

WHO WE ARE Committed to Growth, with Purpose

With **game-changing innovations** in food and beverage and **inspirational creations** in the world of scent and beauty, we lead the global industry in flavour & taste, functional & nutritional ingredients, and fragrance & beauty.

We are committed to **driving purpose-led**, **long-term growth** by increasing our positive impact on **nature and improving people's health and happiness**. It's a commitment to create shared value for **the business**, **society and nature**.

185
locations in
52 countries
worldwide

69
Creation and research centres worldwide

Over **16,800** employees

Our two principal business activities

TASTE & WELLBEING

Going beyond great taste to create food experiences that do good and feel good, for body, mind and planet.

FRAGRANCE & BEAUTY

Bringing you inspiring creations in the world of scent and beauty through craftsmanship, creativity and passion.

Discover our world

Enlivening the planet with innovative solutions and delivering the highest standards across our value chain, from operational and financial performance to delivering a superior customer experience.



Let's imagine together

Table of contents

By being 'Committed to Growth, with Purpose', we delivered profitable growth in 2021 - the first year of our five-year strategic cycle - while having a positive sustainable impact through our creations on people, nature and communities.

This report outlines how we achieved growth and made positive impacts during the year.



A YEAR IN REVIEW

- 6 Our impact in 2021
- 8 Highlights 2021
- 10 Chairman's letter
- 12 CEO interview



STRATEGIC VALUE CREATION

- 18 Our 2025 strategy
- 26 Business model
- **28** Trends, risks and opportunities
- **32** Stakeholder engagement and materiality



FINANCIAL VALUE CREATION

- 40 Business performance
- **48** A sustainable investment case



ACTING AS A FORCE FOR GOOD

53 Creations

70 Nature

88 People

100 Communities



VALUE-BASED GOVERNANCE

112 Good corporate citizenship

115 Leading the way in regulatory compliance and product safety

120 Our code of conduct for a positive impact on society

123 Effective and transparent corporate governance

129 Setting incentives to create value



CONSOLIDATED STATEMENTS

134 Key figures

136 Consolidated financial statements

142 Consolidated ESG data



APPENDIX

150 Our global presence

152 Givaudan sites worldwide

- TCFD

160 About this report

- Integrated Reporting

- SASB Standards

Recommendations

- GRI Standards

- UN Global Compact

Sustainable
 Development Goals

169 Glossary

172 Our reporting suite



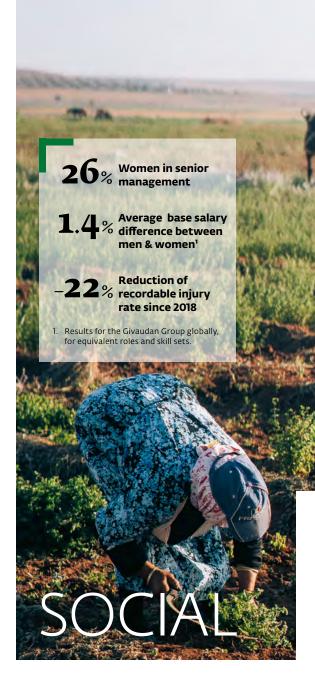


Our impact in 2021

Creating growth for our business, society and the planet.

Sustainable performance review

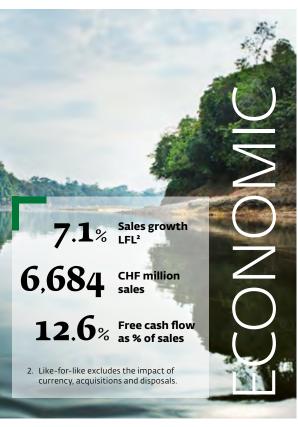
For the year ended 31 December, in millions of Swiss francs, except for environment and social data	2021	2020	Percentage change
Economic		2020	change
Group sales	6,684	6,322	5.7%
Like-for-like sales growth	7.1%	4.0%	
Gross profit	2,855	2,659	7.4%
as % of sales	42.7%	42.1%	
EBITDA¹	1,482	1,397	6.0%
as % of sales	22.2%	22.1%	
R&D spend	562	536	4.7%
as % of sales	8.4%	8.5%	
Operating income	1,089	996	9.3%
as % of sales	16.3%	15.8%	
Net income	821	743	10.5%
as % of sales	12.3%	11.8%	
Operating cash flow	1,288	1,189	8.3%
as % of sales	19.3%	18.8%	
Free cash flow	843	811	3.9%
as % of sales	12.6%	12.8%	
Total assets	11,420	10,658	7.1%
Net debt	4,394	4,040	8.8%
Leverage ratio	51%	50%	
Share price as of last trading day of December (CHF)	4,792	3,730	28.5%
Cash dividend²(CHF)	66	64	3.1%
Earnings per share – basic (CHF)	89.03	80.59	10.5%
Environmental			
Absolute GHG Emissions scope $1 + 2^3$	(31%)	(24%)	
Absolute GHG Emissions scope 33	(4%)	(2%)	
Renewable electricity (RE 100 compliant) ³	84%	65%	
Water efficiency⁴	(4%)	N/A	
Waste efficiency⁵	(2%)	(10%)	
Social			
Number of employees as at 31 December (FTE)	16,842	15,852	6.2%
Women in total work force ⁶	39%	39%	
Women in senior management	26%	25%	
Turnoverrate	10%	9%	
Lost time injury rate ⁷	0.34	0.25	36.0%



- 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.
- 2. 2021 dividend subject to shareholder approval at the AGM on 24 March 2022.
- 3. 2020 figures restated to include acquisitions.
- On sites facing water stress, baseline year 2020.
 For municipal and groundwater (m³) per tonne of production.
- 5. Tonnes of incinerated and landfill waste per tonne of production compared to 2015.
- Excludes all acquisitions except Activ International in 2020 and in 2021 Activ International & drom integrated entities.
- 7. The 2021 increase is due to the inclusion of acquisitions.

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







Our solid track record of ESG ratings



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



CDP leader board recognition for supplier engagement (2021 score published end of Feb. 2022)



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

SUSTAINALYTICS

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

FTSE4Good Index Series

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



Included in SXI Swiss
Sustainability 25 Index



Since 2017 Givaudan has been rated AAA by MSCI ESG RATINGS

Highlights 2021

Throughout the year our activities helped expand our capabilities and move closer to our customers. Whether it be innovations, investments or acquisitions, we aim to create value and positive impact for our stakeholders, the economy, environment and society overall.

Strengthening our global protein innovation network

 Two protein innovation centres were opened in Zurich and Singapore to support our ambitions in co-creating plant-based food experiences that do good and feel good. All around the world, consumers are seeking plant-based options for health and ethical reasons. The two centres provide further opportunities with customers, start-ups and partners to co-create for the future of sustainable food.

Strategic realignment of the Taste & Wellbeing portfolio

 We expanded our product offering and capabilities to support customers to deliver future facing food experiences that consumers value. This realignment signals our ability to anticipate and understand our customers' needs with a consumer end-benefit in mind. The three experience spaces identified are: Feel Good Food Experiences, Does Good Food Experiences and Imagine Food Experiences.



Engaging with key players to accelerate sustainable change

- We've joined WBCSD to launch Vision 2050: Time to Transform, which provides
 ambitious guidance to the business community on how to accelerate change.
 It offers an opportunity to unlock the incredible potential of a green economy,
 as businesses grow with their customers and act as a force for good.
- And we've joined Together for Sustainability, a global sector supply chain initiative to assess, audit and improve supply chain sustainability practices.





Expanding opportunities in China

- Driving innovation and supporting growth with local and regional customers in China with the opening of our new Digital Space in Shanghai.
- · Accessing high growth fragrance and beauty market opportunities in China through our first-of-its-kind partnership with Tmall, Alibaba's open business-to-consumer platform, and by becoming a shareholder in Next Beauty, a leading incubator for emerging brands looking to grow in China.

Creating value through our recent acquisitions

- The acquisition of 25% of B.Kolormakeup & Skincare (b.kolor) expands our offerings in the consumer-packaged goods and luxury segments;
- · Myrissi gives us the technology to translate fragrances into colour patterns and images;
- · Custom Essence strengthens our access to local and regional customers and expands our capabilities in natural perfumery in North America;
- DDW the Color House strengthens our global leadership in the natural colours business.



Building transparency across supply chains

· We've strengthened and expanded our responsible sourcing programme into an umbrella programme called Sourcing4Good, which is based on collaboration and knowledge sharing, experience and expert input from suppliers, customers and partners. Our suppliers can expect more visibility and the opportunity for partnerships, while our customers will have greater access to safe, high-quality products sourced in a responsible way and increased oversight and detailed knowledge of their supply chains.





Dear shareholders.

2021 was the start of our new five-year strategy cycle 'Committed to Growth, with Purpose', and I am very pleased to share that we delivered a very strong business performance. We continued to respond with agility to the ongoing impact of the global pandemic, turning challenges into opportunities. I'd like to thank our colleagues, customers, partners and suppliers for their great collaboration and commitment for all that we achieved. I'd also like to thank you for your commitment and investment in Givaudan.

In 2021 we delivered solid topline growth of 7.1% in Swiss francs and free cash flow generation of CHF 843 million or 12.6% of sales, in line with our 2025 financial targets. On the basis of Givaudan's strong performance in 2021 and its continued solid financial position, the Board of Directors will propose an increase in the dividend to CHF 66.00 at the Annual General Meeting on 24 March 2022. If accepted, this will be the twenty-first consecutive increase since our listing on the Swiss stock exchange.

The global macro trends that we identified for our 2025 strategy continue to drive our business and in many areas have been strengthened by the pandemic. Our focus areas of health and wellbeing, responsible sourcing and digitalisation are leading us to further exciting innovations, offering new ways of bringing value to our customers and meeting consumer needs. We also continued to broaden our portfolio with strategic acquisitions that will enable us to provide even more complete solutions, as well as broaden our customer reach and support our growth ambitions.

We recognise the changing expectations on the role of businesses to meet the requirements of a wider set of stakeholders in financial and non-financial matters. Our ESG approach is therefore led by our purpose ambitions and targets, which are fully embedded in our 2025 strategy. This is how we will address the urgent challenges facing society such as climate change and ensure our sustainable long-term performance. We hold ourselves accountable through the highest standards of reporting with the IR framework and GRI standards. For the first time, we have included the Sustainability Accounting Standards Board (SASB) mapping table and the Task Force on Climate-related Financial Disclosures (TCFD) recommendations table in our reporting suite.

Digitalisation continues to provide exciting opportunities to change the way we do business, either to provide new products and new engaging experiences for our customers or to design simpler, more agile business services. The pandemic has also accelerated the digital workplace transformation, as

we adopted virtual meetings and new ways of working with our customers. As a result, cyber security has increased in importance and, with the Board's role to ensure robust risk management, we have been strengthening our capabilities and preparedness in this area.

