

2022 Givaudan and ESG

Purpose and performance



Givaudan
Human by nature

ESG fully integrated in our business

Committed to Growth, with Purpose

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

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

Gilles Andrier, CEO



Impact on Environment, Society and Governance

Our 2022 sustainable performance

Environment

90%

Renewable electricity

-35%

GHG emissions scope 1+2 since 2015

-13%

Water withdrawal rate reduction on sites facing water-stress since 2020

CDP **AA** LIST

Leadership in transparency and action on climate change and water security

Social

27%

Women in senior management

-36%

Reduction of recordable case rate since 2018

100%

Production sites registered on Sedex

>215,000

People benefitted through community initiatives

Governance

100%

Non-executive and independent Board members

20%

Non-financial targets in Performance Share Plan compensation

2%

Average base salary difference between men and women¹

88%

Of employees who have completed the Principles of Conduct training

1. Results for the Givaudan Group globally for equivalent roles and skill sets. For Switzerland's private sector, the average regressed pay gap is 8%.

Our sustainability journey

2010–2015

2010

Support for **UN Global Compact** pronounced

2015

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



2016–2019

2017

New approach to sustainability
“A Sense of Tomorrow” introduced

Setting our GHG emissions target in line with **Science Based Targets Initiative**

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

2019

New approach to shaping a sustainable future through the newly defined purpose “**Creating for happier, healthier lives with love for nature. Let’s imagine together.**”

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



2020–2022

2020

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

Givaudan endorsed WBCSD’s CEO call-to-action on Human Rights

2021

Givaudan introduces the new **Sourcing4Good** programme

Givaudan publishes its **Human Rights policy**

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

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

Givaudan includes **TCFD** recommendations

Givaudan includes **SASB** standards mapping

2022

ESG fully integrated in Givaudan’s business

Acceleration of our sustainability digital journey



Our commitment to sustainable business

Our solid track-record of ESG ratings



Double 'A list' for climate and water for four consecutive years



CDP leader board recognition for supplier engagement

Being a sustainable business is our promise, acting as a force for good our goal. Guided by our purpose of 'Creating for happier, healthier lives with love for nature. Let's imagine together', we will continue to deliver sustainable value creation that benefits all. We apply various frameworks to report on our business activities.

We are also committed to the Sustainable Development Goals (SDGs). Through our ambitious purpose and sustainability goals, we actively support the delivery of those SDGs where we believe can make the greatest impact and so focus on 10 of the 17 goals.



Awarded the EcoVadis Gold medal, ranking us in the top 3% out of 75,000 businesses



Rated as 'low-risk' in 2022 with a score of 19.3 and a chemicals industry ranking 13 out of 539

FTSE4Good Index Series

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

- > <IR> Framework
- > GRI Standards
- > SASB Standard
- > TCFD Recommendations
- > UN Global Compact
- > IFRS
- > SIX Directive Corporate Governance
- > Swiss Code of Best Practice for Corporate Governance
- > Alternative performance measures



Included in SIX Swiss Sustainability 25 Index



Since 2017 Givaudan has been rated AAA by MSCI ESG ratings




Our material topics










































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

United Nations' Sustainable Development Goals (SDGs) to show that they are fully consistent with the most commonly used sustainability frameworks.

READ MORE

On the disclosures of the material topics in the 2022 Sustainability Report

Material topic	Equivalent GRI topic	Creations pillar 	Nature pillar 	People pillar 	Communities pillar 	UNGC Principles	SDGs mapping
Biodiversity	GRI 304: Biodiversity		✓		✓	Principle 7, 8, 9	   
Climate change	GRI 302: Energy GRI 305: Emissions		✓			Principle 7, 8, 9	  
Consumer health & wellbeing		✓					   
Diversity, inclusion & people development	GRI 202: Market presence GRI 401: Employment GRI 404: Training and education GRI 405: Diversity and equal opportunity GRI 406: Non-discrimination			✓		Principle 6	  
Economic performance	GRI 201: Economic performance GRI 204: Procurement practices	✓	✓	✓	✓		  
Employee safety, health & wellbeing	GRI 403: Occupational health and safety			✓			 
Governance & business conduct / ethics / transparency	GRI 205: Anti-corruption GRI 402: Labour/management relations GRI 407: Freedom of association and collective bargaining	✓	✓	✓	✓	Principle 2, 3, 4, 6, 10	  

Material topic	Equivalent GRI topic	Creations pillar 	Nature pillar 	People pillar 	Communities pillar 	UNGC Principles	SDGs mapping
Human rights		✓	✓	✓	✓	Principle 1, 2, 3, 4, 5	    
Innovation capabilities & management		✓	✓			Principle 8, 9	   
Local community development	GRI 203: Indirect economic impacts GRI 413: Local communities				✓	Principle 1, 2	   
Product / ingredients environmental & social performance		✓	✓	✓	✓	Principle 7, 8, 9	    
Product quality & safety and ingredient disclosure	GRI 416: Customer health and safety GRI 417: Marketing and labelling	✓					  
Raw materials availability	GRI 301: Materials	✓	✓		✓		   
Responsible sourcing & traceability	GRI 308: Supplier environmental assessment GRI 408: Child labour GRI 409: Forced or compulsory labour GRI 414: Supplier social assessment	✓	✓		✓	Principle 1, 2, 4, 5, 8, 10	    
Waste management & circular principles	GRI 306: Waste	✓	✓			Principle 7, 8, 9	  
Water stewardship	GRI 303: Water and effluents		✓		✓	Principle 7, 8, 9	   

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



Environment

Givaudan is committed to being the change we want to see in the world and now is the time for urgent environmental action. This is why, after being one of the few early adopters of the Science Based Targets initiative, we have now pledged to become a climate positive business – removing more greenhouse gases from the atmosphere than we put in – before 2050. This major commitment requires us to take action across sites and operations, but also in our supply chain, a network of some 16,000 partners that makes up around 90% of our footprint. We are addressing water challenges by working collaboratively at the watershed level, working to protect

water-dependent ecosystems and encouraging the sustainable use of resources. Preserving nature also means acting to continually reduce the waste generated through our activities with waste management and circular principles that minimise the extraction of natural resources and waste generation.

