rights

Ensuring that Givaudan respects human rights by acting with due diligence, as defined in the UN Guiding Principles for Business and Human Rights and International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

Purpose pillars

 CREATIONS  NATURE  PEOPLE  COMMUNITIES

Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

Human rights are inherent to all human beings, regardless of race, sex, nationality, ethnicity, language, religion, or any other status. As expressed in the International Bill of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, they range from the very right to life and liberty to rights to education and work and cover a wide spectrum of human experience.

We believe that everyone is entitled to these rights and that upholding them, and, where applicable, promoting them, is the right thing to do. It is fundamental to the best way of doing business and living our company purpose.

A commitment to respect human rights, to act with due diligence to avoid causing or contributing to human rights abuses through our own activities, and to prevent and address abuses linked to our operations, products or services around the world enables us to be a responsible corporate citizen. Specifically, these efforts help us to live up to our commitments under the United Nations

Global Compact's Ten Principles and the WBCSD's CEO Guide to Human Rights, to which we are signatories. It also forms part of our contribution to realise the Sustainable Development Goals, especially Goals 2, 3, 5, 6, 8 and 17, and furthers our journey towards obtaining B Corp certification.

Beyond this general commitment to human rights, we have a number of focus areas that have been identified as particularly relevant for Givaudan through ongoing engagement with internal and external stakeholders. In this chapter, we address Freedom of Association and Collective Bargaining; No Child Labour, and No Forced Labour, Compulsory Labour or Human Trafficking. Good relations between management and employees are necessary, for example, to the operation of a sustainable and viable business. This is particularly critical to Givaudan, where our global workforce operates in an international market and must be capable of adapting to rapid change. Children have the right to an education and we are against all forms of child, forced and compulsory labour.

Five additional areas of Human Rights that are particularly relevant to Givaudan are: Right to Decent Work and Occupational Health and Safety; Consumer Health and Safety; Equality and Non-Discrimination; Free, Prior and Informed Consent (FPIC) and Land Rights and Rights of Communities Where We Operate. Our position and efforts in these areas are covered by our Human Rights and Responsible Sourcing Policies and are addressed in chapters on Diversity, Inclusion & Human capital development, Employee Health & Safety & Wellness.

Our human rights efforts are relevant to the whole organisation but we also look beyond to our partners throughout the supply chain. We aim to ensure that they adhere to our principles and, as explained in more detail in the chapter on Responsible

Sourcing & Traceability, help them to do so. Givaudan strives to be a force for good in the world and looks to act with empathy and humility wherever we are present.

Boundary

- Givaudan
- Suppliers

Disclosure 103-2, 103-3

MANAGEMENT APPROACH

We respect, protect, and fulfil human rights within our sphere of influence and contribute to eradicating inequality and unfair labour conditions wherever we do business. We strive to make a positive impact on the communities in which we are present. Our commitment is based on the International Bill of Human Rights, which consists of the Universal Declaration of Human Rights, and the International Labour Organization's Fundamental Conventions on Rights at Work.

We fully endorse and support the UN Guiding Principles for Business and Human Rights, the OECD Guidelines for Multinational Enterprises of June 2011, the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy of March 2017 as well as WBCSD's CEO Guide to Human Rights. Where our own principles and practices are stricter than applicable legislation and in alignment with applicable human rights frameworks, we apply our higher internal standards.

Our explicit commitment to respect human rights, including labour rights, is outlined in our Group-wide Principles of Conduct. In January 2021, we also published a new Human Rights policy, which expands on this commitment. It applies to Givaudan's direct operations, the entities we own and the facilities we manage. We expect every employee to take personal accountability for upholding our principles in daily

Human rights

actions within their own sphere of influence and with business partners and stakeholders. Information on our efforts and commitments around social responsibility, human rights and ethical business aspects can also be found in our Commitment to Social Responsibility Position Statement, and in our annual UK Slavery Act and California Transparency Act statements.

Putting our policies into practice means working continuously to identify human rights impacts, avoiding and addressing them, continuously monitoring the effectiveness of our measures and periodically reporting on our performance. We are on a journey of continuous improvement and in a constantly changing operating environment we need to regularly review the way we respond. We are implementing a Group-wide human rights programme, which will also include human rights assessments and measures to identify and engage with vulnerable or marginalised groups as part of the stakeholder dialogue.

We also recognise that human rights is not a subject that we can address alone: we work with all relevant stakeholders. Suppliers are a particular focus and we help them adhere to our principles through our Responsible Sourcing Policy, as detailed in the chapter on Responsible Sourcing & Traceability.

We have zero tolerance for any form of human rights abuse and follow strict governance, grievance and remediation mechanisms to ensure compliance with our principles and commitments. We also provide various mechanisms for raising concerns. Employees can do this in confidence with a Local Compliance Officer, the Corporate Compliance Officer, the Legal Department or through our internal Compliance Helpline. Third-parties can raise issues in confidence to the Head of Group Ethics and Compliance by email to: global.compliance@givaudan.com.

All issues are handled confidentially, consistent with Givaudan's need to investigate, in compliance with legal requirements and in cooperation with law enforcement authorities, where required. Givaudan does not tolerate any form of retaliation against anyone who seeks advice or reports misconduct in good faith.

Beyond these general commitments, we have a number of focus areas within the topic of human rights. Some are discussed below and others can be found in additional chapters as detailed above.

Freedom of association

We respect every employee's right to freedom of association and collective bargaining and follow commonly recognised best practices with all of our employees globally. Our positions concerning freedom of association are highlighted in our Principles of Conduct, a document available on our website. We aim to provide and promote an environment where employer and employee can engage in open dialogue on all work-related aspects, allowing each to better understand the other's challenges and find ways of resolving them. This is done by establishing genuine dialogue with freely chosen employee representatives.

We regularly consult with employee representatives, looking to inform and consult about changes in the organisation and to report any feedback to the Executive Committee (EC). We pride ourselves on our history of constructive dialogue with employee representatives and support the freedom of individuals to join trade unions or other employee representative bodies. Givaudan does not discriminate based on employee membership of, or association with these bodies and seeks to enter into constructive discussions when issues arise.

We continue to hold regular Union/Works Council consultations with a group of employees who represent Union/ Works Council members at all applicable sites around the world, including for all European Union member states where we have operations. The purpose is to inform and consult employees about significant changes in the organisation, ensure that the right to freedom of association and collective bargaining is not put at risk, and to report any feedback to the Executive Committee so that it may take suitable action if required.

Due to COVID-19, the European Works Council did not take place in 2021 and the meeting has been postponed until early Q2 2021.

We call on suppliers, including smallholders, to allow workers to exercise their rights to freedom of association and collective bargaining. We ask for their collaboration in supporting the policy and disclosing information that could help drive improvements. More details are available in the chapter on Responsible Sourcing & Traceability.

Disclosure 102-41

Collective bargaining agreements

29% of employees are covered by collective bargaining agreements.

Disclosure 402-1

Minimum notice periods regarding operational changes

We respect legal local notice periods prior to the implementation of changes that could affect our employees, either through direct communication to these employees or through their elected representatives, Union/Works Councils or other groups. In countries where there are collective agreements and where it is mandatory, minimum notice

Human rights

periods regarding operational changes are specified. These range from no notice to three months, depending on the country and based on local laws and practices.

No child labour, no forced labour, compulsory labour or human trafficking

Our positions on child labour, forced labour, compulsory labour and human trafficking are rooted in our Principles of Conduct and in our new Human Rights policy. These, in turn, reflect initiatives including the United Nations Global Compact, a framework that targets, among other goals, the elimination of forced, compulsory and child labour.

We are also committed to the Ethical Trade Initiative Base Code, which states that there shall be no recruitment of child labour; that companies shall develop or participate in and contribute to policies and programmes that provide for the transition of children from labour to quality education; and that people under 18 shall not be employed at night or in hazardous conditions.

We do not practice or tolerate any form of child exploitation, and we do not provide employment to children before they have completed their compulsory education and in any event not before they reach the age of 15. This applies to employment within Givaudan, and we expect the same from our partners and suppliers with whom we work. Where we observe young workers engaged in business activities, but not legally qualifying as child labour, we still work towards training and education with the aim of ensuring that young workers are always protected and that their right to education is not infringed. Similarly, we do not practice or tolerate any form of exploitation or forced or compulsory labour including prison labour, indentured labour, bonded labour, slave labour or any form of human trafficking.

We apply a combination of mechanisms within our business and in our supply chains as part of our due diligence review for these aspects. They are regularly assessed through various interventions related to our Social Responsibility, Sourcing4Good, Ethic & Compliance, Human Rights and Vendor Management programmes, among others.

We have also developed a dedicated training and vigilance module around Givaudan's expectations on child labour and work in our supply chains. It is aimed at better informing and equipping our own procurement colleagues and supply chain stakeholders. We started rolling this out in the second half of 2021 and have already covered some key raw material supply chains including, among others, *thaumatococcus* in the Ivory Coast, *cistus* in Spain and vanilla in Madagascar.

