



2020

GRI Sustainability
Report

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for more information**

 **Link to a website**



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.

2020 GRI Sustainability Report

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Statement from our Head of Global Procurement and Sustainability

For years, sustainable sourcing, innovation and our approach to environmental concerns have been key to securing the viability of our business. Over the last five-year strategic cycle, they have allowed us to drive responsible growth, create new opportunities and share success.

This is no longer enough. The climate crisis is underlining an urgent need to accelerate action. At Givaudan, we have made sustainability a part of everything we do. Our approach is now woven into our very purpose – “Creating for happier, healthier lives with love for nature” – and helping us to be a successful, sustainable business. We have defined bold, ambitious goals in the domains of creations, nature, people and communities. We look to double our business through creations that contribute to happier, healthier lives by 2030, become climate positive before 2050, to be a leading employer for inclusion before 2025 and to source all materials and services in a way that protects the environment and people by 2030.

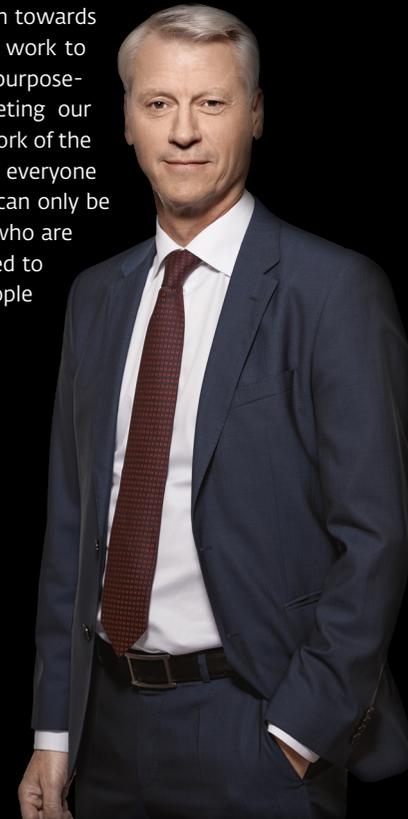
We show our commitment to our purpose and to sustainability through our purpose-linked goals. We show it too in our commitment to becoming a certified B Corporation. The qualification will serve as independently verified proof that we are acting on our purpose goals and successfully balancing people, the planet and profit. Going a step further, we have become a founding member of the B Movement Builders initiative, joining other purpose-led companies to drive global movement of business as a force for good.

For the first time, we have called for stronger environmental regulations, with CEO Gilles Andrier signing an open letter urging the EU to raise its greenhouse gas emission reduction target for 2030 to 55% compared to 1990 levels. We reinforced our ambitious commitments to nature and climate action by signing Business for Nature’s call-to-action. Bringing together more than 560 companies with combined revenue of USD 4 trillion, it urges governments to adopt policies now to reverse nature loss in this decade.

In short, we are already taking bold action towards climate change. While there is still much work to be done, we are committed to driving purpose-led, sustainable, long-term growth. Meeting our sustainability goals is no longer just the work of the sustainability team – it is the business of everyone in the organisation. Our ambitious goals can only be met through the engagement of people who are passionate about our work and committed to creating a sustainable society. Our people drive our success.



Willem Mutsaerts
Head of Global Procurement
and Sustainability



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

READ MORE

2020 Integrated Annual Report ▶ pages 4 – 5 ▶ **Chairman’s introduction**
2020 Integrated Annual Report ▶ pages 6 – 9 ▶ **CEO interview**

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Our contribution to the United Nations' Sustainable Development Goals



Organisational profile

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Disclosure 102 – 1

Name of the organisation

Givaudan SA

Disclosure 102 – 2

Activities, brands, products, and services

The Company is a global industry leader creating game-changing innovations in food and beverage as well as inspiring creations in the world of scent and beauty. We operate in the expanded market space of Flavour & taste, Functional & nutrition ingredients, Fragrance & beauty, worth CHF 42 billion. Givaudan operates around the world and has two principal businesses: Taste & Wellbeing and Fragrance & Beauty, providing our customers with compounds, ingredients and integrated solutions to create products that engage consumers. Taste & Wellbeing consists of four business segments: Dairy; Sweet goods; Beverages and Savoury. Fragrance & Beauty has three business segments: Consumer products; Fine fragrances; Fragrance ingredients and Active Beauty.

READ MORE
www.givaudan.com ▶ Our Company ▶ **About Givaudan**
 2020 Integrated Annual Report ▶ **About Givaudan**

Disclosure 102 – 3

Location of headquarters

Chemin de la Parfumerie 5
 1214 Vernier, Switzerland

Disclosure 102 – 4

Location of operations

Givaudan has 181 locations in 50 countries worldwide.

READ MORE
 2020 Integrated Annual Report ▶ pages 114 – 121 ▶ **Givaudan sites worldwide**

Disclosure 102 – 5

Ownership and legal form

Givaudan SA, the parent company of the Givaudan Group, is a 'société anonyme', pursuant to art. 620 et seq. of the Swiss Code of Obligations. It is listed on the SIX Swiss Exchange under security number 1064593, ISIN CH0010645932.

Significant shareholders

2020	in %
Beneficial owners	
William H. Gates III and Melinda French Gates	13.86
BlackRock, Inc	5.06
MFS Investment Management	4.99
Nominees	
Nortrust Nominees Limited ¹	14.98
Chase Nominees Limited ¹	7.71
Banque Pictet & Cie SA ²	4.49

1. Voting rights for the shares held by Nortrust Nominees Limited and Chase Nominees Limited need to be exercised in accordance with clients' instructions.
2. The shares held by Banque Pictet & Cie SA bear no voting rights.

Disclosure 102 – 6

Markets served

We operate in the B2B-market offering our products to global, regional and local food, beverage, consumer goods, fragrance and cosmetics companies. Both Taste & Wellbeing and Fragrance & Beauty have a production, sales and marketing presence in all major countries and markets as well as research and development organisations. They share resources and knowledge in the areas of research and consumer understanding, and benefit from a strong platform of capabilities in corporate and support functions. 58% of our revenues come from mature markets, and 42% from high-growth markets.

READ MORE
www.givaudan.com ▶ Our Company ▶ About Givaudan ▶ **Our global presence**
 2020 Integrated Annual Report ▶ pages 112 – 113 ▶ **Our global presence**

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Scale of the organisation

TOTAL NUMBER OF OPERATIONS 181	TOTAL NUMBER OF EMPLOYEES 15,852
NET SALES CHF billion 6.3	TOTAL ASSETS CHF billion 10.7
EQUITY RATIO 32.9%	PRODUCTS SOLD PER YEAR 122,686

GRI 200
EconomicGRI 300
Environmental

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

	2020	2019
Total number of full-time employees ¹	15,852	14,969
Total head count ²	12,807	12,218

- This is defined as the equivalent full-time regular employees and includes acquisitions (Activ International, Vika B.V., Centroflora Nutra, Expressions Parfumées, Naturex, Albert Vieille, drom, Fragrance Oils, Golden Frog, Ungerer and Alderys).
- This is defined as the number of physical people and includes internal temporary & regular employees including Activ International. All other acquisitions excluded.

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Social

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Employees by employment type

	Full-time		Part-time		Total	
	Women	Men	Women	Men	Women	Men
Asia Pacific	1,424	1,808	14	1	1,438	1,809
EAME	1,987	3,329	142	48	2,129	3,377
Latin America	668	1,097	3	0	671	1,097
North America	785	1,498	3	0	788	1,498
Total 2020	4,864	7,732	162	49	5,026	7,781
Total 2019	4,533	7,466	171	48	4,704	7,251

Employees by employment contract

	Permanent		Temporary		Total	
	Women	Men	Women	Men	Women	Men
Asia Pacific	1,400	1,786	38	23	1,438	1,809
EAME	2,084	3,308	45	69	2,129	3,377
Latin America	663	1,089	8	8	671	1,097
North America	788	1,498	0	0	788	1,498
Total 2020	4,935	7,681	91	100	5,026	7,781
Total 2019	4,597	7,392	107	122	4,704	7,514

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Supply chain

Givaudan spends more than CHF 3.6 billion per year sourcing 11,491 different raw materials and indirect materials and services. With over 2,500 raw material suppliers in more than 100 countries and 12,000 additional partners supplying indirect materials and services, we manage more than 25,000 contracts – procurement and the supply chain are strategic to Givaudan's responsible and shared growth.

Our comprehensive Sourcing for Shared Value approach covers procurement and supply chain sustainability practices and aims to ensure that raw materials are produced in a way that respects people and the environment. Working with local producers and suppliers to create new value for all is the essence of the approach. It is based on the principles of Responsible Sourcing, Sourcing at Origin and Communities at Source.

Disclosure 102 – 10

Significant changes to the organisation and its supply chain

Since 2014, we have announced 16 acquisitions representing an additional CHF 1.5 billion of annualised sales. These acquisitions are fully aligned with our 2020 strategic priorities in Naturals; Health and wellbeing; Active Beauty; Integrated Solutions; local and regional customers.

As part of our long term strategy to expand capabilities in bio-engineering technologies, this year, we acquired Alderys, an innovative French biotechnology company that develops new approaches to the biological engineering of valuable compounds from renewable feedstock. Complementary to our Fragrance and Active Beauty businesses, it will allow us to expand our portfolio of natural and bio-sourced products. We also completed the acquisition of the cosmetics business of Indena, to strengthen our global capabilities in botanical active cosmetic ingredients, and of Ungerer to bolster specialty ingredients in both Flavours and Fragrances.

We divested our pectin business, part of the portfolio acquired with the purchase of Naturex, to Herbstreith & Fox. We also agreed to divest our processed and grated cheese business, a legacy of the Vika BV business acquired in 2017. The divestitures will allow us to strengthen our focus on our core businesses.

In October, we opened a state-of-the-art fragrance production facility in Changzhou, China. The facility is outfitted with the most advanced auto-dosing system, allowing for high accuracy and efficiency and an agile manufacturing environment.

We had no changes in the share capital structure and no significant changes in our supply chain in 2020.

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Precautionary principle or approach

Principle 15 of the 1992 Rio Declaration, the precautionary approach, 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.

Risk taking is central to our ability to innovate, to our entrepreneurial success and ultimately to our sustained value creation. Managing risk 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 sustainability/environmental risks. 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 EHS 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). 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 34 sites currently, with this being extended to all manufacturing sites by 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 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.

Meeting such rules and regulations is however a minimum – the precautionary principle is a basis of Givaudan's risk management approach. We do not feel that the precautionary principle should be a barrier to doing business. We go beyond mere requirements in, for example, our ambition to become climate positive before 2050. We are already making important changes to our business. We are looking at how we formulate our products and continuing to innovate and improve our ingredients portfolio to reduce our impact. We are rethinking how we transport materials and how we travel ourselves. We are moving away from fossil fuels towards renewable electricity and energy sources. We are also exploring carbon storage solutions through tree planting programmes and the restoration of ecosystems.

By 2025, we will have reached our RE100 commitment of 100% renewable electricity. We will cut the emissions of our operations by 70% and our supply chain emissions by 20% before 2030. Emissions from operations will be climate positive and our supply chain emissions will be cut by 50% before 2040. By 2050, we will be climate positive across our operations and our supply chain.

We continue to participate in the annual Climate Change CDP questionnaire for investors as well as in the Climate Change Supply Chain questionnaire. This allows us to showcase our efforts to reduce GHG emissions and also provides a basis of

comparison against other companies. In 2020, our CDP score was an A (on a scale of A to D, with A being the highest) for both climate change and water security.

In September, we signed the Corporate Leaders group (CLG) Europe CEO letter to the EU on 2030 GHG emissions targets. The letter is meant to send a clear signal to policymakers and other businesses – we feel that it is essential to ramp up climate ambition at this critical moment in policy development. We have also signed Business for Nature's 'Nature is everyone's business' call-to-action. Bringing together more than 500 companies with combined revenue of USD 4 trillion, it urges governments to adopt policies now to reverse nature loss in this decade.

Activities encompassed by our Responsible Sourcing Programme also reflect this progressive approach. Building a portfolio of responsibly sourced materials and services means complying with health and safety, social, environmental and business integrity requirements. At Givaudan, our requirements – also for suppliers – have been prepared in consultation with internal and external stakeholders, customers and suppliers. These include the United Nations Global Compact (UNGC), the International Trade Centre (ITC), the Earthworm Foundation (EF) and the Sustainable Agriculture Initiative (SAI).

With child labour, for example, our suppliers must not provide employment to children before they have completed their compulsory education and in any event not before they reach the age of 15. Young workers must not do work that deprives them of schooling or that is harmful or dangerous. Suppliers are also expected to comply with all reporting obligations regarding the abolition of child labour and human trafficking.

All suppliers of our raw materials must identify and conserve biodiversity and forests using the High Conservation Values and High Carbon Stock methodologies. Peat lands, irrespective of depth, must be conserved. Suppliers are expected to take

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proactive steps to mitigate impact on water resources through the implementation of water management plans and take additional measures in water-stressed production areas.

Overall, our requirements are linked to global processes, independent of the country of origin of the raw materials or services, and in line with the highest standards of environmental and social sustainability.

READ MORE

2020 Integrated Annual Report ▶ pages 20 – 23 ▶ **Trends, risks and opportunities**
www.givaudan.com ▶ Our Company ▶ Corporate governance ▶ Risk management

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

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: to show 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, formerly known as the Carbon Disclosure Project, 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 9,600 companies with more than 50% of global market capitalisation disclosed environmental data through CDP in 2020. This is in addition to the more than 920 cities, states and regions that disclosed in 2019, making CDP's platform one of the richest sources of information globally on how companies and governments are driving environmental change.

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How we engage

Givaudan discloses its climate change and water security impacts through CDP. Read our CDP disclosure in full here:

READ MORE

www.givaudan.com ▶ Media ▶ Media releases ▶ 2020 ▶ Givaudan recognised with CDP double A rating

www.cdp.net

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 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 approval 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 incredibly 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 for the past six years has been ranked in EcoVadis' top-performing category. Givaudan was ranked in the top 1% of the EcoVadis Corporate Social Responsibility

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(CSR) assessment in 2020, achieving its highest accolade, the platinum 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 also highlights business action on renewables and encourages supplier engagement while working to address barriers to companies reaping the benefits of going 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 2020, we reached 81% of purchased renewable electricity, out of which 76% is in line with the most recent RE100 criteria.

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 toward 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 2020, Givaudan has been included for the fifth 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 1% 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 2020 with a score of 17, and an industry ranking 6 out of 416.

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 making a selection of eligible companies, which is 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

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live up to the highest standards of being a responsible and sustainable business.

How we engage

We are pursuing B Corp certification, which helps us live up to the highest standards of being a responsible and sustainable business. 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

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

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.

Why we engage

The coalition's aim ties closely to our purpose goal: to show 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

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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 have collaborated closely with WBCSD on the development of the refreshed Vision 2050 which is due to launch in March 2021. This year we have 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 have also endorsed WBCSD's CEO call-to-action on Human Rights. We are active members of FReSH, particularly in terms of their transformational goal on dietary shifts. 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.wbcsd.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

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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

We engage through our active membership of RSPO and by supporting their industry efforts. We are increasing the number of Givaudan production sites with RSPO Supply Chain certification and growing our purchasing coverage of RSPO Mass Balance certified palm ingredients. This engagement is supported by our efforts to source sustainable palm ingredients from suppliers who are committed to the “No Deforestation,

No Peat, No Exploitation (NDPE)” principles: no deforestation, including no development of High Carbon Stock (HCS) and High Conservation Value (HCV) areas and no use of fire to clear or prepare land; no development on peatlands, and no exploitation of workers or communities. 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.

During 2020, 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 our factory at Smithfield (Sydney). In recent years, the Fragrance & Beauty division has launched a robust programme around RSPO, setting up a multi-departmental team and defining an action plan. Four Fragrance & Beauty sites were certified in 2020: Ashford (UK), Pomacle and Ile Grande (F) as well as Volketswil (CH).

Two additional sites, Vernier (CH) and Drom Baierbrunn (D), have been successfully audited and received certification in 2020. The roll out plan will continue in 2021 with the remaining 12 sites of Fragrance & Beauty.

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

In 2020, we identified 1600 palm mills in our indirect supply chains.

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 our 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 with supply chain partners that 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

Organisational profile

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Key partnerships

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COMMITMENTS AND CALLS TO ACTION What we want to achieve



GRI 300
Environmental

MEMBERSHIPS AND COLLABORATIONS With whom we partner to achieve our commitments



GRI 400
Social

Appendix

REPORTING How we communicate about our progress



ASSESSMENTS AND RATINGS External evaluation of our performance



Strategy

Disclosure 102 – 15

Key impacts, risks and opportunities

Towards the end of 2019, we introduced our newly defined purpose. This did not signal a change of direction or a new way of doing things as much as put words to an approach that we had been pursuing for some time. Distilling what drives us into a clear statement and becoming a purpose-led company allows us to go even further in making our world a happier, healthier place. Our purpose – Creating for happier, healthier lives with love for nature. Let’s imagine together – is at the heart of everything we do.

The carefully crafted purpose was motivated by key elements that influence us as a business – expectations from customers, consumers and society, the will of our leaders to have businesses acting as a force for good as well as the desire of our employees to see their company doing the right thing.

The extensive feedback received from our various stakeholders to help shape our purpose also led to a review of our material topics. This in-depth materiality review allowed us to deepen our understanding of the most relevant topics for different stakeholder groups and prioritise the aspects that are of most concern to customers and other key stakeholders. The assessment, an approach incorporating United Nations’ Sustainable Development Goals “(SDGs)”, also helps us focus on those goals and areas where we can have the greatest impact. These are the areas that we have chosen to report on in this document.

Globally, we see that sustainability issues continue to be of high concern. Consumers are buying more consciously, seeking responsible, sustainable products and brands. With 1/3 of the total global energy use linked to industrial production, we know that as a responsible company, we must act. Companies are being called on to develop sustainable business models, products and services, and to assess their whole supply chains

in terms of the environmental footprint. Biodiversity is a closely related topic. It is essential to the survival of all species and a legacy we leave for future generations. Rising consumption and population and rapid urbanisation are leading to unprecedented rates of biodiversity loss. This too has direct consequences for humanity. Finally, companies are being held to account for the way they treat people, both their own employees as well as the individuals and communities involved all along the supply chain.

In short, businesses must become responsible citizens. Givaudan is embracing these global shifts as opportunities to ensure resilience, and our sustainable business model is creating new, shared value.

Such considerations are likely to weigh ever more heavily as time goes on. We must consider what customers are looking for in a sustainable successful business going forward and take into account what society expects from us in terms of helping to relieve pressures on the planet and on communities.

OUR PURPOSE

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.



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.



Communities

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

Our contribution to the United Nations Sustainable Development Goals



Strategy

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Our actions are in turn guided by our purpose, which has been translated into four focus areas that set out specific, measurable ambitions in the areas of creations, nature, people and communities. By living our purpose through our purpose-linked targets, we will continue to be a successful, sustainable business well placed to both understand the risks and opportunities now facing our business and to manage our impact.

GRI 200
Economic

More generally, we look to create inspiring products for happier, healthier lives by focusing our creations on renewable, biodegradable and viable natural solutions, especially in the area of health and wellbeing. Innovation is central to our business growth and in guaranteeing sustainable solutions for our customers.

GRI 300
Environmental

There is also a rich source of innovation among our suppliers and with them we can achieve a level of innovation that goes beyond what we can do on our own. Supplier-enabled innovation will ultimately feed and fuel our innovation activities in different ways, each contributing to our purpose of 'let's imagine together a responsible, sustainable future'.

GRI 400
Social

We show our love for nature by anticipating our customers' sustainability needs and offering a sustainable product portfolio. We are strengthening our responsible sourcing and traceability programmes as well as driving supplier engagement on environmental actions. We are continuing to develop leading actions in climate, water and forest preservation, thereby reducing our environmental footprint. We are working to replace single-use plastics with eco-friendly alternatives.

Appendix

In terms of our people, we want to provide a space where we all love to be and grow. We want everyone to feel welcome, valued and inspired and look to become a leading employer for diversity and inclusion. We aim to provide differentiated employment options and benefits as well as to ensure transparent rewards and recognition. We care for our peoples'

health and wellbeing through the promotion of employee programmes and the expansion of our safety culture. We will accelerate new leadership essentials, anticipate and innovate to attract the workforce of tomorrow as well as ensure the skills and competencies for now and for the future.

Looking beyond our own walls, we look to bring benefits to all communities that work with us by doing business with our suppliers in a responsible way. We are further embedding responsible sourcing by fostering high standards in health, safety, social, environmental and business integrity. We will source all materials and services in a way that protects people and the environment. We ask our employees to create connected communities and develop sustainable, scalable solutions together to contribute to happier, healthier lives.

It's not good enough to just state we love nature – our purpose comes with very committing targets around sustainability, diversity and communities. These purpose-led ambitions are the cornerstone of what we do.

Gilles Andrier, CEO

Our purpose goals have been bolstered by our acquisition strategy in naturals and ingredients. Recently acquired companies are helping us address increased demand for organic, natural ingredients and flavours as well as natural and sustainably sourced raw materials.

We have already made good inroads to many of our goals and our progress has been acknowledged in many ways. Givaudan ranked in the top 1% of the EcoVadis Corporate Social Responsibility (CSR) assessment 2020, achieving its highest accolade, the platinum medal. The assessment evaluates how well a company has integrated the principles of CSR into its business and management systems and examines categories including environment, labour and human rights, ethics and sustainable procurement. The assessment highlighted Givaudan's particular strengths in the categories of labour and human rights as well as in sustainable procurement, with scores in the top 1%. Overall, Givaudan achieved a score of 75/100, three points higher than its score in 2019.

Givaudan was also recognised for its leadership in water security by CDP with the highest 'A' score in 2020. The recognition followed a leadership score for climate action and placed the Company in the double 'A' category of best performing businesses in terms of mitigating environmental impact.

While these successes highlight our work so far, we know that it is critical to continue tracking our achievements against our ambitions and to report on progress on a regular basis. This consideration is part of our motivation for pursuing B Corp certification – it will serve as independently verified proof that we live this purpose every day. This reinforces our ongoing commitment to be a force for good and to demonstrate our purpose in action every day. Givaudan is the first in its industry and one of the largest businesses to commit to this journey. We have already become a founding member of B Lab's B Movement Builders, joining forces with other purpose-led companies to drive global movement of business as a force for good, a move that is aligned with this ambition. Our purpose-linked targets, ambitious and measurable goals, will also hold us to account.

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We recognise at the same time that we face numerous risks linked to sustainability. Climate change may, for instance, lead to a number of negative effects which in turn impact our ability to operate. These may include water scarcity at one or more of our manufacturing sites or issues with our supply, in particular the availability of our key natural resources. We look to mitigate these climate change risks through a number of approaches. They include committing to excellence in climate action and building our agenda on ambitious greenhouse gas emission reduction targets; involving our supply chain in finding ways to reduce their GHG emissions and finding new ways of saving energy to create raw materials to reduce the risk of insufficient supply. We also carry out water stewardship programmes to ensure water risks are managed and monitored.

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We go beyond managing risks and look to turn them into opportunities. We are using green chemistry and techniques such as biocatalysis to make products that are high in purity and yield and also working on 'side-stream valuation,' which enables us to use a larger part of existing raw material. We carry out risk assessments to develop water mitigation action plans, including efficiency improvements and water reuse opportunities.

GRI 400
Social

In the end, risk taking is core to our capacity to innovate, our entrepreneurial success and, ultimately, to the sustained creation of value. Managing it is therefore an integral part of Givaudan's business and Enterprise Risk Management (ERM) is how we assess, treat and monitor the effects of uncertainty. Based on the best available information, it is an integral part of processes and decision making, addressing uncertainty explicitly and remaining structured, dynamic, iterative and responsive to change.