The environment in which we operate forms the very foundation of our activities – we depend on biodiversity, as do the many communities we work with and look to support. Now is the time to actively align our approach with recognised frameworks for assessing impacts, setting targets, and reporting on our progress.

+ IMPACTS

- › Contribute to climate action and resilience
- › Restore ecosystems services through regenerative agriculture
- › Conserve resources, avoid unrecycled waste and strengthen circularity
- › Increase access to more sustainable products

OUR MITIGATION MEASURES

- › Sustainable energy and water management
- › Circularity principles
- › Responsible care management

— IMPACTS

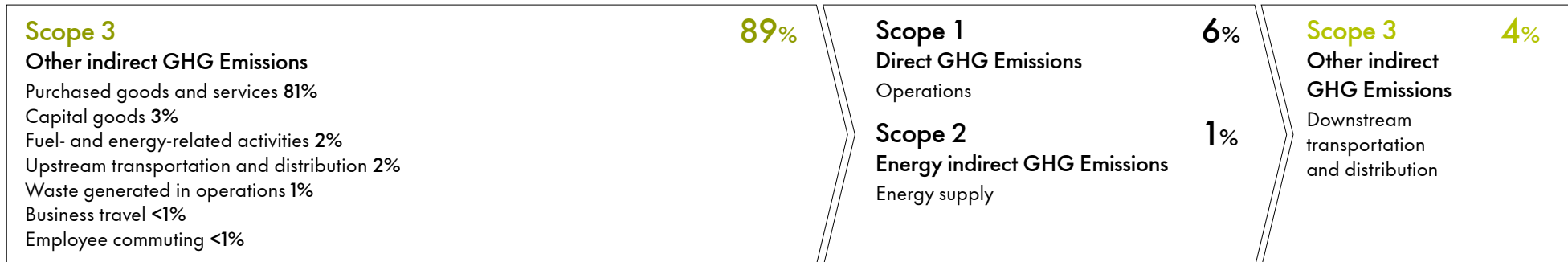
- › Emission of CO₂ and other gases that affect the climate
- › Land-use change
- › Water use in water-stressed areas
- › Waste directed to disposal

Givaudan's environmental footprint



GHG EMISSIONS

Approx. 2,4 million tonnes



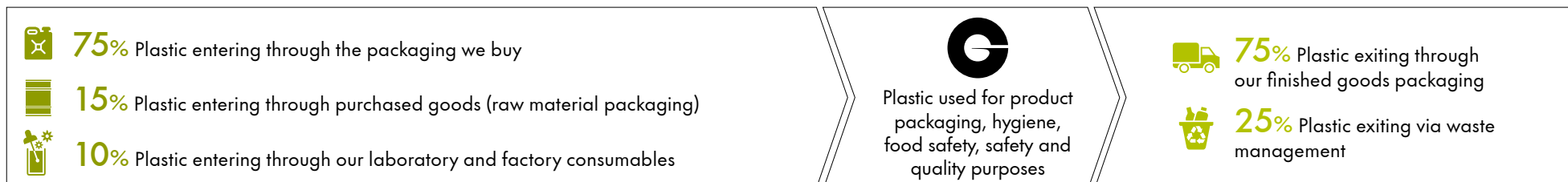
WATER CONSUMPTION

Approx. 86 million m³ / Consumption (Based on 2018 Corporate water footprint)



OUR PLASTIC FOOTPRINT

Approx. 20 thousand tonnes (Based on first inventory)



Our roadmap to becoming climate positive

Our actions to reach our ambitions

Our supply chain (scope 3)