We expect the same standards from business partners and suppliers. Details on how we manage this are available in the chapter Responsible sourcing & traceability.

Disclosure 407-1, 408-1, 409-1, 412-1

Operations assessment

Human Rights Impact Assessment in our operations and supply chain, detailed in the following chapter, is managed through continuous engagement and diverse interventions embedded in many of our standard operating procedures and practices. The focus of these assessments ranges from high-level due diligence to more salient aspects, in particular those relating to health, safety or child labour.

Givaudan is an active member of Sedex, a global platform that incorporates human rights risks in its assessments. Since 2010, all Givaudan production sites have been registered on Sedex and have completed Sedex self-assessment questionnaires (SAQ) aimed at continuous self-improvement and the sharing of information with customers. Givaudan annually reviews and

Training and vigilance module

In 2021, we developed a dedicated training and vigilance module on Givaudan's expectations on child labour and work in our supply chains. It is aimed at better informing and equipping our own procurement colleagues and supply chain stakeholders. We started rolling this out in the second half of 2021 and have already covered some key raw material supply chains including, among others, *thaumatococcus* in the Ivory Coast, *cistus* in Spain and vanilla in Madagascar.



Human rights

updates the SAQ for all of our registered sites and plans audits for sites due for inspection with recognised third-party auditors. At the end of 2021, 82% of our production sites were registered on Sedex and have completed Sedex self-assessment questionnaires. The remaining 18% are new acquisitions and we plan to integrate them onto the Sedex platform within two years of their acquisition.

In addition to manufacturing sites, the same standards are also applied internally for all other Givaudan locations, e.g., offices, R&D facilities, warehouses, etc. They are regularly assessed through programmes such as internal audits.

We also participate in EcoVadis Corporate Social Responsibility (CSR) assessments, disclosing detailed information on our business practices in Human Rights and Labour aspects in addition to those linked to the environment, ethics and responsible procurement. The EcoVadis methodology framework assesses companies' policies and actions in relation to these areas using a team of international sustainability experts that analyse and cross-check company data such as supporting documents, 360° Watch Findings, etc., to create reliable ratings. Each company's industry, size and geographic locations are also considered.

This year, Givaudan ranked in the top 5% of more than 75,000 companies participating in the 2021 EcoVadis CSR assessment. This result earned Givaudan the gold rating.

82% of our production sites have been registered on Sedex and have completed Sedex self-assessment questionnaires.

In 2021, there were no findings or notifications of any violation of the right to freedom of association and collective bargaining at any of our locations worldwide.

In 2021, we did not observe any cases of forced labour in our business and supply chains in our due diligence review.

Disclosure 412 – 2

Employee training on human rights policies or procedures

Today we already cover basic human rights aspects as part of our Principles of Conduct training, which is mandatory for all our employees worldwide.

Additionally, dedicated human rights and modern slavery training is conducted for employees in countries with specific regulations such as UK and Australia.

We have also developed a dedicated training and vigilance module around Givaudan's expectations on child labour and work in our supply chains. This aims to better inform and equip our own procurement colleagues and supply chain stakeholders. We started rolling this out in the second half of 2021 and have already covered some key raw material supply chains including *thaumatococcus* in Ivory Coast, *cistus* in Spain, and vanilla in Madagascar.

We are now in the process of developing dedicated human rights expectations and commitment training for all Givaudan employees. This training is being developed with support from external experts and we aim to release it in 2022.

Disclosure 412 – 3

Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening

Our Responsible Sourcing Policy outlines the principles and standards that we require all of our suppliers to meet.

READ MORE

For more information about our supplier assessments please read the next chapter on [Responsible sourcing and traceability](#)

Responsible sourcing & traceability

Material topic definition

Responsible sourcing & traceability

Fostering compliance with high standards in health, safety, social, environmental and business integrity in the way we source. Understanding the supply chain and tracing the provenance of raw materials we use from their origin to the final formulation.

Purpose pillars

CREATIONS NATURE PEOPLE COMMUNITIES

Disclosure 103-1, 102-9

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

Givaudan spends more than CHF 3.8 billion per year sourcing 11,000 different raw materials and indirect materials and services from across the globe. With over 3,000 raw material suppliers in more than 100 countries and 13,000 additional global partners supplying indirect materials and services, procurement and the supply chain are strategic to Givaudan's responsible and shared growth.

Responsibly managing supply chains at this scale is complex, but we are committed to working with our suppliers for greater transparency and to improve practices in the areas of health and safety, environmental, social and business integrity. Responsible sourcing is an active and conscious commitment by Givaudan to consider social and environmental aspects when managing the relationships with, and performance of, suppliers. This means that we will ensure our business practices – both within our business and across our supply chain, from farm to our Company – do not have a negative impact but foster positive impacts on people and the environment. Traceability is also a critical concern. We must gather and

convey information about the raw materials and services we source, as well as their transformation throughout the value chain. This helps to ensure good practices and respect for people and the environment in supply chains.

Beyond these considerations, and as detailed in the previous chapter, we are committed to respecting human rights wherever we do business. We strive to make a positive impact on the communities in which we are present and we recognise that we have an important obligation to contribute to preserving the environment and the planet's biodiversity for future generations.

A strong network of responsible suppliers allows us to both mitigate the risks inherent in our supply chain and respond to increased consumer demand for more sustainable, healthier, differentiated products. Sourcing materials in ways that preserve the environment and stimulate the development and wellbeing of the communities that provide them is a critical element of our business. These activities permit us to assure customers about the provenance of raw materials and their production. It also shows that we adhere to responsible supply chain practices, allowing us to reduce our environmental and social impact.

Boundary

- Givaudan
- Suppliers

Disclosure 103-2, 103-3

MANAGEMENT APPROACH

Givaudan is a purpose-driven company and our approach to the topic of sourcing is embedded in these guiding principles. Sourcing is an integral part of our purpose: indeed, one of our purpose ambitions is to source all materials and services in a way that protects people and planet by 2030. Moreover, Givaudan has set an ambition to become a certified B Corporation (B Corp), a designation reflecting the highest standards of responsible sourcing.

The first in the flavours and fragrances industry to publish a specific policy in 2016, Givaudan has always been a leader in responsible sourcing, traceability and transparency, helping us to meet customer, consumer and environmental needs and expectations. Our Responsible Sourcing Policy, available on our website, details the principles and standards that we require all 16,000 suppliers to meet. Suppliers are defined as anyone, individual or company, who supplies us with any goods or services. It includes any primary producers of raw materials,

Raw materials

We source **>11,000** different raw materials in **>100** countries

Supplier management

3,000 raw material suppliers

13,000 indirect Materials & Services suppliers

Responsible sourcing & traceability

suppliers of raw materials, intermediate materials, intermediary suppliers and service providers. The policy is applicable to all sites and workers and employees of any supplier (including permanent, temporary, contract agency and migrant workers), as well as subcontractors, agents and subsidiaries.

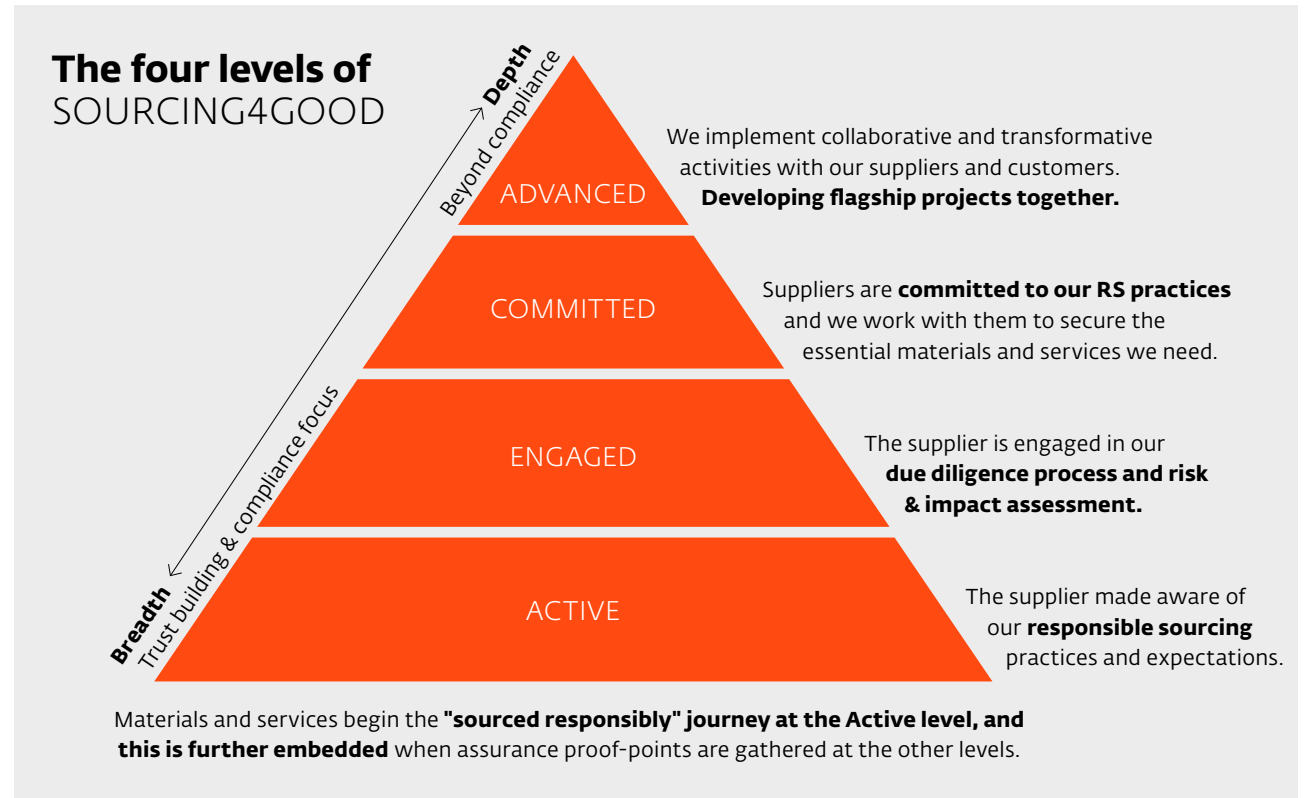
The policy contains overarching requirements that apply to all areas of the supply chain, as well as some specific requirements pertaining to Naturals, Synthetics and Indirect Materials & Services Suppliers, which provide more depth and clarity on certain topics.