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 **READ MORE**

2020 Integrated Annual Report ▶ pages 4 – 29 ▶ **Strategy**

Ethics and integrity

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Values, principles, standards, and norms of behaviour

Givaudan has built its good reputation and name over a long and rich history and on the basis of a culture of being inspiring, challenging and acting with heart and soul. The values of this culture translate into a commitment to adhere to high ethical standards in the way Givaudan interacts with all its stakeholders – customers, suppliers, shareholders, employees, competitors, government agencies and the communities in which it operates. This ethical commitment is expressed in Givaudan's Principles of Conduct.

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. The Principles of Conduct are complemented by Givaudan's Responsible Sourcing Policy, a code of conduct

for our suppliers to ensure that our partners abide by the same high standards. In terms of organisation and process, the Corporate Ethics & Compliance Officer oversees the administration of the Ethics & Compliance programme and coordinates with other specialised compliance functions for effective compliance management. The Data Protection Officer, reporting to the Corporate Ethics & Compliance Officer, oversees the implementation of the Group Data Protection programme.

READ MORE

2020 Integrated Annual Report › pages 98 – 101 › [Our code of conduct for a positive impact on society](#)

www.givaudan.com › Our Company › Corporate governance ›

[Code of conduct](#)

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Governance

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Governance structure

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.

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. Risks specifically related to Environmental, Social

and Governance (ESG) and sustainability issues are assessed as part of the Company's Enterprise Risk Management process.

Givaudan's Board of Directors is responsible for the ultimate direction, strategic supervision and control of Givaudan and its management. Each of the nine 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.

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.

Our sustainability efforts are led by the Head of Global Procurement and Sustainability, a member of the Executive Committee, who briefs the Board annually on our actions to bring shared value to stakeholders and on matters pertaining to sustainability in general. He is supported by a dedicated Sustainability Leadership Team (SLT). Made up of internal

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Board of Directors

Calvin Grieder Chairman	Prof. Dr-Ing. Werner Bauer	Michael Carlos	Victor Balli	Ingrid Deltenre	Lilian Biner	Thomas Rufer	Sophie Gasperment	Olivier Filliol
Swiss national Born in 1955 Member since 2014	German and Swiss national Born in 1950 Member since 2014	French national Born in 1950 Member since 2015	Swiss national Born in 1957 Member since 2016	Dutch and Swiss national Born in 1960 Member since 2015	Swedish national Born in 1962 Member since 2011	Swiss national Born in 1952 Member since 2009	French national born in 1964 Non-executive First elected 2020	Businessman Swiss national, born in 1967 Non-executive First elected 2020

GRI 400
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Executive Committee

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

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specialists in corporate responsibility and sustainability as well as dedicated business partners, the SLT is the strategic and operational body that supports the organisation in reaching its sustainability goals. Our targets can only be reached if everyone is involved – the role of the SLT is then to work closely with Division and Function leaders and managers to mobilise resources in the organisation that will make the difference in driving the sustainability agenda forward. The SLT meets twice a month for regular progress review and at least every 6 weeks to jointly discuss the direction of our actions.

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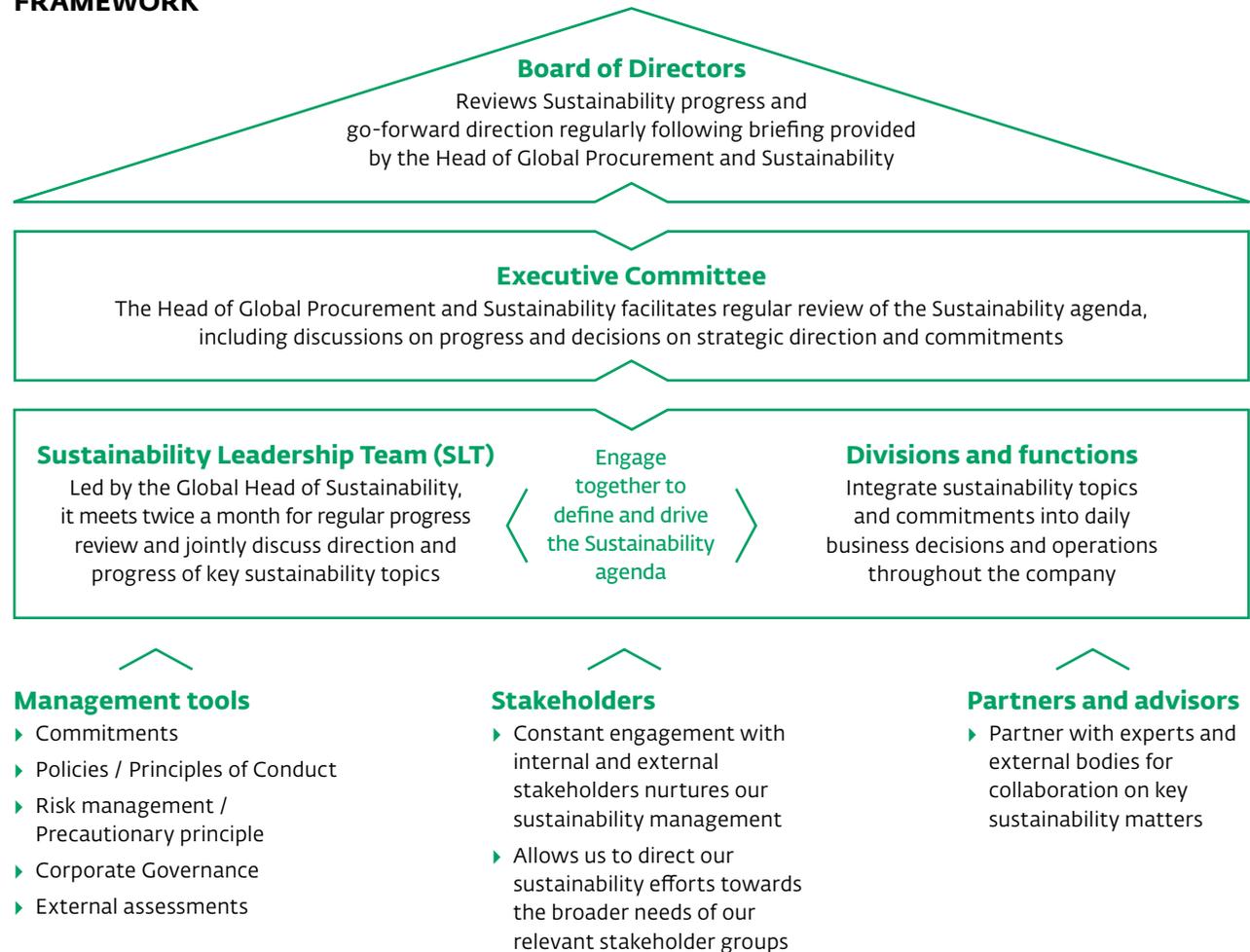
2020 Governance, Compensation and Financial Report ▶ pages 4 – 21 ▶ **Corporate governance**
www.givaudan.com ▶ Sustainability ▶ Expert corner ▶ **Governance**

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Appendix

SUSTAINABILITY GOVERNANCE FRAMEWORK



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.

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STAKEHOLDER DIALOGUE

CUSTOMERS

Why we engage

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.

How we engage

- ▶ 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

Key topics & concerns discussed

- ▶ Climate change
- ▶ Consumer health and wellbeing
- ▶ Consumer behaviour
- ▶ Human rights
- ▶ Product environmental and social impact
- ▶ Product quality and safety
- ▶ Responsible sourcing
- ▶ Transparency and reporting
- ▶ Traceability
- ▶ Co-creation and innovation

GRI 300
Environmental

SUPPLIERS

Why we engage

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; and supplier engagement and collaboration ensures our suppliers have high standards in business ethics and respect for people and the environment.

How we engage

- ▶ Assessments
- ▶ Supplier audits
- ▶ Collaborations to improve performance
- ▶ Multi-stakeholder groups
- ▶ Supplier events: capacity building, discussing issues
- ▶ Direct engagement with supplier relationship managers

Key topics & concerns discussed

- ▶ Responsible sourcing
- ▶ Raw material availability
- ▶ Innovative capabilities
- ▶ Human rights

GRI 400
Social

EMPLOYEES

Why we engage

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.

How we engage

- ▶ Works Council consultations
- ▶ Employee engagement surveys
- ▶ Annual performance dialogue
- ▶ Talent management processes
- ▶ Learning and development opportunities
- ▶ On-going dialogue with Givaudan Green Teams

Key topics & concerns discussed

- ▶ Employee health, safety and wellbeing
- ▶ Diversity and inclusion
- ▶ Talent management
- ▶ Women's empowerment
- ▶ Technology and digitalisation
- ▶ Operational excellence
- ▶ Innovative capabilities

Appendix

Stakeholder engagement

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OWNERS & INVESTORS

Why we engage

Our active dialogue with the capital market ensures transparency and helps us improve our reporting practices. Our relationship with debt investors, banks, 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

- ▶ Economic performance
- ▶ ESG&D topics (Environmental, social and governance & diversity)
- ▶ Raw material availability
- ▶ Talent management
- ▶ Transparency and reporting
- ▶ Technology and digitalisation
- ▶ Operational excellence
- ▶ Co-creation and innovation
- ▶ Consumer behaviour

GRI 200
Economic

LOCAL COMMUNITIES

Why we engage

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.

How we engage

- ▶ Community development programme survey
- ▶ Local site community engagement programme
- ▶ On-going 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

Key topics & concerns discussed

- ▶ Environment and social issues
- ▶ Product environmental and social impact
- ▶ Human rights
- ▶ Diversity and inclusion
- ▶ Transparency and reporting
- ▶ Local community development

GRI 300
Environmental

PUBLIC & REGULATORY AGENCIES

Why we engage

Engagement and collective action with external partners is 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
- ▶ International Organization of the Flavor Industry
- ▶ WBCSD
- ▶ AIM-PROGRESS
- ▶ B Corp and B Movement Builders
- ▶ CDP
- ▶ Ecovadis
- ▶ SIX Exchange

Key topics & concerns discussed

- ▶ Environmental issues such as climate change
- ▶ Product quality and safety
- ▶ Responsible sourcing
- ▶ Product development and social impact
- ▶ Human rights
- ▶ Transparency and reporting

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Stakeholder engagement

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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 six key stakeholder groups from a list of more than 200 organisations: customers, suppliers, owners and investors, public and regulatory agencies, local communities and employees.

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.

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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 in the matrix.

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.

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Reporting practice

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Entities included in the consolidated financial statements

All Givaudan 2020 acquisitions are covered by the financial statement.

READ MORE

2020 Governance, Compensation and Financial Report ▶ pages 90 – 91 ▶
Note 32. List of Principal Group Companies

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Defining report content and topic Boundaries

Our materiality assessment helps to align our business with the expectations of our stakeholders and with society in general.

Defining report content and topic boundaries

A critical part of our sustainability approach involves identifying and prioritising the issues of the greatest material importance: this is also the basis for defining reporting content and the boundaries of the topics. The process follows the principles of stakeholder inclusiveness, a sustainability 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.

In this spirit, we have developed our materiality assessment to help shape our strategy, to strengthen our commitment to dialogue and to support our assumptions and our reports. 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 every four years. 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 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 the main stakeholders and a significant impact on Givaudan's business performance as well as a wider social, environmental and economic impact in terms of how we create value to be shared by all stakeholders in our supply chains. Our last comprehensive materiality assessment was done in 2019. As we are moving towards full integration, we internally reviewed our list of material topics in 2020 to make sure it is consistent with our newly defined Purpose, our Strategy 2025 and our analysis of risk categories. Extensive feedback and input from various stakeholders was taken into account in the preparation of our purpose and strategy and so this approach implicitly encompasses the stakeholder view. As a result, we have seen that existing topics are still relevant, and we have added three additional topics. This results in an integrated materiality matrix that takes both sustainability and business aspects into consideration. Our next comprehensive materiality assessment including discussions with external stakeholders will be held in 2021.

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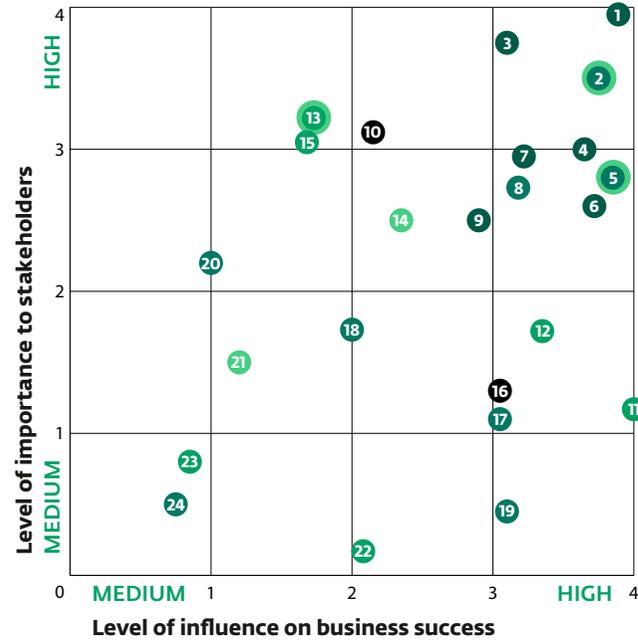
Reporting practice

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List of material topics and materiality matrix

1. Product quality and safety
2. Responsible sourcing
3. Consumer behaviour and customer success¹
4. Consumer health and wellbeing
5. Product environmental and social impact
6. Economic performance
7. Innovation capabilities¹
8. Raw material availability
9. Technology and digitalisation¹
10. Transparency and reporting
11. Talent management
12. Employee health, safety and wellbeing
13. Human rights
14. Traceability
15. Diversity and inclusion
16. Governance and business conduct
17. Water stewardship
18. Climate change
19. Waste management
20. Deforestation
21. Local community development
22. Labour/management relations
23. Women’s empowerment
24. Biodiversity

1. These topics have been added following an internal review and plausibility check of the Purpose, the Strategy 2025 as well as risk management, and do not represent a mathematical positioning.



- Creations
- Nature
- People
- Communities
- Governance



Reporting practice

Material topics

Our list of material topics is mapped against the GRI Standards topics, 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	UNGC Principles	SDGs mapping
Biodiversity	304: Biodiversity		  
Climate change	102 – 11: Precautionary principle 201: Economic performance 302: Energy 305: Emissions	Principle 7, 8, 9	 
Consumer behaviour and customer success			  
Consumer health & well-being	416: Customer health and safety		   
Deforestation	204: Procurement practices 301: Materials 308: Supplier environmental assessment	Principle 8	   
Diversity & inclusion	405: Diversity and equal opportunity 406: Non-discrimination	Principle 6	  
Economic performance	201: Economic performance		 
Employee health, safety and wellbeing	403: Occupational health and safety		 
Good governance and business conduct	102 – 16: Values, principles, standards, norms of behaviour 102 – 18: Governance structure 205: Anti-corruption	Principle 10	

Reporting practice

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Materiality topic	Equivalent GRI topic	UNGC Principles	SDGs mapping
Human rights	102 – 41: Collective bargaining agreements 406: Non-discrimination 407: Freedom of association and collective bargaining 408: Child labour 409: Forced or compulsory labour 412: Human rights assessment 414: Supplier social assessment	Principle 1, 2, 3, 4, 5	   
Innovation capabilities		Principle 8, 9	   
Labour/management relations	102 – 41: Collective bargaining agreements 402: Labour/management relations 414: Supplier social assessment	Principle 1, 2, 3, 4	
Local community development	203: Indirect economic impacts 413: Local communities	Principle 1	   
Product environmental and societal impact	301: Materials 302: Energy 305: Emissions	Principle 7, 8, 9	 
Product quality and safety	416: Customer health and safety 417: Marketing and labelling		 
Raw material availability	301: Materials		  
Responsible sourcing	204: Procurement practices 205: Anti-corruption 308: Supplier environmental assessment 414: Supplier social assessment	Principle 1, 2, 4, 8, 10	   
Talent management	401: Employment 404: Training and education 405: Diversity and equal opportunity	Principle 6	  
Technology and digitalization		Principle 9	  

Reporting practice

Materiality topic	Equivalent GRI topic	UNGC Principles	SDGs mapping
Traceability	204: Procurement practices		 
Transparency and reporting	102 – 54: Claims of reporting in accordance with the GRI Standards 102 – 55: GRI Content Index 102 – 56: External assurance		
Waste management	306: Waste	Principle 8	
Water stewardship	303: Water and effluents 306: Waste 308: Supplier environmental assessment	Principle 8	   
Women's empowerment	202: Market presence 405: Diversity and equal opportunity 406: Non-discrimination	Principle 6	  

Reporting practice

GRI 102
General Disclosures

Disclosure 102 – 49

Changes in reporting Changes in material topics

We mapped the existing materiality matrix to our purpose focus areas and to the pillars and targets of our Strategy 2025. This allows us to align our material topics and strategic priorities. They represent topics that are highly relevant to Givaudan's success and to stakeholders, and are particularly material to our ambition of enabling more people to enjoy happier, healthier lives through our creations. Matrix positioning was based on judgment rather than on mathematical calculations and will be validated through stakeholder survey scoring models in the next materiality assessment. Previously existing material topics were validated and remain unchanged. Our integrated materiality matrix is included in both in our 2020 Integrated Report and in our 2020 Sustainability GRI Index.

Changes in boundaries

A detailed overview of the sites in GRI scope for environmental and safety data is to be found in the 2020 Integrated Annual Report.

 **READ MORE**

2020 Integrated Annual Report ▶ pages 114 – 121 ▶ [Givaudan sites worldwide](#)

GRI 200
Economic

GRI 300
Environmental

GRI 400
Social

Appendix

Disclosure 102 – 52

Reporting cycle

Givaudan has been reporting annually since 2010.

Disclosure 102 – 53

Contact point for questions regarding the report

global.sustainability@givaudan.com

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.

Disclosure 102 – 50

Reporting period

The reporting period covers the full year 2020. However, environmental data concerns the fourth quarter of 2019 through the third quarter of 2020, which is now the regular reporting period for environmental data for the reporting cycles.

Disclosure 102 – 51

Date of most recent report

The previous report was published in March 2020.

GRI 200

Economic

In this section

30 GRI 201: Economic performance

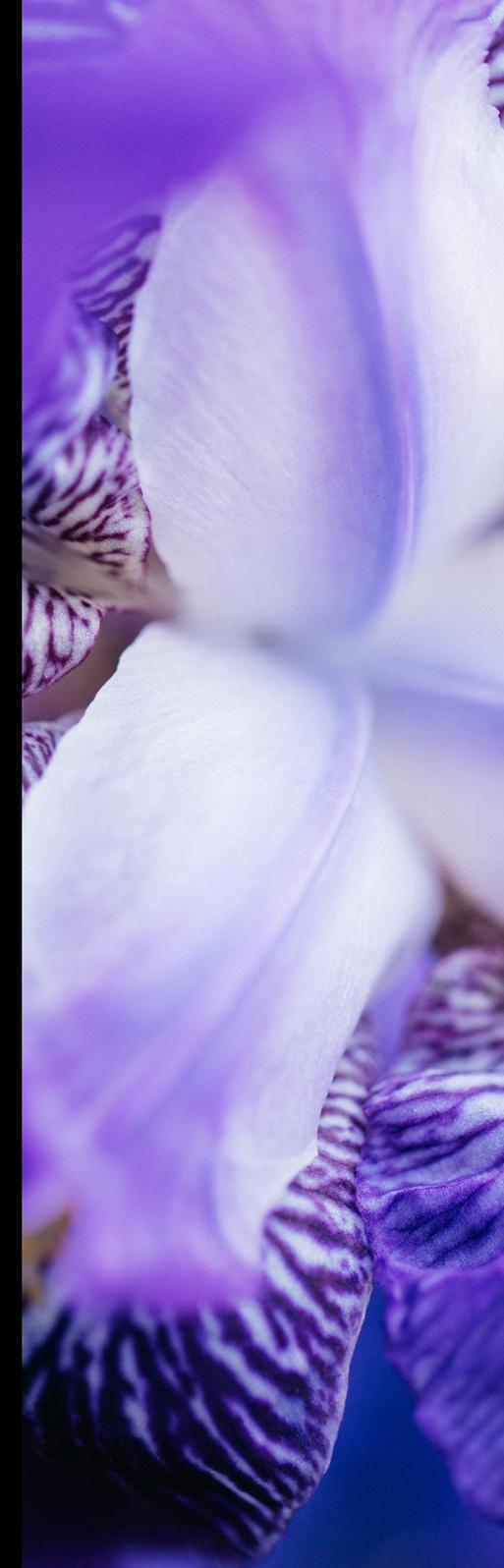
33 GRI 202: Market presence

34 GRI 203: Indirect economic impacts

36 GRI 204: Procurement practices

38 GRI 205: Anti-corruption

Our contribution to the United Nations' Sustainable Development Goals



GRI 201 Economic performance

GRI 102
General DisclosuresGRI 200
EconomicGRI 300
EnvironmentalGRI 400
Social

Appendix

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. Our 2020 strategy of “Responsible Growth. Shared Success.” focuses on this economic performance, which is the short- to long-term measure of Givaudan’s success. It means ensuring that our business is financially sustainable in the short- and long-term, but it also means sharing the economic wealth created with a range of stakeholders, ultimately contributing towards the economic development of people and communities. As such, our economic success is inseparable from our high standards in environmental and social stewardship.

We must of course ensure that our business is financially sustainable. Solid economic performance also puts us in a position though to support our customers’ own market expansion plans and provide them with growth opportunities through the use of our products. We can support innovation through partnerships with external players such as academia, start-ups, technology providers and research institutions. It means that we can focus on the professional development of our people, creating an environment where they can grow and shape their world and feel empowered to partner with their customers to deliver growth. We can innovate with our suppliers to ensure the long-term availability of the most vulnerable raw materials we use in our creations, supporting further transparency and responsibility within supply chains. Finally, and as importantly as everything else, solid economic performance puts us in a position to strengthen and improve the social, economic and environmental fabric of the

communities where we operate and where we source our raw materials. It allows us to support local projects and charitable causes in the communities where we operate globally.

Boundary

- ▶ Givaudan
- ▶ Customers

Disclosure 103 – 2, 103 – 3

Management approach

For Givaudan, being a responsible and sustainable company means securing our long-term economic growth, positively impacting the environment and society, all while meeting stakeholders’ expectations. We strive to go beyond responsible growth and benefits for our shareholders by targeting long-term success for our customers, consumers, society and the planet. This is also our approach to promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

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 via taxes paid.

Our 2020 strategy “Responsible growth. Shared success.” contributes to our ability to increase this value. Its three pillars – growing with our customers, delivering with excellence, and partnering for shared success – together with ambitious financial targets, guide us in transforming resources into value for our stakeholders through sustainable and responsible growth.

Growing with our customers involves focusing on high-growth markets, looking to meet increased consumer demand linked to better nutrition and healthier lifestyles and putting customers at the heart of what we do by providing

customer-preferred products. Integrated solutions allow us to grow our business in ways going beyond our core Taste & Wellbeing and Fragrance & Beauty capabilities.

This is completed by our approach to delivering with excellence in both execution through our Givaudan Business Solutions and in operations as well as Information Management & Technology.

Partnering for shared success is linked to how our strong partnerships enable value creation for the Company and our key stakeholders. We have forged new partnerships with innovators, employees and suppliers, and with communities in which we operate, positioning ourselves as partner of choice.

As the COVID-19 pandemic continues to have an impact on a global level, Givaudan has sustained strong business momentum whilst maintaining its operations and global supply chain with minimal disruption. The good growth was achieved across most product segments and geographies, with particularly strong performance in the household, health and personal care segments within Givaudan Fragrance & Beauty, as well as in packaged foods, savoury, snacks and nutraceuticals in Givaudan Taste & Wellbeing. In Fragrance & Beauty the product segments most affected by the COVID-19 pandemic, namely Fine Fragrances and to a lesser extent Active Beauty, showed a solid improvement in the second half of the year, despite continued restrictions on retail and travel retail activity. In Taste & Wellbeing the prolonged restrictions affecting foodservice and out-of-home food consumption impacted the performance throughout 2020.