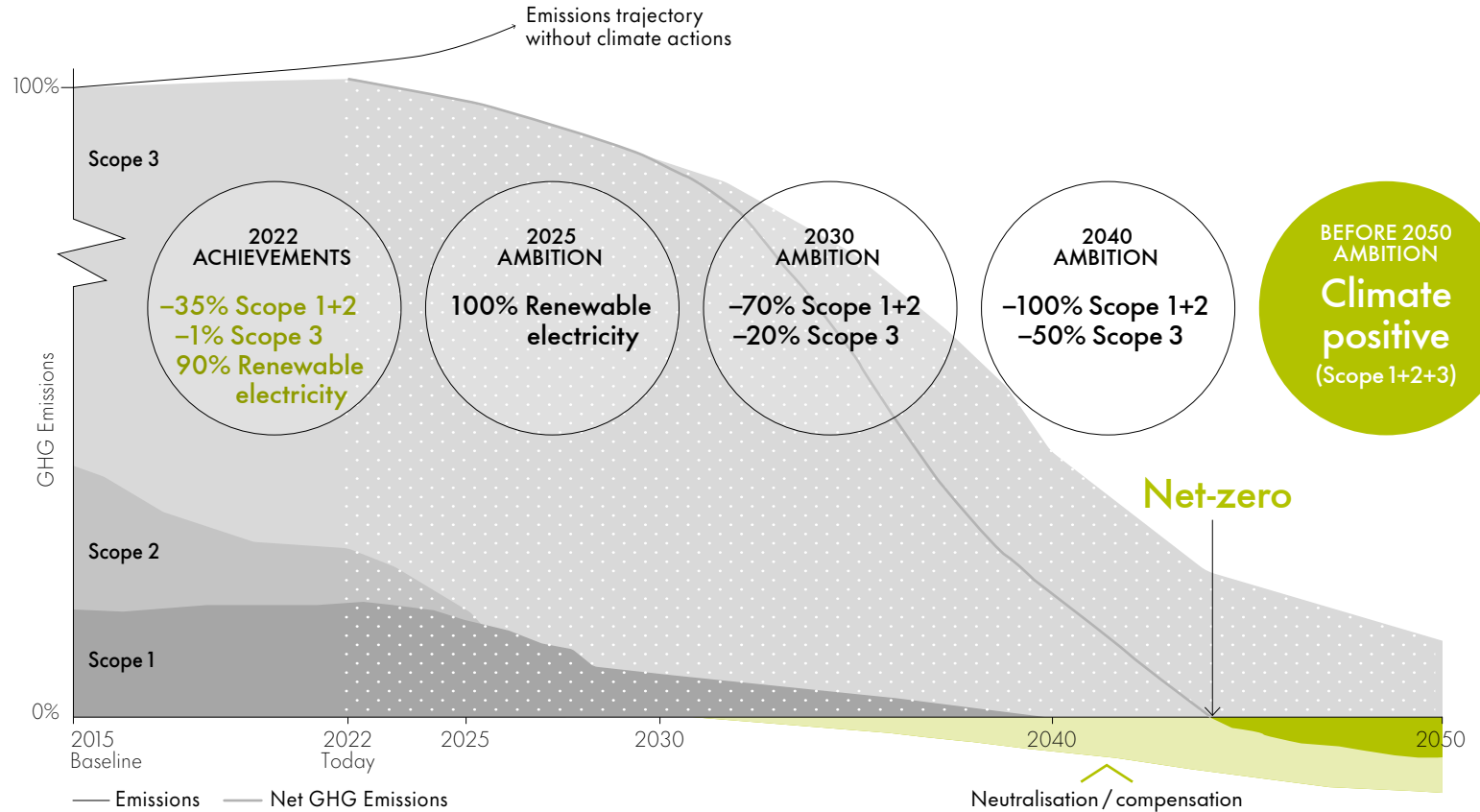
- › Sustainable procurement of ingredients
- › Low-carbon creations
- › Driving circularity and upcycling
- › Optimising packaging, logistics and transport of goods
- › Optimising business travel and employee commuting

Our operation (scope 1+2)

- › Energy efficiency
- › Renewable energy source

Neutralisation / compensation

- › Natural Climate Solutions (NCS)
- › Carbon capture technology



Illustrative representation



ENABLERS TO REACH OUR AMBITIONS

- › Supplier engagement
- › Innovation
- › Budget and financial mechanisms
- › Advocacy and promotion
- › Partnership and governance
- › Model enhancement



Our GHG ambitions

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

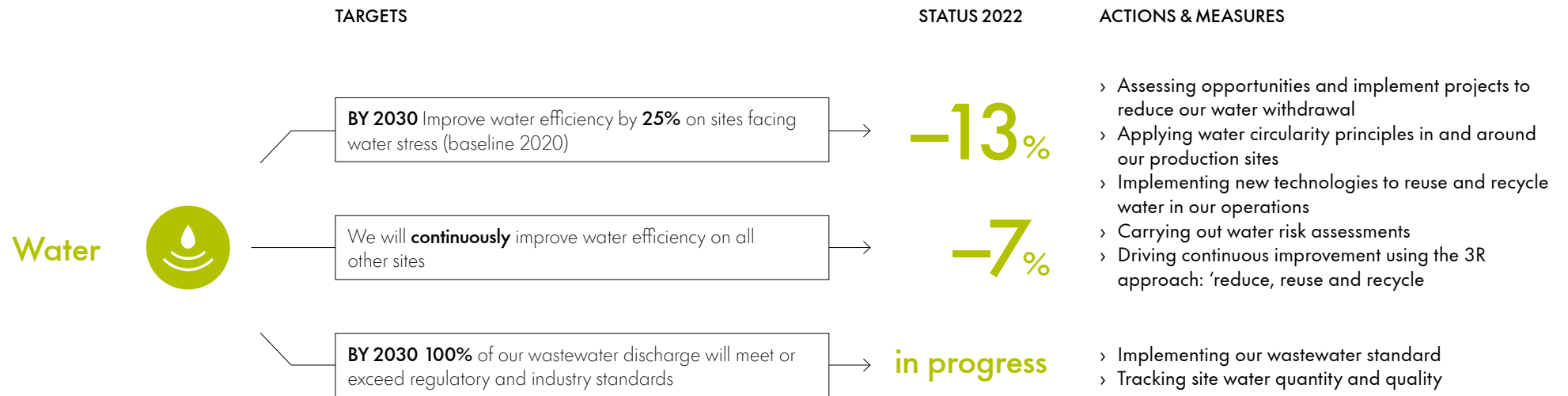
	TARGETS	STATUS 2022	ACTIONS & MEASURES
Emissions 	<p>OPERATIONS</p> <p>BEFORE 2030 Our operations' carbon emissions (scope 1+2) will be cut by 70%</p> <p>BEFORE 2040 We will be climate positive (baseline 2015)</p>	-35%	<ul style="list-style-type: none"> › Setting an internal carbon price › Fixing site environmental targets and assessments › Switching to renewable energy sources › Signing the UN pledge 'Business Ambition for 1.5°C' › Promoting energy efficiency
	<p>SUPPLY CHAIN</p> <p>BEFORE 2030 Our supply chain emissions (scope 3) will be cut by 20%</p> <p>BEFORE 2050 We will be climate positive (baseline 2015)</p>	-1%	<ul style="list-style-type: none"> › Sourcing ingredients responsibly › Developing low-carbon creations › Driving circularity and upcycling › Optimising packaging, logistics, transport of goods, business travel and employee commuting
Electricity 	<p>BY 2025 100% of our entire electricity supply to be converted to fully renewable sources</p>	90%	<ul style="list-style-type: none"> › Committing to RE100 since 2015 › Setting site renewable electricity targets › Generating on site renewable electricity