At the AGM in March 2022, all Board members will stand for re-election, including long-standing members Michael Carlos and Prof. Dr-Ing. Werner Bauer who have reached the age limitation as set out in the Board regulations. We believe it is in Givaudan's best interest to keep them both on the Board to ensure good continuity during the onboarding of new Board members, given the difficulties caused by the pandemic. We will propose to the Annual General Meeting of shareholders on 24 March 2022, to elect Tom Knutzen as a new Board member. We have an experienced team in place at the Board level, and at all levels we continue to ensure we have the necessary competencies and the right blend of expertise and experience.

66 I'd like to thank our colleagues, customers, partners and suppliers for their great collaboration and commitment for all that we achieved. ??

I'd like to express my heartfelt thanks and gratitude to my fellow members of the Board of Directors, the Executive Committee and all our colleagues worldwide for their hard work and dedication, especially during another challenging year. I am always so impressed by the contribution and passion of everyone at Givaudan to pursue excellence in everything we do.

Finally, I would like to share my thanks to you, our shareholders, for your trust and continuing support. I remain confident this Company is well positioned for the future and long-term success and will continue to create further stakeholder value through profitable, responsible growth, guided by our purpose.

I send my best wishes and health for the year ahead.

Calvin Grieder Chairman

44 I am proud to look back at a year of great achievements, in pursuit of delivering sustainable value creation for all our stakeholders. **

Gilles Andrier, CEO is interviewed by Givaudan employee Alice. They discuss how the business delivered in the first year of its new strategy cycle, while also managing through another pandemic year.

Alice In 2021, we continued to face the challenges of the evolving pandemic. How would you characterise the year?

Gilles Andrier Overall, it was a significant and strong year for us. Significant as we started out on our next five-year strategy cycle – 'Committed to Growth, with Purpose' – and delivered a strong financial performance while also making progress on our purpose targets.

We also showed our strength in being able to deliver this against a backdrop of continuing challenges from the second year of the pandemic. We continued to prioritise the health and

wellbeing of our employees, ensuring we delivered for our customers, and overall remaining a resilient business.

Across our growth drivers and enablers, we've been effectively implementing our strategy, and the key themes we identified have been strengthened and proven to be the right ones, such as health and wellbeing, naturals, plant-based proteins, Active Beauty among many others.

I'd like to express my huge thanks and pride in all of our over 16,800 colleagues around the world who contributed to Givaudan's success in 2021.

A Overall, how did the business perform?

GA Ambitious financial targets are central to our 2025 strategy roadmap, along with the addition of purpose-linked targets to show the progress we want to make towards our longer-term purpose ambitions in the areas of Creations, Nature, People and Communities. We aim to achieve average organic sales growth of 4-5% on a like-for-like basis and an average free cash flow of at least 12%. We grew strongly in 2021, achieving sales of CHF 6,684 million, a growth of 7.1% and an average free cash flow of 12.6%.

We showed once again our ability to deliver industry leading, purpose-led growth with a long-term perspective. All areas



and markets of the business performed well. It has also been encouraging to see the product segments most affected by the pandemic – namely Fine Fragrances, and to a lesser extent Active Beauty as well as foodservice in Taste & Wellbeing – experience a strong recovery. And overall, again we saw the resilience of the business, which has been built over many years through having 'natural hedges', by being in every single market in the world, in taste and wellbeing and in fragrance and beauty, with the widest diversity of product categories, and servicing a wide variety of customers.

A Beyond financials, we've included purpose-related targets for 2025. What progress did we make here?

GA When we launched our purpose, 'Creating for happier, healthier lives with love for nature' in November 2019, we also set out a number of ambitious targets to underpin our commitment to have a positive impact on Creations, Nature, People and Communities. This is now fully embedded in our 2025 strategy, showing how we want to grow with purpose and how we express our commitment to ESG.

Our ambition is that through our creations more people will enjoy happier, healthier lives, and that through these creations, we will double our business by 2030. We demonstrated strong growth through 2021 by delivering products that delight consumers and contribute to their overall wellbeing.

Other highlights for 2021 included a strong focus on our climate positivity journey, and we have recently been recognised by CDP with a double A rating for leadership in climate action and water stewardship. We launched Sourcing4Good, a progressive programme which has been co-created with customers, specialists and internal stakeholders, to help accelerate our purpose goal to source all materials and services in a way that protects people and the environment by 2030.

Throughout the pandemic, we've continued to focus on the health and wellbeing of our colleagues. This is part of our ambition to improve how we care for all our people, providing access to mental and physical health initiatives, tools and training.

We also continued to make progress on our long-term journey to become a certified B Corporation, which will measure Givaudan's entire social and environmental performance and provide independent verification that we live up to our purpose.

A We started the implementation of our 2025 strategy 'Committed to Growth, with Purpose'. What have been some of the highlights?

GA Our 2025 strategy is our five-year roadmap for how we will deliver sustainable value creation for all our stakeholders. Across our growth drivers and enablers, there were a number of highlights of how we are effectively implementing our strategy.

We continued to make investments in acquisitions that further broaden our offering to our customers and strengthen our global footprint. This includes a CHF 75 million investment in a new extension to our Pedro Escobedo Fragrance & Beauty production facility in Mexico to support growth in Latin America and across customer segments.

Taste & Wellbeing introduced its new Product Portfolio Architecture (PPA), realigning its portfolio to better reflect how, through the expanded product offering and capabilities, we support customers to deliver future-facing food experiences that consumers value. To accelerate alternative protein development, a new Protein Hub at our Zurich Innovation Centre was opened, bringing together customers, start-ups, academics and chefs to co-create.

As part of our commitment to nature-conscious fragrances and showing our love for nature in everything we do, Fragrance & Beauty announced the launch of its Naturality Index™. This is a one-of-a-kind assessment tool that allows perfumers to factor-in the environmental impact of their ingredient selection bringing a new differentiating dimension to the creative process. Also supporting our customers to meet their sustainability ambitions, we introduced PlanetCaps™, an industry-leading first-to-market fragrance encapsulation innovation that enables long-lasting fragrance experience in a biodegradable and bio-sourced delivery system for fabric softeners.

Supporting our growth enabler – simplicity and innovation in everything we do – our Givaudan Business Solutions organisation continued helping us to be more agile and reduce complexity. We leveraged this platform through the challenges of the pandemic to minimise the impact on our ability to service our customers.

A There were further acquisitions in 2021. How do they contribute to the strategic focus areas?

GA To support our growth ambition, our 2025 strategy is built around three key drivers. Firstly, expand the portfolio, going beyond the current portfolio of flavours and fragrances, naturals and delivery systems into nutrition, food ingredients and beauty. Secondly, focussed market strategies which is about maximising mature market opportunities while at the same time extending our high growth market leadership, particularly in China. Finally, extending customer reach particularly with the local and regional customer segment.

66 We have shown once again our ability to deliver industry leading, purpose-led growth with a long-term perspective. ??

Throughout 2021, we made a number of strategic acquisitions which fully align to these key drivers. They include DDW, The Color House, a US-based natural colour company. The acquisition enables us to become the number two global player in natural colours and continue our expansion into adjacent spaces.

To expand our presence with local and regional customers, as well as grow our capabilities in natural perfumes, we acquired Custom Essence, a US-based fragrance creation house. We also acquired 25% of b.kolormakeup & skincare's shares, aligned with our 2025 ambitions to keep expanding in skin care and make-up. This builds on the other acquisitions we have made to support our local and regional strategy including Expressions Parfumées, Fragrance Oils and drom, which have proven to be successful additions to the portfolio. Finally, we agreed a joint venture with Privi India to further strengthen our manufacturing footprint in India and bolster production capabilities for our global speciality fragrance ingredients.

We also continued to make good progress with our programme to fully integrate acquired companies with Givaudan systems, processes and organisation.

A We've identified digital innovation as a key enabler for our 2025 strategy. What were some of the investments made here?

GA Yes, we see digital innovation as a key enabler to keep our customers at the centre of everything we do and support the business to meet our ambitious mid- and long-term goals.

We acquired Myrissi to strengthen our artificial intelligence (AI) capabilities, so we now have an exciting AI tool capable of translating fragrances into consumer-relevant colour patterns and images as well as predicting the end consumer's emotional response. Helping us to capture digital opportunities for fragrance creation in China, we entered into a partnership with Tmall, the Alibaba group's open business-to-consumer (B2C) platform.

We also opened a new Digital Space in China, one of the most digitalised of markets, allowing us to leverage transformation opportunities and to support growth with local and regional customers. The dedicated space will enable our digital innovation teams, working alongside regional and local business teams, to identify opportunities and leverage technologies to co-create the products and services of tomorrow.

A With the shift to more flexible and hybrid ways of working as a result of the pandemic, what is Givaudan's approach?

GA The pandemic has brought many opportunities to do things differently, and we've wanted to take the learnings and experiences and turn them into positives for the future.

One area is flexible working. Like many businesses, we've seen proof of the benefits of having more flexibility while also continuing to balance the needs of the business. The new ways of working adopted during the pandemic increased touchpoints with colleagues and customers and helped us to be even more inclusive.

In support of our People purpose goal to be a place where we all love to be and grow, and taking the learnings from the pandemic, we have developed a Flexible Working Framework and toolkit to support local HR and sites to implement locally. We will continue to build on the experience and learnings of this period to take forward with us.

A How is Givaudan approaching leadership development and succession planning?

GA We have a well-established leadership development programme to nurture talent from within the Company, which has been redesigned to reflect our changing business and ensure we develop leaders with the right skills and behaviours for the future workplace.

With our strong focus on succession planning and the quality of our leaders, where we've evolved our senior leadership teams in Fragrance & Beauty and Taste & Wellbeing in 2021, we've been able to do this from within the Company.

A Looking ahead to 2022, what will the year bring?

GA I am excited for the year ahead as we continue to implement our 2025 strategy and make progress on our purpose targets. While we anticipate further disruptions from the pandemic and other supply chains that are not distinct to our industry, we have robust plans in place to adapt accordingly.

We take confidence from how we have managed through the last two years in continuing to be a resilient business. We have a clear plan in place and, combined with the talent and passion of our fantastic colleagues around the world, we remain positive about the year ahead.





Our 2025 strategy Committed to Growth, with Purpose

Our 2025 strategy is derived from our purpose, and sets out our roadmap to deliver sustainable value creation over the next five years for all our stakeholders.

Committed to Growth, with Purpose outlines our intention to deliver growth in partnership with our customers, achieve ambitious financial targets, while also making progress on our longer term purpose ambitions in the areas of creations, nature, people and communities.

This is supported by our ongoing journey to becoming a B Corp certified company, helping us to live up to the highest standards of being a responsible and sustainable business as we strive to be a force for good. Our certification will be the independently verified proof that we are acting on our purpose goals and successfully balancing people, planet and profit.

Our 2025 strategy is powered by three core growth drivers and four growth enablers, and supported by our focus on Excellence, Innovation, Simplicity in everything we do.