 **READ MORE**
 2020 Integrated Annual Report ▶ pages 10 – 14 ▶ **Delivering on our 2020 ambitions**
 2020 Integrated Annual Report ▶ pages 30 – 47 ▶ **Financials**
www.givaudan.com ▶ Our Company ▶ **Vision and strategy**

GRI 201 Economic performance

GRI 102
General Disclosures

Disclosure 201 – 1

Direct economic value generated and distributed

Givaudan's economic value retained of CHF 185 million is the direct economic value generated of CHF 6,370 million less economic value distributed to stakeholders through operating costs, employee wages and benefits, payments to providers of capitals and payments to governments.

to operate. A scarcity of water, needed both to grow most of the raw materials we use and as an essential input in our manufacturing activities, could have a significant negative impact on our business, and Givaudan is striving to be an industry leader in conservation and stewardship. We are looking to consume and discharge this increasingly precious natural resource in a socially equitable, environmentally sustainable and economically beneficial manner.

ambitious GHG emission reduction targets and encouraging our supply chain in efforts to reduce their own emissions. Our water stewardship programmes allow us to monitor and manage water risks to the best of our abilities.

GRI 200
Economic

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 climate change is disrupting people, business operations and economies around the world. For Givaudan, uncontrolled warming could have a number of effects that limit our ability

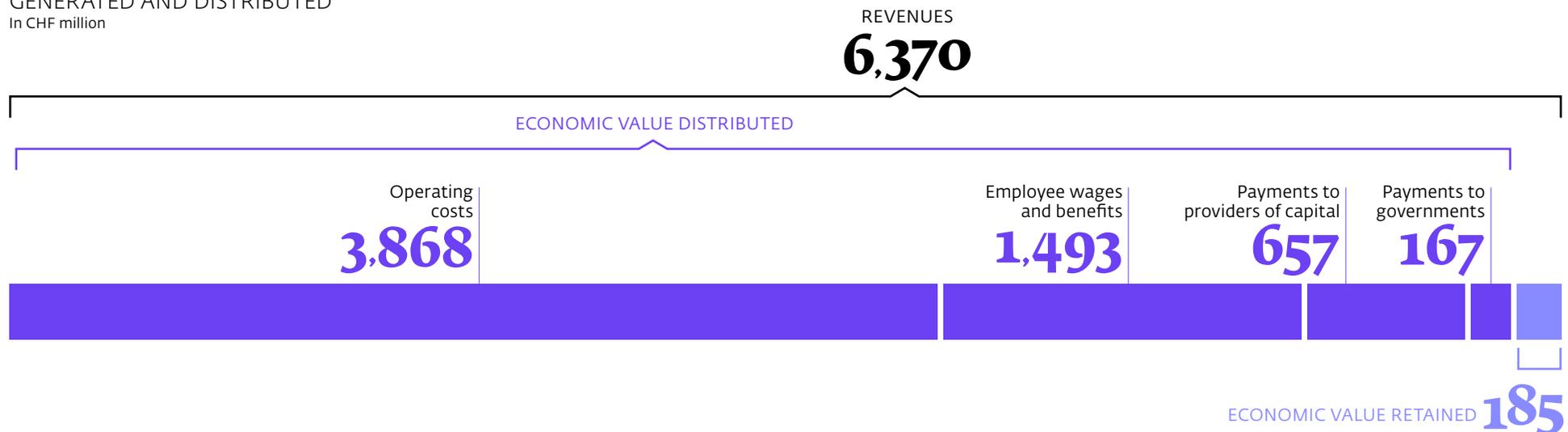
We are addressing this climate change risk through a comprehensive programme that aims to both mitigate it and to turn it to our advantage. We are looking, for example, to minimise our contribution to climate change and promote the transition to a low carbon economy. We have committed to excellence in climate action, basing our own agenda on

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

GRI 300
Environmental

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

In CHF million



GRI 400
Social

Appendix

GRI 102
General DisclosuresGRI 200
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Social

Appendix

GRI 201 Economic performance

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 reduced inefficiency at our plants.

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, the assets of which 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.

READ MORE

2020 Governance, Compensation and Financial Report ▶ pages 68–72 ▶

Note 8. Employee Benefits

GRI 202 Market presence

GRI 102
General Disclosures

Disclosure 103 – 1

Explanation of the material topic and its boundary

The empowerment of women contributes significantly to market presence in terms of the economic effect on local societies. Women's empowerment is essential to expanding economic growth and promoting social development.

Equal treatment of women and men is not just the right thing to do – it is also good for business. We implement policies and programmes that are consistent with promoting equal opportunities for all: the full participation of women at Givaudan makes sound business sense now and in the future.

A broad concept of sustainability and corporate responsibility that embraces women's empowerment as a key goal will benefit us all.

Boundary
▶ Givaudan

GRI 200
EconomicGRI 300
EnvironmentalGRI 400
Social

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Disclosure 103 – 2, 103 – 3

Management approach

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 topic 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 Company 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 1.6%, remaining stable from 2019.

As we want to accelerate our journey towards being more balanced and inclusive, we 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.

Disclosure 202 – 1

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

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.

 **READ MORE**

2020 Integrated Annual Report ▶ pages 76 – 81 ▶ **People for a better and more sustainable future**

GRI 203 Indirect economic impacts

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Disclosure 103 – 1

Explanation of the material topic and its boundary

Recognising and supporting the broader development goals of the local communities where Givaudan operates and sources from and promoting local community development are how we approach our contribution to indirect economic impacts.

Maintaining a good reputation in communities where we have a manufacturing or commercial presence helps attract the right talent and personnel to the Company. In areas where we source raw materials, supporting the development of local communities can help secure the long-term supply of ingredients. Good relations allow us to work together on projects and causes that benefit the community, help to protect local ecosystems and support livelihoods. All of this translates into economic benefits for the local communities.

Boundary

▶ Local communities

Disclosure 103 – 2, 103 – 3

Management approach

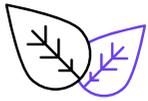
Communities and neighbourhoods in which we operate or source are critical to our long-term success: our business can affect communities and these local stakeholders can in turn have an impact on our activities. These partners make an important contribution to our business and in return we are committed to supporting them to build stable lives. We actively develop and sustain relationships with communities and listen to their representatives, allowing us to take their points of view into account and integrate their feedback into our activities.

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. We work together with the local producers to improve the quality and quantity of the oils and spices we need through direct collection networks and partnerships. Our primary objective is to secure supply while building trust and offering technical advice and collaborating on mutually beneficial improvements in the way we source.

Depending on the challenges identified for a particular supply chain, we develop targeted action plans in cooperation with the producers, suppliers and/or other organisations such as NGOs. We support projects in education and health as well as good practices in agriculture and processing. We also assist producing communities in safeguarding their environment and natural resources and encourage investment in sustainable development and innovation. We take every precaution to operate safely in these communities while providing social and economic value and reducing our environmental footprint. These efforts contribute to supply security, but also to increased traceability.

GRI 203 Indirect economic impacts

ACQUISITIONS 2014 – 2020



Naturals

- ▶ Spicetec
- ▶ Activ International
- ▶ Vika
- ▶ Centroflora Nutra
- ▶ Naturex
- ▶ Albert Vieille
- ▶ Golden Frog
- ▶ Ungerer
- ▶ Indena



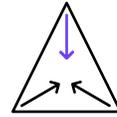
Active Beauty

- ▶ Soliance
- ▶ Induchem
- ▶ Naturex
- ▶ AMSilk
- ▶ Indena
- ▶ Alderys



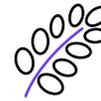
Local and regional customers

- ▶ Naturex
- ▶ Expressions Parfumées
- ▶ drom
- ▶ Fragrance Oils
- ▶ Ungerer



Integrated Solutions

- ▶ Spicetec
- ▶ Vika
- ▶ Activ International



Ingredients

- ▶ Ungerer
- ▶ Albert Vieille

Disclosure 203 – 1

Infrastructure investments and services supported

Today, our Sourcing for Shared Value activities cover 40 raw material categories in 26 countries. Through Sourcing at Origin programmes we work with more than 19,000 farmers and pickers of wild resources. Through the Givaudan Foundation, our Communities at Source initiatives encompass 20 ongoing projects in 11 countries. They touch more than 36,000 beneficiaries as well as their families and communities. Since 2014, we have announced 16 acquisitions, which represent an additional CHF 1.5 billion of annualised sales. Our acquisitions are fully aligned with our 2020 strategic priorities: Naturals; Health and wellbeing; Active Beauty; Integrated Solutions, and local and regional customers.

In October, we opened a state-of-the-art fragrance production facility in Changzhou, China. The facility is outfitted with the most advanced auto-dosing system, allowing for high accuracy and efficiency and an agile manufacturing environment. In November 2020, we launched a new micro-financing project to support patchouli farmers and distillers in Sulawesi.

Expanding our portfolio

INVESTED
IN ACQUISITIONS

CHF
billion **3.6**

INCREMENTAL
REVENUES

CHF
billion ~ **1.5**

ACQUISITIONS
FROM 2014 TO 2020

16

GRI 204 Procurement practices

GRI 102
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Social

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Disclosure 103 – 1

Explanation of the material topic and its boundary

As a global business, we must develop and maintain a strong network of suppliers to respond to increased consumer demand for more sustainable, healthier and differentiated products. We seek to source materials in ways that preserve the environment, stimulate the development and wellbeing of communities from which we source, and safeguard the environment. We mainly address this topic through our approaches to deforestation, responsible sourcing and traceability.

Natural ecosystems are being replaced by agriculture, energy, and settlement. Resulting deforestation and land degradation put the ecosystems and biodiversity of natural ingredients that we buy at risk. To counter this, we identify raw materials linked to deforestation and collaborate with suppliers and other key partners to support reforestation along Givaudan's supply chain.

With responsible sourcing and compliance with high standards in health, safety, social, environmental and business integrity in the way we source, we look to expand relevant initiatives to reduce our environmental and social impact. Working with our suppliers to help them meet our sourcing standards also helps us mitigate the risks inherent in our complex supply chains. Sourcing at origin initiatives involve the direct sourcing of raw materials by working with local smallholder farmers, intermediate suppliers and partners to secure the long-term supply of these ingredients. These initiatives strengthen the fabric of the local economy by contributing to more stable incomes for thousands of farmers.

Finally, understanding the supply chain and tracing the raw materials we use allows us to assure customers about the provenance of raw materials and their production. It also shows that we adhere to responsible supply chain practices.

Mapping our supply chains helps us to understand how they are organised and to collect data on the number of intermediary suppliers involved, their role, importance and geographical location.

Boundary

- ▶ Givaudan
- ▶ Suppliers

Disclosure 103 – 2, 103 – 3

Management approach

Givaudan depends on natural resources and the people that produce them: our sourcing promotes stability for producers and the local environment. We call this **Sourcing for Shared Value** as it brings new value to those involved in the sourcing of our natural raw materials. It is based on three practices.

Responsible Sourcing means working with our suppliers on driving compliance and continuous improvements against norms in health and safety, social, environmental and business integrity practices as defined in our Responsible Sourcing Policy.

We continued to work on our target in 2020 and reached 85% direct supplier compliance. In addition, we have asked suppliers to complete the self-assessment questionnaire (SAQ) on the Sedex platform. These suppliers represent 8.5% of audited suppliers in scope, meaning that in total we worked with 94% of our direct suppliers. By the end of 2020 we had mapped 50 raw material categories and were sourcing 33 raw material categories in a responsible way.

Sourcing at Origin focuses on direct collection networks and partnerships with farmers, distillers and producer groups. It secures the long-term and balanced supply of natural ingredients from fragile ecosystems while boosting the local economy through knowledge transfer and more stable incomes.

Social and environmental projects help build more secure futures for the **Communities at Source** and their environments.

Today, Sourcing for Shared Value covers 40 raw material categories in 26 countries. Through the Givaudan Foundation, our Communities at Source initiatives encompass 20 ongoing projects in 11 countries. They touch more than 36,000 beneficiaries as well as their families and communities.

Together, these three practices move us closer and closer to our goal of sourcing all materials responsibly.

Future changes in our sourcing approach

After several acquisitions in 2019–2020, we have been reviewing individual responsible sourcing programmes and are working on a common approach that will fit all. This updated programme will be launched in 2021.

Disclosure 204 – 1

Proportion of spending on local suppliers

It is the Company's common practice to prefer sourcing from locally based suppliers (defined as suppliers who are based in the same country as the Givaudan facility). This is reflected in the fact that 84% of non-raw material, by value, was purchased locally in 2020. For raw materials, 26% by value was sourced locally in 2020. Several of the raw materials we buy cannot be sourced in countries other than the ones where they grow naturally.

 **READ MORE**

2020 Integrated Annual Report ▶ pages 86 – 93 ▶ **Communities**

GRI 204 Procurement practices

GRI 102
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Economic

GRI 300
Environmental

GRI 400
Social

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Disclosure 308 – 1, 407 – 1, 408 – 1, 409 – 1, 412 – 1, 414 – 1

OPERATIONS AND SUPPLIER ASSESSMENT

Since 2008, Givaudan has been an active user of the Sedex platform, which incorporates labour practices, social, environmental and human rights aspects into its assessments. Here, in addition to child labour or the exposure of young workers to hazardous work, the abuse or disregard of employee rights can also be an issue across the entire supply chain, covering our own operations and those of our suppliers. We use Sedex SMETA assessments to manage these risks.

Since 2010, all Givaudan production sites have been registered on Sedex and have completed Sedex self-assessment questionnaires (SAQ) to share information with customers. Givaudan annually reviews and 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 2020, 55 of our production sites were registered

on Sedex and have completed Sedex self-assessment questionnaires. They are being assessed as per their set standard, i.e. Sedex Members Ethical Trade Audit (SMETA). Furthermore, we internally work towards integrating all new sites on the Sedex platform within two years of their launch or acquisition.

We also participate in EcoVadis Corporate Social Responsibility (CSR) assessments, disclosing detailed information on our business practices on Human Rights and Labour aspects in addition to those linked to the environment, ethics and responsible procurement. Givaudan ranked in the top 1% of the nearly 60,000 companies participating in the 2020 EcoVadis CSR assessment, earning a score of 75/100. This result earned Givaudan the highest Platinum rating, which is awarded to the few companies with an overall score above 73/100, for the first time.

During 2020, 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 our factory at Smithfield (Sydney). In recent years, the Fragrance & Beauty division has launched a robust programme around RSPO, setting up a multi-departmental team and defining an action plan. Four Fragrance & Beauty sites were certified in 2020: Ashford (UK), Pomacle and Ile Grande (F) as well as Volketswil (CH).

Two additional sites, Vernier (CH) and Drom Baierbrunn (D), have been successfully audited and received certification in 2020. The roll out plan will continue in 2021 with the remaining sites of the Fragrance & Beauty.

Overall, we aim to reach supply chain transparency to mill level with our top

suppliers, equivalent to a full 80% of our palm volume, by 2025. In 2020, we identified 1,600 palm mills in our indirect supply chains.

Similarly, significant suppliers are also assessed for risk, and in 2020 a total of 344 key raw material suppliers were registered with Sedex. These suppliers represent more than 59% of our spend. We also worked to ensure that audited suppliers closed all open non-conformities.

Due to the COVID-19 situation, at the end of 2020, our supplier compliance rate was 85% the same as in 2019. In addition, we have asked suppliers to complete the self-assessment questionnaire (SAQ) on the Sedex platform. These suppliers represent 8.5% of audited suppliers in scope, meaning that in total we worked with 94% of our direct suppliers.

TOTAL NUMBER OF SIGNIFICANT SUPPLIERS IDENTIFIED

400

TOTAL NUMBER OF SUPPLIERS ASSESSED TO DATE

329

PERCENTAGE OF SUPPLIERS ASSESSED TO DATE

82%

TOTAL NUMBER OF SUPPLIERS ASSESSED IN 2020

8

PERCENTAGE OF SUPPLIERS ASSESSED IN 2020

2%

GRI 205 Anti-corruption

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Disclosure 103 – 1

Explanation of the material topic and its boundary

We want to adhere to high ethical standards. Besides being the right thing to do, it also protects our business from the risks of corruption and bribery, which is a critical concern at Givaudan. We can be held responsible for our own actions as well as those of certain persons 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.

Boundary

- ▶ Givaudan
- ▶ Business partners

Disclosure 103 – 2, 103 – 3

Management approach

Anti-bribery and anti-corruption compliance are managed as two 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 2018 to take into account changes in French anti-corruption law (Loi Sapin II), 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 2018 to reflect the Loi Sapin II, 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.

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. The Corporate Compliance Officer reports regularly to the Executive Committee, the CEO, the Audit Committee and the Board of Directors. Givaudan has a Compliance Helpline, which contributes to monitoring activities by allowing employees to report compliance issues confidentially. 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. All reported cases are reviewed and investigated as appropriate in accordance with Givaudan's Global Compliance Incident Investigation Procedure.

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. Please see our Integrated Annual Report for further information and completion rates.

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. Since 2013, 6,979 Givaudan senior managers have been invited

GRI 102
General Disclosures

GRI 205 Anti-corruption

to complete this specific anti-bribery training. At the end of October 2020, the completion rate was 97%. In Q4 2020, we started introducing new anti-bribery training to all managerial employees, replacing the 2013 material.

GRI 200
Economic

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, but in both cases 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.

GRI 300
Environmental

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

READ MORE

2020 Integrated Annual Report ▶ pages 98 – 101 ▶ **Our code of conduct for a positive impact on society**
www.givaudan.com ▶ Our Company ▶ Corporate governance ▶ **Code of conduct**

GRI 400
Social

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GRI 300

Environmental

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Our contribution to the United Nations' Sustainable Development Goals



GRI 301 Materials

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Disclosure 103 – 1

Explanation of the material topic and its boundary

Givaudan has an impact on materials in terms of the natural resources used to first manufacture and then package our products. Our inputs include both non-renewable and renewable materials and our activities may have an impact on the environment in terms of any contamination of air, soil or water that results from the sourcing and processing of raw materials, product development, production and logistics.

Our business depends on natural resources and continuity of supply is critical to our successful operation. We are committed to ensuring that our raw materials are sourced responsibly in terms of both people and the environment. We also look to limit our impact and contribute to resource conservation through our approaches to recycling, reusing and reclaiming materials, products, and packaging.

Our efforts in these areas extend beyond Givaudan to include the supply chain. As population and consumption levels rise, agriculture, energy, and settlement are replacing natural ecosystems. This land-use change and land degradation put the ecosystems that underpin the sources of our natural ingredients at risk. We work with suppliers to end it where necessary. The topic of Materials is related to our material topics Raw material availability, Product environmental and societal impact, and Deforestation.

Boundary

- ▶ Givaudan
- ▶ Suppliers

Disclosure 103 – 2, 103 – 3

Management approach

The climate crisis has highlighted an urgent need to accelerate action in many areas of our business and the topic of materials is a primary concern. 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. We must look to source our raw materials in a way that respects people and the environment. We must also strive to reduce the impact of our processing, product development, production and logistics activities on the environment. Globally, we are looking to see how we can move from fossil fuels towards renewable sources such as solar, wind, geothermal and biofuels.

Working in partnership with local producers and suppliers to transform the way we source is the essence of our Sourcing for Shared Value approach. We have integrated locally sourced raw material activities into a global Raw Materials procurement team, which is responsible for purchasing globally and works to understand and manage potential risks. The team works with suppliers to monitor risks and ensure continuity of supply, continuing too to build relationships with local producers around the world. This close collaboration with farmers and producers enables us to improve supply chains and reduce our environmental impact by innovating directly on site using fresh raw materials and introducing new techniques in agronomy. Our collaborative approach and the promotion of good cultivation practices that reduce our environmental impact can be seen, for example, in our clove leaf oil projects, which aim to lower the use of firewood from natural forests for distillation.

We also look to minimise the environmental impact of our raw materials sourcing by developing new technologies and processes. This includes investigating and developing alternative sources of key natural raw materials, increased use of renewable raw materials, finding ways to increase yield both at the farm/field and at processing levels as well as ways to produce more fragrance with less material. We look closely at how we formulate, how we continue to innovate and how we continuously improve our ingredients portfolio to reduce the impact of our products, for example with our Naturality Platform™ – a tool that helps perfumers to take into account the environmental impact of the ingredients they have chosen.

Acquisitions such as Centroflora, Naturex and Albert Vieille have brought specialised expertise in natural ingredients, including agronomy, which helps us prepare for the future as well as reach our ambitious targets to bring a positive impact on the environment by reducing our carbon footprint. Our increased access to fields through these acquisitions and local partnerships bring new opportunities for responsible innovation on fresh raw materials directly.

We also continue to evolve and strengthen our approach in helping to prevent deforestation. In 2020, we launched our palm position statement. In it, we emphasise our commitment to non-deforestation, including 'No Deforestation, No Peat, No Exploitation (NDPE)' principles. We co-fund projects targeting sustainability issues at the beginning of our palm supply chains in Indonesia and Malaysia, in collaboration with Earthworm Foundation and other companies.

GRI 301 Materials

Another way in which we look to both minimise our impact on the environment and reduce costs is by optimising our approach to packaging in respect to ecological and economic criteria through a number of projects. In India, we have, for example, 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 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.

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 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 2020, we launched a new sustainable beauty oil crafted from upcycled Arabica coffee. Koffee'Up™ has been called the 'new argan oil' in the beauty industry because of its natural, eco-conscious and effective properties. The product was developed in collaboration with the Danish company Kaffe Bueno, winner of the 2019 edition of MassChallenge Switzerland, a start-up incubator co-founded by Givaudan. The biotech start-up focuses on upcycling spent coffee grounds/waste into active and functional ingredients for cosmetics.

Another important element of our approach is our new commitment to replace all single-use plastics across sites and operations with eco-friendly alternatives before 2030. This requires us to redesign and innovate the plastics system in our business models, our materials, packaging design and reprocessing technologies. At the end of 2020, we recruited a specialist to lead our efforts in achieving our goal.

Raw Materials



WE SOURCE
>11,400

DIFFERENT RAW
MATERIALS IN
>100
COUNTRIES

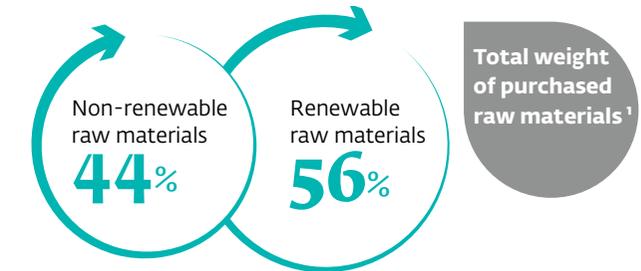
Supplier Management



RAW MATERIAL SUPPLIERS
2,500

INDIRECT MATERIALS
AND SERVICES
~12,000

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 2020 figure below.

Weight of purchased raw materials (tonnes)	2019	2020
Total	562,379	568,554
Weight of purchased packaging (tonnes)	2019	2020
Plastic HDPE	7,299	8,734
Steel/Metal	14,698	15,347
Fibre	616	627
Paper/Board	2,909	2,986
Wood	12,232	8,906
Total	37,754	36,600

[READ MORE](#)
2020 Integrated Annual Report ▶ pages 88 – 89 ▶ Maximising value with our suppliers

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Appendix

Disclosure 103 – 1

Explanation of the material topic and its boundary

Energy use leads to emissions, which affect the environment through climate change. Climate change, in turn, has a direct impact on the availability of our key natural resources. It causes fundamental changes in ecosystem functioning and as such, poses a significant risk to our operations and our supply chain. The topic of Energy is related to our material topics Climate change and Product environmental and societal impact.

Climate change: We work to improve the energy efficiency of our manufacturing sites, and this includes seeking energy from renewable sources. We constantly assess and mitigate the risks posed by climate change and drive adaptation and remediation. We also involve our supply chain, from the raw material suppliers to indirect materials and service providers, in an effort to reduce GHG emissions and the impact on the ecosystem.

Product environmental and societal impact: 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. Our approach to responsible innovation considers the potential impact of our processes and products on the environment and also examines where we can have a positive impact on society. We engage with customers to develop new products and technologies that are more sustainable.