Our contribution to SDGs



Our water ambitions

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

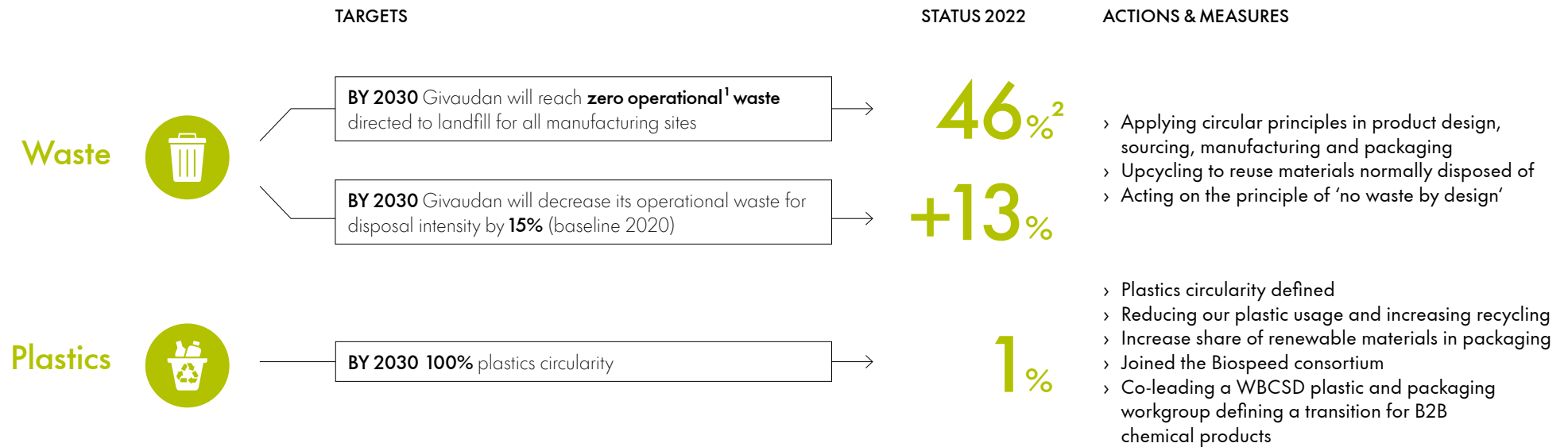


Our contribution to SDGs



Our waste and plastics ambitions

Driving continuous improvement in waste reduction and management with a focus on landfill disposal avoidance. Before 2030, we will replace single-use plastics with eco-friendly alternatives across our sites and operations.



Our contribution to SDGs

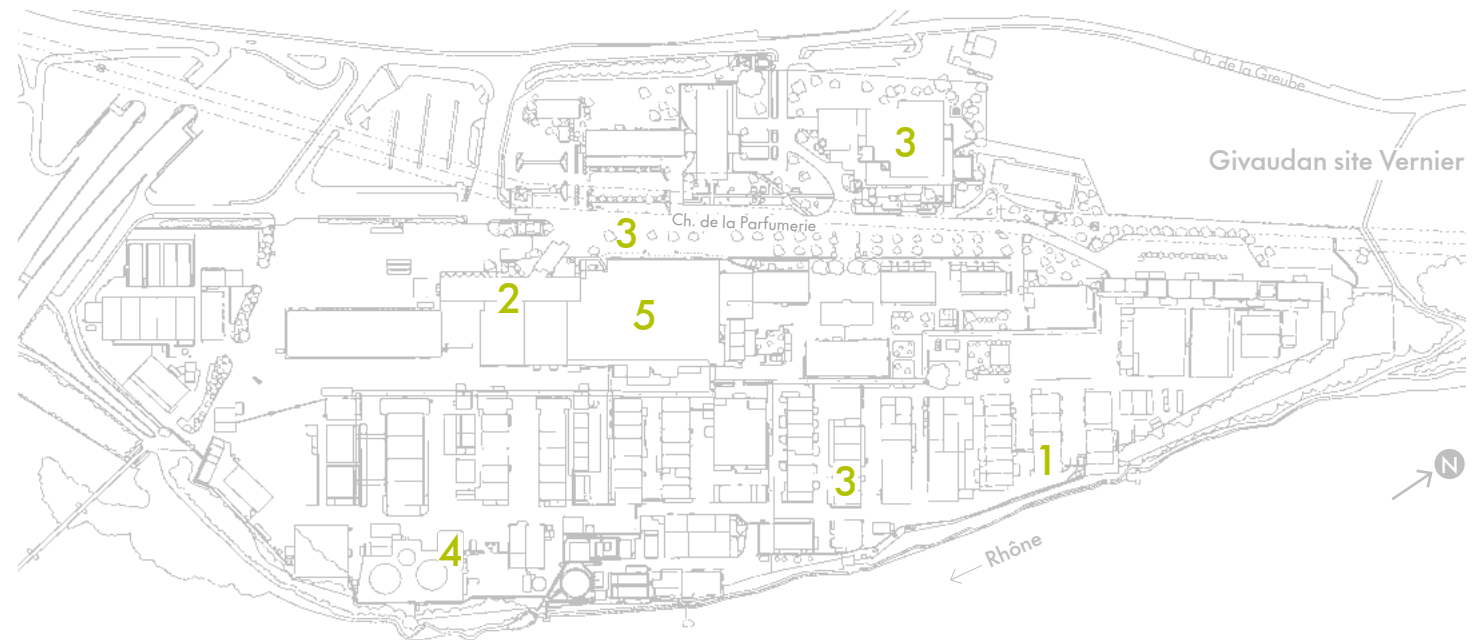


1. Excluding one time only waste and waste sent to landfill only when other existing technical alternatives are not allowed due to regulatory requirements.
 2. The status shows the percentage of sites already reaching our target.