Growth drivers

Expand the portfolio @ Page 20

Going beyond our current portfolio to further expand into nutrition, food ingredients and beauty.

Extend customer reach @ Page 21

Embracing opportunities in today's more fragmented customer landscape and driving growth in the local and regional customer segment.

Focussed market strategies @ Page 22

Maximise mature market opportunities at the same time as extending our high growth market leadership.

Growth enablers

Creations @ Page 53

Expanding strategic relationships with suppliers, start-ups and partners; enhancing co-creation with customers.

Nature @ Page 70

Further embedding environmental sustainability in our product portfolio and continuing our efforts in sourcing responsibly.

People @ Page 88

Nurturing a diverse and inclusive workforce; evolving workplace trends; caring for employee health and wellbeing.

Communities @ Page 100

Bringing benefits to all communities that work with us, including the communities where we source and operate.

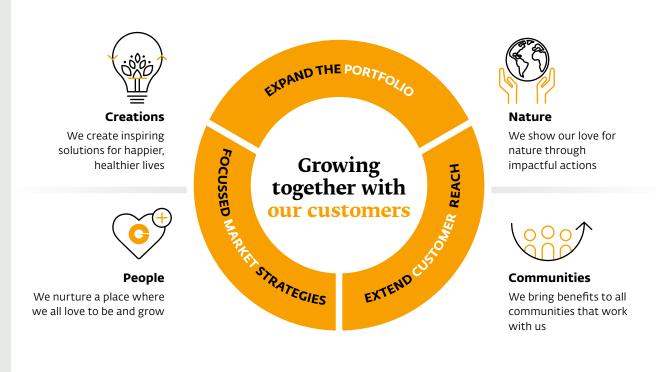
Excellence, Innovation & Simplicity in everything we do @ Page 23

Delivering the highest standards across our value chain, from operational and financial performance to the delivery of a superior customer experience.

66 Continuing global challenges such as the pandemic and climate change make it even more important to work closely with our customers to deliver solutions that help address social and environmental issues and generate value. >>

Gilles Andrier, CEO

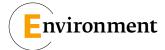
Givaudan, a high performing company that is a force for good





4 – 5% GROWTH PURPOSE LINKED TARGETS

>12% FCF







ESG fully integrated in our 2025 strategy



Expand the portfolio

We're expanding our traditional portfolio of flavours and fragrances, naturals and delivery systems into nutrition, food ingredients and beauty. This broader offering helps customers better respond to consumer demand for products that support health and wellbeing, positive ageing and changing lifestyles while meeting their expectations around ethical and responsible business issues.

OUR STRATEGY IN ACTION

- · Expanding our offerings for the consumerpackaged goods and luxury segments with the acquisition of 25% of B.Kolormakeup & Skincare of Italy (b.kolor).
- Introduced Blossom Lab™, a fully equipped mobile laboratory to help create naturals extraction techniques directly in the field.
- · Acquired DDW, The Color House. This will reinforce our ability to create multi-sensorial food experiences with our customers and enables us to become the number two global player in natural colours.
- We advanced the development of numerous biotechnology-based ingredients with external partners. A key ingredient, developed with Manus bio, will be launched in early 2022.



OUR 2025 STRATEGY GROWTH DRIVER #2

Extend customer reach

The trend for smaller and local brands is driving growth in the local and regional customer segment alongside a continued potential with larger international and global customers. We want to provide more tailored approaches to meet the wider range of customer needs in this rapidly changing and more fragmented landscape.



OUR STRATEGY IN ACTION

- · Opening state-of-the-art product development facilities to accelerate innovation for customers (protein centres and the Nordic Experience centre in Malmö, Sweden).
- · Investing CHF 75 million to expand our fragrance production at Pedro Escobedo in Mexico, to open at the end of 2023, serving all customer segments in the Latin American key growth market.
- Strengthened our e-commerce offering in China through the opening of a flagship business-to-business (B2B) store on China's leading wholesale website, 1688.com.
- Acquired Custom Essence to strengthen access to local and regional customers and expand capabilities in natural perfumery in North America.



Focussed market strategies

We're responding to growth forecasts in global consumption and investing in high growth markets to ensure greater proximity to our customers and develop further understanding of local consumer preferences. We plan to maximise mature market opportunities over the next five years and extend our high growth market leadership, particularly in China.

OUR STRATEGY IN ACTION

- Planning greenfield production plant in India for fragrance speciality ingredients through a joint venture with Privi Speciality Chemicals.
- · Partnering with Tmall to launch T-Lab source innovation laboratory, leveraging our creative fragrance solutions and production capabilities in China.
- · Launched our unique Advanced Tools for Modelling which uses AI to optimise food and flavour formulation and facilitate co-creation and collaboration with customers.



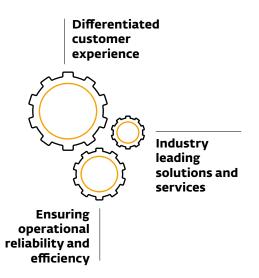
OUR 2025 STRATEGY FOCUS ON

Excellence, Innovation & Simplicity-in everything we do

From excellence in operational and financial performance to the delivery of a superior customer experience, we aim to deliver the highest standards across the value chain, Innovation is our lifeblood, from creating differentiating solutions that address our customers' challenges to leading the way in areas such as biotechnology and digitalisation. At the centre of everything we do are our customers.

OUR STRATEGY IN ACTION

- Good progress in integrating recently acquired companies on our platforms such as SAP and GBS, as well as on our creation, development and commercial systems. Key steps to support our strategy.
- · Launched the Aroma Kiosk, a new digital sensory insights tool, designed to connect with consumers directly, gather valuable consumer insights and recommend products in real time.
- Introduced PlanetCaps[™], enabling customers to solve the complex feasibility equation between greenness and performance in fabric softeners. This cutting-edge technology will be expanded to other categories to boost sustainability.
- · Partnered with BASF to launch the world's first toxicology testing strategy without animal testing.
- · Started a 'silver lining' project to find positive opportunities from the difficult pandemic situation. Five areas have been identified that will contribute to enhancing our work life and how we serve customers. Work is underway to define key initiatives and guidance that will be rolled out in the short and long term.



OUR 2025 STRATEGY **PROGRESS AGAINST OUR TARGETS**

Focus area	Targets	Status 2021
Creations		
Sales	Average organic sales growth of 4-5% on a like-for-like basis between 2021-2025	7.1 %
Free cash flow	Average free cash flow of at least 12% of sales between 2021-2025	12.6%
Nature		
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%
	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%
Electricity	Power 100% of our sites with renewable electricity by 2025	84%
Water	Improve water efficiency by 25% on sites facing water stress by 2030 (baseline 2020)	-4%
	We will continuously improve water efficiency on all other sites	flat
	100% of our wastewater discharge will meet or exceed regulatory and industry standards by 2030	in progress
Plastics	100% plastics circularity by 2030	in progress
Waste	Reduce waste by 4% per tonne of product, year-on-year average (baseline 2015)	- 2 %¹
People		
Diversity and	We will be rated amongst the leading employers for inclusion globally before 2025	in progress
inclusion	50% of our senior leaders will be from high growth markets before 2030	26 %
	50% of our senior leaders will be women before 2030	26%
Caring for employee safety, health	We will reduce our total recordable injury rate by 50% before 2025 (baseline 2018)	-22 %
and mental wellbeing	Everyone on our sites will have access to mental and physical health initiatives, tools and training before 2025	in progress
Communities		
Sourcing responsibly	100% of materials and services sourced responsibly by 2030 (baseline 2021)	in progress
Communities benefit by working with us	Ambition to improve the lives of millions of people in communities where we source and operate by 2030 – targets being determined	in progress

^{1.} Absolute reduction since 2015.

Actions and measures

Focussing on our strategic growth drivers, focussing on renewable, biodegradable and viable natural solutions; addressing health and wellbeing issues; expanding our portfolio; greater collaboration and co-creation; exploiting AI and digital opportunities; increasing operational efficiencies.

Setting an internal carbon price; fixing site environmental targets and assessments; switching to renewable energy sources; promoting energy efficiencies; signing the UN pledge 'Business Ambition for 1.5°C'.

Sourcing ingredients responsibly; developing low-carbon creations; driving circularity and upcycling; optimising packaging, logistics, transport of goods, business travel and employee commuting.

Committing to **RE100 since 2015**; setting site **renewable electricity** targets; generating electricity on site.

Driving continuous improvement using the 3R approach: 'reduce, reuse and recycle'; identifying shared water challenges and local stakeholder priorities in the watershed; implementing our wastewater standard; carrying out water risk assessments; tracking site water quantity and quality.

Becoming members of the advisory board of the Renewable Carbon Initiative (RCI); co-leading a WBCSD plastic and packaging workgroup defining a transition for B2B chemical products; reducing our plastic usage and consumption.

Applying circular principles in product design, sourcing, manufacturing and packaging; upcycling to re-use materials normally disposed of; acting on the principle of 'no waste by design'.

Building more inclusive hiring practices: Inclusive job ads; balanced slates for hiring and promotion; hiring manager training.

Fostering inclusive leadership development: Evolving our Leadership Development programmes; Better Balance approach; managing unconscious bias at work.

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.

Providing access to mental and physical health initiatives, tools and training for all employees such as: Employee Assistance Programme; happier, healthier habits circles; health and wellbeing communities of practice,

Implementing our Sourcing4Good programme; responsible sourcing policy.

Through employee activities, Green Teams and the Givaudan Foundation, develop initiatives that: respond to the needs within communities; support activities ranging from health and education to enhancing environmental and agricultural practices.

Business model

Creating for happier, healthier lives, with love for nature

Inputs

Financial Capital

Funds available to the Group

Intellectual Capital

Technology, patents, knowhow, processes

Human Capital

The skills, motivation, diversity of our people, best-in-class health and safety procedures

Natural Capital

Raw materials, indirect materials and services, responsible and innovative sourcing programmes

Manufactured Capital

Production sites, infrastructure, end-to-end supply chain solutions

Social and relationship Capital

Our relationships with local communities, regulators and industry bodies, brand and reputation

Our business model

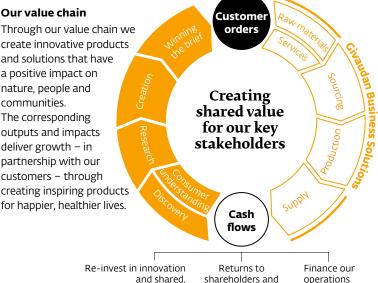
Our two business activities

Taste & Wellbeing

Fragrance & Beauty

Our value chain Through our value chain we create innovative products and solutions that have a positive impact on nature, people and communities. The corresponding outputs and impacts deliver growth - in partnership with our customers - through

responsible growth



Strategy @ Page 18

Governance @ Page 110

stakeholders

sustainably

We draw on various resources (we call them inputs) and translate them into outputs that impact our Company and our stakeholders.