Boundary

- ▶ Givaudan
- ▶ Suppliers

Disclosure 103 – 2, 103 – 3

Management approach

Motivated by both ethical and business concerns, we are going to great lengths to continuously improve processes, reduce our environmental footprint and mitigate the effects of climate change. Our approach to energy use is a critical element of this.

Consuming less energy and pursuing opportunities for renewable sources reduces our emissions, helping to mitigate climate change, for example.

We are also 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 2020, we conducted 13 such assessments. Other investments and efforts in terms of energy efficiency plans and targeted projects have also allowed us to make improvements. At the same time, we look for opportunities to reduce our direct and indirect consumption.

Progress 2020

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 17% since the 2015 baseline. This has a direct impact on our target for scope 1 and 2 GHG emissions, which have decreased by 44% since 2015 in terms of intensity (per tonne of product).

We have also made considerable progress in terms of renewable electricity (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 81% renewable electricity in 2020, with 28 production sites powered 100% by electricity from renewable sources as of January 2020. A highlight was ending the reporting year with four production sites moving to full 100% renewable electricity. We also reduced the GHG emission load per purchased kWh of electricity by 30% compared to 2019. This represents a decrease of 64% against the 2015 baseline.

READ MORE

2020 Integrated Annual Report ▶ pages 62 – 66 ▶ [Our journey to becoming a climate positive business](#)

Disclosure 302 – 1, 302 – 4

Energy consumption and reduction within the organisation

	2019 ¹ (restated)	2020 ²	Change to 2019 in %
Direct energy: from primary sources (GJ)			
Natural gas	1,747,814	1,683,117	(-3.70%)
Town gas	187	172	(-8.05%)
LP gas	8,325	5,843	(-29.81%)
Light fuel oil	23,714	22,662	(-4.44%)
Heavy fuel oil	0	0	0%
Biofuel	72	217	200%
Biogas	0	0	0%
Biomass	0	0	0%
Steam sold from steam produced on site	24,778	25,294	2.08%
Geothermal	5,923	6,293	6.24%
Waste used as energy	58,569	36,501	(-37.68%)
Total direct energy	1,819,826	1,729,511	(-4.96%)
Indirect energy: purchased electricity and steam (GJ)			
Electricity purchased	977,475	974,898	(-0.26%)
Electricity sold	2,207	2,089	(-5.35%)
Electricity self produced from renewable sources	2,074	4,897	136.19%
Steam purchased	64,885	60,774	(-6.34%)
Total indirect energy	1,042,227	1,038,479	(-0.36%)
Total energy	2,862,053	2,767,990	(-3.29%)

1. Assured 2019 full year figures.

2. New 12-month reporting period: Q4 2019 – Q3 2020.

Disclosure 302 – 3

Energy intensity

	2015 (restated)	2019 ¹ (restated)	2020 ²
Energy intensity (GJ per tonne of product)	6.93	5.98	5.73

1. Assured 2019 full year figures.

2. New 12-month reporting period: Q4 2019 – Q3 2020.

GRI 303 Water and effluents

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Disclosure 103 – 1

Explanation of the material topic and its boundary

Water is an essential element in our production activities as well as in our entire value chain – increasing competition for access to water in areas where availability is limited is then a significant risk.

We therefore need to use water efficiently to keep our operations running, but also to satisfy consumer demand for products with smaller water footprints. We look to make efficient use of water and to optimise the environmental impact of our consumption and discharge. We expect suppliers to do the same – water stewardship is a global challenge that requires a global response. Driven by our purpose, we must lead the way by delivering on our own ambitious commitments to protect this increasingly precious natural resource while harnessing the power of collaboration across sectors to drive change.

Boundary

- ▶ Givaudan
- ▶ Suppliers

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Management approach

How we manage our water impact

Water is used in our production activities as well as in our entire value chain. Basically, water is consumed to grow the natural raw materials we buy as well as to produce the synthetic raw materials, and is then used in our processing. The water's quality and availability is important in all uses. The majority of our water withdrawal is taken from surface water and other sources are municipal supplies and groundwater. Surface water is primarily used for cooling and steam generation in our operations. This water is not in contact with processes and is discharged directly, after the quality has been tested.

Without access to sufficient amounts of water, some key supply chains are at risk of disruption. In our operations, the risk is that we might need to halt the running of equipment due to non-conformance to cleaning regulations or because of a risk of contamination between products. Additionally, in our value chain, most of the final products containing fragrances and/or flavours such as soap, laundry detergent or food involve water consumption when used by consumers.

Poor water quality or limited availability can restrict demand from consumers, impacting our business.

The diagram below shows the distribution of our global water footprint. The biggest amount of water is consumed in our supply chains related to the production of the raw materials we source. In order to manage this impact we leverage our engagement beyond our own operations and also address the issue in our supply chains.

Responsible use of this precious resource is essential to the company's leadership. The water policy is part of the Givaudan's Responsible Care® Management System, a statement that has been endorsed and signed by the CEO. Furthermore, in 2020, we endorsed the UN Global Compact's CEO Water Mandate. Endorsers of the mandate commit to action across six key areas including the use of water in direct operations, supply chain and watershed management, and community engagement. Givaudan is striving to be an industry leader in conservation and stewardship and we look to consume and discharge water in a socially equitable, environmentally sustainable and economically beneficial manner.

GIVAUDAN'S WATER FOOTPRINT
BASED ON 2018 CORPORATE WATER FOOTPRINT

97%
RAW MATERIALS

2%
ONSITE DIRECT WATER
USE AND ENERGY

1%
LOGISTICS &
PACKAGING

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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.

Own operations

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.

We primarily use water in our direct operations for cooling and cleaning of processing equipment. A small percentage of the water we consume is used as an ingredient in the manufacturing of our products. Our use of water generates wastewater and we ensure that this water is treated appropriately before being discharged to the environment.

Our overall strategy for monitoring and reducing water consumption is embodied in our Water Stewardship Programme, an approach based on the UN Global Compact's CEO Water Mandate. The Programme is also used to guide our growth strategy in terms of location, technology and procedures to ensure water risks are managed and monitored. 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. Generally, we look to manage our water impact through continuous improvement of our management systems and through the establishment of company-wide targets and goals.

Concretely, we promote water stewardship by working towards continued reduction of water use through projects that include reduced water withdrawal, water recycling and the use of alternative sources such as rainwater. Some approaches 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.

Operations water risk management

Our management of operational water risk is based on periodic corporate water risk assessments that allow us to identify relevant exposures and perform analyses in the context of the watershed level. Assessments include all Givaudan production facilities and take into account six indicators from two water risk mapping tools – the Water Risk Filter and WRI Aquaduct – covering physical, regulation and reputation risk aspects. We use internal knowledge as well as criteria linked to production volume and risks in terms of water withdrawal to prioritise the facilities.

Supply chain

Our primary use of water in our supply chain is related to the raw materials that rely on agricultural irrigation. We also use synthetic raw materials that require water in production. The availability and quality of water is therefore important to our sourcing. The quality and availability of certain raw materials is also directly related to having access to sufficient amounts of good quality freshwater. Without access to sufficient water, some key supply chains are at risk of disruption.

Givaudan also looks to champion best practises 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. This includes engaging strategic suppliers on water security through CDP as a supply chain member. We measure the success of our engagement in terms of supplier actions that demonstrate improvement year on year.

Overall, we engage our stakeholders by creating relationships with employees, shareholders, suppliers, customers, authorities, industry partners and the general public. We also conduct educational campaigns, raising community awareness about health risks related to water and we focus attention on Water, Sanitation and Hygiene (WASH) aspects in workplaces where we operate. Aiming to make a positive difference in the communities in which we operate, we strive to conserve resources and protect the environment and human rights to water and sanitation, aligning with global policy initiatives such as the UN's Sustainable Development Goals.

Supply chain water risk management

Our supply chain water risk assessment is a metric-based methodology characterising our corporate water footprint based on ISO 14046. This allows us to identify hot spots in our main product supply chain and gives us a clear understanding of the risks and impacts encountered. It allows us to quantify the total water consumption of our activities, taking into consideration the whole value chain from raw materials extraction to product use and end-of-life; quantify the water scarcity footprint to highlight water consumption located in water stressed areas along the value chain; provide a detailed breakdown of the water footprint to identify main contributors

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and, finally, to identify water hotspots and physical water risks along the value chain. This assessment allows us to set priorities for reducing water use and develop a mitigation plan.

Givaudan collects primary data information from our main suppliers to enter into 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.

We also engage with our suppliers to advance the water stewardship journey. As a member of the CDP Supply Chain Programme, we use its water security questionnaire to request a variety of information from our key suppliers on risks and opportunities associated with water. We ask for information on their relevant accounting systems, for details on their water management strategy such as targets, and for examples of actions they have taken to reduce their impact. These questionnaires indirectly impact their water management.

2020 progress Own operations

Our sites continually review hotspots and introduce technical improvements that drive our water efficiency strategy with success. Indeed, we have already surpassed our targets in sustainable water management by tackling the main contributors to water consumption in industrial operations. We put a special focus on places where we expect water challenges and carry out risk assessments to develop mitigation action plans that include efficiency improvements and water reuse opportunities. All such prioritised facilities have to fulfil a Local Water Risk Assessment, which is meant to gather contextual information and help us develop mitigation plans. 28 of the sites linked to high water risk have been assessed as of 2020.

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. The total quantity of COD discharged was measured at 277 tonnes in 2020, a 57% decrease since last year.

Overall, we are working towards a continued reduction of water use through projects including reduced water withdrawal, increasing water recycling and investigating alternative sources such as rainwater.

Our employees are also making significant contributions through their innovative ideas. An example is a water resource management project from our East Hanover site, where modifications in the equipment cleaning process led to savings of a significant quantity of water. The local site team realised that the water flow rate being used for the equipment cleaning and sanitisation processes was higher than absolutely necessary and could be reduced while still ensuring process quality, efficiency and food safety. The team conducted pilot tests including time and motion studies to optimise the cleaning and sanitisation process. Subsequently, based on the outcomes, the water flow rate was reduced and the site achieved an annual saving of 5 million gallons (18,927 m³) of water. The team was also able to optimise the soap cycle, reducing soap dosing time by 70%, resulting in saving of more than 300 man hours per year and a 70% reduction in discharge to the chemical-to-wastewater treatment plant. The initiative has immense replication potential – all our sites can easily check on and potentially adjust their current equipment cleaning water flow rates.

In 2020, Givaudan decreased water intensity (municipal and ground water/ tonne of product) by 31% since the baseline year 2009. This corresponds to a 4% decrease in water intensity since 2019. We continue to show good progress after reaching our target to reduce global water consumption per tonne of production by 15% by 2020 three years in advance. We are still in the process of assessing a new target and will publish it in 2021.

In 2020, CDP again recognised our leadership in water security by giving Givaudan the highest 'A' score for the second 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.



Supply chain

We participated in the CDP Supply Chain assessment for water. Our supplier response rate this year was 51%, down from 53% in 2019. In 2020, an additional 23 suppliers have shown engagement by responding to the CDP Supply Chain programme, as per our request. In 2020, 82% of our respondents reported active targets and goals and 81% reported risk assessment procedures.

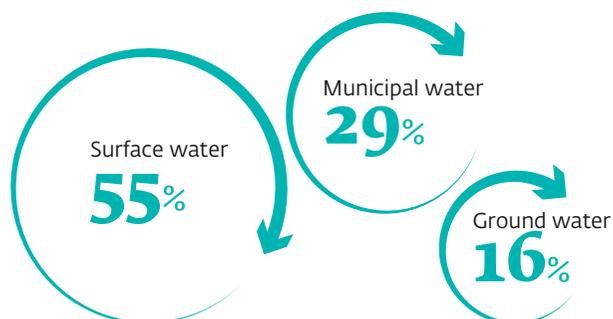
[READ MORE](#)
2020 Integrated Annual Report ▶ pages 67 – 69 ▶ **Responsibly managing waste and water**

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GRI 303 Water and effluents

Disclosure 303 – 3 Water withdrawal



	2009 (restated)	2019 ² (restated)	2020 ³
Water intake (m ³) ¹			
Surface water	7,432,649	5,261,101	4,504,312
Groundwater	1,074,035	1,329,357	1,252,495
Seawater ⁴	0	0	0
Third-party water – municipal water ⁵	2,286,999	2,412,059	2,389,818
Third-party water – from another organisation	317,861	262,598	275,813
Total water²	11,111,544	9,265,114	8,422,438

1. We only withdraw freshwater.
2. Assured 2019 full year figures.
3. New 12-month reporting period: Q4 2019 – Q3 2020.
4. We do not withdraw seawater.
5. This water is waste water coming from the Vernier community and is being treated by the site's WWTP. It is not accounted in the water withdrawal figure.

We are in the process of redefining our water strategy, which includes the definition of water stress areas for Givaudan.

We have freshwater from the municipal supply and we also collect wastewater from the community around our site in Vernier to treat it.

Disclosure 303 – 4 Water discharge

	2019 ¹ (restated)	2020 ²
Water discharge (m ³)		
To the environment without biological treatment	4,640,582	3,430,989
To the environment after biological treatment	2,003,464	2,032,189
To external treatment facility without pre-treatment	523,398	479,526
To external treatment facility after pre-treatment	1,550,891	1,545,871
Total discharged water	8,718,334	7,488,576

1. Assured 2019 full year figures.
2. New 12-month reporting period: Q4 2019 – Q3 2020.

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 what is discharged to the environment or sent to an external treatment facility.

Disclosure 303 – 5 Water consumption

	2019 ¹	2020 ²
Water consumption (m ³)		
Water consumption ³	546,780	933,861

1. Assured 2019 full year figures.
2. New 12-month reporting period: Q4 2019 – Q3 2020.
3. Includes sanitary, cooling and process water.

GRI 304 Biodiversity

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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 11,400 ingredients from across the globe, natural resources used in the creation of our flavour and fragrance 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, which are 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 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 the Nagoya Protocol. 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.

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: our Responsible Sourcing Policy requires all suppliers of raw materials to conserve biodiversity. We strive to prevent loss of species through our Responsible Sourcing Programme. Approaches include verification in the field via third party audits looking at the preservation and sustainable use of biodiversity, support of best management practices and climate adaptation strategies that can help preserve yield and income as well as sustaining the long-term viability of complex or simple value chains of smallholder farmers or 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, scale up and their implementation through selected supply chains. Moreover, we have continued working on a strengthened Responsible

GRI 304 Biodiversity

Sourcing Programme, which will come into effect in 2021. It outlines our commitments in favour of promoting biodiversity even more clearly. We will 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.

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. 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.

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 and jasmine that include training in good agricultural practices, safe plant protection measures and compost management. Such projects have an impact on several hundred smallholders.

GRI 304 Biodiversity

GRI 102
General Disclosures

Cultivation of wild resources to limit 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.

Protecting the forest

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.

GRI 200
Economic

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.

GRI 300
Environmental

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.

GRI 400
Social

Appendix

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. The new installations help save up to 50% of the wood.

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.

GRI 305 Emissions

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Appendix

Disclosure 103 – 1

Explanation of the material topic and its boundary

We generate scope 1, 2 and 3 emissions through energy use (combustion in our own processes as well as the purchase of electricity and steam) and activities in our supply chain. Specifically, Scope 1 emissions are direct emissions from sources we own or control, in our factories and offices, including, for instance, fuel combustion in our factories. Scope 2 emissions are indirect emissions related to purchased energy (electricity or steam). Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of our Company. These emissions result from how our ingredients are grown and produced and how our products are used.

We want to make a positive impact on the environment and society. The topic of Emissions is related to our material topics Climate Change and Product Environmental and Social Impact.

Boundary

- ▶ Givaudan
- ▶ Suppliers

Disclosure 103 – 2, 103 – 3

Management approach Responsibilities of governance and management of topic

Making a positive impact on the environment and society is a central concern for us, our customers and their consumers and it is key to improving our own performance. Our approach to responsible innovation considers the potential impact of our processes and products on the environment and also where we can have a positive impact on society. We engage with customers to develop new products and technologies that are more sustainable.

Using cross-functional teams with representatives from operations, engineering, sustainability, procurement, EHS and finance, we work to improve the energy efficiency of our production sites, with a focus on reducing greenhouse gas emissions, and this includes seeking energy from renewable sources. We constantly assess and mitigate the risks posed by climate change and drive adaptation and remediation in the affected areas. We also involve our supply chain, including the raw material suppliers and the indirect materials and service providers, in an effort to reduce GHG emissions and the impact on the ecosystem.

Commitments and targets

We are committed to reducing absolute direct and indirect (scope 1 and 2) emissions by 70% by 2030 compared to 2015 levels and aim to reduce indirect (scope 3) emissions by 20% over the same period.

The Science Based Targets initiative (SBTi) has deemed this target consistent with reductions required to keep warming to 1.5°C level.

Last year, we signed the pledge “Business Ambition for 1.5°C” proposed by the United Nations to aim for net-zero value chain emissions by 2050 and have incorporated becoming climate positive by 2050 into the Company’s newly defined Purpose.



In September 2020, we signed the CLG Europe CEO letter to the EU on 2030 GHG emissions targets. The letter is designed to send a clear signal to policymakers and other businesses at a critical policy moment 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.

Transition to a low-carbon economy

We are committed to becoming a climate-positive business before 2050 including our scope 1, 2 and 3 emissions. Being climate positive means going beyond net-zero: it means removing more greenhouse gases (GHG) from the atmosphere than we emit.

We have an interim goal of achieving climate-positive operations in terms of scope 1 and 2 emissions before 2040. Converting our entire electricity supply to fully renewable sources by 2025 is a critical element of this approach. We are at the same time leading significant energy consumption reduction projects across operations and making improvements through investment and effort in site assessments and eco-efficiency plans that cover a range of topics including a switch to renewable energy as well as targeted projects, all of which contribute to reduced 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 260 influential businesses committed to 100% renewable electricity and is part of our strategy to fully convert our electricity supply. We are targeting a decrease in scope 3 emissions through a joint effort with suppliers to reduce the carbon footprint of purchased goods and services and associated transport. We are members of the CDP Supply Chain Programme, which will enable us and our suppliers to identify ways of doing so, focusing especially on opportunities in the purchasing of raw materials, transport and packaging.

Progress

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

GRI 305 Emissions

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 GHG emissions, at the leadership level once again. Givaudan has already been recognised as world leader in supplier engagement on climate change, earning a position on the Supplier Engagement leaderboard by CDP, 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. Only 5% of the 5,800+ companies that participated and were scored in CDP's questionnaire for investors in 2020 were included on the A-list. We also made considerable progress in terms of target of converting our entire electricity supply to fully



renewable sources by 2025. We attained 81% renewable electricity purchased in 2020, with 28 sites purchasing 100% by electricity from renewable sources as of January 2020.

Progress scope 1 and 2 in 2020

Our target is to reduce absolute scope 1 and 2 GHG emissions by 70% between 2015 and 2030.

We made good progress towards this target in 2020 with absolute total direct (scope 1) and indirect (scope 2) GHG emissions decreasing by 57,139 tonnes against the baseline figure for 2015. Our scope 1 and 2 GHG emissions intensity (GHG emissions/ tonne of product) decreased by 44% against baseline and by 15% against 2019 figures.

Scope 1

Reducing our consumption

Ambitious GHG emission reduction is not possible without an evolution of our technology. 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.

Scope 2

In 2020, we set a new renewable electricity strategy prioritising on-site generation, then off-site generation and then the purchase of Electricity Attribute Certificates (EACs).

One project, at our Taste & Wellbeing site at Pune in India, involved fitting more than 2,000 solar photovoltaic (PV) panels to rooftops, ground mounts and carports to significantly cut reliance on fossil fuels. The installation, which dedicated about 5,300 cubic 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.

Another project, at our Taste & Wellbeing site in Melaka, Malaysia involved installing a 400 kWp solar PV system to cover a total area of 22,40 square meters. The objective is to reduce power consumption from about 100 Mkw/month to about 55 Mkw/month and thereby avoid the production of 375 tonnes of CO₂e every year.

Progress scope 3 in 2020

During 2020, scope 3 GHG emissions increased by 11% against the 2015 baseline figure, and increased by 3% against 2019. A detailed explanation on progress per category is given below. For the calculation methodologies please see pages 67–68.

Purchased goods and services

For packaging of finished products, the estimated 2020 footprint is 77,604 tonnes, with an increase of 4.9% compared with the 2019 footprint, showing a rise in the amount of packaging material used. We are assessing ways to reduce our footprint, for example by reducing the weight of our containers and using alternative packaging with more sustainable materials. For raw materials, the 2020 figure rose by 6.4%, representing business growth and the increased amount of purchased raw materials. Our efforts this year were focused on engaging internal stakeholders in the scope 3 journey, aligning internal governance and building scenarios and quantifying benefits.

Our scope 3 footprint is the biggest in the category “Purchased goods and services”.

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 gain understanding of its supply chain and to engage with suppliers on climate action. All the data collected through the CDP Supply Chain Programme contributes to an increased understanding of our supply chain.

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 climate 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 behavior and provide support and guidance. This is aligned with and contributes to our delivering on our science-based target for scope 3 emissions.

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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 2020, our supplier response rate was stable at 66% compared to 68% in 2019 despite a 49% increase in the number of suppliers asked to respond in 2020.

KPIs 2, 3 and 4 are a means of measuring how many suppliers are more advanced along in their climate action journey. These are the suppliers with whom we are working to find collaborative measures or programmes – one example is 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: 29% of our supplier responders compared with 52% last year. The decrease is mainly due to the integration of 49 suppliers in the programme.
3. Percentage of suppliers reporting active targets: 80% versus 79% last year.
4. Percentage of suppliers engaging their own suppliers: 66% versus 63% last year.

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

Capital goods

Capital goods figures decreased by 32% in 2020 compared to 2019 due to decrease in the amount of capital expenditure.

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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 34% due to the increase in the supply of renewable electricity. However in 2020 we saw a stabilisation of these emissions with a + 4.2% change that reflects the increase of total energy consumption.

Upstream and downstream transportation and distribution

We are assessing ways to reduce our footprint, for example through consolidation and the choice of engine type. The challenge is to integrate these actions into our scope 3 calculation models

Waste generated in operations

This figure has increased in 2020 mainly because of reclassification of certain waste streams in our reporting. We continue to focus our attention on reducing waste production and evaluating valorisation streams instead of disposal.

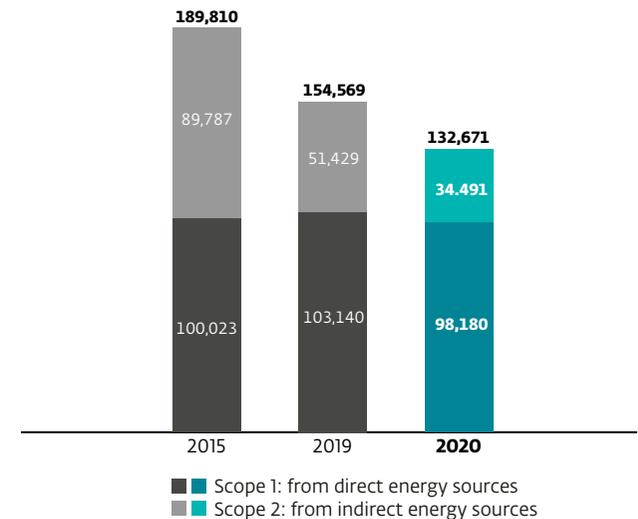
Business travel

COVID-19 and associated travel bans and restrictions contributed to a drop of more than 50% in business travel in 2020.

Employee commuting

The ratio of GHG emissions per employee fell to 1.2 tCO₂e in 2020 (same as 2018 and 2019) from 1.5 tCO₂e in 2015. Givaudan actively encourages its employees to reduce the GHG emissions of their daily commute, 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. In 2020, we estimate that COVID-19 led to a small reduction, based on an assumption of 8,000 employees reducing their commuting by one day per week over the year.