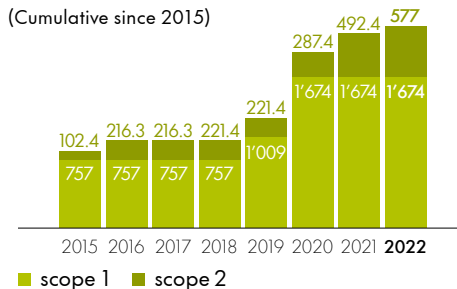
OUR ACTIONS IN PRACTICE

Cutting our emissions: Vernier case study

Our Vernier site serves as a prime example of what we can achieve and how we are achieving it at sites around the globe: our efforts to reduce scope 1+2 emissions have paid off. We reached 100% renewable electricity already back in 2007, and generate our own energy on-site. Electricity consumption linked to lighting has been cut by 93%. A new energy metering system helps us identify over-consumption and correct it, contributing to our suitability culture by raising awareness of and highlighting the importance of optimal energy management. Overall, we have saved 2.3 GWh in cumulative electrical energy savings since 2015, an amount equivalent to the consumption of about 3,000 inhabitants. Cumulative thermal energy savings in the same period amounts to 9.1 GWh, equivalent to 1,649 tonnes of CO₂, or the annual emissions of 118 people in Switzerland.



**ANNUAL ENERGY SAVINGS
THANKS TO OUR MEASURES**
(Cumulative since 2015)



Energy-efficiency measures (scope 1+2)

1. Replacement of unit heaters (new units more modern and adjustable according to needs)
2. Improved building lighting
3. Replacement of lighting (LED lighting installed)
4. Nitrogen unit replacement
5. Chilled water unit installation

Not represented on the map:

- > Stop unit heaters over the weekends
- > Energy metering project
- > Monitoring steam traps
- > Optimisation of heating tapes
- > Energy metering project
- > Air compressor replacement



Social

Our purpose outlines a vision of a better future, together. That is, we can only achieve our goals if we can create a sense of unity in addressing the needs of all of the people in our sphere of influence, from employees and partners, to suppliers and farmers, to customers and consumers. We pursue our ideals by providing an inclusive environment, eliminating discrimination and giving equal opportunities to people from all backgrounds and genders. We take action to foster employee safety and wellbeing, including mental health. We have made an explicit commitment to

respect human rights and work to ensure that our business practices have a positive impact on the communities we engage with.

Our responsible sourcing demands compliance with high standards in health, safety, social, environmental and business integrity and helps us support broader development goals, combating inequality and striving to improve the quality of life in vulnerable communities. Finally, we look to better the lives of consumers, contributing to the development of products that improve their health and wellbeing.

+ IMPACTS

- › Create products that make people happier and healthier
- › Provide attractive jobs and promote diversity
- › Pay competitive wages and salaries
- › Drive innovation in health and wellness

OUR MITIGATION MEASURES

- › Compliance programme and code of conduct
- › Projects to improve sustainability in the supply chains
- › Selection and evaluation of suppliers
- › Inclusive health and safety programmes

- IMPACTS

- › Potential risk of deviation or violation of labour, environmental and social standards
- › Increased turnover
- › Workplace safety and health incidents

Our diversity and inclusion ambitions

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

Diversity
and
inclusion



TARGETS	STATUS 2022	ACTIONS & MEASURES
<p>BEFORE 2025 We will be rated amongst the leading employers for inclusion globally</p>	<p>in progress</p>	<p>Building more inclusive hiring practices:</p> <ul style="list-style-type: none"> › Inclusive job ads › Balanced slates for hiring and promotion › Hiring Manager Training
<p>BEFORE 2030 50% of our senior leaders will be from high growth markets (baseline 2018)</p>	<p>27%</p>	<p>Fostering inclusive leadership development:</p> <ul style="list-style-type: none"> › Evolving our Leadership Development programmes › Better Balance Approach › Managing unconscious bias at work
<p>BEFORE 2030 50% of our senior leaders will be women (baseline 2018)</p>	<p>27%</p>	

Our contribution to SDGs



Our people ambitions

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

Caring for employee safety, health and mental wellbeing



TARGETS

BEFORE 2025 We will reduce our total recordable injury rate by **50%** (baseline 2018)

STATUS 2022

-36%

ACTIONS & MEASURES

- › 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

BEFORE 2025 Everyone on our sites will have **access to mental and physical health initiatives, tools and training**

in progress

Providing access to mental and physical health initiatives, tools and training for all employees:

- › Employee assistance programme
- › Embedding health and wellbeing into our day-to-day routines

Our contribution to SDGs



Our communities 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 us



TARGETS	STATUS 2022	ACTIONS & MEASURES
<p>BY 2030 100% of materials and services will be sourced responsibly</p>	<p>26%¹</p>	<p>Implementation of our Sourcing4Good programme, Responsible Sourcing policy</p>
<p>BY 2030 We will improve the lives of millions of people in communities where we source and operate</p>	<p>>215,000</p>	<p>Through employee activities, Green Teams and the Givaudan Foundation, develop initiatives that:</p> <ul style="list-style-type: none"> > Respond to needs within communities > Support activities ranging from health and education to enhancing environmental and agricultural practices

Our contribution to SDGs



1. In 2022, this includes only natural raw materials.

OUR ACTIONS IN PRACTICE

Protecting people and the environment: Patchouli case study

Patchouli is a key ingredient for Givaudan and we have been working with local resources in the supply chain for more than 10 years. What began as a way of ensuring supply and reducing price volatility has evolved into a project addressing a range of sustainability goals: we are now also targeting traceability, environmental protection and social development, including women's empowerment, in the communities from which we source.

Our Patchouli Champion Group (PCG) model pools resources through groups of producers and is one of the foundations of our work here. The model involves integrating local agronomy experts with extensive knowledge of good agricultural and distillation practices, allowing patchouli producers to improve their practices. The model also taught producers to distil patchouli themselves, increasing their income and allowing us to create added value within communities and strengthen productive capacities.