This year, we have further strengthened and expanded our Responsible Sourcing programme into an umbrella programme called Sourcing4Good, our approach to implementing our Responsible Sourcing Policy. It reflects our ambition to become B Corp certified and our desire to source all materials and services in a way that protects people and the environment by 2030.

Sourcing4Good

Sourcing4Good is based on collaboration and knowledge-sharing, experience and expert input from suppliers, customers and partners. It is based on industry criteria ranging from environmental and social benchmarks to improved supply chain security, greater transparency, and more relevant supply chain information. It offers suppliers more visibility and partnership opportunities and gives customers increased access to safe, high-quality products sourced in a responsible way, as well as greater oversight and detailed knowledge of their supply chains.

Created in partnership with multidisciplinary teams of experts, Sourcing4Good covers all 16,000 of our active suppliers and applies to all natural and synthetic materials as well as indirect materials and services. The programme will be powered by cutting-edge internal technology, providing increased supply chain transparency and information access and will be delivered



through an integrated operating model. The ultimate aim is to ensure that our full portfolio of ingredients, materials and services is sourced responsibly.

We expect suppliers to share our commitment to clean and safe working conditions, good agricultural and collection practices, animal welfare and environmental stewardship. To

this end, Sourcing4Good includes the status of our suppliers and materials and the levels of rigour and partnerships in place. There are four levels of supplier status, ranging from those just starting on their responsible sourcing journey to those involved in in-depth, transformational partnerships. This is meant to increase transparency, reduce risk and generate greater traceability and data. The four levels help us define the right

Responsible sourcing & traceability

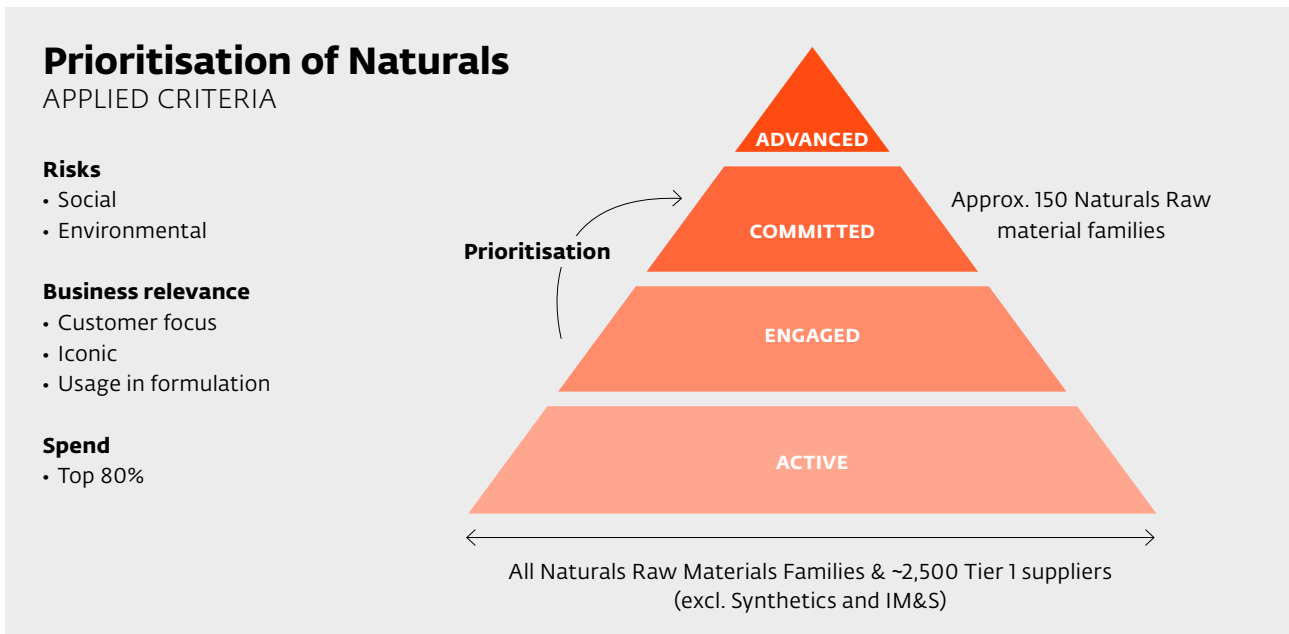
level of supplier engagement, activities and efforts across our full portfolio of spend in Naturals, Synthetics and Indirect Materials & Services (IM&S)

Materials begin their 'sourced responsibly' journey at the Active level. Here, the supplier is made aware of our responsible sourcing practices and expectations.

Further along, suppliers may enter the Engaged level, which implies involvement in our due diligence process and risk & impact assessment. At the Committed level, suppliers are committed to our responsible sourcing practices. We work with them to secure the essential materials and services we need. Finally, at the Advanced level, we implement collaborative and transformative activities with our suppliers and customers, developing flagship projects together.

The launch of the Sourcing4Good programme gave us the opportunity to review our key responsible sourcing targets and KPIs. We will pursue them based on focused efforts that are targeted to the different levels of Sourcing4Good activity: it is a progressive approach based on prioritised action.

The Sourcing4Good levels are assigned through an integrated operating model that embeds responsible sourcing processes within the day-to-day work of Procurement. Our ambition for 2021 was to begin the process of transitioning certain tasks and responsibilities to allow the Naturals Procurement team to better manage the trust and supplier compliance element of the Sourcing4Good programme. To this end, we have implemented Standard Operating Procedures (SOPs), developed tools, and built capability through various training sessions: to date, we have carried out 5 training modules spread over 8 sessions for 52 colleagues, representing 48% of the Naturals team. We will continue this work next year and beyond to include the synthetics and IM&S procurement teams.



With Naturals, prioritisation is indispensable. We source a large number of natural ingredients derived from hundreds of raw materials, and the work is already well underway. We applied six criteria in the prioritisation process, consulting various departments and using data from both an external database and SAP. This resulted in a list of 158 natural materials warranting prioritised action: our aim is for them to reach, at a minimum, the Sourcing4Good Committed level in the coming years. Though all raw materials of a natural origin are in scope for our 2030 target, the 158 raw materials families will receive accelerated and deeper-level activity between now and 2025. This is a significant increase from the 51 materials families that formed the basis of our 2021 targets.

In 2021, we joined the Together for Sustainability (TfS) organisation to collaborate with other members to drive and accelerate our integration of responsible sourcing to the categories of global synthetics and indirect Materials & Services (IM&S) suppliers. Following a thorough onboarding process, we have set initial targets for audits and assessments for some global synthetics and IM&S suppliers for 2022, and will begin the implementation of the programme to cover these categories in Q1 2022.

Responsible sourcing & traceability

Making our policy more accessible

We know that our Responsible Sourcing Policy and process will have to evolve to be increasingly inclusive and adapted to the context of the supply chain. To this end, we have introduced a practical guide targeted to a specific supply chain in order to make the policy more accessible to producers. This helps our team explain the policy and makes it easier for suppliers to understand our requirements. We expect to use the tool in additional strategic supply chains after completion of this pilot project.

Disclosure 308-1, 407-1, 408-1, 409-1, 414-1

2021 Progress

Active Level

All Active suppliers, that is, even those at the start of their 'sourced responsibly' journey, are required to acknowledge and adhere to the Responsible Sourcing Policy.