Disclosure 305 – 1, 305 – 2
Direct and energy indirect GHG emissions
GHG emissions (tonnes)



READ MORE
2020 Integrated Annual Report ▶ pages 62 – 66 ▶ **Our journey to becoming a climate positive business**

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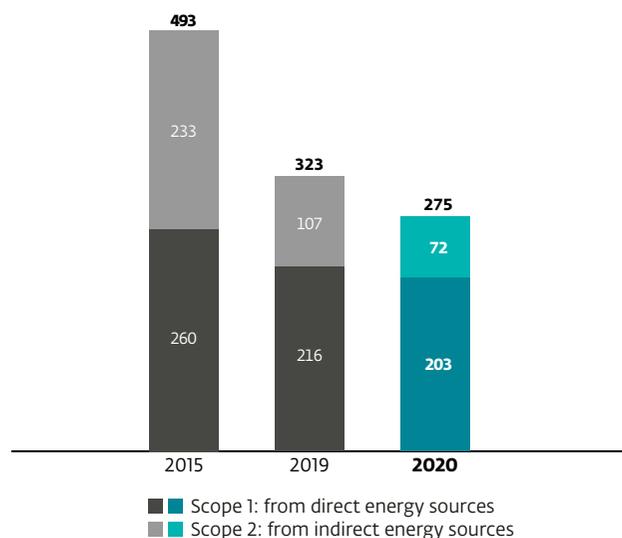
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Disclosure 305 – 4

GHG emissions intensity

GHG emissions (kg) per tonne of product



Disclosure 305 – 5

Reduction of GHG emissions¹

Absolute scope 1 + 2 GHG emissions



1. Compared to baseline year 2015.

Disclosure 305 – 3

Other indirect (scope 3) GHG emissions

GHG emissions (tonnes)	2015 (restated)	2019 ¹ (restated)	2020 ²
Purchased good and services	1,443,720	1,535,966	1,622,390
Raw materials	1,234,136	1,326,732	1,412,100
Other Indirect materials & services categories (excluding existing categories)	146,856	135,249	132,686
Packaging	62,728	73,985	77,604
Capital goods ³	51,722	107,548	72,797
Fuel and energy related activities	79,385	50,261	52,375
Upstream transportation and distribution	23,718	31,546	37,784
Waste generated in operations	15,443	16,882	19,510
Business travel	19,857	23,437	10,915
Employee commuting	15,417	14,920	13,820
Downstream transportation and distribution	43,653	47,407	47,750
Outbound product to customers	31,574	32,757	32,133
Outbound intercompany deliveries	12,079	14,650	15,617
Total	1,692,915	1,827,968	1,877,341

1. Assured 2019 full year figures.

2. New 12-month reporting period: Q4 2019 – Q3 2020.

3. This figure doesn't include Induchem data.

Disclosure 305 – 6

Emissions of ozone-depleting substances (ODS)

	2019 ¹ (restated)	2020 ²
CFC inventory (kg)	9,314	6,785
CFC 11 equivalent inventory (kg)	743	378
CFC loss-replacement (kg)	298	676
CFC 11 equivalent loss/replacement (kg)	37.24	37.18

1. Assured 2019 full year figures.

2. New 12-month reporting period: Q4 2019 – Q3 2020.

Disclosure 305 – 7

Nitrogen oxides (NO_x), sulfur oxides (SO₂), and other significant air emissions

	2019 ¹ (restated)	2020 ²
Nitrogen oxides – NO _x (tonnes) ³	69.92	67.25
Sulphur dioxide – SO ₂ (tonnes) ³	0.09	0.07
Volatile organic compounds (tonnes)	1,238	1,018

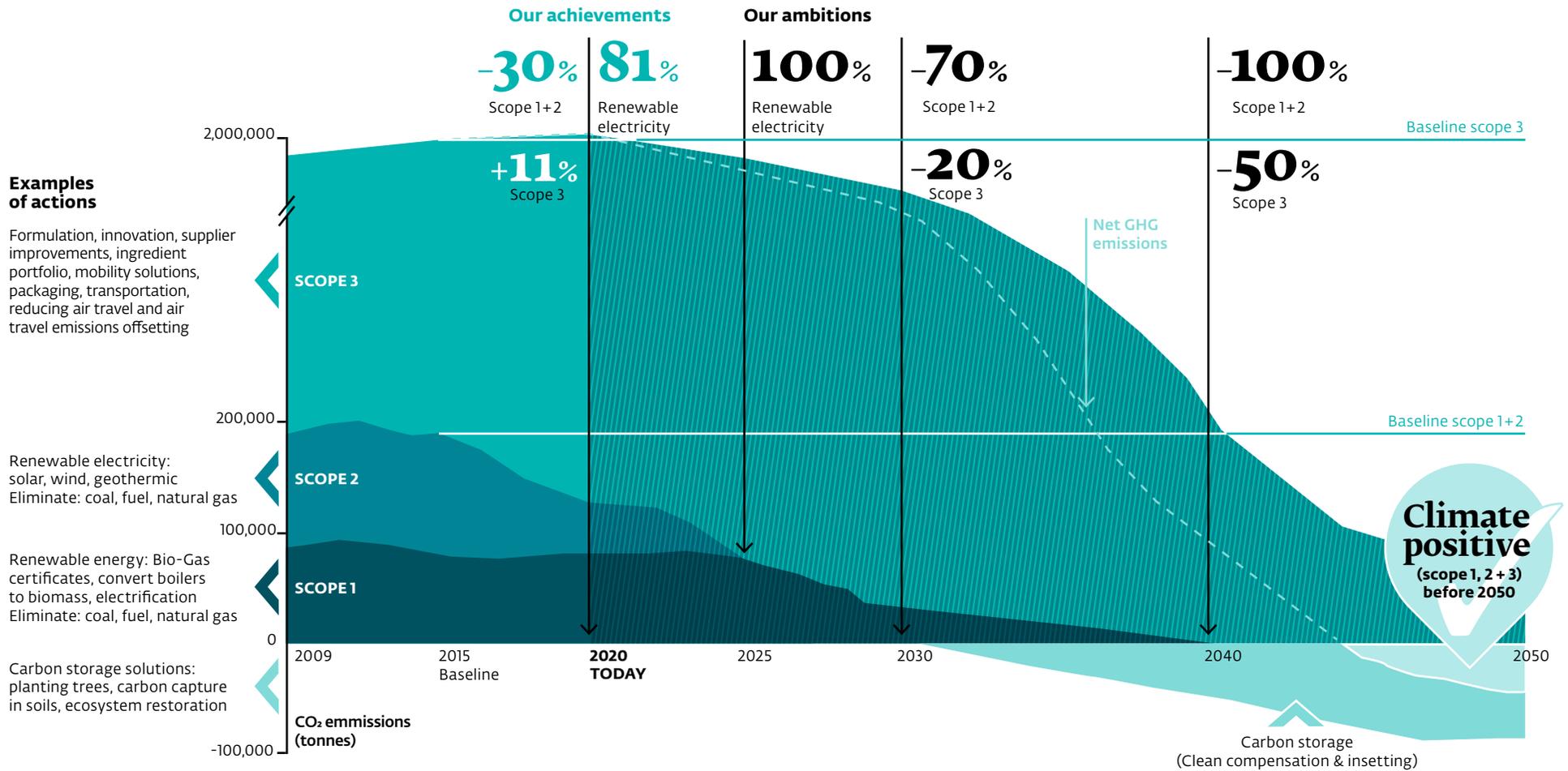
1. Assured 2019 full year figures.

2. New 12-month reporting period: Q4 2019 – Q3 2020.

3. The quantity is calculated by multiplying the annual fuel consumption by the corresponding emission factor for fuel type.

GRI 305 Emissions

OUR ROADMAP TO BECOMING CLIMATE POSITIVE



GRI 306 Waste

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Disclosure 103 – 1

Explanation of the material topic and its boundary

We look to pursue a culture of waste elimination by adequately managing all of Givaudan's waste streams. Appropriate waste management helps to limit our impact on the environment, and reducing waste allows us to reduce the costs of production. The topic of waste is related to our material topic Waste management. We first work to reduce generation and then work towards good waste management through recycling and reuse or by ensuring that it is recovered and/or disposed of in an environmentally sustainable way.

Boundary

- ▶ Givaudan
- ▶ Suppliers

Disclosure 103 – 2, 103 – 3, 306 – 1, 306 – 2

Management approach

Protecting the environment also 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. We also strive to reuse or recycle materials where possible.

We work hard to limit the amount of waste we produce through a five-pronged process based on the key concepts of 'rethink,' 'reduce,' 'reuse,' 'recycle' and 'recover.' We are rethinking how processes are done currently. We are reducing the amount 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 by incineration. Where waste is incinerated, we make sure energy content is recaptured. Our target by 2020 was to reduce incinerated and landfilled waste production per tonne of product by an average of 4% year on year against the 2015 baseline figure. Another

important element of our approach is our new commitment to replacing all single-use plastics across sites and operations with eco-friendly alternatives before 2030.

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 that produces little or no waste. In the circular economy model, various measures can be taken such as, for instance, managing biological materials so that they can be returned to the biosphere without contamination.

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

Products and processes

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. Reusability and recyclability are important factors to consider when looking to minimise waste in new product and transport packaging concepts too. 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 different direct and indirect possible pathways of the products at the end of their lives (including disposal of unused products) into various waste streams already during product development.

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 or 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.

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 take into account all options of 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 completely with eco-friendly alternatives before 2030.

GRI 306 Waste

Rethinking plastics

Another important element of our approach is our new commitment to replace all single-use plastics across sites and operations with eco-friendly alternatives before 2030. This requires us to redesign and innovate the plastics system in our business models, our materials, packaging design and reprocessing technologies.

At the end of 2020, we completed our first plastic circularity study at our Vernier site in Switzerland. We identified many opportunities for improvement and engaged with the World Business Council for Sustainable Development (WBCSD)'s plastic and packaging project as a co-leader of one workstream. To strategically position and embed plastic circularity principles in our sustainability programmes, we have recruited a global expert who will guide the organisation on this journey.

We all simultaneously continue to encourage our employees to find ways to switch to more sustainable alternatives from plastic. For example, at our Edison site in Cincinnati, Ohio, USA, innovative and sustainable waste management processes are being implemented to gradually eliminate all food-related waste sent to landfill. This is accomplished by composting coffee pods (K-Cups) throughout the site and by creating specific food waste streams in the cafeteria and application labs.

Waste progress 2020

During the course of 2020, the amount of waste sent for incineration and landfill per tonne of product decreased by 14% compared to the 2015 figure. In total, we diverted from disposal 71% of all our waste in 2020. The absolute amount of waste diverted from disposal has increased by 20% since 2015. The reduction of landfill is also a priority and 15 of our sites (35%), mainly in Europe, are without landfill waste.



READ MORE
2020 Integrated Annual Report ▶ pages 67 – 69 ▶ **Responsibly managing waste and water**

Disclosure 306 – 3 Waste generated

	2015 (restate)	2019 ¹ (restate)	2020 ²
Waste (tonnes)			
Hazardous waste	26,232	32,100	33,312
Non-hazardous waste	36,468	40,345	39,481
One-off waste ³	2,219	3,631	1,599
Total waste	64,920	76,075	74,391

1. Assured 2019 full year figures.
2. New 12-month reporting period: Q4 2019 – Q3 2020.
3. 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.

Disclosure 306 – 4 Waste diverted from disposal

	2015 (restate)	2019 ¹ (restate)	2020 ²
Hazardous waste (tonnes)			
Preparation for reuse ³			1,079
Recycling	15,152	19,230	15,114
Other recovery operations ³			4,677
Total Hazardous waste	15,152	19,230	20,869
Non-hazardous waste (tonnes)			
Preparation for reuse ³			174
Recycling ⁴	27,826	30,716	29,342
Other recovery operations ³			1,085
Total non-hazardous waste	27,826	30,716	30,600

1. Assured 2019 full year figures.
2. New 12-month reporting period: Q4 2019 – Q3 2020.
3. This data was not collected in 2015 and 2019. We started to include this category in our reporting in 2020. In the past this treatment was included in the recycling processes.
4. Including the split into 3 categories (recycling, composting and biogas production which are 2 particular types of recycling according to GRI).

We do not currently measure the amount of waste diverted from disposal on sites. This is part of our action plan for the next years as part of our goal to increase circularity and reduce wastes.

GRI 306 Waste

GRI 102
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Disclosure 306 – 5

Waste directed to disposal

	2015 (restate)	2019 ¹ (restate)	2020 ²
Hazardous waste (tonnes)			
Incinerated total	10,762	12,739	12,276
Incinerated with energy recovery ³	6,337	7,227	6,704
Landfilled	318	130	167
Total hazardous waste	11,080	12,869	12,443
Non-hazardous waste (tonnes)			
Incinerated total	2,230	2,467	2,295
Incinerated with energy recovery ³	1,076	1,442	1,457
Landfilled	6,412	7,163	6,586
Total non-hazardous waste	8,642	9,629	8,881
Total waste	19,722	22,498	21,323

1. Assured 2019 full year figures.

2. New 12-month reporting period: Q4 2019 – Q3 2020.

3. Among the quantity of HW and non-HW incinerated, this is the quantity incinerated with energy recovery (in tonnes).

We do not currently measure the amount of waste directed to disposal by disposal operation. This is part of our action plan for the next years as part of our goal to increase circularity and reduce wastes.

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GRI 308 Supplier environmental assessment

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Disclosure 103 – 1

Explanation of the material topic and its boundary

Fostering compliance with high standards in health, safety, social, environmental and business integrity in the way we source enables us to reduce our environmental and social impact. Our sourcing strategy also helps to mitigate the risks inherent in our complex supply chains. Supplier environmental assessment is related to our material topics Deforestation, Water stewardship and Responsible Sourcing, though our policies also cover energy use, emissions and waste. We work with our suppliers to make sure they have plans in place to meet our sourcing standards. Examples include collaborating with suppliers and other key partners to halt deforestation and support reforestation along Givaudan's supply chain as well as ensuring that we make efficient use of and limit the environmental impact of the way we consume and discharge water. We also work with suppliers to make sure that they meet our Responsible Sourcing Policy requirements in terms of energy use, emissions and waste.

Boundary

► Suppliers

Disclosure 103 – 2, 103 – 3

Management approach

We source a wide variety of raw materials, often from various suppliers and through multiple supply chains. In order to better understand the origin of raw materials, we map supply chains beyond our direct suppliers. This creates the transparency we need to assess whether or not practices throughout the supply chains meet our Responsible Sourcing Policy. Apart from our expectation that suppliers meet legal requirements, we also call on all of them, including smallholders, to make continuous improvements in regard to our Responsible Sourcing Policy.

The policy, published in 2016, sets out high standards in terms of health and safety as well as social and environmental responsibility and business integrity. We ask our suppliers to support the policy and disclose information that could help drive improvement. We target improvement in respect to our Responsible Sourcing Programme at every level of our supply chains, from primary producers of raw materials to intermediary suppliers, service providers, workers and employees. The approach also helps us serve our customers, who increasingly seek to understand the impact of their supply chains and ask for more data on environmental and social aspects.

We are working towards all of these goals through a two-pronged approach: we work with our main direct suppliers through site audits and assess the full length of our supply chains for strategic raw materials of natural origin. We aim to ensure that all main direct suppliers comply with our Responsible Sourcing Policy. Though our target was to have all of them reach full compliance with their audits by 2020, the impact of COVID-19 meant, like for many others across the industry, that we were unable to meet this goal because we could not be on site.

Our procurement team and implementation partners work closely with suppliers to guide them through the Responsible Sourcing Policy, identify gaps, agree on remediation plans and prepare for the audit. The sites of direct suppliers are audited according to Sedex Members Ethical Trade Audit (SMETA), one of the most widespread ethical audit formats in the world, or by an equivalent protocol. Auditing suppliers accordingly allows them to benefit from a mutual recognition agreement among the members of the AIM-PROGRESS platform.

Progress on supply chains of raw materials of natural origin

We work together with partners and suppliers to increase transparency in our supply chains and improve their sustainability practices.

Our aim is to source these raw materials responsibly by either identifying existing best practices or by reaching agreements with our suppliers on improvement plans to close gaps in relation to our policy. For raw materials sourced in several countries through multiple supply chains, we carry out assessments gradually over time. This continuously increases our responsible sourcing coverage in volume, and means that some raw material categories are partially covered. By the end of 2020 we had mapped 50 raw material categories and were sourcing 33 raw material categories as part of our Responsible Sourcing programme.

We have assessed supply chains from our direct suppliers to the farmer level since 2016 and it was an approach that many were completely unfamiliar with. It has heightened supplier awareness of the importance of increased traceability and given them an increased understanding of the supply chain. This, in turn, helps them implement good social and environmental practices. It has also encouraged the introduction of transformation projects in several supply chains such as palm oil, jasmine from Egypt and arabic gum.

We have been working since 2016 to develop better awareness among our suppliers of the importance of increased traceability and good social and environmental practices.

GRI 308 Supplier environmental assessment

At the time, we set ambitious targets, which have in turn helped us to deepen our knowledge of our supply chains and, indeed, raise awareness. We have come to realise that the scope of 90% volume responsibly sourced was neither relevant nor a good measure of our progress to source responsibly and have readjusted our programme for measuring progress in responsible sourcing. During 2020, we reviewed individual responsible sourcing programmes and also put effort into finding a risk-based approach to selecting raw materials and suppliers. The resulting new programme will be launched in 2021.

READ MORE

2020 Integrated Annual Report ▶ pages 88 – 89 ▶ [Maximising value with our suppliers](#)

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New suppliers screened using environmental criteria

For information about new suppliers screened using environmental criteria, please read the paragraph on operations and supplier assessment.

READ MORE

[Operations and supplier assessment](#) ▶ page 37

Environmental performance indicators

Key performance indicators		2009 (restated in 2020)	2015 (restated in 2020)	2019 ¹ (restated in 2020)	2020 ²
Energy					
Energy (GJ)	Direct energy consumption primary sources ³		1,710,865	1,819,826	1,729,511
	Indirect energy: purchased electricity & steam		957,103	1,042,227	1,038,479
	Total energy		2,667,968	2,862,053	2,767,990
Energy efficiency (GJ/tonne of production)	Direct energy efficiency		4.44	3.80	3.58
	Indirect energy efficiency		2.48	2.18	2.15
	Total energy		6.93	5.98	5.73
Emissions					
GHG emissions (tonnes)					
Scope 1	From direct energy sources ⁴		100,023	103,140	98,180
	From biogenic sources		0	7	22
	Total scope 1		100,023	103,147	98,202
Scope 2	From indirect energy sources		89,787	51,429	34,492
	Total scope 1 + 2 GHG emissions		189,810	154,569	132,671
Scope 3	Purchased good and services	–	1,443,720	1,535,966	1,622,390
	Raw materials	–	1,234,136	1,326,732	1,412,100
	Other Indirect materials & services categories (excluding existing categories)	–	146,856	135,249	132,686
	Packaging	–	62,728	73,985	77,604
	Capital goods ⁵	–	51,722	107,548	72,797
	Fuel and energy related activities	–	79,385	50,261	52,375
	Upstream transportation and distribution	–	23,514	31,546	37,784
	Waste generated in operations	–	15,443	16,882	19,510
	Business travel	–	19,857	23,437	10,915
	Employee commuting	–	15,417	14,920	13,820
	Downstream transportation and distribution		43,277	47,407	47,750
	Outbound product to customers		31,302	32,757	32,133
	Outbound intercompany deliveries	–	11,975	14,650	15,617
	Total scope 3 GHG emissions		1,692,335	1,827,968	1,877,341
Total GHG emissions			1,882,145	1,982,537	2,010,013
GHG emissions efficiency ⁶ (tonnes of GHG/tonne of production)	Scope 1: from direct energy sources	–	0.26	0.22	0.20
	Scope 2: from indirect energy sources	–	0.23	0.11	0.07
	Total GHG emissions	–	0.49	0.32	0.27

Environmental performance indicators

Key performance indicators		2009 (restated in 2020)	2015 (restated in 2020)	2019 ¹ (restated in 2020)	2020 ²
Waste					
Hazardous waste (tonnes)	Preparation for reuse ⁷				1,079
	Recycling ⁸		15,152	19,230	15,114
	Other recovery operations				4,677
	Total hazardous waste recovered		15,152	19,230	20,869
	Incinerated ⁹		10,762	12,739	12,276
	Incinerated with energy recovery ¹⁰		6,337	7,227	6,704
	Landfilled		318	130	167
	Total hazardous waste disposed		11,080	12,869	12,443
	Total hazardous waste		26,232	32,100	33,312
	Non-hazardous waste (tonnes)	Preparation for reuse ⁷			
Recycling ⁸			27,826	30,716	29,342
Other recovery operations ¹¹					1,085
Total non-hazardous waste recovered			27,826	30,716	30,600
Incinerated ⁹			2,230	2,467	2,295
Incinerated with energy recovery ¹⁰			1,076	1,442	1,457
Landfilled			6,412	7,163	6,586
Other disposal operations ¹¹					0
Total non-hazardous waste disposed			8,642	9,629	8,881
Total non-hazardous waste			36,468	40,345	39,481
Total incinerated and landfilled waste (HZ and NHZ, tonnes)		19,722	22,498	21,323	
Waste efficiency¹² (kg/tonne of production)		51.2	47.0	44.1	
One-off waste (tonnes)¹³		2,219	3,631	1,599	
Total waste (tonnes)		64,920	76,075	74,391	

Environmental performance indicators

Key performance indicators		2009 (restated in 2020)	2015 (restated in 2020)	2019 ¹ (restated in 2020)	2020 ²
Water					
Water intake (m³)	Surface water	7,432,649	5,006,361	5,261,101	4,504,312
	Groundwater	1,074,035	1,390,267	1,329,357	1,252,495
	Seawater ¹⁴	0	0	0	0
	Third-party water	2,604,860	2,619,545	2,674,657	2,665,631
	Total water¹⁵	11,111,544	9,016,173	9,265,114	8,422,438
Water efficiency¹⁶ (m³/tonne of production)		10.91	9.74	7.82	7.54
Water discharge (m³)	To the environment w/o biological treatment			4,640,582	3,430,989
	To the environment after biological treatment			2,003,464	2,032,189
	To external treatment facility w/o pre-treatment			523,398	479,526
	To external treatment facility with pre-treatment			1,550,891	1,545,871
	Total discharged water			8,718,334	7,488,576
Water consumption (m ³)	Water consumption			546,780	933,861
COD (tonnes)	COD load of water discharged to the environment	–	–	648	277
Other data					
	Nitrogen oxides – NO _x (tonnes) ¹⁷	–	–	69.92	67.25
	Sulphur dioxide – SO ₂ (tonnes) ¹⁷	–	–	0.09	0.07
	Volatile organic compounds (tonnes)	–	–	1,238	1,018
	CFC inventory (kg)	–	–	9,314	6,785
	CFC ¹¹ equivalent inventory (kg)	–	–	743	378
	CFC loss-replacement (kg)	–	–	298	676
	CFC ¹¹ equivalent loss/replacement (kg)	–	–	37.24	37.18
Production					
	Production quantities (tonnes)	308,060	385,189	478,707	483,094

1. Assured 2019 full year figures.

2. New 12-month reporting period: Q4 2019 – Q3 2020

3. Includes natural gas (0.0345 GJ/m³), light fuel (36.12 GJ/m³), heavy fuel (39.77 GJ/m³), liquid petroleum gas (22.65 GJ/m³), town gas (0.0186 GJ/m³), waste used as energy source (22.5 GJ/m³), geothermal energy (0.0036 GJ/kWh), deducting steam sold (2.9 GJ/tonnes).

4. Excluding emissions from CH₄ and N₂O from usage of biofuel in one production site.

5. Doesn't include Induchem data.

6. Includes only scope 1 and scope 2.

7. This data was not collected in 2015 and 2019. We started to include this category in our reporting in 2020. In the past this treatment was included in the recycling processes.

8. Including the split into 3 categories (recycling + composting and biogas production which are 2 particular types of recycling according to GRI).

9. Among the quantity of HW and non-HW incinerated, this is the quantity incinerated with and without energy recovery (in tonnes).