Full digital traceability

The development of a transactional traceability tool, "I-Source", allows field teams to use smartphones to collate information about producers and the oil purchased. Data collected this way allows for more agile and efficient monitoring of collection and gives insights that deepen knowledge of the market, helping us protect quality or supply.

Environmental protection

In an initial project targeting distillation practices, the Earthworm Foundation (TFT) assessed the impact of patchouli oil production on the local environment. The study revealed that while some of the wood used for patchouli distillation in Sulawesi comes from renewable sources, the source of other fuelwood is unclear and sometimes associated with deforestation. This prompted us to invest in improving the energy efficiency of the distillation units.

Another project – growing from an earlier collaboration with the international non-governmental organisation Swisscontact, funding from the Givaudan Foundation and strong



partnerships with producers, their families and local government actors – focussed on improving the livelihoods of individual producer families while protecting natural resources. We did this by training the households of approximately 1,500 patchouli producers and more than 350 operators on environmentally friendly agricultural and distillation practices, respectively. The project also involved the renovation of smallholder patchouli distillation units to improve energy efficiency and reduce firewood consumption.

Social development, empowerment of women

In Sulawesi, there is a particular need for investment in the areas of feeding infants and young children. Also, many families have received very limited formal education and lack skills in financial management, essential for building economic resilience. We addressed these issues by providing more than 1,000 local producer families with education on nutrition and household income management. Here, we targeted the family members most frequently responsible for both – women.

A lack of books is an obstacle to quality primary education locally so we started establishing libraries in primary schools in 2018. By the end of 2022, the project, which is in partnership with the local non-governmental organisation Taman Bacaan Pelangi (Rainbow Reading Gardens), had established seven such libraries and one classroom-based reading corner, benefitting more than 1,100 school children.

Looking ahead, we will strengthen the on-site team to work in regenerative agriculture and biodiversity practices.



Governance

Good, transparent governance, responsible management and effective supervision allows us to create a fair, inclusive environment in which human rights are defended in all spheres of our business. Our governance and control structures and processes support the continued creation of shared value, as do our industry-leading compliance and advocacy solutions. Compensation

policies form an essential component of our employee value proposition and are a key driver of both individual and business performance.

Our responsible corporate citizenship allows us to establish leading ethical and social practices and standards at our sites and throughout our supply chains.

OUR POSITION STATEMENTS

- › On animal testing
- › On the UK Slavery Act
- › On Australia Modern Slavery Act
- › On the California Transparency Act
- › On our commitment to EHS
- › On palm oil
- › On social responsibility

OUR POLICIES

- › Human Rights
- › Responsible Sourcing
- › Water
- › Quality Policy
- › EHS policy

OUR RULES

- › Articles of incorporation of Givaudan SA
- › Board regulations of Givaudan SA
- › Principles on disclosure and transparency

Our 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.

Shares

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

PERFORMANCE SHARE PLAN FOR TOP 500 EMPLOYEES

20%

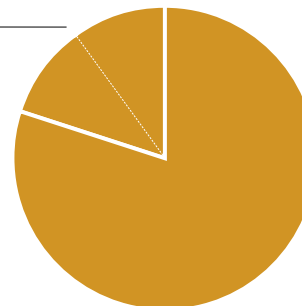
Non-financial targets

10%

Social targets

10%

Environmental targets



80%

Financial targets

CORPORATE GOVERNANCE IN NUMBERS

Board of directors

Members 9

Years average tenure 5.8

Nationalities represented 6

Women 3

Executive committee

Members 7

Years average tenure 7.6

Nationalities represented 6

Women 1

OUR ACTIONS IN PRACTICE

Combating child labour: Madagascar case study

Madagascar is the world's leading producer of vanilla, one of the key natural ingredients that we source. It also has, however, one of the highest poverty rates in the world. This creates certain challenges including child work and labour, biodiversity, and other human rights-related risks.

Tackling this complex topic requires a holistic approach. We have therefore joined up with industry peers in addition to local partners such as our joint venture entity SOMAVA, farmers, NGOs and local government agencies, as well as the Givaudan Foundation, to promote sustainable and human rights practices in this supply chain.

Promoting awareness of and combating child work/labour is one key aspect of our ongoing efforts on the ground, supplementing work in education, healthcare and biodiversity. Thanks to the involved and dedicated team at SOMAVA, we have been able to implement a plan to promote a sustainable, resilient family farming system for vanilla in 31 villages, representing 3,300 organic vanilla farmers.

Concretely, we focussed on raising awareness of human rights and child work/labour topics, improving access to education, healthcare and nutrition, fair remuneration, and agroforestry training.

Raising awareness

To raise awareness, we held training sessions on our human rights position and, specifically, on the rights of children. We strengthened this message by adapting our Responsible Sourcing Policy to make it more accessible for producers and by training our own teams, with the in-field support of Save the Children. We are already seeing the impacts, with villagers proactively proposing solutions adapted to their village context following our training sessions.

Focus on education

Building and renovating schools, and supplying furniture and materials, has allowed us to help children in remote villages continue their education. This helps keep them from participating in farming and other work activities and also better prepares them for adulthood. To date, we have been involved in the construction or repair and maintenance of 30 schools, affecting more than 5,000 children. We have also addressed food security by enhancing rice farming practices through the Givaudan Foundation. Our Foundation programme promotes alternative revenue



streams such as beekeeping, livestock farming and home gardening.

Hygiene and health

We have supported and promoted hygiene and health services in our vanilla supply chains villages by building two health centres servicing 1,000 patients annually. Additionally, nearly 70 water wells provide clean water for more than 18,000 Malagasy villagers.

Promoting the empowerment of women

Working with Save the Children, we are training our teams on the Gender Action Learning System (GALS) approach. The GALS method aims to give women and men better control of their lives, and promote and support an enduring movement for gender justice.