Givaudan expects its suppliers to use this policy as a guidance tool to help them demonstrate compliance to it through their continuous improvement activity. Givaudan also expects all suppliers at the Active level to implement management systems that allow compliance with this Responsible Sourcing Policy. This includes at least mechanisms to identify, assess and manage risks in all areas addressed by this policy; adequate

documentation, which may be reviewed by Givaudan upon reasonable notice; communication of the policy to all relevant employees; deployment of the principles in their facilities and throughout their supply chains, working with their suppliers to the source of the material or service. Where possible, Givaudan will aim to provide support to suppliers in this journey.

Our previous Responsible Sourcing (RS) Policy has been sent to more than 14,000 of our raw material and indirect materials & services (IM&S) suppliers. Since the update of the policy with the 2021 launch of the Sourcing4Good programme, we have sent this document to more than 2170 of raw material suppliers, representing 96% of the spend. We aim to reach our remaining active suppliers with the updated RS Policy in 2022. We will continue this action in the years to come so that each new active supplier is included in this process.

Engaged level

For suppliers at the Sourcing4Good level Engaged and above, Givaudan will also use a range of due diligence and verification tools to ensure they meet both our expectations and the principles laid out in the Responsible Sourcing Policy. These include sending our Due Diligence Questionnaire (DDQ) to selected suppliers and requesting it to be completed.

This year, we aimed to complete our Due Diligence Questionnaire on 53 of the 158 prioritised Naturals materials families. Our 2021 target was to engage the suppliers included in the top 80% of spend and/or defined as strategic by the Procurement Team on each of these 53 material families. We reached all suppliers in scope for this year and had an 89% response rate as of December 31, 2021. Our new Due Diligence Questionnaire digital tool played a central role in allowing us to engage ~226 suppliers defined as strategic by the procurement team.

The Due Diligence Questionnaire

Due Diligence Questionnaire is our in-house questionnaire that allows us to obtain primary traceability and risk information on the supply chain; to sharpen our implementation strategy, and support our suppliers as part of a continuous improvement approach. We have developed an IT interface that is accessible to our suppliers and our Procurement teams to make the questionnaire easy to use.

Committed Level

At the Committed Level of the Sourcing4Good programme, we request a supplier third-party audit at factory and/or farm level. Givaudan also retains the right to recognise certain supply chain certification standards that will be accepted in lieu of a third-party audit.

At factory level, the sites of direct suppliers are audited according to Sedex Members Ethical Trade Audit (SMETA). Incorporating labour practices, social, environmental and human rights aspects into its assessments, SMETA is one of the most widespread ethical audit formats in the world. Auditing suppliers accordingly allows them to benefit from a mutual recognition agreement among the members of the AIM-PROGRESS platform: they can avoid audit duplication because suppliers are encouraged to share audit reports with the largest number of customers.

At farm level, we ask our suppliers to seek verification through the Farm Sustainability Assessment (FSA) from the SAI Platform for cultivated raw materials, and through the Union for Ethical BioTrade (UEBT) for wildcrafted raw materials. These standards are recognised in the industry and cover all our ethical, social and environmental requirements.

Responsible sourcing & traceability

This year, we aimed to cover 53 of the 158 prioritised Naturals materials families for further verification by the end of 2021. We approach this through factory- and farm-level third-party audits in supply chains selected in collaboration with Procurement. For now, we have reached 38% of this target. Some audits had to be postponed, either because certain harvest periods had already passed before the launch of Sourcing4Good in April 2021 or because of the continued COVID-19 situation. Due to business needs, we also added two additional raw materials families to the list in 2021. This year should be seen as a transition year: a period of acclimatisation is needed for our teams and suppliers to implement this new approach. Audits that could not be carried out have been postponed and integrated into the 2022 roadmap.

Givaudan reserves the right to periodically request and undertake social and environmental audits at any supplier's facilities, in any part of their extended supply chain, including at farm level. This may be through the use of an internal protocol or a third-party ethical audit. Suppliers are expected to pay when third-party audits are requested as this allows them to own the data and share reports with other customers without having to undergo further similar audits within the same or similar timeframe. Givaudan expects to discuss the results of such audits with the supplier: areas for improvement will be clearly identified and a corrective action plan agreed.

Givaudan expects any supplier who has been audited to resolve any major or critical non-conformities within a timescale agreed with the supplier and to provide supporting documentation as requested. Any audits conducted, whether through internal or third-party means, will normally need to be repeated within a three-year timeline. Givaudan will work with their suppliers to ensure this process is maintained. We know that some challenges can take time to overcome and this will be considered where applicable. We monitor and measure

progress of this through our regular supplier review process and through specific assessment and audit activity. Where Givaudan sees that a supplier cannot, or will not, take the necessary actions to demonstrate compliance, over an agreed timeline, then Givaudan may take the necessary steps to seek alternative supply of a particular material or service.

Advanced Level

At the Advanced level, we select a small number of key supply chains from our prioritised list for a deeper level of activity. Within this context, we develop flagship and transformational projects through collaboration with external stakeholders. We currently have 24 projects ongoing in our Naturals supply chains. Our goal is to increase this number by starting new projects in collaboration with our customers and suppliers in the years to come.

Palm oil - Earthworm Foundation

Aceh, Indonesia's northernmost province, had lost 300,000 hectares of its forest since 2001, with the primary drivers being the expansion of palm oil plantations and other

cropland. Through the Earthworm Foundation landscape programme in Aceh, Givaudan's support contributes to developing alternative livelihoods for palm oil

farmers, improving their resilience, and at the same time protecting the forest from destructive agricultural practices.

Following a feasibility study in June 2021, Earthworm identified nutmeg, corn, and chilies as potential crops for intercropping in palm oil plantations. As an initial step in piloting the alternative livelihood programme, the participatory land-use planning (PLUP) process was completed in Bawan village, Subulussalam district. Based on PLUP, the community agreed to allocate 675 hectares for livelihood and 650 hectares for conservation. Corn will be the first crop to be intercropped on 30 hectares of palm oil plantations starting in 2022.



Local community development

Material topic definition

Local community development

Recognising and supporting the broader development goals of local communities where Givaudan operates and sources from. We especially strive to improve the quality of life in vulnerable communities.

Purpose pillars

 CREATIONS
  NATURE
  PEOPLE
  COMMUNITIES

Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

The communities and neighbourhoods in which we operate and source our materials are critical to our long-term success. Our business can affect these communities, and local stakeholders can in turn have an impact on our activities. Recognising and supporting the broader development goals of these local communities is essential to acknowledging their important contributions and we are committed to supporting them to build stable lives.

The close working relationships we establish with the very people who grow, collect and distil our raw materials are key to our continued success in securing the long-term supply of the ingredients we rely on for our flavours and fragrances. Maintaining a good reputation in communities where we have a manufacturing or commercial presence is also essential as it helps attract the right talent and personnel to the Company.

Overall, good relations allow us to work together on projects and causes that benefit the community, help to protect local ecosystems and support livelihoods. This translates into

economic or social benefits such as improving access to education or mental or physical health for the local communities as well as sustainable success for Givaudan.

Boundary

- Givaudan
- Local communities

Disclosure 103-2, 103-3, 413-1 MANAGEMENT APPROACH

Responding to the needs within communities and using our business expertise as a force for good allows us to improve lives through projects that support everything from health and education to enhancing environmental and agricultural practices. This, in turn, aids us in realising our ambition to improve the lives of millions of people in the communities where we source and operate by sourcing all materials and services – naturals, synthetics and indirect materials and services (IM&S) – in a way that protects people and the environment by 2030. This is one of the focus areas of our company purpose and central to our strategy.

Overall, we actively develop and sustain relationships with communities and listen to their representatives and understand their needs, allowing us to take their points of view into account and integrate their feedback into our activities. We have also supported local producer communities for more than a decade through a variety of social and environmental projects. Our field teams, for instance, travel to remote sourcing regions all over the world, cultivating relationships with producers. This enables us to build trust and work together to ensure the long-term future of raw materials. Our work also contributes to more stable incomes to help improve the lives of these communities.

This year, we introduced our new sustainable sourcing approach, Sourcing4Good. Created in partnership with expert multidisciplinary teams, Sourcing4Good encompasses all 16,000 of our active suppliers and applies to all materials, both natural and synthetic as well as indirect materials and services. The progress and success of the programme will be measured in terms of four goals, two of which are particularly relevant to local community development: we aim to improve working conditions in factories, farms and at the collector level and will strive to improve the lives of the communities where we source. More information on our programme and relevant policies can be found in the chapter on Responsible Sourcing & Traceability.

We believe too that each and every employee has the potential to make a change for the wellbeing of the communities in which we work and live. This opportunity is available through our Green Teams, which are active at the majority of our sites. Members of these teams are involved in voluntary sustainability projects in local communities as well as in internal programmes. The projects empower and encourage groups of employees to identify local opportunities to support our sustainability and purpose ambitions. They also raise awareness of existing sustainable operations across Givaudan and deliver results.