10. Among the quantity of HW and non-HW incinerated, this is the quantity incinerated with energy recovery (in tonnes).

11. This data was not collected in 2015 and 2019. We started to include this category in our reporting in 2020. In the past this treatment was included in the recycling processes.

12. Includes incinerated and landfilled waste (HZ and NHZ).

13. This indicator measures the total quantity of waste which is not directly related to the daily operations, but is categorized 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.

14. We do not withdraw seawater.

15. Includes sanitary, cooling and process water.

16. Includes municipal and groundwater.

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

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Environmental performance indicators – restatement table

How to read our performance 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, and changes in calculation methodology and 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, 2009 and 2015. The GHG emissions, energy and waste targets were set against a 2009 baseline, which we met in 2015. This led to the publication of strengthened targets, against a 2015 baseline. For water, the 2009 baseline year is still valid. For production volumes, both 2009 and 2015 are reported since the ratios are calculated using the data of the accurate baseline year.

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.

Key performance indicators		2009 (as published in 2019)	2009 (restated in 2020)	% change 2009	2015 (as published in 2019)	2015 (restated in 2020)	% change 2015	2019 (as published in 2019)	2019 (restated in 2020)	% change 2019
Energy										
Energy (GJ)	Direct energy (from primary sources)				1,710,865	1,710,865	0%	1,798,726	1,819,826	1.17%
	Indirect energy: purchased electricity & steam				957,103	957,103	0%	1,039,216	1,042,227	0.29%
	Total energy				2,667,968	2,667,968	0%	2,837,942	2,862,053	0.85%
Energy efficiency (GJ/tonne of production)	Direct energy efficiency				4.44	4.44	0%	3.76	3.80	1.16%
	Indirect energy efficiency				2.48	2.48	0%	2.17	2.18	0.28%
	Total energy				6.93	6.93	0%	5.93	5.98	0.84%
Emissions										
GHG emissions (tonnes)										
Scope 1	From direct energy sources				100,023	100,023	0%	102,103	103,140	1.02%
	From biogenic sources				0	0	0%	7	7	0%
Scope 2	From indirect energy sources				89,787	89,787	0%	51,454	51,429	(0.05%)
	Total scope 1 + 2 GHG emissions				189,810	189,810	0%	153,556	154,569	0.66%

Environmental performance indicators – restatement table

	2009 (as published in 2019)	2009 (restated in 2020)	% change 2009	2015 (as published in 2019)	2015 (restated in 2020)	% change 2015	2019 (as published in 2019)	2019 (restated in 2020)	% change 2019
Key performance indicators									
Scope 3	Purchased good and services								
	Raw materials								
	Other Indirect materials & services categories (excluding existing categories)								
	Packaging								
	Capital goods								
	Fuel and energy related activities								
	Upstream transportation and distribution								
	Waste generated in operations								
	Business travel								
	Employee commuting								
	Downstream transportation and distribution								
	Outbound product to customers								
	Outbound intercompany deliveries								
	Total scope 3 GHG emissions			1,544,229	1,692,335	9.59%	1,816,834	1,827,968	0.61%
	Total GHG emissions			1,734,039	1,882,145	8.54%	1,970,390	1,982,537	0.62%
GHG emissions efficiency (tonnes of GHG/tonne of production)	Scope 1: from direct energy sources								
	Scope 2: from indirect energy sources								
	Total GHG emissions			0.49	0.49	0%	0.32	0.32	0.65%
Waste									
Hazardous waste (tonnes)	Preparation for reuse								
	Recycling								
	Other recovery operations								
	Total hazardous waste recovered			17,357	15,152	(12.70%)	22,272	19,230	(13.66%)
	Incinerated								
	Incinerated with energy recovery								
	Landfilled								
	Total hazardous waste disposed			8,875	11,080	24.85%	9,930	12,869	29.60%
	Total hazardous waste			26,232	26,232	0%	32,203	32,100	(0.32%)
Non-hazardous waste (tonnes)	Preparation for reuse								
	Recycling								
	Other recovery operations								
	Total non-hazardous waste recovered			27,826	27,826	0%	30,634	30,716	0.27%
	Incinerated								
	Incinerated with energy recovery								

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Environmental performance indicators – restatement table

Key performance indicators		2009 (as published in 2019)	2009 (restated in 2020)	% change 2009	2015 (as published in 2019)	2015 (restated in 2020)	% change 2015	2019 (as published in 2019)	2019 (restated in 2020)	% change 2019
	Landfilled				6,412	6,412	0%	7,131	7,163	0.44%
	Other disposal operations									
	Total non-hazardous waste disposed				8,642	8,642	0%	9,593	9,629	0.38%
	Total non-hazardous waste				36,468	36,468	0%	40,226	40,345	0.30%
	Total incinerated and landfilled waste (HZ and NHZ, tonnes)				17,517	19,722	12.59%	19,523	22,498	15.24%
	Waste efficiency (kg/tonne of production)				45.5	51.2	12.59%	40.8	47.0	15.22%
	One-off waste (tonnes)				2,219	2,219	0%	3,540	3,631	2.56%
	Total waste (tonnes)				64,920	64,920	0%	75,969	76,075	0.14%
	Water									
	Water intake (m³)									
	Surface water	7,432,649	7,432,649	0%	5,006,361	5,006,361	0%	5,261,101	5,261,101	0%
	Groundwater	1,074,035	1,074,035	0%	1,390,267	1,390,267	0%	1,329,616	1,329,357	(0.02%)
	Seawater									
	Third-party water	2,286,999	2,604,860	13.90%	2,359,818	2,619,545	11.01%	2,409,226	2,674,657	11.02%
	Total water	10,793,683	11,111,544	2.94%	8,756,446	9,016,173	2.97%	8,999,944	9,265,114	2.95%
	Water efficiency (m³/tonne of production)	10.91	10.91	0%	9.74	9.74	0%	7.81	7.82	0.07%
	Water discharge (m³)									
	To the environment w/o biological treatment							4,640,033	4,640,582	0.01%
	To the environment after biological treatment							2,003,464	2,003,464	0%
	To external treatment facility w/o pre-treatment							521,064	523,398	0.45%
	To external treatment facility with pre-treatment							1,549,129	1,550,891	0.11%
	Total discharged water							8,713,691	8,718,334	0.05%
	Water consumption (m ³)									
	COD (tonnes)							648	648	0%
	Other data									
	Nitrogen oxides – NO _x (tonnes)							76.66	69.92	(8.79%)
	Sulphur dioxide – SO ₂ (tonnes)							0.12	0.09	(27.58%)
	Volatile organic compounds (tonnes)							405	1,238	205.63%
	CFC inventory (kg)							9,285	9,314	0.32%
	CFC 11 equivalent inventory (kg)							741	743	0.20%
	CFC loss-replacement (kg)							298	298	(0.09%)
	CFC 11 equivalent loss/replacement (kg)							37.26	37.24	(0.07%)
	Production									
	Production quantities (tonnes)	308,060	308,060	0%	385,189	385,189	0%	478,638	478,707	0.01%

Environmental performance indicators – restatement table

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Reasons for change

General

The scope 3 categories have changed due to the impact of integrating information from recently acquired companies into our baseline and past-year data.

Business travel

We changed the calculation methodology for business travel using emission factors that include the RF effect, adding a new premium service category and recalculating distance ranges according to DEFRA standard.

Packaging

We corrected a calculation mistake from 2019 for the packaging category. This reduces the baseline data by approximately 22%. The applied corrections align with the methodology used to calculate this year's data – the correction in the calculation methodology has now been applied and is aligned over all years.

Raw materials

This year we have recalculated the baseline for our raw material category including all acquisitions since 2015 on the new scope 3 calculation model. We used the proportion of raw material purchased through the acquisition as a ratio for calculating their impact on the baseline.

Other indirect materials & services categories (excluding existing categories) & CAPEX

This year we have recalculated the baseline for our Other IM&S categories & CAPEX to include all acquisitions since 2015. We used the proportion of expenditures or CAPEX for these categories as a ratio for calculating their impact on the baseline.

Upstream and downstream transportation

We corrected a rounding error for the Emission Factor used for sea transport. Adding a decimal value to it took it to 8.4 gCO₂/tonne-km from 8.0 and this increased emissions from sea transport by 5% per tonne-km. This methodology is now integrated into our scope 3 model.

Direct energy (from primary sources) and Direct energy efficiency

Change is mostly due to spontaneous corrections on consumption of natural gas at one manufacturing site in the USA and of light fuel oil at one manufacturing site in Argentina.

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

Change is from spontaneous corrections on electricity purchased and consumed at one manufacturing site in France due to the late reception of evidence.

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

Change is mainly due to corrections in fuel consumption that impact the CO₂ emissions calculation directly.

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

Change is mostly due to a correction in purchased and consumed electricity that impacts the CO₂ emissions calculation directly.

Hazardous waste, Total incinerated and landfilled waste and Waste efficiency

Change is mostly due to the reclassification of solvents burned on site with energy recovery at one manufacturing site in Mexico.

Non-hazardous waste (Recycling, Incinerated and Landfilled)

Change is mostly due to minor corrections at manufacturing sites in Australia, the USA, Switzerland and Singapore.

One-off waste

Change is mostly due to a post reporting campaign correction on density conversion at one manufacturing site in Mexico.

Water intake Third-party water

Change is due to the integration of wastewater collected from the community surrounding one manufacturing site in Switzerland into this indicator.

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

Change is due to the combination of minor corrections received after the last publication of our performance from manufacturing sites in France, Egypt, USA and Singapore.

NO_x and SO₂

Changes in energy consumption impact NO_x and SO₂ data.

Volatile organic compounds

Change is mostly due to a correction of VOC calculation methodology at a manufacturing site in Spain.

CFC inventory and CFC loss-replacement

Change is mostly due to minor corrections for data from manufacturing sites in India, USA and Switzerland.

Emission calculation methodologies 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

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(energy, fertilisers, etc). The model allows us to identify the carbon footprint of each substance using its weight 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 highest volume purchased. Proxies have been extrapolated for others. The model has been applied on purchased data from 2015, 2018, 2019 and 2020 which allow 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.

GRI 200
Economic

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 2020 GHG emission figure was then calculated by using the 2015 ratio between spend and GHG emissions and extrapolating to the 2020 spend figure.

GRI 300
Environmental

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 database). The totals for each type of packaging were consolidated to give a total Givaudan figure.

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Capital goods

The figures are calculated through the ESCHER model on the basis of financial values of hardware purchased during 2015. The 2020 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 takes the primary energy carriers for the production of heat, electricity and steam as well as the technology standard in the countries of the respective sites into consideration. We use the ecoinvent database 2.2 (method: IPCC 2007) as the data basis for the life-cycle inventory. Scope 3 emissions have been estimated directly through the analysis of the respective ecoinvent datasets and 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 in the calculation.

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.

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 2020 Department for Environment, Food and Rural Affairs (DEFRA, UK) definition. We use the Emission factor including the RF effect.

Employee commuting

In 2018, we conducted for the third time a global commuting survey/questionnaire asking employees about their modes of travel and distances covered. Of the employees surveyed, 43% responded: this data and transport emission factors (kg/km) from Guidelines to Defra's GHG Conversion factors for transport were used to calculate the related CO₂ emission per employee. The 2018 figure was then obtained by extrapolating to 100%.

The reported 2020 figure is based on the employee commuting survey results from 2018 and extrapolated to the number of full-time employees as of October 2020. To take the COVID-19 situation into account this year, we estimated that 8,000 employees worked from home one day per week as a result of related constraints and that the rest of our employees commuted as usual. A new survey will be completed in 2021.

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.

GRI 400

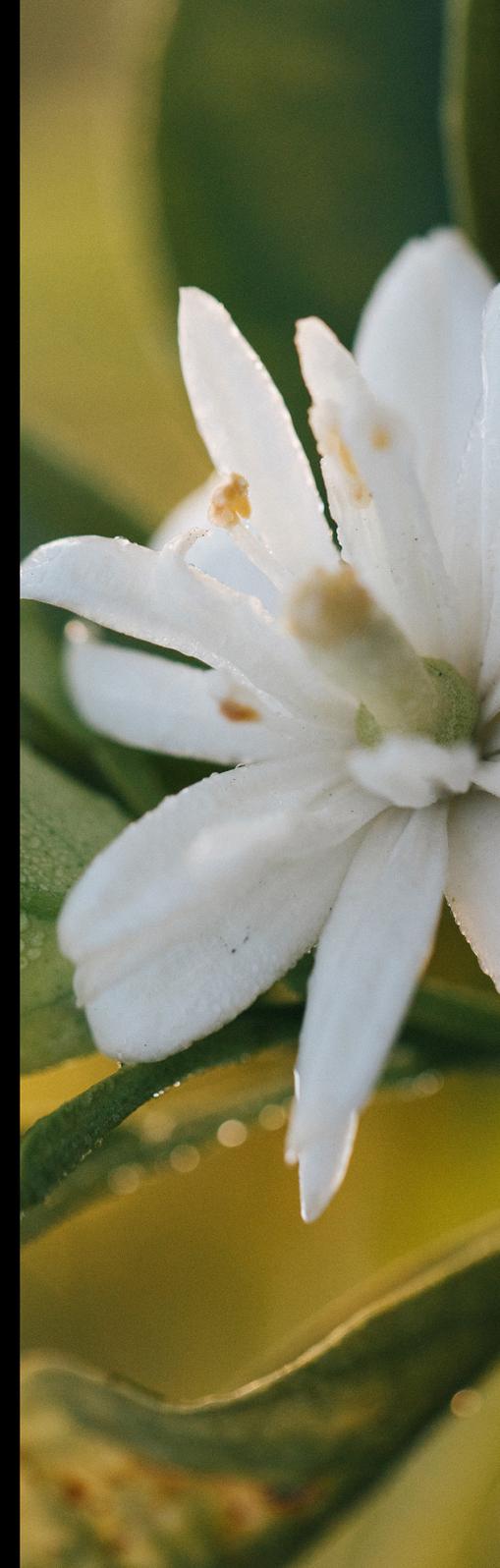
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Our contribution to the United Nations' Sustainable Development Goals



GRI 401 Employment

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Appendix

Disclosure 103 – 1

Explanation of the material topic and its boundary

Givaudan is the leading employer in in taste and wellbeing, and fragrance and beauty with a global workforce of more than 15,852 employees. It is our people, working in a wide variety of roles, who 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 and encouraging people is a 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. We focus on employee development to improve skills and productivity, to constantly adapt skills to requirements and to offer the best opportunities to our people.

Givaudan addresses the topic of Employment through our material topic Talent management. 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.

Boundary ► Givaudan

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Management approach

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 reflect the societies and cultures in which we operate by providing opportunities for people of all backgrounds, gender and origin. 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 towards being more balanced and inclusive 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.

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.

At Givaudan, the path to leadership is open to all motivated, talented and qualified people and we are committed to equal opportunity. It is our policy to recruit, employ and promote people on the sole 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.

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. For example, since the very beginning of the COVID-19 crisis, our people showed great resilience and commitment to ensuring we continue to provide essential products to sustain the global supply chain in food and beverage as well as in household, health and personal care items. In recognition of their dedication, we have granted a gross bonus amount to our employees and to temporary staff who were required to work regularly on-site to ensure delivery to our customers.

READ MORE

2020 Integrated Annual Report ► pages 74 – 85 ► People

Disclosure 401 – 1**New employee hires and employee turnover**

Despite the COVID-19 restrictions, we continued to recruit a significant number of new employees; the number of applications remained stable.

Staff turnover by age group, gender and region

	Age range			Gender		Total
	<30	30-50	>50	Women	Men	
Asia Pacific	7%	7%	6%	7%	7%	7%
Europe, Africa and Middle East	13%	7%	8%	9%	8%	8%
Latin America	12%	6%	6%	7%	8%	7%
North America	20%	13%	13%	11%	16%	14%
Total 2020	12%	8%	9%	8%	9%	9%
Total 2019	14%	9%	10%	10%	10%	10%

New employee hires by age group, gender and region

	Age range			Gender		Total
	<30	30-50	>50	Women	Men	
Asia Pacific	127	258	10	196	199	395
Europe, Africa and Middle East	209	336	36	270	311	581
Latin America	137	151	2	119	171	290
North America	156	169	41	99	267	366
Total 2020	629	914	89	684	948	1,632
Total 2019	909	849	69	735	1,092	1,827

GRI 402 Labour/management relations

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Disclosure 103 – 1

Explanation of the material topic and its boundary

Good relations between management and employees are necessary to the operation of a sustainable and viable business. Employees should be respected, listened to and provided with adequate working conditions. Establishing genuine dialogue with freely chosen employee representatives enables employees and employers to better understand each other's challenges and find ways to resolve them. 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.

Boundary ► Givaudan

Disclosure 103 – 2, 103 – 3

Management approach

At Givaudan, we provide and promote an environment of open dialogue to ensure that all work-related aspects are well understood, openly discussed and that any challenges are properly resolved. We believe that genuine conversations improve mutual understanding and help us find resolutions to potential conflicts. 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).

Communication is particularly important when employees are affected by operational changes and we respect legal local notice periods before implementing them.

Another element of constructive dialogue is our global Employee Engagement Survey, which offers all employees the opportunity to have their say. The survey is anonymous and conducted by an external agency, providing employees with assurance they can speak freely and that their voices will be heard. The impressive response rates show us that our employees feel empowered to speak up and create change. Results of the surveys are communicated to employees and local sites and countries are encouraged to take ownership of their results to build on their strengths and address opportunities. Global actions are reviewed by the EC.

Employee relations

Our global workforce operates in an international market and must be capable of adapting to a rapidly changing market. We try to cultivate an environment where the employer and the employee can better understand each other's challenges and find ways of resolving them. This is done by establishing genuine dialogue with freely chosen employee representatives.

We strive for harmony in employee and management relations and follow commonly recognised best practices. We pride ourselves on our history of constructive dialogue with employee representatives and we support the freedom of individuals to join trade unions or other employee representative bodies.

Regular Union/Works Council consultations are held with a group of employees representing Union/Works Council members at all applicable sites around the world, including for all European Union member states where we operate. 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 EC so that they can take suitable action if required.

Due to COVID-19 the European Works Council took place in November 2020 through a virtual meeting, which included a presentation of the 2025 strategy by the EC members. The EWC gave positive feedback on the content and acknowledge that we invested time and effort to organise the virtual session.

In 2020, 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.

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 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.

Disclosure 102 – 41

Collective bargaining agreements

22% of employees are covered by collective bargaining agreements.

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Appendix

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 internationally recognised standards 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.

READ MORE

About continuous improvement in EHS performance
www.givaudan.com/file/62576/download

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.

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

GRI 403 Occupational health and safety

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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.

GRI 200
Economic

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.

GRI 300
Environmental

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. This year, the programme was reviewed, more in-depth site visits were planned to verify that practices were being carried out. Unfortunately due to COVID-19, we were not able to follow this plan and decided to postpone it to 2021. This programme will now also be applied to acquisitions and new sites.

GRI 400
Social

We continue to successfully drive EHS contacts, which are quality conversations correcting environment, health and safety issues and reinforcing good safety behaviour. Despite a reduction in frequency due to COVID-19, we had 17,275 such contacts this year.

Appendix

Though our health and safety activities have traditionally focused on production sites, we are now expanding 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 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 report unsafe conditions and activities. Employees are able to report to supervisors/site EHS/global EHS or anonymously to the compliance hotline. The 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.

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.

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. It has now been fully implemented on all Givaudan production sites and is being rolled out over the next two years to current acquisition and commercial sites.

The chemical and biological 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 all Givaudan production sites.

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.

GRI 403 Occupational health and safety

GRI 102
General Disclosures

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. A total of 184 ergonomic assessments were completed at 32 production sites by the end of 2020. Examples of improvement implementation can be found in Makó with the installation of pneumatic lifting equipment, in Dortmund where vacuum lifts have been installed for handling cans or cardboard boxes, or in Ashford where a lift device was installed to position drums on a pallet.

GRI 200
Economic

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. About 1,846 employees have completed the e-learning course and more than 2,186 self-assessments were entered throughout 2020. The roll-out of the Office Ergonomic software was affected by COVID-19 pandemic, but will be continued in 2021 and include Naturex and other acquisitions, as well as remaining Givaudan legacy sites. The roll-out is expected to be completed by December 2021. People may also use this software to assess their home workstations.

GRI 300
Environmental

The emergence of COVID-19 led us to introduce the Healthy Home Working initiative, virtual training intended to reduce or preferably eliminate risks in the home office. Topics covered included the environment and workspace, routine as well as mental and physical health. A one-hour webinar, the initiative involved 18 trainers, and 7 in stand-by, working in 8 languages in 23 countries and was created in response to the many employees working from home because of COVID-19. As planned, the Healthy Home Working initiative ended in July, by which time more than 1,700 employees had been trained.

GRI 400
Social

Appendix

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.

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 191 facilitators and are currently extending the programme into India and China.

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. So far, it has been

GRI 403 Occupational health and safety

introduced to 38 sites in 23 different countries. The next step is to extend it into our more recent acquisitions.

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 reduce total cases of recordable injuries 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 Givaudan sites and the subsequent public disclosure of performance. The programme, which included training EHS people at our non-production sites, will continue into 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. The campaign, which focuses on the top three causes of fire in a workplace – waste, electrostatic charges and electric risk – continued through 2020 despite the emergence of COVID-19.

Unfortunately, other workshops involving site visits, site-specific demonstrations or any face-to-face meetings had to be postponed to 2021 due to COVID-19.

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.

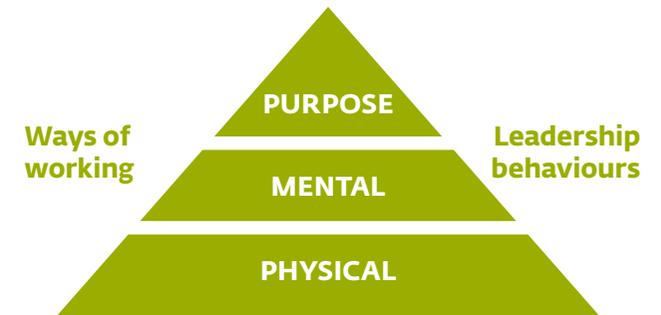
Disclosure 403 – 6 Promotion of worker health

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

Warwick-Edinburgh Mental Wellbeing Scale



critical to maintaining good physical health. Tools for addressing physical health at Givaudan include our COVID-19 physical health hints and tips guide as well as 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 held at first on sites in India and then, as the effects of COVID-19 took hold, over Zoom. At sites in certain countries including Thailand we offer free fruit in order to encourage people to eat in a healthy way.

At some sites, we also offer the seasonal flu vaccine to active employees. This year, despite limited supply due to the pandemic, we were able to offer the vaccination to many vulnerable people and those over 55 whose work requires them to be on site, principally employees in the functions of operations, laboratories and supply chain.

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

GRI 403 Occupational health and safety

looking after their mental health through our COVID-19 mental health hints and tips guide, our guide to the symptoms of mental ill health, local mental wellbeing webinars, a global employee assistance programme (EAP) hotline “LifeWorks,” 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.

In China, for example, we have been working to foster an open business culture with multiple workshops aimed at engaging all colleagues. Framed within the context of a “Journey to Openness” story book, a recent element looked at challenges posed by the COVID-19 pandemic and how to build organisation capability and resilience. While open culture intends to empower the workforce to give voice to risks, opportunities and innovative ideas, the leadership team also realised that the values embodied in a “growth mindset” can equip the workforce with tools for increasing happiness in this highly challenging period.

In 2020, we also launched a month-long campaign called Happier, Healthier Habits, introducing us to new practices to bring wellbeing into our daily lives. 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. The campaign centered around World Mental Health Day on 10 October and gave us an opportunity to increase our understanding about mental wellbeing as well as to take practical steps towards a more balanced lifestyle. During the campaign, which was supported by external experts and internal leaders as well as campaign managers, we presented ways of paying more attention to mental well-being, learned more about preventing mental ill-health, and put theory into practice through a 21-day challenge meant to support employees in focusing on their mental health.