The value created is holistic, and the financial and non-financial capitals are interwoven. There are positive impacts and tradeoffs. For example, to increase our renewable electricity we need to invest, but in the long term we reduce costs and our impact on the environment. And if we increase spending on training and

tools for our employees with the aim of increasing their motivation, the positive impact is increased productivity and sales. A further example can be found in our transparency and credibility on the capital market (increased stakeholder engagement), where increased trust facilitates accessing liquidity to finance our operations and acquisitions.

With our purpose as our guiding star, we continue to deliver sustainable value creation that benefits all our stakeholders.

Outputs

Financial Capital

Responsible financial growth and shared profitability

Intellectual Capital

Differentiating solutions through responsible innovation

Human Capital

Recruiting, developing and caring for diverse and inclusive workforce

Natural Capital

Preserving biodiversity and renewable resources, reducing water and energy consumption, emissions and waste

Manufactured Capital

New site openings, acquisitions, sustainable products produced and sold

Social and relationship Capital

B Movement Builders, Business for Nature call-to-action, WBCSD CEO call to action on human rights

EXTERNAL ENVIRONMENT/MEGATRENDS/RISKS AND OPPORTUNITIES



Impacts

Financial value creation @ Page 38

Purpose @ Page 50

- Creations
- Nature
- People
- Communities

Stakeholders benefited @ Page 32

- Customers
- Suppliers
- Employees
- Investors and shareholders
- Local communities
- Public and regulatory agencies
- Innovators and partners

Our contribution to the United Nations Sustainable Development Goals @ Page 166























Trends, risks and opportunities Creating possibilities

Key developments impact consumer behaviour and preferences which in turn presents new risks and opportunities for us.

A changing world over the next five years

Understanding key megatrends and associated risks, helps us find new opportunities and shape our business model to find new places to win. We have identified four key megatrends over the next five years that continue to bring new opportunities to our business:

Growing consumer base

The world's population is expected to continue its rapid growth, with the majority in Asia and Africa. The elderly and the Chinese are expected to account for about half of global consumption growth in 2015 to 2030, leading to new product innovation to meet their needs. Local brands will be even more relevant to and trusted by - consumers, which will bring strong growth for local and regional companies in emerging markets.

Living longer and more responsibly

Consumers are seeking products that support their physical and mental health and are demanding greater transparency of labels. Opportunities are found in key health, nutrition and wellbeing trends that are driving consumer behaviour. Consumers are also looking for products that provide essential hygiene protection, allow them to look younger for longer, and the current coronavirus has sharpened the criticality of hygiene products to protect people's health.

Sustainability is of high concern

As the climate crisis looms and social inequalities rise, consumers are more responsible and engaged and they support businesses they believe act responsibly and address these societal challenges. They are looking for products that are produced in a way that does not cause harm to the environment.

Impact of COVID-19

The expansion of e-commerce is changing the shape of retail, and is growing faster than expected as a result of the pandemic. Consumers' health and wellbeing has risen even more in importance and they are looking for solutions that enhance and

Megatrends

Consumer base



Asia and Africa leading the way

Living longer and more consciously



 Consumers are focussing on health and transparency

Sustainability is of high concern



- Consumers will buy more consciously
- Responsible businesses will create a positive impact on society and the planet

COVID-19: E-commerce, self-care and localisation



- · Consumers will buy more online and increase spending on self-care
- · Localisation will be even more important

support this. There is also increased localisation of production; supply chains need to find ways to overcome potential future supply and trade restrictions.

Risk management

Risk taking is core to our innovation capacity, our entrepreneurial success and ultimately our sustained value creation and to exploiting opportunities.

Enterprise Risk Management (ERM) is our 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. Through provident risk management, Givaudan aims to reduce or prevent negative impacts on its operations and business. The Board of Directors is responsible for defining and approving the ERM approach with the execution of the overall process delegated to the Executive Committee. Givaudan's overall ERM system is based on ISO 31000.

ERM applies across the business. It reviews different types of risks (threats and opportunities) in terms of their nature, their root causes/drivers and their consequences. Risks can have a quantitative impact on the EBITDA of the Group or a qualitative impact preventing Givaudan from reaching its long-term objectives and ambitions. We seek to consciously take the appropriate amount of risk, to manage these risks competently at the right level of the organisation, and to seize related business opportunities. We do conduct "zero-based" holistic risk refresh at the time of a new five-year strategy cycle. The last such holistic risk refresh was conducted in 2020 in connection with the 2025 strategy and the outcomes reported to the Board of Directors in early 2021. The Board of Directors reviews regularly whether the risks, especially the highest ones, are still pertinent.

READ MORE

For details on our enterprise risk management framework please consult: www.givaudan.com ▶ Our Company ▶ Corporate governance ▶ Risk management

Increased priority for climate change risk

As a business potentially affected by climate change, we have been carefully considering - with increasing scrutiny since the

Our commitment to TCFD

Financial markets need clear, thorough information on the impacts of climate change including risks and opportunities presented by rising temperatures, climate-related policies and emerging technologies.

The Financial Stability Board's TCFD aims to bolster the reporting of such climate-related financial information and Givaudan is committed to the initiative. We largely address it through our extensive reporting through the CDP Climate change questionnaire.



TCFD Recommendations > page 163

2015 Paris Agreement - many of the topics addressed by the Task Force on Climate-related Financial Disclosures (TCFD).

Although we have not yet completed the full quantitative analysis required by the TCFD, we are in alignment with its principles. This is largely demonstrated by the disclosures we submit through the framework of the CDP questionnaire and our subsequent reporting, which is included in our TCFD Recommendations mapping table on page 163.

The TCFD will help us and others to focus on and evaluate our exposure to climate change, encouraging the disclosure of reliable information on climate-related risks and the showcasing of actions and opportunities. This in turn will serve to strengthen the stability of the financial system, contribute to a better understanding of climate risks and ease the financing of a transition to a more stable, sustainable economy.

Defending against cyber pandemic

The risk of cyber attacks has increased markedly, making information security a vital component for business resilience. Givaudan is addressing this risk through both technologies and behavioural measures.

Managing risks and opportunities

We group risks into clusters that can be consolidated into five main categories. In the following overview we describe the main risks in each category, our risk mitigation approach and how we use our strengths to turn these risks into opportunities.

READ MORE

Our risk categories and response can also be found on www.givaudan.com ▶ Our Company ▶ Corporate governance ▶ Risk management

Strategic risks

We are exposed to a number of strategic risks, including:

- · The risk that our business model might become outdated, in particular through digitalisation
- The risk that a new business model emerges in our industry, which we fail to grasp
- The risk of changing consumer preferences both in terms of product preferences and in the way they acquire and experience products and experiences
- The risk that there is a change in the way our customers and suppliers work with us
- · The risk posed by our competitors, existing ones as well as new market entrants.

How we mitigate risks

- We monitor the competitive landscape
- · We regularly review our business model and strategy
- · We continually engage with our stakeholders, especially with customers and suppliers.

How we turn risks into opportunities

- We quickly adapt to fast changing environments thanks to our innovative capabilities
- · We expand or adjust our strategy to unlock new markets and business opportunities.

Financial risks

The Group's activities expose it to a variety of financial risks, including market risk (principally currency risk, inflation risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme seeks to minimise potential adverse effects on the Group's financial performance.

How we mitigate risks

- We have clearly defined policies in relation to the management of Financial Risks applicable to all Group companies
- We operate centres of expertise at Group level to oversee the execution of the Financial Risk Management Policies
- · We maintain a broad network of financing sources, including bank financing as well as debt capital markets in different geographies
- We have close collaboration within the various stakeholders with the Givaudan organisation to ensure the appropriate level of understanding and management of financial risks related to customers
- We use financial derivatives to hedge the Group's key financial risks, most notably Foreign Exchange and Interest Rate Risk.

How we turn risks into opportunities

- High level of visibility around financial risks facilitates informed and timely decision making
- · Investments in technology ensure efficient and well controlled processes in managing financial risks
- Centralised management of financial risks creates the opportunity to assign dedicated expertise in these areas.

READ MORE

2021 Governance, Compensation and Financial Report ▶ pages 57-67 ▶ Financial risk management

Sustainability risks

Climate change/ **Water scarcity**

Climate change may lead to a number of effects which in turn impact our ability to operate or incur increased costs. These may include water scarcity at one or more of our production sites or issues with our supply, in particular the availability of our key natural resources, or the application of GHG taxes.

How we mitigate risks

- · We are committed to excellence in climate action and have built our climate action agenda on ambitious GHG emission reduction targets
- We involve our supply chain in efforts to reduce their GHG emissions
- We find new ways of saving energy to create raw materials to reduce the risk of sufficient supply

· We operate water stewardship programmes to ensure water risks are managed and monitored.

How we turn risks into opportunities

- We take action across our operations and beyond to decrease our negative impact and align on ambitious climate action agenda
- Implementation of an internal carbon price

Operational risks

As a company with 79 production sites worldwide, we are subject to a number of operational risks.

Operations

A breakdown of our operations may threaten our ability to produce and deliver quality products/services at competitive prices on a timely basis. Such breakdown may be caused by internal or external factors, including a pandemic (such as COVID-19) or the consequences of climate change or water stress.

Disruption of supply chains / suppliers

A disruption in the supply of the raw materials we require for our production or volatility of raw material prices may negatively impact our ability to produce at competitive prices and in a timely manner. Such disruption may be caused by external factors such as a pandemic (COVID-19, for example), climate change or a breakdown at one or more of our suppliers.

Environment. Health & Safety and operational risk management

If Givaudan should operate in a way that is harmful to the environment and/or causes community nuisance (odour emissions, waste water), this could result in fines, reputational impact or even the loss of the Company's licence to operate.

- · We use green chemistry and techniques such as biocatalysis to make products high in purity and yield
- · We work on 'side-stream valuation' enabling us to use a larger part of the existing raw material
- We carry out risk assessments to develop water mitigation action plans, including efficiency improvements and water reuse opportunities.

Information technology risk

In a fast moving digital world, information and communication technologies are critical for Givaudan to address new consumer behaviours and to collaborate with its customers to give them the best experience. However, digitalisation also creates new threats and cyber attacks have become more prevalent the world over.

How we mitigate risks

- We have instituted a number of processes including structural architectural measures. behavioural measures and business continuity planning
- We monitor and manage supply chain risks arising from raw materials
- Our Environment, Health and Safety (EHS) function regularly carries out comprehensive risk assessments at our production and major commercial sites
- The EHS team is involved from the beginning of projects to support the design of all new building activities
- We continually monitor cyber security risks.

How we turn risks into opportunities

- We implement a cross-functional risk management process that is integrated with global supply chain management thus enabling us to mitigate raw materials sourcing risks
- · We developed visual risk portfolios to show mitigation measures and progress on improvement actions.
- We successfully installed a number of new technologies for environmental protection in the area of odour emissions control.