This year, achievements included our GBS site in Buenos Aires winning the bronze certification “Certified Conscious Office space” from Eco House, a non-profit organisation specialising in education, politics, economics and volunteering for sustainability. The designation came after two years of preparation, implementation of actions, training sessions and awareness-raising amongst all employees. It included the introduction of an onsite waste separation and treatment system as well as updated signage indicating sustainable behaviour and additional measures. At our Smithfield, Australia site, employees worked with customer and supplier partners in the fight against COVID-19 to promptly supply sanitisers to

Local community development

Western Australia's local indigenous aboriginal communities, who are considered high risk and more prone to health issues. The team, supported by Australian Government's COVID-19 Remote Indigenous Community Task Force, subsequently delivered nearly 250,000 sanitiser products during 2020 and 2021, impacting the lives of thousands of community members.

At our Cuernavaca and Mexico City sites, where the local teams are working on 'single use plastics' and 'community care' agendas as part of a project with a local NGO partner, the recycling of more than four tons of their single use plastic waste in the form of bottle caps both helped Givaudan meet its global waste target. A partnership with the Mexican NGO Banco de Tapitas AC, which uses the proceeds from its bottle cap collection and recycling to help children and young adults suffering from cancer, means that the efforts also contributed significantly towards building happier and healthier communities through the provision of medical and food support.

A related programme, Imagin8, is meant to encourage our people to explore their personal connection to the company purpose. It contributes to the scale-up of our efforts in social innovation by prompting employees to see themselves as changemakers. With a focus on small, simple ideas that can accelerate improvements in, for example, social conditions, positive climate action, mental health or access to affordable, healthy products for more communities, the programme has generated hundreds of ideas.

In keeping with the mindset of 'think small with a big impact,' one very simple but effective idea was to promote hand-washing among children. At the height of the COVID-19 pandemic in 2020, our employees saw the need to improve hygiene among children in poorer countries. Colleagues in Brazil, Malaysia, Nigeria, Singapore, UK and the USA collaborated and by 2021 we were able to pilot a sustainable, colour-changing bar

soap to encourage children to learn how to wash their hands through play. The team also worked with a digital agency to create an online game, Challenge 20, teaching the key steps of hand-washing routines. Players have 20 seconds to kill as many 'germs' on the hands as possible to progress to the next level.

Our employees also contribute through our work with the Givaudan Foundation, a not-for-profit organisation that has funded projects to help build more secure futures for communities and their environments since 2014. A full half of the foundation's projects are directly proposed and designed by employees who wish to make a change in communities where Givaudan sources natural ingredients and communities where our employees work. The foundation also works with local organisations to identify and respond to local needs and then carry out projects in three main areas: education, health, and preservation of the environment. The foundation works closely with and relies on resources provided by Givaudan to conduct and monitor its projects. Such initiatives encompass 27 ongoing projects in 12 countries, touching more than 40,000 beneficiaries as well as their families and communities.

In certain supply chains, we develop targeted action plans in cooperation with the producers, suppliers and/or other organisations such as NGOs. This allows us to support projects in education and health as well as good practices in agriculture and processing. We also assist in safeguarding the environment and natural resources, and encourage investment in sustainable development and innovation. More information can be found in the chapter on Responsible Sourcing & Traceability.

We additionally support local communities with charitable giving. We work with producers, suppliers and/or other organisations to bolster projects in education, health and nutrition as well as good practices in agriculture and production. We help communities safeguard their environment

Community development in Madagascar

Our work in Madagascar helps mitigate our environmental impact and support community development. In the Analanjirofo region, we help small-scale producers of clove leaf oil establish sustainable sources of firewood and improve distillation equipment. This year, we planted more than 117,000 trees and continued developing and promoting environmentally friendly agricultural skills. In the vanilla supply chain, we built and equipped a new health centre offering vanilla farmers from eight villages health care access. We also started construction of a new school. Our efforts have had an impact on more than 11,000 beneficiaries.



Local community development

and natural resources. Every precaution is taken to operate safely in these communities, all while providing social and economic value and reducing our environmental footprint.

This spending, governed by an annual budget allocation process for charitable giving that has been in place at all of our sites since 2012, is controlled and consolidated by a sustainability controller and closely monitored. Each site manager is responsible for how the relevant budget is spent and has some freedom to allocate funding to local organisations, providing they comply with Givaudan guidelines and local laws on non-profit organisations. The spending is reviewed annually as part of our financial assurance, and information is disclosed as part of the P&L statement.

In March 2020, we established a COVID-19 community fund to enable our sites to support local communities that had been affected by the pandemic. By the end of 2021, we were able to help almost 100,000 people in 137 communities around the world. We also adapted our production to increase the amount of hand sanitiser for our employees, but also for local health, community and front line services who were in critical need of it.

In 2021, the total financial contribution from Givaudan to communities was more than CHF 2 million.

Disclosure 203 – 1

Infrastructure investments and services supported

The island of Haiti, where we grow vetiver, a scented, golden oil highly prized in the fragrance industry for its intensity and natural synergy with other raw materials, is an example of a challenging environment where we support the island's producer communities and safeguard supply of the ingredient. Since 2012, Givaudan has been collaborating with a local supplier to support a cooperative of 250 vetiver root producers from three villages. The cooperative and our local supplier have achieved the Ecocert Fair for Life Certification, which ensures minimum prices, improved working conditions for everybody in the local supply chain, and validates the social and environmental responsibility of vetiver production. The certification also ensures full traceability of the raw material. The cooperative benefits from a premium on the price of its vetiver roots, feeding a development fund used to support community projects and the local supply chain. The fund has paid for repairs to a road linking producer villages and the vetiver distillery. The new road makes it much easier to transport the roots and has also opened up better access to healthcare and other essential amenities. The fund has also brought electricity to the villages, and cooperative members receive training on good agricultural practices as well as health and safety measures to consider in the field.

APPENDIX

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The principles of the UN Global Compact

The United Nations Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption.

WE SUPPORT



Human rights

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights

Principle 2

Make sure that they are not complicit in human rights abuses

Labour

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4

The elimination of all forms of forced and compulsory labour

Principle 5

The effective abolition of child labour

Principle 6

The elimination of discrimination in respect of employment and occupation

Environment

Principle 7

Businesses are asked to support a precautionary approach to environmental challenges

Principle 8

Undertake initiatives to promote greater environmental responsibility

Principle 9

Encourage the development and diffusion of environmentally friendly technologies

Anti-corruption

Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery

The Sustainable Development Goals

Sustainable development calls for concerted efforts towards building an inclusive and sustainable future for people and the planet.

The Sustainable Development Goals (SDGs), adopted by the United Nations and entered into force on 1 January 2016, build on the success of the Millennium Development Goals (MDGs). The ambitious goals shall be achieved by 2030 through effective action taken through both the public and private sector in all countries.

www.un.org/sustainabledevelopment



Zero hunger

Givaudan is committed to helping end hunger, achieving food security and improved nutrition, and promoting sustainable agriculture. We believe that through game-changing innovation in food and beverages we can encourage an uptake of healthier dietary choices, contributing to addressing global food challenges. By enabling access to plant-based protein ingredients, for example, our innovations are possible steps towards sustainably nourishing the growing global population. Givaudan relies on thriving local communities to source many natural ingredients and we work closely with our supply chains to encourage better nutrition among local producers.



Good health and well-being

One of the key ambitions of our purpose is that by 2030, we will double our business through creations that contribute to happier, healthier lives. We are working hard to achieve this. For example, by developing solutions for food and beverage products with less sugar, fat or salt, we enable people to make healthier food choices. Our focus on good health and wellbeing is also supported by our people goals. We strive to improve how we care for our people by 2025 through access for everyone on our sites to mental and physical health initiatives, tools and training. We aim to reduce our total recordable injury rate by 50%. Through our Responsible Sourcing Policy, we set high standards for health, safety, social and environmental practices for both our Company and our suppliers. Through all of this, we are building a culture in which safety, health and environmental commitments are the personal responsibility of every employee.



Gender equality

We are a leading employer in the industry, with a global staff of around 16,000, including more than 90 nationalities. We reflect the societies and cultures in which we operate by providing opportunities for people of all backgrounds, gender and location. Driven by our purpose, before 2030 we aim to be a more balanced and inclusive company. For example, before 2025, we will be rated among the leading employers for inclusion globally, and before 2030, 50% of our senior leaders will be women. Our policies and programmes keep us on track with these important commitments.



Clean water and sanitation

Water is an essential element in our operations and supply chain, and is managed within the framework of our Responsible Care Management System. For Givaudan, water stewardship means optimising the use of intake water through reuse and efficiency, and ensuring the quality of discharged water through analysis and treatment. In the workplace, we ensure the availability of clean water, sanitation and hygiene. By 2021, we had reduced our water intensity by 31% (vs. 2009). In 2020, we endorsed the UN's CEO Water Mandate. This UN Global Compact initiative brings together business leaders to address global water challenges and in 2021 we were awarded the CDP A rating for our actions on water preservation.