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, LifeWorks, offers a 24/7 online help-point in over 200 languages as well as telephone advice with local consultants. LifeWorks 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 LifeWorks 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 COVID-19 motivation hints and tips guide; 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. One event, “Steptember,” in the Netherlands, allowed employees to record the number of steps taken, with each one raising a given amount for a mental health charity. Participants derived a sense of purpose from doing something to improve the lives of others.

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.

We approach and help employees with ways of working through our COVID-19 ways of working hints and tips guide, our Spark your Senses Learning and Development Newsletter, homeworking webinars, our Humantech Office Ergonomics tool, our IT collaboration tool guides as well as local HR and EHS team support. Our tools for leadership behaviours include our COVID-19 leadership behaviours hints and tips guide, our guide to having conversations with people who are struggling, our Spark your Senses Learning and Development Newsletter and our Leadership Senses programmes and tools.

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 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.

We review our labelling in relation with industry association standards annually. The labelling manual is a coordinated

GRI 403 Occupational health and safety

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 May/June 2020 and the new labelling was introduced in September. We have seen very smooth and successful implementation.

We also review Safety Data Sheets (SDS) in relation with industry association standards annually and have introduced further improvements and enhancements this year. These sheets 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. The Product Stewardship team is continuously improving SDS with information such as new classifications, regulations or additional information. In the last round of updates, we added information for Canada, US and Mexico on stability and reactivity and on disposal considerations. SDS of raw materials are provided to employees, while those of finished goods are supplied to our customers.

Disclosure 403 – 9 Work-related injuries

By the end of 2020, our Lost Time Injury Rate (LTIR) – the measure of the number of occupational incidents with at least one day of work lost relative to 200,000 hours of work – was 0.25 and there were no fatal injuries.

We did not achieve our challenging and ambitious LTIR target of under 0.1 before 2021, but are pleased with the significant progress we have made over the past ten years. In 2009 when the target was set our LTIR was 1.03, and the Total Recordable Case Rate (TRCR) has been reduced from 1.76 in 2009 to 0.88 in 2020. LTI-free sites have increased from 47% in 2009 to 84% in 2020. This successful improvement in LTIR is the result of the sustained engagement by employees in safety issues and is

supported by the championing of safety best practice, continuous improvement in our safety management system, and programmes that help embed a culture of safety at work and at home. They include safety workshops, safety awareness campaigns, safety engagement events and the implementation of our EHS Facilitator Programme.

Health and safety indicators

	2009	2019	2020
Fatalities	0	0	0
Number of LTIs	79	26	32
LTI rate	1.03	0.22	0.25
Lost day rate ¹	N/A	7.62	7.65
Number of Restricted Work Cases (RWC)	28	38	46
Number of Medical Treatment Cases (MTC)	28	32	37
Number of Total Recordable Cases (TRC) ²	135	96	115
Total Recordable Case Rate	1.76	0.81	0.88
Number of lost days ³	N/A	909	998
Number of hours worked ⁴	15,341,093	23,846,803	26,094,174
Absenteeism ⁵	N/A	2.9%	2.9%

- 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.
- TRC is according to the official OSHA definition.
- 2019 includes 208 days carried over from previous year. 2020 includes 73 days carried over from previous year.
- 9.2% of these represent external contractors for whom the Company is liable.
- Compared to the number of normal available working days, includes correction for employees working on a part-time basis.

Total recordable cases by region and gender

Region	Women	Men
Asia Pacific	3	14
Europe, Africa & Middle East	3	48
Latin America	0	4
North America	5	38
Total 2020	11	104
Total 2019	12	84

LTI rate, lost day rate, absenteeism – by region

Region	LTI rate	Lost day rate	Absenteeism
Asia Pacific	0.15	2.38	1.68%
Europe, Africa & Middle East	0.38	10.34	3.91%
Latin America	0.00	0.00	2.22%
North America	0.27	15.23	2.90%

GRI 404 Training and education

Disclosure 103 – 1

Explanation of the material topic and its boundary

Givaudan addresses training and education through its material topic Talent management. Effectively recruiting, developing, engaging, deploying and retaining a balanced workforce that meets future imperatives is essential to our business. We focus on employee development to improve skills and productivity, constantly adapt skills to requirements and offer the best opportunities to our people. This helps improve staff retention, reduce costs and increase our revenue.

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.

Boundary

► Givaudan

Disclosure 103 – 2, 103 – 3

Management approach

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.

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.

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 122 courses globally this year.

Since the launch of our leadership programmes in 2015, a total of 1,837 of 2,300 targeted managers have been trained – of which 50% are in our leadership pool. In 2020, there were 85 participants in our Discover programme (11 of these participated in a virtual pilot when COVID-19 hit) and 345 in our Begin, Grow and Evolve programmes – all done virtually. We launched a new learning programme during the year for managers, with 379 participants.

Disclosure 404 – 3

Percentage of employees receiving regular performance and career development reviews¹

	2019	2020
Women	87%	94%
Men	65%	83%

1. This is defined as the number of physical people and includes internal temporary & regular employees including Activ International. All other acquisitions excluded.

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

GRI 405 Diversity and equal opportunity

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Disclosure 103 – 1

Explanation of the material topic and its boundary

Diversity is critical to helping us manage our complex operating environment and serving our customers in the best possible way. Providing equal opportunities is necessary to cultivate leaders with legitimacy and to make better business decisions. We address Diversity and equal opportunity through the material topics Diversity and inclusion, Women's empowerment and Talent management. We approach Diversity and inclusion by looking to have a balanced workforce that reflects the societies in which we operate. This involves efforts to eliminate all discrimination and to give people from all backgrounds the chance to succeed. 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 makes sound business sense and embracing women's empowerment as a key goal will benefit us all. Managing talent allows us to attract and keep the best and the brightest. We also 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.

Boundary ► Givaudan

Disclosure 103 – 2, 103 – 3

Management approach

We embrace diversity throughout our organisation and are fully committed to inclusiveness. We assess and review the numbers of our balanced 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. Two of our purpose ambitions specify that before 2030, 50% of our senior leaders will be women and 50% will be from high growth markets. One way we will continue to promote a representative workforce is through our approach to a better balance: a good mix of nationalities and gender reinforces our inclusive culture and is essential to achieving our business goals.

We are also committed to providing and contributing to a work environment that is based on mutual respect among people and is free from harassment. 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 on the sole 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. 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 skilled people.

READ MORE

2020 Integrated Annual Report ► pages 76 – 78 ► **People for a better and more sustainable future**

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	14	3	11	14
- in %	0%	0%	100%	21%	79%	100%

Employees' categories and composition of governance

	Women	Men	<30	30-50	>50	Total
Senior leaders ²	45	134	–	68	111	179
-in %	25%	75%	0%	38%	62%	100%
Middle managers	1,788	1,884	97	2,643	932	3,672
-in %	49%	51%	3%	72%	25%	100%
Associates	3,193	5,763	1,917	5,291	1,748	8,956
-in %	36%	64%	21%	59%	20%	100%
Total 2020	5,026	7,781	2,014	8,002	2,791	12,807
Total 2019	4,704	7,514	2,668	7,371	2,179	12,218

1. This is defined as the number of physical people and includes internal temporary & regular employees including Activ International. All other acquisitions excluded.

2. Including the Executive Committee.

Disclosure 405 – 2

Ratio of basic salary and remuneration of women to men

For the Givaudan Group globally, our results show that the average base salary difference between men and women is 1.5% for equivalent roles and skills sets. For total cash compensation (fixed and variable pay) the difference is 1.5%, remaining stable from 2019. The results for our headquarters in Switzerland are similar, showing differences of 1.3% for base salary and total cash compensation.

GRI 406 Non-discrimination

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Disclosure 103 – 1

Explanation of the material topic and its boundary

Globally, having a balanced workforce that reflects the societies in which we operate – including efforts to eliminate all discrimination and to ensure opportunities for success to people from all backgrounds and genders – is key to developing a broad range of views within the Company and critical to our business. Givaudan addresses the topic of Non-discrimination through its approach to the material topics of Diversity and inclusion, Human rights and Women's empowerment. We implement policies and programmes that are consistent with promoting equal opportunities for everyone, without discrimination. Finally, 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. Suppliers are also expected 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.

Boundary

- ▶ Givaudan
- ▶ Suppliers

Disclosure 103 – 2, 103 – 3

Management approach

As specified in our Principles of Conduct, the path to leadership is open to all motivated, talented and qualified people and we are committed to equal opportunity. Two of our purpose ambitions specify that before 2030, 50% of our senior leaders will be women and 50% will be from high growth markets. 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 are fully committed to increasing inclusiveness. We produce analytics to assess and review the numbers of our balanced workforce (in particular relating to gender and nationality) and we 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. 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.

READ MORE

2020 Integrated Annual Report ▶ pages 98 – 101 ▶ [Our code of conduct for a positive impact on society](#)

GRI 407 Freedom of association and collective bargaining

Disclosure 103 – 1

Explanation of the material topic and its boundary

Our global workforce operates in an international market and must be capable of adapting to rapid change. We try to cultivate an environment where the employer and the employee can better understand each other's challenges and find ways of resolving them. This is done by establishing genuine dialogue with freely chosen employee representatives. We respect every employee's right to freedom of association and collective bargaining, and at Givaudan we address this through our approach to the material topic of Human rights.

Respect for human rights is an essential guide to the right way to do business. A commitment to high ethical standards, as well as transparency and honesty in our dealings with employees enable us to grow responsibly and share our success. We ensure that Givaudan respects human rights by acting with due diligence, as defined in the UN Guiding Principles for Business and Human Rights.

We strive for harmony in employee and management relations and follow commonly recognised best practices for all of our workplaces worldwide. Going beyond our direct areas of business, our Responsible Sourcing Policy calls on suppliers to respect their employees' right to freedom of association and collective bargaining as well, and we monitor aspect through our responsible sourcing assessment programme.

Boundary
 ▶ Givaudan
 ▶ Suppliers

Disclosure 103 – 2, 103 – 3

Management approach

We protect employee rights 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. Givaudan regularly consults with employee representatives.

For example, 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.

We also call on suppliers, including smallholders, to make continuous improvements in regard to our Responsible Sourcing Policy. The policy, published in 2016, sets out high standards in terms of health and safety as well as social and environmental responsibility and business integrity. We emphasise our respect for human rights and social aspects: all workers must be allowed to exercise their rights to freedom of association and collective bargaining. We ask our suppliers for collaboration in supporting the policy and disclosing information that could help drive improvements.

Our positions concerning fair employment practices, a respectful work environment, freedom of association and fair wages for our workforce are highlighted in our Principles of Conduct, a document available on our website.

READ MORE

2020 Integrated Annual Report ▶ pages 98 – 101 ▶ **Our code of conduct for a positive impact on society**

Disclosure 407 – 1

Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk

For information about operations and suppliers in which the right to freedom of association and collective bargaining may be at risk, please read the paragraph on operations and supplier assessment.

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Operations and supplier assessment ▶ page 37

GRI 408 Child labour

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Disclosure 103 – 1

Explanation of the material topic and its boundary

Givaudan addresses the topic of Child labour through our approach to the material topic of Human rights. Respect for human rights is an essential guide to the right way to do business and a commitment to high ethical standards enables us to grow responsibly and share our success.

All forms of child labour are against our principles. We ensure that we respect human rights by acting with due diligence, as defined in the UN Guiding Principles for Business, and work with our suppliers to help them adhere to the same principles through our Responsible Sourcing Policy.

Boundary

- ▶ Givaudan
- ▶ Suppliers

Disclosure 103 – 2, 103 – 3

Management approach

Our approach to child labour is rooted in our Principles of Conduct. 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. These principles stipulate that we do not practice or tolerate any form of child exploitation. We do not provide employment to children before they have completed their compulsory education, as is stipulated in our Principles of Conduct, and also in compliance with local employment laws. We do not engage with suppliers who exploit or use child or forced labour. We endorse the UN Guiding Principles on Business and Human Rights and base our human rights commitment 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. Givaudan is also committed

to WBCSD's CEO Guide to Human Rights, which highlights issues related to child, forced and compulsory labour, to further our commitment and efforts in this area.

The basis of our ethical standards in the specific terms of Responsible Corporate Citizenship can be found in our Principles of Conduct, which is supported by policies and guidelines. 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. We are committed to the Ethical Trade Initiative Base Code, which states that there shall be no new 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 are committed to ensuring that our raw materials are sourced responsibly. For business partners and suppliers, our Responsible Sourcing Policy specifies that suppliers must not use child labour and that they are expected to comply with all reporting obligations regarding the abolition of child labour. Significant suppliers are assessed for risk. They are also expected to comply with all reporting obligations regarding the abolition of child labour and human trafficking. All forms of child or forced labour are against our principles. This applies to employment within Givaudan and to the partners and suppliers with whom we work.

We apply a combination of mechanisms within our business and in our supply chains as part of our due diligence review for this aspect. Some of these mechanisms include the Sedex SMETA assessments, internal audits, Responsible Sourcing Programme assessments and vendor quality management audits in addition to others.

Our Responsible Sourcing Programme is designed to find instances of non-conformance regarding issues such as child labour where it occurs and we work with our supplier partners to put in place measures to remediate and ultimately mitigate them.

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2020 Integrated Annual Report ▶ pages 98 – 101 ▶ [Our code of conduct for a positive impact on society](#)

Disclosure 408 – 1

Operations and suppliers at significant risk for incidents of child labor

For information about Operations and suppliers at significant risk for incidents of child labour, please read the paragraph on operations and supplier assessment.

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[Operations and supplier assessment](#) ▶ page 37

GRI 409 Forced or compulsory labour

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Disclosure 103 – 1

Explanation of the material topic and its boundary

Givaudan addresses the topic of Forced or compulsory labour through its approach to the material topic of Human rights. Respect for human rights is an essential guide to the right way to do business and a commitment to high ethical standards enables us to grow responsibly and share our success. All forms of forced or compulsory labour are against our principles. We ensure that we respect human rights by acting with due diligence, as defined in the UN Guiding Principles for Business and Human Rights. We also work with our suppliers to help them adhere to the same principles.

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. Specifically, we are particularly opposed to all forms of forced labour. Our Principles of Conduct stipulate that we do not practice or tolerate any form of forced labour. We do not engage with suppliers who exploit or use forced labour. We endorse the UN Guiding Principles on Business and Human Rights, and base our human rights commitment 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. Givaudan is also committed to WBCSD's CEO Guide to Human Rights, which highlights issues related to child, forced and compulsory labour, to further our commitment and efforts in this area.

For business partners and suppliers, our Responsible Sourcing Policy specifies that suppliers must not use forced labour and that they are expected to comply with all reporting obligations regarding the abolition of human trafficking. Significant suppliers are assessed for risk. All forms of forced labour are against our principles. Our Principles of Conduct stipulate that we do not practice or tolerate any form of forced labour and that we do not provide employment to children before they have completed their compulsory education, and in compliance with local employment laws. This applies to employment within Givaudan and to the partners and suppliers with whom we work.

We apply a combination of mechanisms within our business and in our supply chains as part of our due diligence review for this aspect. Some of these mechanisms include the Sedex SMETA assessments, internal audits, Responsible Sourcing Programme assessments and vendor quality management audits in addition to others.

In 2020, we did not observe any cases of forced labour in our business and supply chains in our due diligence review.

READ MORE

2020 Integrated Annual Report ▶ pages 98 – 101 ▶ **Our code of conduct for a positive impact on society**

Disclosure 409 – 1

Operations and suppliers at significant risk for incidents of forced or compulsory labor

For information about operations and suppliers at significant risk for incidents of forced or compulsory labor, please read the paragraph on operations and supplier assessment.

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Operations and supplier assessment ▶ page 37

GRI 412 Human rights assessment

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Disclosure 103 – 1

Explanation of the material topic and its boundary

Respect for human rights is an essential guide to the right way of doing business. A commitment to high ethical standards, as well as transparency and honesty in our dealings with customers, suppliers, employees and the communities where we operate, enables us to grow responsibly and share our success.

We ensure that we respect human rights by acting with due diligence, as defined in the UN Guiding Principles for Business and Human Rights. We work with our suppliers to help them adhere to the same principles.

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. We endorse the UN Guiding Principles on Business and Human Rights, and base our human rights commitment 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. Givaudan is also committed to WBCSD's CEO Guide to Human Rights to further our commitment and efforts in this area.

The basis of our ethical standards, specifically Responsible Corporate Citizenship, can be found in our Principles of Conduct, which is supported by policies and guidelines. 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. In addition to the Principles of Conduct, all of our efforts and commitments around social responsibility, human rights and ethical business aspects and corresponding progress can be found in our Responsible Sourcing Policy, Commitment to Social Responsibility Position Statement, and also in our annual UK Slavery Act and California Transparency Act statements. Human Rights Impact Assessment in our operations and supply chain is managed through continuous engagement and diverse interventions, which are 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 which incorporates human rights risks in its assessments. Since 2010, all manufacturing sites have been registered on Sedex and have completed Sedex self-assessment questionnaires, which we review each year. We also participate in the EcoVadis CSR assessments, disclosing detailed information around our business practices on Human Rights and Labour aspects in addition to environment, ethics and responsible procurement.

READ MORE

2020 Integrated Annual Report ▶ pages 98 – 101 ▶ [Our code of conduct for a positive impact on society](#)

Disclosure 412 – 1

Operations that have been subject to human rights reviews or impact assessments

For information about operations that have been subject to human rights reviews or impact assessments, please read the paragraph on operations and supplier assessment.

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[Operations and supplier assessment](#) ▶ page 37

GRI 413 Local communities

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Disclosure 103 – 1

Explanation of the material topic and its boundary

Communities and neighbourhoods where we operate are critical to our long-term success. Our business can affect communities and these local stakeholders may in turn have an impact on our activities. We actively develop and sustain relationships with communities and listen to their representatives to take their points of view into account before integrating the feedback into our sustainability activities.

Recognising and supporting the broader development goals of local communities is essential to our business. Maintaining a good reputation in communities where we have a manufacturing or commercial presence helps to attract the right talent and personnel to the Company. In areas where we source raw materials, we can help secure the long-term supply of those ingredients by supporting the development of local communities. Fostering good relations allows us to work together on causes that benefit the community, help to protect local ecosystems and support livelihoods. We work with local communities on projects and causes that benefit them to support these goals.

Boundary

► Local communities

Disclosure 103 – 2, 103 – 3

Management approach

The producers of the raw materials of natural origin that we rely on make an important contribution to our business. In return, we are committed to supporting them to build stable lives. We have supported local producer communities for more than a decade through a variety of social and environmental projects.

We have been working, for example, with the Givaudan Foundation, a not-for-profit organisation that funds projects

to help build more secure futures for communities and their environments since 2014. Notably, the foundation works with NGOs to identify local needs and then carry out the projects, mainly in three areas: education, health, and preservation of the environment. The beneficiaries are communities where Givaudan sources natural ingredients and communities where Givaudan employees work. The foundation works closely with and relies on resources provided by Givaudan to conduct and monitor its projects.

We are also involved in charitable giving. We work with producers, suppliers and/or other organisations to support projects in education, health and nutrition as well as good practice in agriculture and production. We also help communities safeguard their environment and natural resources. Every precaution is taken to operate safely in these communities while providing social and economic value and reducing our environmental footprint.

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. The opportunity to make such contributions is available through the Givaudan Foundation and 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.

Disclosure 413 – 1

Operations with local community engagement, impact assessments, and development programmes Communities at Source

Through the Givaudan Foundation, our Communities at Source initiatives encompass 20 ongoing projects in 11 countries. They touch more than 36,000 beneficiaries as well as their families and communities.

Local communities

In addition to the community projects mentioned above, our associated local communities also benefit from our charitable giving. 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. At least CHF 1 million was distributed to over 130 communities worldwide. 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 2020, the total financial contribution from Givaudan to communities was CHF 3.15 million.

READ MORE

2020 Integrated Annual Report ► pages 90 – 93 ► **Communities where we source and operate**

GRI 414 Supplier social assessment

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Disclosure 103 – 1

Explanation of the material topic and its boundary

Respect for human rights is an essential guide to the right way of doing business and our expectations of business integrity also extend to our suppliers. Givaudan treats Supplier social assessment through its material topics Human rights and Responsible sourcing. We ensure that Givaudan respects human rights by acting with due diligence, as defined in the UN Guiding Principles for Business and Human Rights. A commitment to high ethical standards, as well as transparency and honesty in our dealings with customers, suppliers, employees and the communities where we operate, enables us to grow responsibly and share our success. We work with suppliers to help them adhere to the same principles. By expanding our responsible sourcing initiatives, we are able to reduce our environmental and social impact. Our sourcing strategy also helps to mitigate the risks inherent in our complex supply chains. Suppliers are expected to maintain the highest degree of integrity as described in our Responsible Sourcing Policy.

Boundary ► Suppliers

Disclosure 103 – 2, 103 – 3

Management approach

We aim to ensure that all main direct suppliers comply with our Responsible Sourcing Policy and our target is to have all of them reach full compliance with their audits by 2020. Our Procurement team and implementation partners work closely with these suppliers to guide them through the Responsible Sourcing Policy, identify gaps, agree on remediation plans and prepare for the audit.

During 2020 we have put a lot of work into rethinking our Responsible Sourcing Programme and policy. We will be communicating these changes in 2021. That's why we have decided not to communicate our current responsible sourcing policy to additional suppliers. So far, the number remains the same, which means that we have sent the Responsible Sourcing Policy to 14,028 of our raw material and indirect materials & services (IM&S) suppliers, representing 87% of our total spend for 2020. Most direct raw material suppliers sites are audited according to Sedex Members Ethical Trade Audit (SMETA), one of the most widespread ethical audit formats in the world, or by an equivalent protocol that can be used instead. 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. In 2014, we started to include our indirect materials and services suppliers in the Sedex initiative and to date, 25 such suppliers have joined Sedex.

We also aimed to ensure that 90% of our raw materials volume of natural origin was responsibly sourced by 2020. We have come to realise that the scope of 90% volume responsibly sourced was neither relevant nor a good measure of our progress to source responsibly and have readjusted our programme for measuring progress in responsible sourcing. During 2020, we reviewed our overall responsible sourcing approach, which has included putting increased effort into finding a risk-based approach to verifying raw materials and suppliers. The resulting new programme will be launched in 2021.

We work together with partners and suppliers to increase transparency in our supply chains and improve their sustainability practices. We source a wide variety of raw materials, often from various suppliers through multiple

supply chains. In order to better understand the origin of raw materials we map supply chains beyond our direct suppliers. This creates the transparency we need to assess whether or not practices throughout the supply chains meet our Responsible Sourcing Policy requirements.

Our aim is to source these raw materials responsibly by either identifying existing best practices or by reaching agreements with our suppliers on improvement plans to close gaps in relation to our policy. For raw materials sourced in several countries through multiple supply chains, we carry out assessments gradually over time. This continuously increases our responsible sourcing coverage in volume, and means that some raw material categories are partially covered. By the end of 2020 we had mapped 50 raw material categories and were sourcing 33 raw material categories as part of our Responsible Sourcing Programme.

READ MORE

2020 Integrated Annual Report ► pages 88 – 89 ► [Maximising value with our suppliers](#)

Disclosure 414 – 1

New suppliers that were screened using social criteria

For information about new suppliers that were screened using social criteria, please read the paragraph on operations and supplier assessment.

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[Operations and supplier assessment](#) ► page 37

GRI 416 Customer health and safety

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Disclosure 103 – 1

Explanation of the material topic and its boundary

Givaudan treats Customer health and safety through its approach to the material topics Consumer health and wellbeing and Product quality and safety. We aim to develop products and services that promote health and wellbeing. We also ensure that our products are safe for intended consumer use, and comply with all applicable laws and regulations. As a key player in the taste and wellbeing and fragrance and beauty industry, we are in a position to influence the wellbeing of consumers. For example, by developing great tasting flavour 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. At the same time, the safety of our products and the safety of the consumer are of the utmost importance. The quality of our products is the key to our success and that of our customers and end consumers.

Boundary

- ▶ Givaudan
- ▶ Customers and consumers

Disclosure 103 – 2, 103 – 3

Management approach

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.