Legal, Compliance and Regulatory risks

Product quality / safety risk

A faulty product or one that is not compliant with regulations or is non-performing could expose Givaudan to consumer health issues, customer complaints, warranty claims, returns and re-runs, product liability claims or litigation and lead to loss of revenues, market share and business reputation.

Legal and compliance risks

Should our employees, especially key individuals within the organisation (Board members, Executive Committee members, senior management) display or tolerate behaviour that is illegal or unethical, or should our contractual arrangements be inadequate, this could lead to reputational as well as financial damage to Givaudan.

How we mitigate risks

- We systematically evaluate all ingredients for both human and environmental safety prior to their inclusion in our raw material palette
- Our global IT systems control product formulations in order to ensure that raw materials are used as intended when products are manufactured in our production facilities
- · We regularly assess Givaudan's legal and compliance risks at local and global levels and take actions to mitigate these risks in collaboration with the different compliance functions.

How we turn risks into opportunities

- We have rigorous product safety and quality programmes
- We support, and in many cases lead, industry-wide programmes of the respective industry associations.

Stakeholder engagement and materiality

Inclusive stakeholder engagement ensures the success of our Company.

Our activities have an impact that goes far beyond economic results, so we need to align our business performance with the expectations of our stakeholders and with society in general if we wish to be successful in the long run. To achieve this, a deep understanding of the most relevant topics for the different groups of stakeholders is essential - an understanding that comes only from continued and inclusive engagement with our stakeholders. We also need to recognise external trends and market expectations so we can identify opportunities as well as risks for our business. This increases our transparency and helps build strong relationships.

To gather views, we have identified seven key stakeholder groups from more than 200 organisations, customers, suppliers, employees, investors and shareholders, local communities, public and regulatory agencies and innovators and partners. Every year

Stakeholder dialogue

The seven stakeholder groups we identified along with the engagement channels and key topics and concerns raised per stakeholder group:

- 1. Customers
- 2. Suppliers
- 3. Employees
- 4. Investors & shareholders
- 5. Local communities
- 6. Public & regulatory agencies
- 7. Innovators & partners

Why we engage

1. Customers

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.

2. Suppliers

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.

we regularly invite stakeholders to discuss critical issues and strategic priorities, and we create dialogue groups to understand how our business affects them and to determine the most material impacts to be managed. Stakeholder views were considered in the preparation of our purpose and strategy and our materiality assessment for example.

We have developed specific tools to support interaction with the various stakeholder panels at both global and local levels, and we review and evaluate diverse stakeholder engagement initiatives existing across the Company and continuously monitor their relevance. This inclusive dialogue ensures we increase our positive impact on society and the planet, and continue to deliver new sustainable solutions for our customers that also tackle the most pressing challenges from the industry, society and the environment.

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

How we engage **Key topics & concerns discussed** Customer sustainability • Use of consumer insight · Climate change • Product / ingredient requests programmes for · Consumer health & wellbeing environmental & social Audits consumer understanding, • Governance & business performance Customer innovation days cultural insights and conduct / ethics / Product quality & safety Customer and industry sensorial decoding and ingredient disclosure transparency conferences and events · Leveraging digital capabilities · Responsible sourcing Human rights Key account manager & traceability to enhance insights Innovation capabilities relationships in consumer trends & management ongoing dialogue Assessments Supplier events: capacity · Climate change Raw material availability Supplier audits building, discussing issues Human rights · Responsible sourcing · Collaborations to improve Direct engagement • Innovation capabilities and traceability performance with supplier relationship & management Multi-stakeholder groups managers

Why we engage 3. Employees 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. 4. Investors & shareholders Our active dialogue with the capital market ensures transparency and helps us improve our reporting practices. Our relationship with debt investors, banks and credit rating agencies ensures we have funding for investment opportunities. 5. Local communities Open dialogue fosters good relations, and enables us to work together with communities and neighbourhoods on projects and causes that benefit local communities, help protect local ecosystems and support livelihoods. 6. Public & regulatory agencies 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

7. Innovators and partners

beneficial solutions.

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

to understand the changes, their concerns and find mutually

How we engage

- · Works Council consultations
- Employee engagement surveys
- Annual performance dialogue
- Talent management processes
- Learning and development opportunities
- Ongoing dialogue with Givaudan Green Teams
- Employee community management platform, Imagine
- · Annual General Meeting
- Annual investor conferences and investor road shows
- Briefings with analysts
- Conferences with investors and other financial stakeholders

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

Selected partners we engage with:

- United Nations Global Compact
- International Fragrance Association (IFRA)
- International Organization of the Flavor Industry (IOFI)
- WBCSD
- AIM-PROGRESS

- B Lab and
 B Movement Builders
- CDP
- EcoVadis
- Renewable Carbon Initiative (RCI)
- Together for Sustainability (TfS)
- Global network of accelerators and incubators and digital trends
 - Co-creation and co-innovation opportunities
- Partnerships with innovators, accelerators and with academia

Key topics & concerns discussed

- Diversity, inclusion & people development
- Employee health & safety & wellness
- · Governance & business conduct / ethics / transparency
- · Human rights
- Innovation capabilities & management
- · Climate change
- · Diversity, inclusion & people development
- Economic performance
- Environmental, Social & Governance (ESG) topics
- Governance & business conduct / ethics / transparency
- Innovation capabilities & management
- · Raw material availability

- Biodiversity
- · Climate change
- Diversity, inclusion & people development
- Governance & business conduct / Ethics / Transparency
- · Human rights

- Local community development
- · Product / ingredient environmental & social performance
- · Responsible sourcing & traceability
- · Climate change
- Environmental, Social & Governance (ESG) topics
- Governance & business conduct / Ethics / Transparency
- · Human rights
- Product / ingredient environmental & social performance
- Product quality & safety and ingredient disclosure
- · Responsible sourcing & traceability

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

B CORP CERTIFICATION

On a journey to **B** Corp certification

We have started our long-term journey to become a certified B Corporation and be part of a global movement to build a 'B economy' that shares value among everyone.

We want to make our mark by being a business acting as a force for good, successfully balancing people, planet and profit. This means growing our Company and balancing it with a positive impact on society and our planet, joining more than 4,000 B Corps in over 70 countries and 150 industries.

We will do this through the engagement and involvement of all employees and stakeholders, and by having authentic leaders who take decisions that benefit everyone involved and inspire by example.

B Corp certification will measure Givaudan's entire social and environmental performance and provide independent verification that we live up to our purpose. We have committed to the B Corp Declaration of Interdependence and we are a founder member of the B Movement Builders, a coalition of leading multinational companies taking meaningful action to change our economic system.

"We've started the preliminary assessment to understand where we are today," says Anna, our new Head of B Corp certification. "Over the coming months we

will prioritise



what we need to do to move forward and develop a roadmap that brings in our functions and sites in the best possible way."

READ MORE

Discussion between Willem Mutsaerts, Head of Global Procurement and Sustainability, and Anna Segura, Head of B Corp Certification, GRI sustainability report ▶ page 5

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









Memberships and collaborations

With whom we partner to achieve our commitments



















Assessments / Ratings

External evaluation of our performance













Defining our material topics and reporting boundaries

Stakeholder engagement lays out the basis for our materiality assessment, and we have many channels for dialogue spread across different departments and teams; this also includes the information and feedback we receive during the ordinary course of business. Our materiality assessment helps to align our business with the expectations of our stakeholders and with society in general. 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 discussions with the main stakeholders and we aim to conduct regular comprehensive assessments of surveys and interviews.

We refreshed our materiality assessment in 2021 using desk research and proxy exercises. We drew upon a review of peers, ESG reporting frameworks as well as ratings and trends that allowed us to take into account the context of broader

sustainability discussions and lengthen our previous list of material topics into a long-list of potentially relevant topics. We then clustered overlapping topics and assessed their importance, taking potential impacts, risks and opportunities as well as significance for our business into account. This resulted in a reduced list of material topics. The short-listed topics were then discussed and ranked in detail through internal workshops with our Sustainability Leadership Team.

The new materiality list was validated by our Executive Committee and is reflected in our updated materiality matrix of 15 topics. Over the next two years, we plan to validate the list of material topics using direct feedback from external stakeholders.

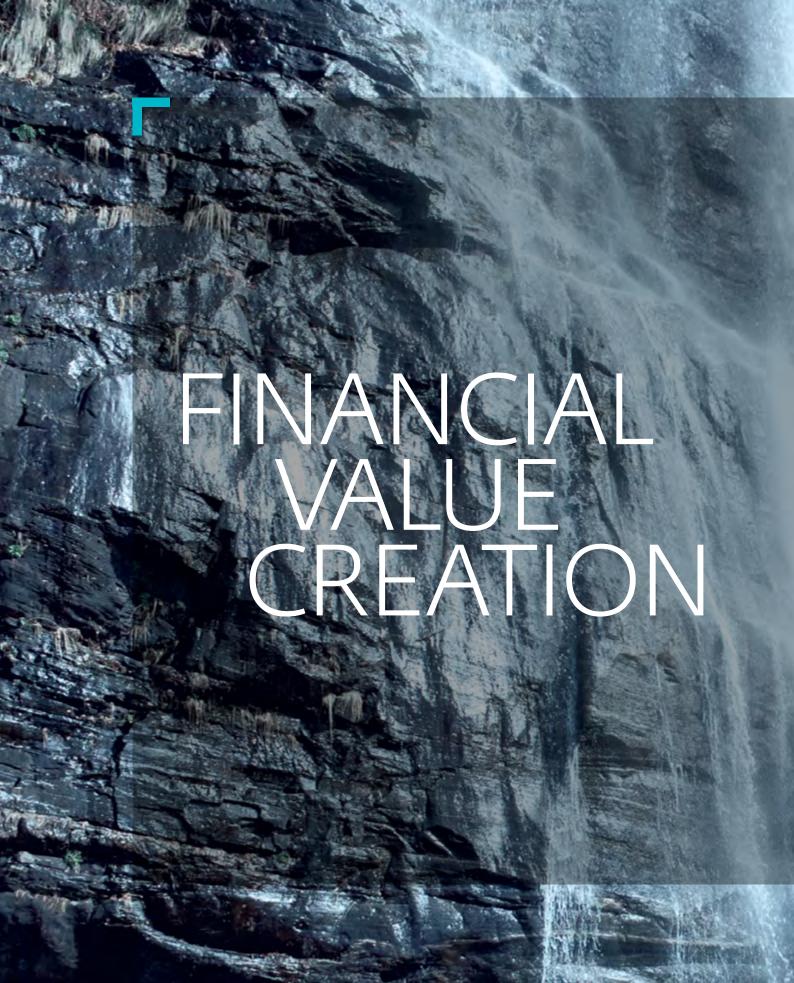
READ MORE

On the detailed elaboration of our materiality assessment 2021 GRI Sustainability Report ▶ pages 14-17

2021 materiality list

	Creations	Nature	People	Communities
Biodiversity			C ^(h)	
Climate change	*	S	6 *	(i)
Consumer health & wellbeing	***		c ⊕	
Diversity, inclusion & people development			© [⊕]	
Employee safety, health & wellbeing	•		© ⊕	
Governance & business conduct / ethics / transparency	<u></u>		© ⊕	
Human rights			© *	
nnovation capabilities & management	•		C ⁺	
ocal community development			G ⁺	
Product /ingredients environmental & social performance	•		© *	
Product quality & safety and ingredient disclosure	<u></u>	(0)	C ⁺	
Raw materials availability	***		G ⁺	
Responsible sourcing & traceability	•		6 ⁺	
Naste management & circular principles			6 ⁺	
Water stewardship		<u></u>	C ⁽⁺⁾	

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.