The Sustainable Development Goals



Decent work and economic growth

Our 2025 strategy, derived from our purpose of 'creating for happier, healthier lives with love for nature' is our five-year roadmap for how we will deliver sustainable value creation for all our stakeholders. Nurturing a place where our people love to be and grow is an important driver of this strategy. We value our employees and provide them with opportunities for growth and career development through training programmes, and we promote a multi-generational and diverse workforce that operates in an agile and collaborative way. Through our human rights policy, we commit to respect human rights, to act with due diligence to avoid causing or contributing to human rights abuses through our own activities, and to prevent and address human rights abuses that are linked to our operations, products or services around the world.



Industry, innovation and infrastructure

In line with our strategy to deliver profitable growth while having a positive, sustainable impact through our creations on people, nature and communities, our approach to innovation considers the potential impact of our processes and products on the environment. Our research into new solutions utilises green chemistry and opportunities derived from traditional and novel forms of biotransformation, biodegradability and upcycling. We identify novel technologies such as automation or greener processes that can improve our production environment. We continue investments in high growth markets, especially China and India. We are also developing infrastructure in remote areas such as the Amazonian basin in Brazil where, for example, we have a joint venture in a programme to train farmers and cooperative workers in responsible practices for guarana.



Responsible consumption and production

As our purpose guides us to show our love for nature in everything we do, we have set clear ambitions to help reduce our own environmental impact and that of our products. Our goal to become climate positive before 2050 and our bold ambitions on water and waste are two examples. As we grow together with our customers, we continue to work towards reducing waste and water consumption across our operations, and we have set stringent science-based targets for absolute greenhouse gas reduction. We innovate responsibly to offer sustainable new solutions based on green chemistry, to provide alternatives to animal testing, and to leverage biotechnical techniques and advanced fermentation methods to create new and existing molecules. Our new Sourcing4Good programme guides us in our approach to sourcing responsibly and is linked to our goal to source all materials and services in a way that protects people and planet by 2030.



Climate action

Givaudan is working towards an ambition to become climate positive before 2050. This means reducing our absolute scope 1 and 2 GHG emissions by 70% before 2030 and becoming climate positive in our operations by 2040. Our scope 3 GHG emissions will be cut by 20% before 2030 and our supply chain will be climate positive before 2050. Givaudan's climate action targets have been approved by the independent Science Based Targets initiative in alignment with the global effort to keep a temperature increase below the two-degree threshold, a key goal of the 2015 Paris Agreement. We assess every aspect of our activities and those of our suppliers to find opportunities to limit our environmental impact, including our target for 100% renewable electricity by 2025. Our Responsible Sourcing Policy highlights our commitment to removing commodity-driven deforestation from our supply chains.



Life on land

Givaudan is committed to sourcing all materials and services in a way that protects people and the environment by 2030. As an industry leader with 250 years of heritage, we work in partnership with producers and suppliers to transform the way we source and create new value to be shared by all as part of our Sourcing4Good programme. We recognise that we have an important obligation to contribute to preserving the environment and the planet's biodiversity for future generations. Through our Responsible Sourcing Policy we request that suppliers comply with all applicable environmental regulations and always aim to reduce their impacts on nature and landscapes. Suppliers must implement environmental management principles that avoid any pollution of air, soils and water and, in parallel, conserve biodiversity and nurture biodiversity.



Partnerships for the goals

Collaboration is essential in delivering on our bold ambitions. The more we do together, the quicker we drive sustainable solutions and the faster we meet our targets. Our collaborations with an ecosystem of partners, from UN Global Compact to the World Business Council for Sustainable Development, RE100 and The Earthworm Foundation, help to inform and support our work on our most material sustainability issues. We have strategic relationships with suppliers, start-ups and partners allowing for even greater collaboration and co-creation to develop innovative solutions for the future. Examples of this include our Connect to Win programme for supplier-enabled innovation, our strategic collaboration to increase opportunities in biotechnology and our co-creation partnerships with many prominent players in plant-based proteins that caters to the strong shift towards plant-based meat alternatives and alternative protein sources.

GRI Content Index

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102 – 40 to 102 – 49 align with appropriate sections in the body of the report.



AR = 2021 Integrated Annual Report

GCFR = 2021 Governance, Compensation and Financial Report

www.givaudan.com ▶ Media ▶ Publications

GRI Standard and Disclosure	Publication year	Page/Information	SASB Code	UNGC Principles	SDG Goals
GRI 101: Foundation	2016	1			
GRI 102: General Disclosures	2016				
Organizational profile					
Disclosure 102 – 1 Name of the organisation		Givaudan SA			
Disclosure 102 – 2 Activities, brands, products, and services		AR p 1			
Disclosure 102 – 3 Location of headquarters		Vernier, Switzerland			
Disclosure 102 – 4 Location of operations		AR pp 152–159			
Disclosure 102 – 5 Ownership and legal form		GCFR pp 4, 5			
Disclosure 102 – 6 Markets served		AR pp 150, 151			
		Total number of sites: 185; Total number of employees: > 16,800 (FTE); Group sales: CHF 6.8 billion; Total assets: CHF 11.4 billion; Equity ratio: 34.5%; Products sold per year: > 126,460.			
Disclosure 102 – 7 Scale of the organisation					
Disclosure 102 – 8 Information on employees and other workers		88		6	8
Disclosure 102 – 9 Supply chain		108			
		We had no changes in the share capital structure and no significant changes in our supply chain in 2021. For new site openings see AR pp 8–9.			
Disclosure 102 – 10 Significant changes to the organisation and its supply chain					
Disclosure 102 – 11 Precautionary Principle or approach		33			12, 13
Disclosure 102 – 12 External initiatives		18		1	
Disclosure 102 – 13 Membership of associations		22			
Strategy					
Disclosure 102 – 14 Statement from senior decision-maker		4			
Disclosure 102 – 15 Key impacts, risks and opportunities		6			

GRI Content Index

GRI Standard and Disclosure	Publication year	Page/Information	SASB Code	UNGC Principles	SDG Goals
Ethics and integrity					
Disclosure 102 – 16 Values, principles, standards, and norms of behaviour		31		10	5
Disclosure 102 – 17 Mechanisms for advice and concerns about ethics		32			
Governance					
Disclosure 102 – 18 Governance structure		34			
Disclosure 102 – 19 Delegating authority		GCFR pp 14–16			
Disclosure 102 – 20 Executive-level responsibility for economic, environmental, and social topics		35			
Disclosure 102 – 22 Composition of the highest governance body and its committees		GCFR pp 7–16			
Disclosure 102 – 23 Chair of the highest governance body		Non-executive			
Disclosure 102 – 24 Nominating and selecting the highest governance body		GCFR pp 7, 10			
Disclosure 102 – 25 Conflicts of interest		GCFR pp 7–9			
Disclosure 102 – 26 Role of highest governance body in setting purpose, values, and strategy		35, GCFR p 14			
Disclosure 102 – 27 Collective knowledge of highest governance body		GCFR p 7			
Disclosure 102 – 31 Review of economic, environmental, and social topics		35			
Disclosure 102 – 35 Remuneration policies		36, GCFR pp 22–36			
Disclosure 102 – 37 Stakeholders' involvement in remuneration		GCFR pp 33, 36			
Stakeholder engagement					
Disclosure 102 – 40 List of stakeholder groups		11			
Disclosure 102 – 41 Collective bargaining agreements		105		3	8, 17
Disclosure 102 – 42 Identifying and selecting stakeholders		13			
Disclosure 102 – 43 Approach to stakeholder engagement		13			
Disclosure 102 – 44 Key topics and concerns raised		11			
Reporting practice					
Disclosure 102 – 45 Entities included in the consolidated financial statements		This report covers the whole scope of consolidation, unless otherwise stated. The list of consolidated companies can be found in GCFR p 95.			
Disclosure 102 – 46 Defining report content and topic boundaries		14			
Disclosure 102 – 47 List of material topics		15			
Disclosure 102 – 48 Restatements of information		81			
Disclosure 102 – 49 Changes in reporting		17			
Disclosure 102 – 50 Reporting period		17			
Disclosure 102 – 51 Date of most recent report		January 2021			
Disclosure 102 – 52 Reporting cycle		Annually			
Disclosure 102 – 53 Contact point for questions regarding the report		global.sustainability@givaudan.com			

GRI Content Index

GRI Standard and Disclosure	Publication year	Page/Information	SASB Code	UNGC Principles	SDG Goals
Disclosure 102 – 54 Claims of reporting in accordance with the GRI Standards		This report has been prepared in accordance with the GRI Standards: Core option.			12
Disclosure 102 – 55 GRI content index		120			12
Disclosure 102 – 56 External assurance		130			12
Topic-specific disclosures					
Economic performance					8, 9, 13
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		28			
Disclosure 103 – 2 The management approach and its components		28			
Disclosure 103 – 3 Evaluation of the management approach		28			
GRI 201: Economic performance	2016				
Disclosure 201 – 1 Direct economic value generated and distributed		29			
Disclosure 201 – 2 Financial implications and other risks and opportunities due to climate change		30			
Disclosure 201 – 3 Defined benefit plan obligations and other retirement plans		30			
GRI 204: Procurement Practices	2016				
Disclosure 204 – 1 Proportion of spending on local suppliers		29			
Governance & business conduct / ethics / transparency					10 12, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		31			
Disclosure 103 – 2 The management approach and its components		31			
Disclosure 103 – 3 Evaluation of the management approach		31			
GRI 205: Anti-corruption	2016				
Disclosure 205 – 2 Communication and training about anti-corruption policies and procedures		32			
Product / Ingredients environmental & social performance					7, 8, 9 2, 3, 9, 12, 13
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		38			
Disclosure 103 – 2 The management approach and its components		39	RT-CH-410b.2		
Disclosure 103 – 3 Evaluation of the management approach		39			

