



Givaudan and ESG

PURPOSE & PERFORMANCE

Givaudan

February 2022

engage your senses

ESG at the centre of our business

Committed to Growth, with Purpose

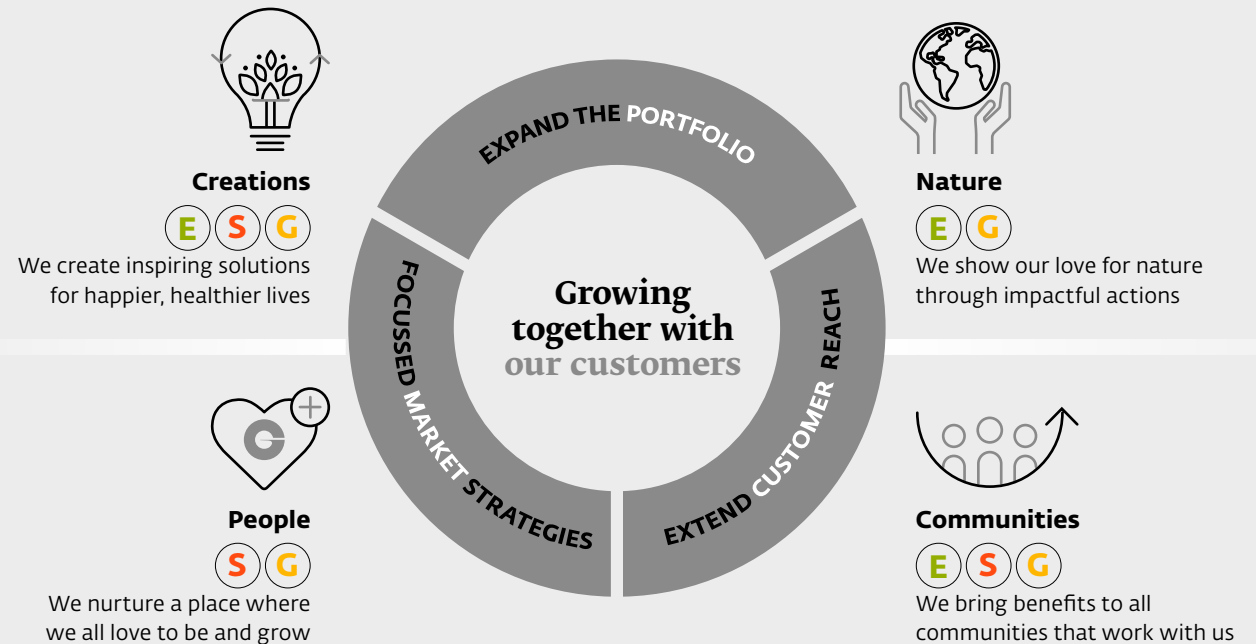
As a purpose-led company, we can go even further to make our world a happier and healthier place. Our purpose, a guiding star in our 2025 strategy, leads the way to increasing our positive impact on society and the planet in order to ensure our sustainable long-term performance. It is our intention to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



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

Gilles Andrier, CEO

2025 STRATEGY



Excellence, innovation, simplicity in everything we do

4 – 5% GROWTH

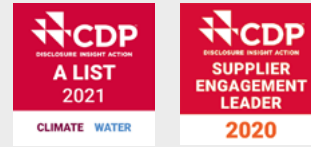
PURPOSED LINKED TARGETS

>12% FCF

Environment Social Governance

A heritage of acting sustainably with a strong track record of ESG performance

We receive consistent recognition of the highest levels of performance as our strong track record of ESG ratings shows.



DOUBLE 'A RATING' for climate and water for three consecutive years

CDP LEADER BOARD recognition for supplier engagement



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



Rated as 'low-risk' in 2021 with a score of 19.1 and a chemicals industry **RANKING 13 OUT OF 480**



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

FTSE4Good Index Series

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



Included in **SXI SWISS SUSTAINABILITY 25 INDEX**

ENVIRONMENT

Reducing our environmental impact by showing our love for nature

At the heart of our commitment to reducing our environmental impact sits our bold climate positive ambition.

In addition to addressing our GHG emissions, we aim to reduce our environmental footprint by taking leading actions in waste, water and plastics.



“ We aim to become a climate positive business before 2050. Our commitment is very significant as it not only includes Givaudan’s own operations (scope 1 and scope 2) but also the CO₂ generated by our supply chain which includes our suppliers via scope 3 GHG emissions. And for an organisation like Givaudan this is where the largest impact lies. ”

Willem Mutsaerts, Head of Global Procurement and Sustainability.