Business performance - Group Excellent financial performance

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

With higher input costs in 2022, the company is implementing price increases in collaboration with its customers to fully compensate for the increases in input costs.

Group sales

Givaudan Group full year sales were CHF 6,684 million, an increase of 7.1% on a like-for-like basis and 5.7% in Swiss francs when compared to 2020.

Gross margin

The gross profit increased by 7.4% from CHF 2,659 million in 2020 to CHF 2,855 million in 2021.

Due to the operating leverage related to the strong sales volume growth and continued cost discipline, the gross margin increased to 42.7% in 2021 compared to 42.1% in 2020.

Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)

The EBITDA increased by 6.0% to CHF 1,482 million in 2021 compared to CHF 1,397 million in 2020, whilst the EBITDA margin was 22.2% in 2021 compared to 22.1% in 2020. On a comparable basis, the EBITDA margin was 22.5% in 2021 compared to 22.8% in 2020.

Operating income

The operating income was CHF 1,089 million compared to CHF 996 million, an increase of 9.3% versus 2020. The operating margin was 16.3% in 2021 compared to 15.8% in 2020.

Financial performance

Financing costs in 2021 were CHF 94 million versus CHF 86 million in 2020, largely related to the increase in the net debt of the Group in connection with the acquisitions that the Group has made. Other financial expense, net of income, was CHF 30 million in 2021 compared with CHF 34 million in 2020.

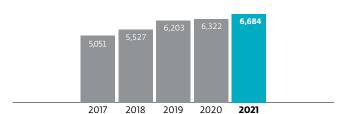
The income tax expense as a percentage of income before taxes was 15%, compared to 15% in 2020.

Net income

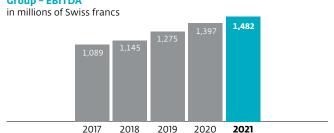
The net income was CHF 821 million in 2021 compared to CHF 743 million in 2020, an increase of 10.5%, resulting in a net profit margin of 12.3% versus 11.8% in 2020. Basic earnings per share were CHF 89.03 compared to CHF 80.59 for the same period in 2020.

Sales growth (like-for-like)

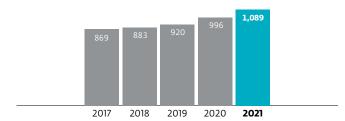
Group - Sales in millions of Swiss francs



Group - EBITDA

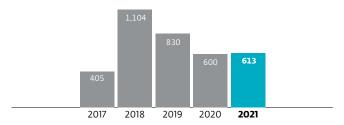


Group - Operating income in millions of Swiss francs



Group - Total gross investments

in millions of Swiss francs



66 I am very pleased with the successful start that we have made into our 2025 strategic cycle, with all parts of our business and our strategic focus areas contributing to the strong financial results that we have achieved in 2021. ??

Gilles Andrier, CEO

Cash flow

Givaudan delivered an operating cash flow of CHF 1,288 million in 2021, compared to CHF 1,189 million in 2020.

Net working capital as a percentage of sales was 24.0%, compared to 24.4% in 2020.

Total net investments in property, plant and equipment were CHF 177 million, compared to CHF 180 million in 2020, as the Group continues to invest in expanding its capabilities in high growth markets.

Intangible asset additions were CHF 70 million in 2021, compared to CHF 37 million in 2020 as the Company continued to invest in its IT platform capabilities, including those related to the integration of the acquisitions that the Group has made.

Direct economic value generated and distributed

in millions of Swiss francs

REVENUES **6,727**



ECONOMIC VALUE RETAINED 235

4,024
Operating costs

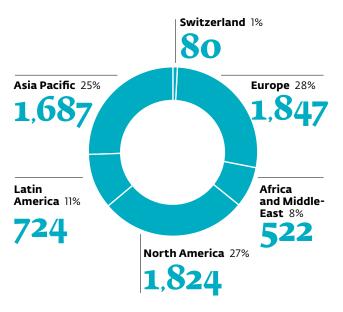
1,596
Employee wages and benefits

Payments to providers of capital

Current taxes

Group sales per region

in millions of Swiss francs



Total net investments in tangible and intangible assets were 3.7% of sales in 2021, compared to 3.4% in 2020.

Operating cash flow after net investments was CHF1,041 million in 2021, versus CHF 972 million in 2020. Free cash flow was CHF 843 million in 2021, versus CHF 811 million for the comparable period in 2020. As a percentage of sales, free cash flow in 2021 was 12.6%, compared to 12.8% in 2020.

Financial position

Givaudan's financial position remained solid at the end of the year. Net debt at December 2021 was CHF 4,394 million, compared to CHF 4,040 million at December 2020, with the increase driven by the acquisitions of DDW and Custom Essence. At the end of December 2021 the leverage ratio was 51%, compared to 50% at the end of 2020. The net debt to EBITDA ratio was 2.97, compared to 2.89 at December 2020.

Value added statement

The value added is defined as the value created by the activities of our business and its employees. Givaudan's economic value retained of CHF 235 million is the revenue of CHF 6,727 generated less the economic value of CHF 6,492 distributed to stakeholders through operating costs, employee wages and benefits, payments to providers of capitals and taxes.

Sales performance

	2020		2021	Change %			2021	
in millions of Swiss francs	Sales as reported	like-for-like development	Sales like-for-like	on like-for-like basis	Acquisition impact (net)	Currency effects	Sales as reported	Change % in Swiss francs
Group	6,322	452	6,774	7.1%	(12)	(78)	6,684	5.7%
- Fragrance & Beauty	2,924	194	3,118	6.6%	10	(37)	3,091	5.8%
- Taste & Wellbeing	3,398	258	3,656	7.6%	(22)	(41)	3,593	5.7%

Sales per region

	Fragrances & I	Fragrances & Beauty sales 1			Group sales ¹	
in millions of Swiss francs	2021	2020	2021	2020	2021	2020
Switzerland	47	35	33	33	80	68
Europe	977	882	870	833	1,847	1,715
Africa and Middle-East	273	255	249	240	522	495
North America	627	618	1,197	1,150	1,824	1,768
Latin America	370	359	354	315	724	674
Asia Pacific	797	775	890	827	1,687	1,602
Total geographical segments	3,091	2,924	3,593	3,398	6,684	6,322

^{1.} Sales are revenues from external customers and are shown by destination.

Our mid and long term ambitions

Over the next five years, we will continue to deliver sustainable value creation that benefits all. Our 2025 strategy, 'Committed to Growth, with Purpose', is our intention to deliver growth in partnership with our customers, through creating inspiring products for happier, healthier lives and having a positive impact on nature, people and communities.

Ambitious financial targets remain central to this roadmap, along with the addition of purpose linked targets to show the progress we want to make towards our longer term purpose ambitions. Over the next five years, we aim to deliver:

- Average organic sales growth of 4 5% on a like-for-like basis
- Average free cash flow of at least 12%
- Purpose linked targets.

Our bold and ambitious long-term purpose goals are set in four domains, namely creations, nature, people and communities. Our ambitions include doubling its business through creations that contribute to happier, healthier lives by 2030, becoming climate positive before 2050, becoming a leading employer for inclusion before 2025 and sourcing all materials and services in a way that protects the environment and people by 2030.

Outlook

Visibility remains short due to ongoing impacts related to the COVID-19 pandemic, however, we have consistently shown our resilience and we remain confident in our portfolio, our creative strengths and our strong start to the 2025 strategic cycle. Our business is a systemically important part of the overall food and consumer products value chain.

From the onset of the COVID-19 crisis and in line with our purpose, we will continue to be strongly focussed on protecting and supporting our employees, on maintaining operations and supply chain performance at high levels to meet the demands of our customers, and taking care of the communities in which we operate.

READ MORE

Key figures and Consolidated financial statements ▶ pages 134-141

The full Financial Report can be found in our 2021 Governance, Compensation and Financial Report ▶ pages 40-125

Business performance Taste & Wellbeing

Sales

Taste & Wellbeing sales were CHF 3,593 million, an increase of 7.6% on a like-for-like basis and an increase of 5.7% in Swiss francs.

The strong sales performance was driven by new wins and good business momentum across all regions and customer groups. Whilst the sales performance was still impacted by the COVID-19 pandemic across many countries, there was a continuing recovery from the second quarter of 2021, as increasing vaccination rates and progressive reopening resulted in a higher demand for foodservice products, which had been the most impacted business area in 2020.

In the key strategic focus areas, sales increased double-digit in plant-based proteins and high single-digit in health and wellness and naturals.

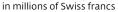
From a segment perspective, the strong sales performance was achieved across all segments and mainly by beverages, savoury and snacks.

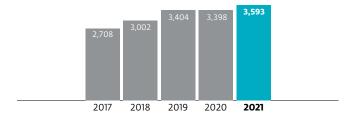
The EBITDA of Taste & Wellbeing increased to CHF 786 million from CHF 720 million in 2020, an increase of 9.2% compared to 2020, with good operating leverage and continuing cost discipline contributing to the increase. The EBITDA margin increased to 21.9% in 2021, from 21.2% in 2020. On a comparable basis the EBITDA margin of Taste & Wellbeing improved to 22.4% in 2021 compared to 22.1% in 2020.

The operating income increased to CHF 542 million in 2021 from CHF 460 million in 2020, an increase of 17.8%. The operating margin increased to 15.1% in 2021 compared to 13.5% in 2020.

Sales growth (like-for-like)

Taste & Wellbeing - Sales







Asia Pacific

Sales in Asia Pacific increased by 7.4% on a like-for-like basis. In the high growth markets, China and Malaysia delivered strong doubledigit performance, followed by solid single-digit growth in Indonesia and Vietnam. In the mature markets, the growth was driven by Singapore, Australia and Korea.

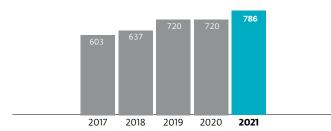
From a segment perspective the growth was achieved mainly in beverages, dairy, snacks and savoury.

South Asia, Africa and Middle East (SAMEA)

Sales in South Asia, Africa and the Middle East increased by 6.1% on a like-for-like basis. Double-digit growth was achieved in India, Cameroon and Nigeria. Egypt and South Africa, which were still heavily impacted by the COVID-19 pandemic, showed mid to high single-digit performance.