GRI Content Index

GRI Standard and Disclosure	Publication year	Page/Information	SASB Code	UNGC Principles	SDG Goals
Product quality & safety and ingredient disclosure					3, 9, 12
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		40			
Disclosure 103 – 2 The management approach and its components		40	RT-CH-410b.2		
Disclosure 103 – 3 Evaluation of the management approach		40			
GRI 416: Customer Health and Safety	2016				
Disclosure 416 – 1 Assessment of the health and safety impacts of product and service categories		41	RT-CH-410b.2		
Disclosure 416 – 2 Incidents of non-compliance concerning the health and safety impacts of products and services		41	RT-CH-410b.2		
GRI 417: Marketing and Labeling	2016				
Disclosure 417 – 1 Requirements for product and service information and labeling		41			
Innovation capabilities & management				8, 9	8, 9, 12, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		42			
Disclosure 103 – 2 The management approach and its components		42	RT-CH-410b.2		
Disclosure 103 – 3 Evaluation of the management approach		42			
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GRI 103: Management Approach	2016				
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Disclosure 103 – 2 The management approach and its components		51	RT-CH-110a.2		
Disclosure 103 – 3 Evaluation of the management approach		51			
GRI 302: Energy	2016				
Disclosure 302 – 1 Energy consumption within the organisation		54	RT-CH-130a.1		
Disclosure 302 – 3 Energy intensity		54	RT-CH-130a.1		
Disclosure 302 – 4 Reduction of energy consumption		54	RT-CH-130a.1		
GRI 305: Emissions	2016				
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Disclosure 305 – 2 Energy indirect (Scope 2) GHG emissions		55			
Disclosure 305 – 3 Other indirect (Scope 3) GHG emissions		60			
Disclosure 305 – 4 GHG emissions intensity		55			
Disclosure 305 – 5 Reduction of GHG emissions		55			
Disclosure 305 – 6 Emissions of ozone-depleting substances (ODS)		60			
Disclosure 305 – 7 Nitrogen oxides (NOX), sulphur oxides (SO2), and other significant air emissions		60	T-CH-120a.1		

GRI Content Index

GRI Standard and Disclosure	Publication year	Page/Information	SASB Code	UNGC Principles	SDG Goals
Waste management & circular principles / Raw materials availability				8	2, 9, 12, 15, 17
GRI 103: Management Approach	2016				
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Disclosure 103 – 2 The management approach and its components		63			
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GRI 301: Materials	2016				
Disclosure 301 – 1 Materials used by weight or volume		66			
GRI 306: Waste	2020				
Disclosure 306 – 1 Waste generation and significant waste-related impacts		63			
Disclosure 306 – 2 Management of significant waste-related impacts		63			
Disclosure 306 – 3 Waste generated		66	RT-CH-150a.1		
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GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		68			
Disclosure 103 – 2 The management approach and its components		68	RT-CH-140a.3		
Disclosure 103 – 3 Evaluation of the management approach		68			
GRI 303: Water and Effluents	2018				
Disclosure 303 – 1 Interactions with water as a shared resource		68	RT-CH-140a.3		
Disclosure 303 – 2 Management of water discharge-related impacts		68	RT-CH-140a.3		
Disclosure 303 – 3 Water withdrawal		73	RT-CH-140a.1		
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Disclosure 303 – 5 Water consumption		73	RT-CH-140a.1		
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Disclosure 103 – 3 Evaluation of the management approach		75			
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Disclosure 304 – 3 Habitats protected or restored		77			

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GRI Standard and Disclosure	Publication year	Page/Information	SASB Code	UNGC Principles	SDG Goals
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GRI 103: Management Approach	2016				
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Disclosure 103 – 3 Evaluation of the management approach		87			
GRI 202: Market Presence	2016				
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Disclosure 401 – 1 New employee hires and employee turnover		90			
Disclosure 401 – 3 Parental leave		91			
GRI 404: Training and Education	2016				
Disclosure 404 – 2 Programs for upgrading employee skills and transition assistance programs		91			
Disclosure 404 – 3 Percentage of employees receiving regular performance and career development reviews		92			
GRI 405: Diversity and Equal Opportunity	2016				
Disclosure 405 – 1 Diversity of governance bodies and employees		89			
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GRI 406: Non-discrimination	2016				
Disclosure 406 – 1 Incidents of discrimination and corrective actions taken		89			
Employee safety, health & wellbeing					3, 8
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		93			
Disclosure 103 – 2 The management approach and its components		93	RT-CH-320a.2		
Disclosure 103 – 3 Evaluation of the management approach		93			
GRI 403: Occupational Health and Safety	2018				
Disclosure 403 – 1 Occupational health and safety management system		93	RT-CH-320a.2		
Disclosure 403 – 2 Hazard identification, risk assessment, and incident investigation		93	RT-CH-320a.2		
Disclosure 403 – 3 Occupational health services		95	RT-CH-320a.2		
Disclosure 403 – 4 Worker participation, consultation, and communication on occupational health and safety		96	RT-CH-320a.2		
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Disclosure 403 – 6 Promotion of worker health		97	RT-CH-320a.2		
Disclosure 403 – 7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		99	RT-CH-320a.2		
Disclosure 403 – 9 Work-related injuries		99	RT-CH-320a.1		
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GRI Content Index

GRI Standard and Disclosure	Publication year	Page/Information	SASB Code	UNGC Principles	SDG Goals
Consumer health & wellbeing					2, 3, 9, 17
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Disclosure 103 – 2 The management approach and its components		101			
Disclosure 103 – 3 Evaluation of the management approach		101			
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GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		104			
Disclosure 103 – 2 The management approach and its components		104			
Disclosure 103 – 3 Evaluation of the management approach		104			
GRI 402: Labor/Management Relations	2016				
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GRI 407: Freedom of Association and Collective Bargaining	2016				
Disclosure 407 – 1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		106			
GRI 408: Child Labor	2016				
Disclosure 408 – 1 Operations and suppliers at significant risk for incidents of child labor		106			
GRI 409: Forced or Compulsory Labor	2016				
Disclosure 409 – 1 Operations and suppliers at significant risk for incidents of forced or compulsory labor		106			
GRI 412: Human Rights Assessment	2016				
Disclosure 412 – 1 Operations that have been subject to human rights reviews or impact assessments		106			
Disclosure 412 – 2 Employee training on human rights policies or procedures		107			
Disclosure 412 – 3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		107			

GRI Content Index

GRI Standard and Disclosure	Publication year	Page/Information	SASB Code	UNGC Principles	SDG Goals
Responsible sourcing & traceability				1, 2, 4, 8, 10	2, 8, 12, 15, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		108			
Disclosure 103 – 2 The management approach and its components		108			
Disclosure 103 – 3 Evaluation of the management approach		108			
GRI 308: Supplier Environmental Assessment	2016				
Disclosure 308 – 1 New suppliers screened using environmental criteria		111			
GRI 407: Freedom of Association and Collective Bargaining	2016				
Disclosure 407 – 1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		111			
GRI 408: Child Labor	2016				
Disclosure 408 – 1 Operations and suppliers at significant risk for incidents of child labor		111			
GRI 409: Forced or Compulsory Labor	2016				
Disclosure 409 – 1 Operations and suppliers at significant risk for incidents of forced or compulsory labor		111			
GRI 414: Supplier Social Assessment	2016				
Disclosure 414 – 1 New suppliers that were screened using social criteria		111			
Local community development				1	2, 8, 9, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		113 RT-CH-210a.1			
Disclosure 103 – 2 The management approach and its components		113 RT-CH-210a.1			
Disclosure 103 – 3 Evaluation of the management approach		113 RT-CH-210a.1			
GRI 203: Indirect Economic Impacts	2016				
Disclosure 203 – 1 Infrastructure investments and services supported		115 RT-CH-210a.1			
GRI 413: Local Communities	2016				
Disclosure 413 – 1 Operations with local community engagement, impact assessments, and development programmes		113 RT-CH-210a.1			

TCFD Recommendations

We have been carefully considering and managing – with increasing scrutiny since the 2015 Paris Agreement – many of the topics addressed by the Task Force on Climate-related Financial Disclosures (TCFD). Through our comprehensive reporting, including our Integrated Annual Report and our GRI Sustainability

Report, we are already addressing many of the recommended disclosures by TCFD. Alignment is also achieved through our yearly submissions of the CDP questionnaire on Climate Change, as shown in the table below. We are increasing our efforts to further enhance the quality and robustness of our analysis and reporting.