Our proximity to farmers in Madagascar has enabled us to build up a relationship of trust and dialogue, allowing us in turn to adapt our activities to the local context and needs. Using farmer feedback, internal control and verification along with ongoing third-party evaluation, we are continuing to improve the programme as it develops.





Givaudan as a sustainable investment case

Our products are unique co-creations with our customers. As such, they are bolstered by consumer insights and benefit from diversified exposure to all regions and partner segments.

This broad portfolio of products, geographies and customers provides us with a resilient and efficient natural hedge that offers opportunities for consistent growth.

With the highest standards of a responsible business, we are driven by our purpose to do things differently, pushing ourselves to go further and tackle society's big challenges. We continue on our path of sustainable value creation for all stakeholders, investing for the future, and renewing our commitment to growth for people, planet and profitability.

+ IMPACTS

- › Drive inclusive and economic growth
- › Higher incomes and better standards of living
- › Offer investors an attractive dividend yield
- › Contribute to a fair share of tax contributions where we operate

OUR MITIGATION MEASURES

- › Naturally hedged business (portfolio, geography, customers)
- › Systematic cost management
- › Programme of continuous improvement
- › Automation and leveraging technology
- › Strong governance and risk management

— POTENTIAL IMPACTS

- › Slowdown in growth due to the uncertain macroeconomic and geopolitical environment
- › Slowdown due to supply chain disruption impacting operations
- › Weakening of performance from rising interest rates and foreign currency volatility

Our performance commitments

Sales growth



4.0% – 5.0%

2021 – 2025

Average Like for Like¹ Sales Growth

Free cash flow



>12% of Sales

2021 – 2025

Average FCF² as % of sales

Purpose commitments



Purpose
linked targets

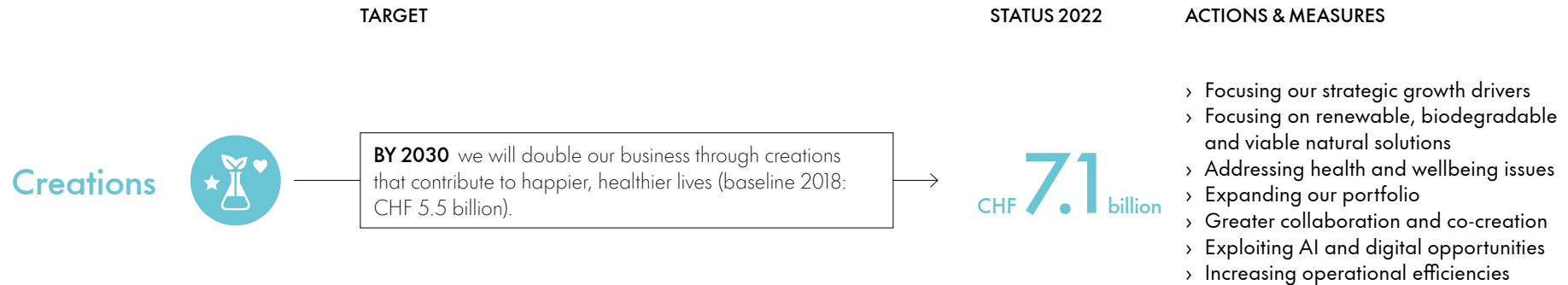
2021 – 2025

Progress towards all published targets

1. Like-for-like (LFL) is defined as: (a) sales calculated using the invoicing exchange rates of the prior year, (b) excluding sales of businesses acquired from the acquisition date until the period end date, up to 12 months from the acquisition date, and (c) excluding sales of the businesses disposed of from the disposal date until the period end date of the comparable prior period.
2. Free Cash Flow (FCF) refers to operating cash flow after net investments, interest paid, lease payments and purchase and sale of own equity instruments.

Our creations ambition

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



Our contribution to SDGs



OUR ACTIONS IN PRACTICE

A highly-rated sustainable investment

We are dedicated to being a successful, sustainable business and strive to be a force for good. This entails being a Company that balances profit with purpose: our business growth should be associated with a positive impact on people and the planet. Working hand-in-hand with our customers, we respond to changing consumer needs for products that support health and wellbeing yet also meet sustainability expectations and demand for greater transparency.

More globally, business can, and should, help address challenges such as the climate crisis, inequality and economic uncertainty. We support the UN Sustainable Development Goals and focus our efforts on the areas where we can contribute the most.

Our work in sustainability and ESG has been widely recognised externally. This includes our ESG risk rating by Sustainalytics which categorised the business as low-risk and amongst industry leaders with a ranking of 13 out of 539. It also includes CDP double A rating for the fourth consecutive year for leadership in climate action and water stewardship, a gold EcoVadis medal, inclusion in the SXI Swiss Sustainability 25 index, inclusion



in FTSE4Good Index Series ranking us in top 2% performers among peers, and in MSCI ESG AAA rating since 2017.

Sustainable performance is fundamentally important to our strategy and our funding strategy must therefore be aligned. In 2022, we organised our first sustainable-linked financing event with renewal of the Group Committed Credit Facility.