Our contribution to the United Nations Sustainable Development Goals





ENVIRONMENT


Key ambitions and progress

OUR AMBITION

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



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

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

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

OUR AMBITION

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

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

1. Absolute reduction since 2015

ENVIRONMENT

Caring for biodiversity

Our work in this area focuses on helping protect, restore and promote the sustainable use of natural resources and biodiversity. Working in close partnership with third party experts helps further strengthen our impact.

Focus area

Actions and measures

Commitment to forest conservation



Preserving the forests, the flora and fauna through the Conservation Stewards Program

Empowering local communities to conserve 150,000 hectares of forests in the Caura Basin

Received the **Conservation International's Hero award** for the Tonka Bean programme in Venezuela

Supporting the conservation of diversity of species



Collaborating with the **University of California, Riverside (UCR) on Citrus Variety Collection**

Supporting the **care and preservation** of the most **extensive, unique and diverse citrus collection** against threat of greening disease

The collection includes **1,000 varieties of citrus fruits** from around the globe

Sustainable use of natural resources through best practices



Devil's Claw sustainable wild collect programme in Namibia

Securing the long term supply of this major medicinal plant

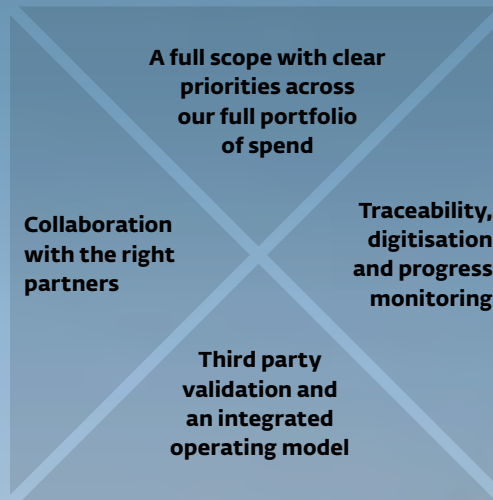
Organising wild collect of roots and **training locals** to responsible practices

SPOTLIGHT

Sourcing4Good sits at the intersection of environmental and social action

Building on our heritage of action in sourcing responsibly, this flagship programme is closely tied to our goal to source all materials and services in a way that protects **people** and the **environment** before 2030.

The programme centres on four key building blocks



Sourcing4Good is a step change in our responsible sourcing journey



Sourcing4Good ensures **trust and compliance** across our entire supply chain



It allows us to embark on **collaborative, transformational projects** in selected supply chains



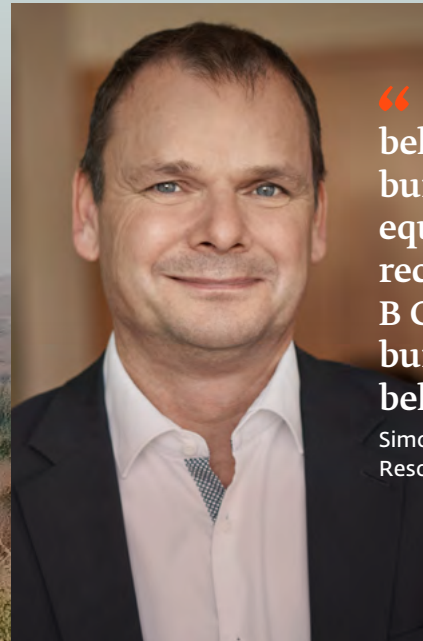
It brings **end-to-end** raw material traceability in key supply chains

SOCIAL

Caring for people and communities

At the heart of our work in this area sits our purpose goal to be a place where people love to be and grow with our commitments to become a leading employer for diversity and inclusion and to care for our employees' safety, physical health and wellbeing.

In addition to these goals, we have a positive influence in improving people's lives through The Givaudan Foundation, our Green teams, and our employees acting as a 'force for good'.



“ At Givaudan, we have long believed we have a role to play in building a more inclusive and equitable society, reinforced by our recent commitment to becoming B Corp certified. Our approach is built around the areas where we believe we can make a difference.”