DOWNLOAD

Our CDP questionnaires are found on [givaudan.com › investors › ESG](https://givaudan.com/investors/ESG) › [CDP report on climate change](#) and [CDP report on water security](#)

Thematic area	Description	Recommended disclosures	CDP questionnaire references 2021
Governance	Disclose the organization's governance around climate-related risks and opportunities.	<ul style="list-style-type: none"> a. Describe the board's oversight of climate-related risks and opportunities. b. Management's role in assessing and managing climate related risks and opportunities 	Climate change: C1.1a, C1.1b, C1.2, C1.2a, C1.3a
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	<ul style="list-style-type: none"> a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term. b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. 	Climate change: C2.1a, C2.2a, C2.3, C2.3a, C2.4, C2.4a, C3.1, C3.1b, C3.1d, C3.1e, C3.1f, C3.2, C3.2a, C3.3, C3.4 Water security: section W4
Risk Management	Disclose how the organization identifies, assesses, and manages climate-related risks.	<ul style="list-style-type: none"> a. Describe the organization's processes for identifying and assessing climate-related risks. b. Describe the organization's processes for managing climate-related risks. c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management. 	Climate change: C2.1, C2.1a, C2.2, C2.2a Water security: section W3.3, W3.3a, W3.3b, W3.3c, W3.3d
Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate related risks and opportunities where such information is material.	<ul style="list-style-type: none"> a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks. c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets. 	Climate change: C2.1a, C2.1b, C2.3a, C2.4a, C4.1, C4.1a, C4.2, C4.2a, C6.1, C6.3, C6.5, C9.1 Water security: section W4.1a, W8

SASB Standards mapping

The following Sustainability Accounting Standards Board (SASB) Standards mapping table, is especially tailored to the information needs of investors and other capital market players related to

sustainability issues. The table maps the relevant metrics pertaining to the SASB Chemicals Standard to our sources of information. The SASB accounting metrics are highly aligned with our GRI reporting.

Topic	Accounting Metric	Code	Location / Information
Greenhouse Gas Emission	- Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	- RT-CH-110a.1	Pages 51–55
	- Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	- RT-CH-110a.2	
Air Quality	Air emissions of the following pollutants: (1) NOX (excluding N ₂ O), (2) SOX, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	- RT-CH-120a.1	Page 60
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	- RT-CH-130a.1	Pages 52–54
Water Management	- (1) Total water withdrawn, (2) total water consumed, percentage of each in regions with high or extremely high baseline water stress	- RT-CH-140a.1	Pages 68–74
	- Description of water management risks and discussion of strategies and practices to mitigate those risks	- RT-CH-140a.3	
Hazardous Waste Management	Amount of hazardous waste generated, percentage recycled	- RT-CH-150a.1	Pages 66–67
Community Relations	Discussion of engagement processes to manage risks and opportunities associated with community interests	- RT-CH-210a.1	Pages 113–115
Workforce Health & Safety	- (1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	- RT-CH-320a.1	Pages 93–100
	- Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	- RT-CH-320a.2	
Safety & Environmental Stewardship of Chemicals	Discussion of strategy to (1) manage chemicals of concern and Discussion & analysis (2) develop alternatives with reduced human and/or environmental impact	- RT-CH-410b.2	Pages 38–47
Activity Metric	- Production by reportable segment	- RT-CH-000.A	- 584,155 tonnes of production
	- Percentage of production as: (1) paper/wood, (2) glass, (3) metal, and (4) plastic	- RT-CP-000.B	- Materials see page 66
	- Number of employees	- RT-CP-000.C	- 14,128 employees (headcount)

Independent Assurance Statement



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Ernst & Young Associates LLP (EY) has been engaged by Givaudan International S. A. (the 'Company') to provide independent assurance to its GRI Sustainability Report 2021 (the 'Report') covering the Company's sustainability performance during the period 1st October 2020 to 31st December 2021.

The development of the Report, based on GRI Sustainability Reporting Standards (GRI Standards) of the Global Reporting Initiative, its content and presentation are sole responsibility of the management of the Company. EY's responsibility, as agreed with the management of the Company, is to provide independent assurance on the report content as described in the scope of assurance. Our responsibility in performing our assurance activities is to the management of the Company only and in accordance with the terms of reference agreed with the Company. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any dependence that any such third party may place on the Report is entirely at its own risk. The assurance statement should not be taken as a basis for interpreting the Company's overall performance, except for the aspects mentioned in the scope below.

Assurance standard

Our assurance is in accordance with International Federation of Accountants' International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000), and our conclusions are for 'limited' assurance as set out in ISAE 3000.

Scope of assurance and methodology

The scope of our work for this engagement was limited to review of information pertaining to environmental performance for the period 1st October 2020 to 30th September 2021 and social performance (human resources and safety parameters) for the period 1st January 2021 to 31st December 2021. The scope of reporting boundary was limited to the operations indicated

on page 150-157 of Integrated Annual Report 2021. We conducted review and verification of data collection/ estimation methodology and general review of the logic of inclusion/ omission of necessary relevant information / data and this was limited to:

- Review of the standard disclosures regarding the company's material sustainability aspects contained in the report;
- Review of consistency of data / information within the report;
- Carry out assurance review remotely including verification of the sample data and information reported at the following manufacturing units and corporate headquarter at Vernier, Switzerland.

- | | | |
|--------------------------------------|--------------------------------------|--------------------------|
| 1. Naturex Bischofszell, Switzerland | 6. Vika, UK | 14. Mako, Hungary |
| 2. Naturex Casablanca, Morocco | 7. 6 TH OF OCTOBER, Egypt | 15. Malvinas, Argentina |
| 3. Naturex Milano, Italy | 8. Carol Stream, USA | 16. Munro, Argentina |
| 4. Naturex South Hackensack, USA | 9. Cuernavaca, Mexico | 17. Dortmund, Germany |
| 5. Naturex Valencia, Spain | 10. Devon, USA | 18. Cimanggis, Indonesia |
| | 11. Fukuroi, Japan | 19. Ashford, UK |
| | 12. Jaguare, Brazil | 20. Sant Celoni, Spain |
| | 13. Johannesburg, South Africa | |

- Review and execution of audit trail of selected claims and data streams to determine the level of accuracy in collection, transcription and aggregation processes followed;
- Interview of select representatives of Company's management to understand the current processes in place for capturing sustainability performance data as per GRI Standards, the Company's sustainability vision and the progress made during the reporting period;

Independent Assurance Statement

- Review of Company's plans, policies and practices, so as to be able to make comments on the completeness of the reporting and degree to which EY believes the report provides a fair and honest representation of the Company's activities.

Limitations of our engagement

The assurance scope excludes:

- Data and information outside the defined reporting period (environmental performance for the period 1st October 2020 to 30th September 2021 and social performance (HR and Safety parameters) for the period 1st January 2021 to 31st December 2021);
- Data and information outside the defined GRI reporting boundary defined on page 150-157 of Integrated Annual Report 2021;
- Review of the 'economic performance indicators' included in the Report which, we have been informed by the Company, are derived from the Company's audited financial records;
- The Company's statements that describe expression of opinion, belief, inference, aspiration, expectation, aim or future intention;
- Data, statements and claims already available in the public domain through Annual Report, Corporate Social Responsibility Reports, or other sources available in the public domain;
- Review of the Company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters.

Our assurance team and independence

Our assurance team, comprising of multidisciplinary professionals, has been drawn from our Climate Change and Sustainability network, and undertakes similar engagements with various multi-national companies. As an assurance provider, EY is required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. EY's independence policies and procedures ensure compliance with the Code.

Observations and opportunities for improvement

During the review process, we observed that:

- Our assurance team, comprising of multidisciplinary professionals, has been drawn from our Climate Change and Sustainability network, and undertakes similar engagements with various multi-national companies. As an assurance provider, EY is required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. EY's independence policies and procedures ensure compliance with the Code.
- The Company has been working towards enhancing robustness of data management systems reporting sustainability performance. The Company may further strengthen its system for improving the accuracy of data pertaining to overall GHG emissions, water, and human resources indicators.

Conclusion

On the basis of our procedures for this limited assurance, nothing has come to our attention that causes us to believe that the Company has not reported on material sustainability disclosures significant to its business and its stakeholders.

Ernst & Young Associates LLP



Chaitanya Kalia

Partner

24th January 2022, Mumbai India

Our reporting suite

The 2021 Integrated Annual Report is the primary report to shareholders offering a holistic explanation of our value creation, financial and non-financial capitals and performance.

The full Governance, Compensation and Financial reports are available in PDF. The GRI Sustainability Report features disclosures on a wide range of topics such as energy use, diversity in the workplace, anti-corruption and human rights. Our website hosts the online Integrated Annual Report. Readers are advised to consult our entire reporting suite to get a complete overview.

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from 28 January 2022



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