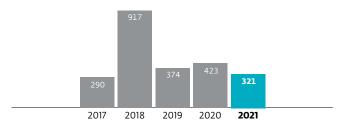
Taste & Wellbeing - EBITDA

in millions of Swiss francs



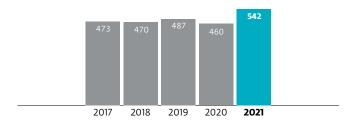
Taste & Wellbeing - Total gross investments

in millions of Swiss francs



Taste & Wellbeing - Operating income

in millions of Swiss francs



The sales growth of the region was driven by the beverages, dairy and snack segments.

Europe

Sales in Europe increased by 6.3% on a like-for-like basis. The mature markets of Italy and Ireland achieved double-digit growth followed mid to high single-digit growth in Germany, Belgium and Spain. In the high growth markets there was excellent business momentum driven by double-digit growth in Russia and Poland.

From a segment perspective, the growth was mainly achieved in beverages, sweet goods, savoury and snacks.

North America

On a like-for-like basis, sales in North America increased by 5.8%, driven by strong performance in the Beverages and Savoury

segments. The performance was a result of new wins, a rebound in Foodservice and the growth of existing business in Beverages, immunity products, Savoury, and Sweet Goods.

Latin America

Sales in Latin America increased 19.3% on a like-for-like basis, led by strong double-digit volume growth in Mexico, Brazil, Colombia, Chile and Argentina, and across all segments.

The Group has aligned the reporting of the regional performance of Givaudan Taste & Wellbeing with changes in the management structure of the business, effective 1 January 2021. For information, the comparable growth for 2020 for South Asia, Africa and the Middle East was 0.7% and for Europe 1.6% respectively.

Business performance Fragrance & Beauty

Sales

Fragrance & Beauty sales were CHF 3,091 million, an increase of 6.6% on a like-for-like basis and 5.8% in Swiss francs. This sales growth was mainly driven by the rebound of the Fine Fragrances and Active Beauty businesses which were particularly impacted by the COVID-19 pandemic in 2020.

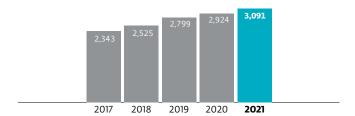
Total sales for Fragrance Compounds (Fine Fragrances and Consumer Products combined) increased by 5.5% on a like-forlike basis. In Swiss francs, sales of compounds increased to CHF 2,640 million from CHF 2,529 million in 2020.

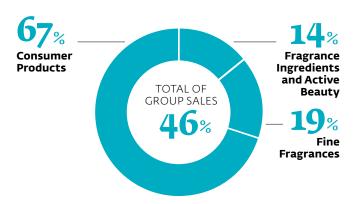
Fine Fragrances sales increased by 22.5% on a like-for-like basis against a comparable sales decline of 6.0% in the prior year. After the significant negative impact of the COVID-19 pandemic in 2020, sales rebounded across all regions and customer groups, driven by the high performance of existing business and by a significant level of new wins.

Consumer Products sales increased by 1.5% on a like-for-like basis against a strong comparable growth of 9.1% in 2020, which was driven by an increased demand for household, health and personal care products related to the COVID-19 pandemic. The sales growth in 2021 was achieved mainly in the high growth markets and across all customer groups.

Sales of Fragrance Ingredients and Active Beauty increased by 14.2% on a like-for-like basis, with strong double-digit growth in Active Beauty and a strong single-digit growth in Fragrance Ingredients.

Fragrance & Beauty - Sales in millions of Swiss francs





The EBITDA of Fragrance & Beauty increased to CHF 696 million in 2021 compared to CHF 677 million in 2020, an increase of 2.7%. The increase was mainly driven by higher sales and the contribution of the recent acquisitions in terms of growth and synergies, offset by increased pressure on supply chain costs across the business.

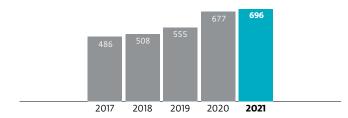
The EBITDA margin was 22.5% in 2021 compared to 23.2% in 2020. On a comparable basis the EBITDA margin of Fragrance & Beauty was 22.6% in 2021 compared to 23.6% in 2020.

The operating income increased to CHF 547 million in 2021 versus CHF 536 million for the same period in 2020. The operating margin was 17.7% in 2021 compared to 18.4% in 2020.

Sales growth (like-for-like)

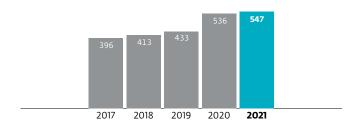
Fragrance & Beauty - EBITDA

in millions of Swiss francs



Fragrance & Beauty - Operating income

in millions of Swiss francs



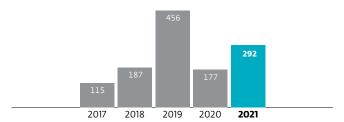
Fine Fragrances

Fine Fragrances sales increased by 22.5% on a like-for-like basis compared with a decline of 6.0% in the previous year. After the significant negative impact of the COVID-19 pandemic in 2020, sales rebounded across all regions and customer groups driven by the high performance of existing business and by a significant level of new wins.

All regions delivered strong sales performance with both mature and high growth markets delivering double-digit sales growth. The Western Europe and Middle East regions had the most significant results with both recording strong double-digit sales growth. All customer groups contributed to the excellent results, with local and regional, as well as customers of prestige brands recording double-digit growth.

Fragrance & Beauty - Total gross investments

in millions of Swiss francs



Consumer Products

Consumer Products sales increased by 1.5% on a like-for-like basis against a strong comparable growth of 9.1% in 2020, which was driven by an increased demand for household, health and personal care products related to the COVID-19 pandemic. The sales growth in 2021 was delivered mainly in high growth markets and across all customer groups.

On a regional basis, Latin America reported double-digit sales growth spread across most sub-regions and led by international customers. In Asia, the sales growth was driven by local and regional customers, with China delivering high single-digit growth. Europe, Africa and the Middle East sales were flat versus a high prior year comparable, whilst sales in North America declined slightly, also against double-digit comparable growth in 2020.

On a product segment basis, the sales growth was led by Fabric Care followed by Personal Care.

Fragrance Ingredients and Active Beauty

Sales of Fragrance Ingredients and Active Beauty increased by 14.2% on a like-for-like basis.

Active Beauty saw a very strong rebound in 2021 and reported strong double-digit growth in both high growth and mature markets, most notably driven by the strong double-digit performance of the premium active ingredients. Fragrance Ingredients delivered a strong single-digit growth in 2021.

A sustainable investment case

We continue to demonstrate the resilience and efficiency of our natural hedges across geographies, customer types and product categories. As unique co-creations with our customers, our products are supported by consumer insights and diversified exposure to all regions and customer segments. This broad portfolio of products, geographies and customers provides a natural hedge to offer opportunities for consistent growth.

With the highest standards of a responsible business, we will continue on our path of sustainable value creation for all stakeholders, driven by our purpose to do things differently, push ourselves to go further and contribute to tackling society's big challenges. We invest for the future, committed to growth for people, planet and profit.

Sharing value with our shareholders

Since the Company's IPO in 2000, we have created over CHF 40 billion of total shareholder return, with an average annual yield of 13.6% compared with 4.6% for the SMI Index in the Swiss market. The dividend has risen year on year, reflecting our commitment to returning cash to shareholders.

At the end of 2021, Givaudan had approximately 37,837 registered shareholders owning 61% of the capital. The top 20 registered and non-registered shareholders owned 46% of the capital. Swiss and US shareholders held approximately 57% of all shares.

Givaudan's free cash flow at the end of 2021 was CHF 843 million. At the Annual General Meeting on 24 March 2022, the Board of Directors will propose a cash dividend of CHF 66.00 per share for the financial year 2020, an increase of 3.1% compared to the previous year. If approved, this will be the 21st consecutive dividend increase following Givaudan's listing on the Swiss stock exchange.

Givaudan as a highly-rated sustainable investment

We are committed to being a successful, sustainable business and strive to be a force for good. Part of this commitment is to be a company that balances profit with purpose, and we aim for a growth in our business that also has 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 their sustainability expectations and demand for greater transparency.

We feel that business can, and should, play its part to help address challenges such as the climate crisis, inequality and economic uncertainty. We support the UN Sustainable Development Goals and focus our efforts on those goals to which we can contribute the most. We want to lead by example as a responsible business and are a member of the B Movement Builders to engage for change with other purpose-driven publicly traded businesses.

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 480. It also includes CDP double A rating for the third 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.

Our dialogue with the capital market

We offer timely and responsible information to ensure transparency and continuously raise awareness about our Company. To help achieve this and to meet existing and potential shareholders, roadshows and conferences are held by members of

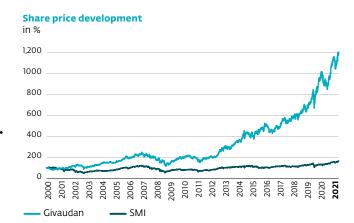
Key share figures

For the year ended 31 December. In Swiss francs except for number of shares	2021	2020	2019	2018	2017
Market capitalisation (in millions)	44,247	34,441	27,987	21,016	20,794
Number of issued shares	9,233,586	9,233,586	9,233,586	9,233,586	9,233,586
Share price as at last trading day	4,792	3,730	3,031	2,276	2,252
Share price, highest	4,830	4,075	3,052	2,478	2,289
Share price, lowest	3,405	2,681	2,285	2,087	1,716
Earnings per share – basic (CHF)	89.03	80.59	76.17	71.92	78.18
Total shareholder return (in %)1	30.19	25.11	35.81	3.64	23.69

^{1.} Definition can be found in the glossary, page 169.

66 Far from being a burden, there's a clear financial and commercial advantage to being sustainable allowing us to ensure our continued market position and staying relevant to customers and consumers in the future. By doing good we will do well. **

Tom Hallam, CFO



Dividend per share and free cash flow

in Swiss francs | in millions of Swiss francs



1. Subject to shareholder approval at the AGM on 24 March 2022.

our Executive Committee together with our Investor Relations team during the year. In the continued context of the COVID-19 pandemic, our interactions with market players continue to be strong, whilst remaining largely virtual through videoconferences and webcasts. During 2021, we organised two earning conference calls and three Group conferences - one fully in-person attendance ("Naturality" Designing nature conscious Fragrances), one fully virtual (Committed to Growth, with Purpose - our approach to ESG) and one hybrid event (Delivering Food Experiences through our Nutrition, Health and Sense offering). These five events attracted 800 participants. In addition, through broker conferences, road shows and investor calls and meetings, we touched over 1,874 investors around the world which contributed to improved awareness about Givaudan.

How the market views us

Currently 26 financial analysts regularly report on our Company. The latest forecast and recommendations can be found online at www.givaudan.com - investors - analysts coverage and consensus. This information is for reference only.

Our credit ratings

Our credit ratings confirm our Company's market leadership position and strong financial profile. In 2021 our ratings were:

S&P global ratings: A- credit rating, with a stable outlook. Moody's investors Service: Baal rating, with a stable outlook.