Creating ongoing value for our shareholders

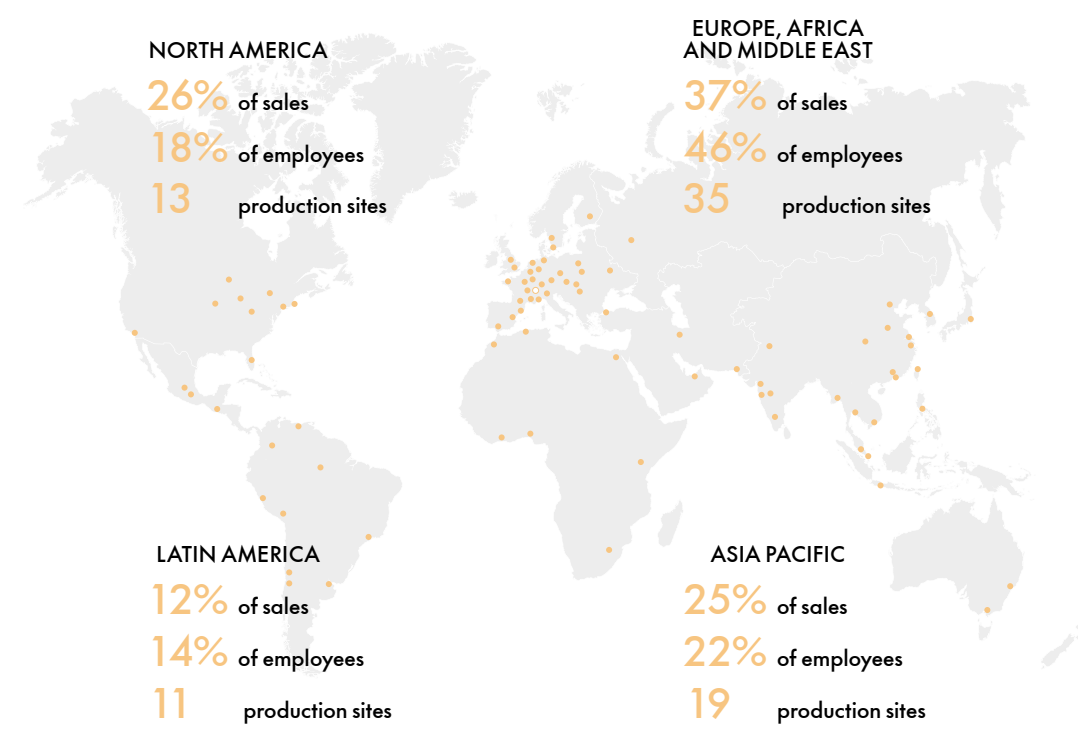
Since the Company's IPO in 2000, we have created approximately CHF 30 billion of total shareholder return, with an average annual yield of 10.5% compared with 4.1% for the SMI Index in the Swiss market.

At the end of 2022, Givaudan had approximately 43,295 registered shareholders owning 64% of the capital. The top 20 registered and non-registered shareholders owned 42% of the capital. Swiss and US shareholders held approximately 48% of all shares.



Further information

Our size and our operations footprint give us a unique exposure to the diversity of high growth markets in which we continue to invest with additional talent and new facilities to service the wide diversity of our customers.



Key figures

For the year ended 31 December	2022	2021	Percentage change against baseline
Environmental			
GHG Emissions scope 1+2 [tonnes CO _{2e}] ⁴	169,862	181,326	-35%
GHG Emissions scope 3 [tonnes CO _{2e}] ⁵	2,210,738	2,139,587	-1%
GHG Emissions scope 1+2+3 [tonnes CO _{2e}]	2,380,600	2'320'913	-4%
Renewable electricity (RE 100 compliant) [%] ⁴	90%	82%	
Water efficiency [m ³ per tonne of product] ⁶	4.7	5.2	-13%
Waste efficiency [kg per tonne of product] ⁷	55.7	52.1	13%
Social			
Number of employees as at 31 December (FTE)	16,676	16,842	
Women in total workforce (headcount)	6,031	5,579	35%
% of women in senior management including Executive Committee	57	51	27%
Turnover rate	12%	10%	
Number of Total Recordable Cases (TRC) ⁹	151	180	57%
Total recordable case rate (TRCR)	0.85	1.04	-36%

For the year ended 31 December 2022

Governance

Board of directors

Number of members	9
Number of women	3
Years average tenure	5.3
Nationalities represented	6
Total compensation paid	CHF 3,337,772

Executive Committee

Number of members	7
Number of women	1
Years average tenure	7.6
Nationalities represented	6
Total compensation paid	CHF 18,453,306

For the year ended 31 December

Economic

For the year ended 31 December	2022	2021	Percentage change
Group sales	7,117	6,684	6.5%
Like-for-like sales growth ¹	5.3%	7.1%	
Gross profit	2,762	2,855	(3.3%)
as % of sales	38.8%	42.7%	
EBITDA ²	1,476	1,482	(0.4%)
as % of sales	20.7%	22.2%	
R&D spend	522	562	(7.0%)
as % of sales	7.3%	8.4%	
Operating income	1,112	1,089	2.1%
as % of sales	15.6%	16.3%	
Net income	856	821	4.2%
as % of sales	12.0%	12.3%	
Operating cash flow	948	1,288	(26.4%)
as % of sales	13.3%	19.3%	
Free cash flow	479	843	(43.2%)
as % of sales	6.7%	12.6%	
Total assets	11,509	11,434	0.7%
Net debt	4,530	4,399	3.0%
Leverage ratio	51%	51%	
Share price as of last trading day of December (CHF)	2,833	4,792	(40.9%)
Cash dividend ³ (CHF)	67	66	1.5%
Earnings per share – basic (CHF)	92.83	89.03	4.3%

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

2. EBITDA defined as Earnings before interest (and other financial income (expense), net), Tax, Depreciation and Amortisation, corresponds to operating income before depreciation, amortisation and impairment of long-lived assets.

3. 2022 dividend subject to shareholder approval at the AGM on 23 March 2023.

4. Figures including acquisitions of Naturex, Vika, drom, Albert Vieille, Golden Frog and Ungerer sites as well as from restatements.

5. Figures including acquisitions of Naturex, Vika and drom.

6. On sites facing water stress. Water refers to municipal and groundwater. Percentage change tracks the water withdrawal rate reduction.

7. Waste for disposal refers to non-hazardous and hazardous waste to landfill and incineration with and without energy recovery.

8. GHG Emissions: baseline year 2015. Water efficiency and Waste efficiency: baseline year 2020. Number of women: baseline year 2018. TRC and TRCR: baseline 2018.

9. The number of actual cases increased relative to the baseline due to the inclusion of cases from recently acquired companies.

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