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. More information on this can be found in the topic Marketing and labelling. To help ensure the safe use of flavours and fragrances in consumer products, we support and in many cases lead the development of public policies that impact the taste and wellbeing and fragrance and beauty industry. We also work 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.

With the second three-year cycle of food safety system audits coming to an end, we see significant improvement in performance in our Taste & Wellbeing operations around the world. While continuously enhancing our standards, systems and programmes to adapt to increasing regulatory, statutory and customer requirements, we are also seeking to further strengthen our food safety culture. More than 100 food safety experts across all regions, including those in acquired businesses, are forming a global network aiming to bring food safety within

Givaudan to the next level. To support the integration of our acquisitions, we have started to visit selected Naturex sites with a combined Givaudan/Naturex expert team in order to align best practices collaboratively, reflecting Givaudan's high quality and food safety standards. 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.

In terms of public policy, we do not fund any political party in any country, and have an internal policy on charitable giving and community support that excludes any direct or indirect political donations or support.

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.

 **READ MORE**

2020 Integrated Annual Report ▶ pages 96 – 97 ▶ **Leading the way in regulatory compliance and product safety**

GRI 417 Marketing and labelling

Disclosure 103 – 1

Explanation of the material topic and its boundary

Marketing and labelling is part of our material topic Product quality and safety and is covered by areas referring to information and labelling. The safety of our products and the safety of the consumer are of the utmost importance. We have to provide our customers with products and services that meet all agreed requirements and applicable legislation or we run the risk of extra costs and damaging our reputation. The quality of our products is the key to our success and that of our customers. Customers need to manage environmental, health and safety (EHS) risks associated with the use of our ingredients and so we must supply necessary information for the proper handling of our products.

Boundary

- ▶ Givaudan
- ▶ Customers and consumers

Disclosure 103 – 2, 103 – 3

Management approach

Transparency is increasingly expected in all areas of our business, from supply chain data to R&D information and formulas. It is important that we provide all the necessary information for the proper handling of materials we sell to enable our customers to manage any EHS risks associated with the use of our ingredients. Givaudan operates different Centres of Expertise in the Global EHS organisation to coordinate and reinforce expertise on classification, labelling and packaging activities, ensuring compliance of our products with local regulations. We evaluate all the ingredients used in our formulas for any EHS impact and this information is disclosed and filed with the relevant regulatory

bodies whenever necessary. We ensure our products are safe for people and the environment when used as intended and that they comply with all local laws as a minimum requirement. We gather information on the origin of ingredients to support compliance and to contribute to food safety and issue management. As a business-to-business organisation, our marketing communication is not aimed at consumers, but it is crucial that it accurately reflects the reality of our products and services.

We ensure that the businesses we sell to have the information needed to handle our products correctly and to deliver safe products to the consumer. 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 shared with our customers (and on request from stakeholders). We always comply with national and legal requirements. We can provide information related to allergen, GMO, organic, nutritional and religious criteria for flavour products.

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.

Topic	Yes	No
Sourcing	x	
Content	x	
Safe use	x	
Disposal	x	

100% of sold products delivered to our customers are subject to product information requirements and regulations.

 **READ MORE**
2020 Integrated Annual Report ▶ pages 96 – 97 ▶ **Leading the way in regulatory compliance and product safety**

Appendix

In this section

- 91** The principles of the UN Global Compact
- 92** The Sustainable Development Goals
- 93** GRI content index
- 100** Independent Assurance Statement
- 102** Our reporting suite



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

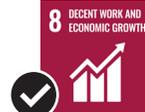
The Sustainable Development Goals

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.

✔ SDGs Givaudan explicitly contributes to, according to its mapping of material issues (see pages 24 – 27).

www.un.org/sustainabledevelopment

 <p>1 NO POVERTY</p>	<p>Goal 1: End poverty in all its forms everywhere</p>	 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all</p>	 <p>13 CLIMATE ACTION</p>	<p>Goal 13: Take urgent action to combat climate change and its impacts</p>
 <p>2 ZERO HUNGER</p>	<p>Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture</p>	 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Goal 8: Promote inclusive and sustainable economic growth, employment and decent work for all</p>	 <p>14 LIFE BELOW WATER</p>	<p>Goal 14: Conserve and sustainably use the oceans, seas and marine resources</p>
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Goal 3: Ensure healthy lives and promote wellbeing for all at all ages</p>	 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>Goal 9: Build resilient infrastructure, promote sustainable industrialisation and foster innovation</p>	 <p>15 LIFE ON LAND</p>	<p>Goal 15: Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss</p>
 <p>4 QUALITY EDUCATION</p>	<p>Goal 4: Ensure inclusive and quality education for all and promote lifelong learning</p>	 <p>10 REDUCED INEQUALITIES</p>	<p>Goal 10: Reduce inequality within and among countries</p>	 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>Goal 16: Promote just, peaceful and inclusive societies</p>
 <p>5 GENDER EQUALITY</p>	<p>Goal 5: Achieve gender equality and empower all women and girls</p>	 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<p>Goal 11: Make cities inclusive, safe, resilient and sustainable</p>	 <p>17 PARTNERSHIPS FOR THE GOALS</p>	<p>Goal 17: Revitalise the global partnership for sustainable development</p>
 <p>6 CLEAN WATER AND SANITATION</p>	<p>Goal 6: Ensure access to water and sanitation for all</p>	 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Goal 12: Ensure sustainable consumption and production patterns</p>		

Disclosure 102 – 55

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.

GCFR = 2020 Governance, Compensation and Financial Report

www.givaudan.com ▶ Media ▶ Publications



GRI Standard and Disclosure	Publication year ¹	Page	External assurance ²	UNGC Principles	SDG Goals
GRI 101 Foundation	2016	1			
GRI 102 General Disclosures	2016				
Organizational profile					
Disclosure 102 – 1 Name of the organisation		5	yes		
Disclosure 102 – 2 Activities, brands, products, and services		5	yes		
Disclosure 102 – 3 Location of headquarters		5	yes		
Disclosure 102 – 4 Location of operations		5	yes		
Disclosure 102 – 5 Ownership and legal form		5	yes		
Disclosure 102 – 6 Markets served		5	yes		
Disclosure 102 – 7 Scale of the organisation		6	yes		
Disclosure 102 – 8 Information on employees and other workers		6	yes	6	8
Disclosure 102 – 9 Supply chain		6	yes		
Disclosure 102 – 10 Significant changes to the organisation and its supply chain		6	yes		
Disclosure 102 – 11 Precautionary Principle or approach		7	yes		12, 13
Disclosure 102 – 12 External initiatives		8	yes	1	
Disclosure 102 – 13 Membership of associations		11	yes		
Strategy					
Disclosure 102 – 14 Statement from senior decision-maker		3	yes		
Disclosure 102 – 15 Key impacts, risks and opportunities		14	yes		
Ethics and integrity					
Disclosure 102 – 16 Values, principles, standards, and norms of behaviour		17	yes	10	5
Governance					
Disclosure 102 – 18 Governance structure		18	yes		
Stakeholder engagement					
Disclosure 102 – 40 List of stakeholder groups		20	yes		
Disclosure 102 – 41 Collective bargaining agreements		72	yes	3	8, 17
Disclosure 102 – 42 Identifying and selecting stakeholders		22	yes		
Disclosure 102 – 43 Approach to stakeholder engagement		22	yes		
Disclosure 102 – 44 Key topics and concerns raised		20	yes		

GRI content index

GRI 102
General Disclosures

GRI Standard and Disclosure	Publication year ¹	Page	External assurance ²	UNGC Principles	SDG Goals
Reporting practice					
Disclosure 102 – 45 Entities included in the consolidated financial statements		23	yes		
Disclosure 102 – 46 Defining report content and topic boundaries		23	yes		
Disclosure 102 – 47 List of material topics		24	yes		
Disclosure 102 – 48 Restatements of information		64	yes		
Disclosure 102 – 49 Changes in reporting		28	yes		
Disclosure 102 – 50 Reporting period		28	yes		
Disclosure 102 – 51 Date of most recent report		28	yes		
Disclosure 102 – 52 Reporting cycle		28	yes		
Disclosure 102 – 53 Contact point for questions regarding the report		28	yes		
Disclosure 102 – 54 Claims of reporting in accordance with the GRI Standards		28	yes		12
Disclosure 102 – 55 GRI content index		93	yes		12
Disclosure 102 – 56 External assurance		100	yes		12

GRI 200
Economic

GRI 200 Economic

GRI 201: Economic performance 2016 8, 9, 12, 13

GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		30	yes		
Disclosure 103 – 2 The management approach and its components		30	yes, assured as part of audit of Financial report 2020, GCFR pp 93		
Disclosure 103 – 3 Evaluation of the management approach		30	yes, assured as part of audit of Financial report 2020, GCFR pp 93		
Disclosure 201 – 1 Direct economic value generated and distributed		31	yes, assured as part of audit of Financial report 2020, GCFR pp 93		
Disclosure 201 – 2 Financial implications and other risks and opportunities due to climate change		31	yes, assured as part of audit of Financial report 2020, GCFR pp 93		
Disclosure 201 – 3 Defined benefit plan obligations and other retirement plans		32	yes, assured as part of audit of Financial report 2020, GCFR pp 93		

GRI 300
Environmental

GRI 202: Market presence 2016 5, 8, 17

GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its Boundary		33	yes		
Disclosure 103 – 2 The management approach and its components		33	yes		
Disclosure 103 – 3 Evaluation of the management approach		33	yes		
Disclosure 202 – 1 Ratios of standard entry level wage by gender compared to local minimum wage		33	yes		

GRI 400
Social

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GRI content index

GRI Standard and Disclosure	Publication year ¹	Page	External assurance ²	UNGC Principles	SDG Goals
GRI 203: Indirect economic impacts	2016				2, 8, 9, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		34	yes		
Disclosure 103 – 2 The management approach and its components		34	yes		
Disclosure 103 – 3 Evaluation of the management approach		34	yes		
Disclosure 203 – 1 Infrastructure investments and services supported		35	yes		
GRI 204: Procurement practices	2016				2, 8, 12, 13, 15, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		36	yes		
Disclosure 103 – 2 The management approach and its components		36	yes		
Disclosure 103 – 3 Evaluation of the management approach		36	yes		
Disclosure 204 – 1 Proportion of spending on local suppliers		36	yes		
GRI 205: Anti-corruption	2016			10	2, 8, 15, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		38	yes		
Disclosure 103 – 2 The management approach and its components		38	yes		
Disclosure 103 – 3 Evaluation of the management approach		38	yes		
Disclosure 205 – 2 Communication and training about anti-corruption policies and procedures		38	yes		
GRI 300 Environmental					
GRI 301: Materials	2016				2, 9, 12, 13, 15, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		41	yes		
Disclosure 103 – 2 The management approach and its components		41	yes		
Disclosure 103 – 3 Evaluation of the management approach		41	yes		
Disclosure 301 – 1 Materials used by weight or volume		42	yes		
GRI 302: Energy	2016			7, 8, 9	9, 12, 13
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		43	yes		
Disclosure 103 – 2 The management approach and its components		43	yes		
Disclosure 103 – 3 Evaluation of the management approach		43	yes		
Disclosure 302 – 1 Energy consumption within the organisation		43	yes		
Disclosure 302 – 3 Energy intensity		43	yes		
Disclosure 302 – 4 Reduction of energy consumption		43	yes		

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General DisclosuresGRI 200
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GRI content index

GRI Standard and Disclosure	Publication year ¹	Page	External assurance ²	UNGC Principles	SDG Goals
GRI 303: Water and effluents	2018				6, 12, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		44	yes		
Disclosure 103 – 2 The management approach and its components		44	yes		
Disclosure 103 – 3 Evaluation of the management approach		44	yes		
Disclosure 303 – 1 Interactions with water as a shared resource		44	yes		
Disclosure 303 – 2 Management of water discharge-related impacts		44	yes		
Disclosure 303 – 3 Water withdrawal		47	yes		
Disclosure 303 – 4 Water discharge		47	yes		
Disclosure 303 – 5 Water consumption		47	yes		
GRI 304: Biodiversity	2016				2, 15, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		48	yes		
Disclosure 103 – 2 The management approach and its components		48	yes		
Disclosure 103 – 3 Evaluation of the management approach		48	yes		
Disclosure 304 – 1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		49	yes		
Disclosure 304 – 2 Significant impacts of activities, products, and services on biodiversity		49	yes		
Disclosure 304 – 3 Habitats protected or restored		49	yes		
GRI 305: Emissions	2016			7, 8	9, 12, 13
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		51	yes		
Disclosure 103 – 2 The management approach and its components		51	yes		
Disclosure 103 – 3 Evaluation of the management approach		51	yes		
Disclosure 305 – 1 Direct (Scope 1) GHG emissions		53	yes		
Disclosure 305 – 2 Energy indirect (Scope 2) GHG emissions		53	yes		
Disclosure 305 – 3 Other indirect (Scope 3) GHG emissions		54	yes		
Disclosure 305 – 4 GHG emissions intensity		54	yes		
Disclosure 305 – 5 Reduction of GHG emissions		54	yes		
Disclosure 305 – 6 Emissions of ozone-depleting substances (ODS)		54	yes		
Disclosure 305 – 7 Nitrogen oxides (NOX), sulfur oxides (SO ₂), and other significant air emissions		54	yes		
GRI 306: Waste	2020			8	6, 12, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		56	yes		
Disclosure 103 – 2 The management approach and its components		56	yes		
Disclosure 103 – 3 Evaluation of the management approach		56	yes		

GRI 102
General Disclosures

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GRI 102
General Disclosures

GRI Standard and Disclosure	Publication year ¹	Page	External assurance ²	UNGC Principles	SDG Goals
Disclosure 306 – 1 Waste generation and significant waste-related impacts		56	yes		
Disclosure 306 – 2 Management of significant waste-related impacts		56	yes		
Disclosure 306 – 3 Waste generated		57	yes		
Disclosure 306 – 4 Waste diverted from disposal		57	yes		
Disclosure 306 – 5 Waste directed to disposal		58	yes		
GRI 308: Supplier environmental assessment	2016			8	2, 6, 12, 13, 15, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		59	yes		
Disclosure 103 – 2 The management approach and its components		59	yes		
Disclosure 103 – 3 Evaluation of the management approach		59	yes		
Disclosure 308 – 1 New suppliers screened using environmental criteria		37, 60	yes		

GRI 200
Economic

GRI 400 Social

GRI 401: Employment	2016			6	5, 8, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		70	yes		
Disclosure 103 – 2 The management approach and its components		70	yes		
Disclosure 103 – 3 Evaluation of the management approach		70	yes		
Disclosure 401 – 1 New employee hires and employee turnover		71	yes		
GRI 402: Labor/Management relations	2016			3	8
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		72	yes		
Disclosure 103 – 2 The management approach and its components		72	yes		
Disclosure 103 – 3 Evaluation of the management approach		72	yes		
Disclosure 402 – 1 Minimum notice periods regarding operational changes		72	yes		
GRI 403: Occupational health and safety	2018				3, 8
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		73	yes		
Disclosure 103 – 2 The management approach and its components		73	yes		
Disclosure 103 – 3 Evaluation of the management approach		73	yes		
Disclosure 403 – 1 Occupational health and safety management system		73	yes		
Disclosure 403 – 2 Hazard identification, risk assessment, and incident investigation		73	yes		
Disclosure 403 – 3 Occupational health services		74	yes		
Disclosure 403 – 4 Worker participation, consultation, and communication on occupational health and safety		75	yes		
Disclosure 403 – 5 Worker training on occupational health and safety		75	yes		
Disclosure 403 – 6 Promotion of worker health		76	yes		
Disclosure 403 – 7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		77	yes		
Disclosure 403 – 9 Work-related injuries		78	yes		

GRI 300
Environmental

GRI 400
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GRI content index

GRI 102
General Disclosures

GRI Standard and Disclosure	Publication year ¹	Page	External assurance ²	UNGC Principles	SDG Goals
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GRI 404: Training and education **2016** **6** **5, 8, 17**

GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		79	yes		
Disclosure 103 – 2 The management approach and its components		79	yes		
Disclosure 103 – 3 Evaluation of the management approach		79	yes		
Disclosure 404 – 3 Percentage of employees receiving regular performance and career development reviews		79	yes		

GRI 405: Diversity and equal opportunity **2016** **6** **5, 8, 17**

GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		80	yes		
Disclosure 103 – 2 The management approach and its components		80	yes		
Disclosure 103 – 3 Evaluation of the management approach		80	yes		
Disclosure 405 – 1 Diversity of governance bodies and employees		80	yes		
Disclosure 405 – 2 Ratio of basic salary and remuneration of women to men		80	yes		

GRI 406: Non-discrimination **2016** **2, 5, 8, 17**

GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		81	yes		
Disclosure 103 – 2 The management approach and its components		81	yes		
Disclosure 103 – 3 Evaluation of the management approach		81	yes		
Disclosure 406 – 1 Incidents of discrimination and corrective actions taken		81	yes		

GRI 407: Freedom of association and collective bargaining **2016** **2, 5, 8, 17**

GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		82	yes		
Disclosure 103 – 2 The management approach and its components		82	yes		
Disclosure 103 – 3 Evaluation of the management approach		82	yes		
Disclosure 407 – 1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		37, 82	yes		

GRI 408: Child labor **2016** **5** **2, 5, 8, 17**

GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		83	yes		
Disclosure 103 – 2 The management approach and its components		83	yes		
Disclosure 103 – 3 Evaluation of the management approach		83	yes		
Disclosure 408 – 1 Operations and suppliers at significant risk for incidents of child labor		37, 83	yes		

GRI 409: Forced or compulsory labor **2016** **2, 5, 8, 17**

GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		84	yes		
Disclosure 103 – 2 The management approach and its components		84	yes		
Disclosure 103 – 3 Evaluation of the management approach		84	yes		
Disclosure 409 – 1 Operations and suppliers at significant risk for incidents of forced or compulsory labor		37, 84	yes		

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GRI 400
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GRI content index

GRI Standard and Disclosure	Publication year ¹	Page	External assurance ²	UNGC Principles	SDG Goals
GRI 412: Human rights assessment	2016				2, 5, 8, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		85		yes	
Disclosure 103 – 2 The management approach and its components		85		yes	
Disclosure 103 – 3 Evaluation of the management approach		85		yes	
Disclosure 412 – 1 Operations that have been subject to human rights reviews or impact assessments		37, 85		yes	
GRI 413: Local communities	2016			1	2, 8, 9, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		86		yes	
Disclosure 103 – 2 The management approach and its components		86		yes	
Disclosure 103 – 3 Evaluation of the management approach		86		yes	
Disclosure 413 – 1 Operations with local community engagement, impact assessments, and development programmes		86		yes	
GRI 414: Supplier social assessment	2016			1, 2, 4	2, 5, 8, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		87		yes	
Disclosure 103 – 2 The management approach and its components		87		yes	
Disclosure 103 – 3 Evaluation of the management approach		87		yes	
Disclosure 414 – 1 New suppliers that were screened using social criteria		37, 87		yes	
GRI 416: Customer health and safety	2016				2, 3, 9, 12, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		88		yes	
Disclosure 103 – 2 The management approach and its components		88		yes	
Disclosure 103 – 3 Evaluation of the management approach		88		yes	
Disclosure 416 – 1 Assessment of the health and safety impacts of product and service categories		88		yes	
GRI 417: Marketing and labeling	2016				9, 12
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		89		yes	
Disclosure 103 – 2 The management approach and its components		89		yes	
Disclosure 103 – 3 Evaluation of the management approach		89		yes	
Disclosure 417 – 1 Requirements for product and service information and labeling		89		yes	

1. For all GRI Standards the most recent version has been used.

2. The independent sustainability assurance statement can be found on page 100.

Disclosure 102 – 56

Independent Assurance Statement

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Economic

Ernst & Young Associates LLP (EY) has been engaged by Givaudan International S. A. (the 'Company') to provide independent assurance to its GRI Sustainability Report 2020 (the 'Report') covering the Company's sustainability performance during the period 1st October 2019 to 31st December 2020.

GRI 300
Environmental

The development of the Report, based on GRI Sustainability Reporting Standards (GRI Standards) of the Global Reporting Initiative, its content and presentation is 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 report should not be taken as a basis for interpreting the Company's overall performance, except for the aspects mentioned in the scope below.

GRI 400
Social

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 2019 to 30th September 2020 and social performance for the period 1st January 2020 to 31st December 2020. The scope of reporting boundary was limited to the operations indicated on page 114–121 of Integrated Annual Report 2020. We conducted review and verification of data collection/ estimation

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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. East Hanover, USA | 6. Volketswil, Switzerland | 11. Jurong, Singapore |
| 2. Smithfield, Australia | 7. Jigani, India | 12. Pioneer, Singapore |
| 3. Pedro Escobedo, Mexico | 8. Daman, India | 13. Woodlands, Singapore |
| 4. Pomacle, France | 9. Pune, India | 14. Melaka, Malaysia |
| 5. Mitry Mory, France | 10. Mount Olive, USA | |

- 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;
- 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.

Ernst & Young Associates LLP
Golf View Corporate Tower-B
Sector-42, Sector Road
Gurgaon-122002
Haryana, India

Tel: +91 124 464 4000
Fax: +91 124 464 4050
ey.com

Independant Assurance Statement

GRI 102
General Disclosures

Limitations of our engagement

The assurance scope excludes:

- Data and information outside the defined reporting period (environmental performance for the period 1st October 2019 to 30th September 2020 and social performance for the period 1st January 2020 to 31st December 2020);
- Data and information outside the defined GRI reporting boundary defined on page 114–121 of Integrated Annual Report 2020;
- 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.

GRI 200
Economic

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.

GRI 300
Environmental

Observations and opportunities for improvement

During the review process, we observed that:

- The Company continues to demonstrate its commitment on improving sustainability performance by publishing its GRI Sustainability Report "in-accordance" with the GRI Standards: Core option of the Global Reporting Initiative. The Report adequately communicates Company's progress against sustainability commitments identified as material.
- The Company has been working on enhancing robustness of data management for sustainability performance reporting. Going forward, the Company may further strengthen its data management systems and procedures pertaining to overall Greenhouse Gas (GHG) emissions and employee headcount.

GRI 400
Social

Appendix

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

27th January 2021, Mumbai India

Our reporting suite

The 2020 Integrated Annual Report offers a holistic explanation of our value creation, financial and non-financial capitals and performance.

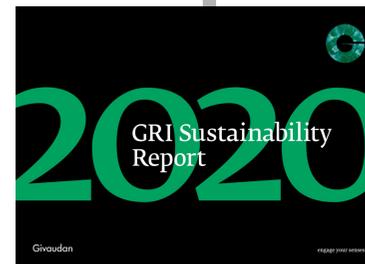
The full Governance, Compensation and Financial reports are available in one PDF. The GRI Sustainability Report features disclosures on a wide range of topics such as energy use, diversity in the workplace, anti-corruption and human rights. Our website hosts the online Integrated Annual Report. Readers are advised to consult our entire reporting suite to get a complete overview.

The full suite can be found on:
www.givaudan.com ▶ Investors ▶
 Online annual report ▶ Download centre

Online version
 AVAILABLE IN ENGLISH
 from 29 January 2021



2020 Integrated Annual Report
 AVAILABLE IN ENGLISH
 PDF from 29 January 2021
 Print from 25 March 2021



2020 GRI Sustainability Report
 AVAILABLE IN ENGLISH
 PDF from 29 January 2021



2020 Integrated Annual Report Highlights
 AVAILABLE IN ENGLISH,
 FRENCH AND GERMAN
 PDF in English from
 29 January 2021
 Print and language versions
 from 25 March 2021



2020 Governance, Compensation and Financial Report
 AVAILABLE IN ENGLISH
 PDF from 29 January 2021

Givaudan SA

Chemin de la Parfumerie 5
1214 Vernier, Switzerland

General information

T + 41 22 780 91 11

Media and investor relations

T + 41 22 780 90 53

Concept, design, consulting and realisation:
PETRANIX Corporate and Financial Communications AG
www.PETRANIX.com

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