Simon Halle-Smith, Head of Global Human Resources & Environment, Health and Safety


Our contribution to the United Nations Sustainable Development Goals



SOCIAL

Key ambitions and progress


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

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

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

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

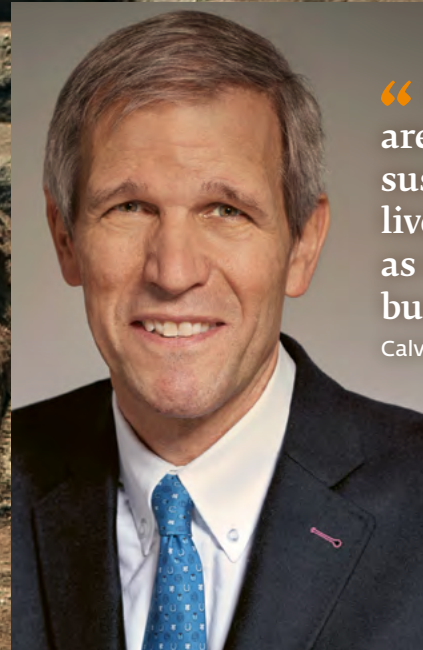
OUR AMBITIONS By 2030, we will source all materials and services in a way that protects people and the environment. By 2030, we will improve the lives of millions of people in communities where we source and operate.

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

GOVERNANCE

Stable and efficient corporate governance to ensure sustainable value creation

Our governance structure and processes aim to engage all stakeholders transparently and contribute to the creation of a fair, inclusive business. Risks specifically related to ESG and sustainability issues are assessed as part of the Company's Enterprise Risk Management.



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

Calvin Grieder, Chairman of the Board

Our contribution to the United Nations Sustainable Development Goals



GOVERNANCE

Transparent and trusted governance

BOARD OF DIRECTORS

- **Separation of roles** between the Chairman of the Board and Chief Executive Officer, in line with 'Swiss Code of Best Practice for Corporate Governance' principle 19.
- **Ultimate strategic supervision** and control of the management of the Company, including **Enterprise Risk Management** approach
- All board members re-elected on an annual basis
- **100% independent members**

EXECUTIVE COMMITTEE

- Responsible for the **day-to-day management** of the Company
- Average of **20 years experience** in the company
- One of the **longest standing CEO** in the industry

COMPENSATION

- Our compensation policies are an essential component of our employee value proposition and a key driver of both individual and business performance
- **Compensation** of Board of Directors and the Executive Committee is subject to **annual shareholder approval**
- The Performance Share Plan (PSP) is designed to reward executives and key talent who significantly influence the longterm success of the business and our purpose ambitions.

GOOD CORPORATE CITIZENSHIP

- Principles of Conduct
- Ethics and Compliance Programme
- Human Rights Policy
- Responsible Sourcing Policy / Sourcing4Good programme

SHARES

- One single class of shares
- One share = one vote

8 Non-executive and independent board members

6.4 Years average tenure

5 Nationalities

3 Women

7 Executive Committee members

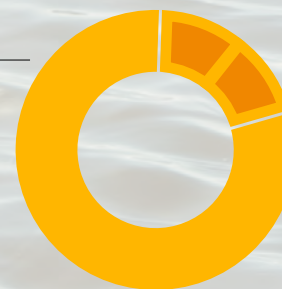
6.6 Years average tenure

6 Nationalities

1 Woman

Performance Share Plan for top 500 employees

80%
Financial targets



20%
Non financial targets

10%
Social targets

10%
Environmental targets

GOVERNANCE

Purpose / sustainability governance

Ethical and fair business practices are englobed in our **Code of Conduct** which all employees must sign.

Governance of ESG aspects are fully **integrated** into our Board and Executive committee management processes and agendas.



Collaboration and transparency

Collaboration is essential to delivering on our bold ambitions and promoting transparency. Our external partnerships and initiatives span the entire ESG spectrum, helping us accelerate our progress. Central to these is our B Corp journey which will be the independently-verified proof we are living up to the highest standards of being a successful, sustainable business.

Commitments / Calls to action
What we want to achieve



Reporting
How we communicate about our progress



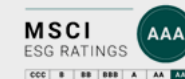
Working to become a



Memberships and collaborations
With whom we partner to achieve our commitments



Assessments / Ratings
External evaluation of our performance



Further information

givaudan.com/sustainability



Annual publications

2021 Integrated Annual Report
AVAILABLE IN ENGLISH



Online version
AVAILABLE IN ENGLISH



- READ MORE**
- ▶ GRI Content Index
 - ▶ SASB Standards
 - ▶ TCFD Recommendations

givaudan.com/investors



2021 In a Nutshell
AVAILABLE IN ENGLISH,
FRENCH AND GERMAN



**2021 Governance, Compensation
and Financial Report**
AVAILABLE IN ENGLISH



**2021 GRI Sustainability
Report**
AVAILABLE IN ENGLISH



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