Our purpose

Driving sustainable growth and value creation.

Our long-term goals have been defined under four pillars in our purpose - creations, nature, people and communities - against which we can measure our progress and impact. The growth enablers of our 2025 strategy enable us to make progress in each of these purpose goals.

Sustainability is thus fully embedded in all aspects of our business.























CREATIONS

Our purpose goal 'that through our creations more people will enjoy happier, healthier lives', contributes to the following SDGs:

















IN THIS CHAPTER

Creating value for our customers _____**54**Co-creating with customers and partners ____**57**Key innovation achievements ____**60**

Creating value for our customers

OUR AMBITION

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

Focus area	Target	Status 2021	Actions and measures
Creations			
Sales	Average organic sales growth of 4-5% on a like for like basis between 2021-2025	7.1 %	 Focusing on our strategic growth drivers Focusing on renewable, biodegradable and viable natural solutior Addressing health and wellbeing issues Expanding our portfolio
Free cash flow	Average free cash flow of at least 12% between 2021-2025	12.6%	 Expanding our portions Greater collaboration and co-creation Exploiting AI and digital opportunities Increasing operational efficiencies

'Creating' is the very first word in our purpose statement. 'Creating' defines who we are and what we do, and 'for happier, healthier lives' perfectly sums up what our products deliver.

Together with our customers, we create products that delight consumers and contribute to their overall wellbeing. Our ambition is that through our creations more people will enjoy happier, healthier lives. And that through these creations, we will double our business by 2030.

TASTE & WELLBEING

How we help our customers meet the needs of consumers

Strengthening our best-in-class product offering to create Food Experiences that consumers love

Consumers have varying needs when it comes to food, depending on where they live, their income, their culture and many other factors. Givaudan's expanded portfolio and market-leading position mean we provide solutions across all consumer needs. Our offering is right at the heart of what consumers want and enables consumer choice. It integrates Givaudan's purpose commitments at every level.

Through our leadership position in taste and our expanded portfolio in the sense, nutrition and health areas, we collaborate with customers and partners to develop game-changing innovations in food and beverages.

Contribution to food systems transformation

We recognise the urgent need to transform the food system to be regenerative and equitable, and provide safe, healthy and nutritious food for all. Our expanded portfolio, along with our deep knowledge of the food ecosystem, enables us to drive positive change and contributes to this transformation.

The first-ever Food Systems Summit was convened in September 2021 by the UN. Our Company participated in a number of the CEO consultations in the lead-up to the summit and we were proud to be a signatory to the 'Business Declaration for Food Systems Transformation', highlighting our ambition to scale investments, enhance collaborations and ensure that we are part of the solution during this decade of action.

We also became a signatory to the European Union Code of Conduct on Responsible Food Business and Marketing Practices.

We recognise the urgent need to transform the food system to be regenerative and equitable, and provide safe, healthy and nutritious food for all.

Our value proposition is to go beyond great taste to create food experiences that do good and feel good for body, mind and planet.

While we directly or indirectly contribute in many ways to the transformation of food systems, we believe we can be most impactful specifically in the following four areas: Firstly, we contribute to the shift towards more mindful and planet-friendly diets by offering more diverse food options and plant-based food experiences through our Plant Attitude portfolio. We also enable consumers to choose more nutritious food by improving the nutritional profile of our customers' products - for example, by adding more essential nutrients and removing undesirable ingredients such as sugar, salt or fat. In addition, we help consumers achieve their wellbeing goals by offering products that deliver intuitive and clinically proven health benefits with our botanical extracts and bioactive ingredients. And we also drive responsible supply across the entire value chain through our Sourcing4Good programme.

We recognise that a multi-stakeholder approach is essential. Our long-standing culture of collaboration and co-creation with customers and other partners, such as academia, start-ups, suppliers and others, enables us to innovate and develop groundbreaking solutions to drive positive change.

Digitalisation for positive change

Digitalisation is bringing many positive changes in the food and beverages sector. For example, artificial intelligence is pivotal in helping the industry to meet fast-evolving consumer demands. Digital tools have huge potential, from allowing us to engage more meaningfully with customers to gaining better consumer understanding and speeding up development processes and production.

One example is Aroma Kiosk, launched in 2021. This groundbreaking new digital tool can be used in real-life environments such as grocery stores to gather valuable customer insights and recommend products in real time. Artificial intelligence uses the data gathered to improve product design in co-creation with customers. The Aroma Kiosk is a game changer that allows us

R&D spend

CHF 562 million, 8.4% of sales

to crowdsource information on consumer preferences quickly, across many different demographics.

FRAGRANCE & BEAUTY

Leading with creativity and passion

In the past two years, our Fragrance & Beauty business has heard a resounding call for meaningful innovations that help our customers respond to consumers' wishes - not just for improved physical experiences, but for tangible sensations that can uplift lives.

As the creative leader in the fragrance industry, we synergistically bring together creativity and science to push industry limits. This requires us to keep our fingers on the pulse and stay abreast of rapidly evolving consumer preferences and industry trends.

By combining our inventiveness and insights with the latest technologies, we continue to challenge ourselves to push boundaries and set the bar for the industry. We aim to be the partner of choice to work with our customers. Together, our vision inspires new and superior products that meet customers' needs, are loved by consumers and are good for our planet.

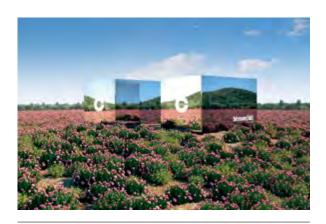
Pushing boundaries and raising the bar

Throughout 2021, we delivered ground-breaking products in biotechnology, beauty, delivery systems and naturals, staying in tune with consumers' needs. This was made possible by mergers and acquisitions, digitalisation, operational efficiencies and a people-first culture at a time when it mattered most.

Our ambition is to become the creative partner of choice not only in personal, fabric, hygiene and home care, but also in fine fragrance and beauty overall.

It is important for us to grow together with our customers in a sustainable manner

Guiding us in our bid to innovate responsibly are our FiveCarbon Path™ principles and newly launched Naturality Index™ - a one-of-a-kind assessment tool that allows perfumers to factor in the environmental impact of their ingredient selection, bringing a new differentiating dimension to the creative process. The tool assesses ingredients and formulas against a number of measures that affect fragrance sustainability, such as biodegradability, GHG emissions, renewability and sourcing. In addition, in 2021 we developed an industryleading mobile lab that will travel to sources of supply to generate new ingredients: the Blossom Lab™ is now being used to design the future of our Naturals at Origin.



Contributing to the United Nations Sustainable Development Goals (SDG)







Our focus on high growth regions including Asia and Latin America brought about operational efficiencies through the volume transfer to our site in Changzhou, China, and the extension of our site in Pedro Escobedo, Mexico.

Also in China, we forged a digital partnership with Alibaba - a step forward in our commitment to drive digital innovation across the fragrance industry. Such initiatives are key to expand and deepen strategic relationships with suppliers, start-ups and partners while enhancing collaboration and co-creation with customers to develop innovative solutions for the future.

Our science and technology capabilities provide a solid foundation to solve the most pertinent challenges.

Throughout 2021 Fragrance & Beauty focussed on enhancing digital capabilities internally, through partnerships, and via acquisitions such as Myrissi. With the pandemic still top of mind, we developed new technologies to help mitigate its impacts: one example is our Active Beauty product Masknyl™, an active ingredient able to counteract the redness, inflammation and hyperpigmentation from mask wearing.

With love for nature

Equally important to us is the work we do to improve our business practices for the good of nature, people and the planet. This extends to caring for animals, and one such milestone that we are proud of is our partnership with BASF which has led to the launch of the world's first toxicology testing strategy without animal testing.

Across our portfolio in the past year, we have found ways to expand existing product offerings through technologies that make them more environmentally friendly, but also address the rapidly evolving needs of our time - from consumer health and wellbeing needs to the environmental challenges that the world faces as a result of rapid population growth and climate change.

One example is our PlanetCaps™ introduced in 2021. This industry-leading first-to-market fragrance encapsulation innovation enables a long-lasting fragrance experience in a biodegradable and bio-sourced delivery system for fabric softeners. We are the first fragrance house to offer a fully scaled solution ahead of the European Chemicals Agency's proposed restriction on microplastics, due for ratification in 2022. The introduction of PlanetCaps™ allows our customers to solve the complex feasibility equation between greenness and performance in fabric softeners, a consumer goods application that is very reliant on capsules.

Co-creating with customers and partners

Co-creation and collaboration with customers and partners to innovate and develop game-changing products and solutions that shape the worlds of taste, nourishment, scent and beauty.

As consumer wishes evolve rapidly, collaboration and co-creation with customers, other partners and suppliers allows faster breakthrough innovations in both Taste & Wellbeing and Fragrance & Beauty.

TASTE & WELLBEING A holistic approach

With consumer expectations increasing and demands changing at a remarkable pace, pro-activity and partnerships are essential. We take a holistic approach to co-creation, and our collaboration is always multidirectional. It starts with a deep understanding of consumers, revealing not only what they enjoy, but why they enjoy it. This foundation leads us down the development path together, from end-to-end, brainstorming to production, supported by ingenuity, creativity, speed, efficiency, and the belief that as one, we are stronger.

In 2021, we formalised a platform for co-creation with customers to better address their needs and accelerate product development. With this approach, we aim to become the go-to partner for our customers to co-create consumers' preferred food experiences, supported by our expertise, technologies and ecosystem.

Co-creation takes many forms, from working directly with customers on projects through our new platform to the establishment of sites or facilities designed for co-creation, to strategic external partnerships, and front-end collaborations with start-ups.

A significant example of a new facility is the Protein Innovation Centre in Singapore opened jointly with Bühler, global leader for food processing solutions. The centre welcomes food processing companies, start-ups and university researchers from across Asia Pacific, keen to co-create plant-based food experiences. The centre combines the pilot technology of Bühler's extrusion and processing equipment with Givaudan's new culinary facilities and its world-leading expertise in flavour, taste, ingredient and product development.

Front-end innovation allows us to combine our market knowledge, science at scale and capabilities for commercialisation with the agility of start-ups, and together accelerate product development. For example, Givaudan, along with Bühler and Migros, the largest retail company in Switzerland, has set up the Cultured Food Innovation Hub at the flagship Zurich Innovation Centre to accelerate development of cellular agriculture products.

FRAGRANCE & BEAUTY Co-creating in a digital world

In our Fragrance & Beauty business, we work with our customers to develop tailored market strategies to tap into mature market opportunities, and extend our leadership in high growth markets through extensive grassroots work and the sharing of unique insights.

Co-creation with Givaudan can take many forms: working directly with customers on projects; the creation of facilities designed for co-creation; external partnerships; and front-end innovation efforts.

Some of our Taste & Wellbeing initiatives

Meat and dairy alternatives

Through our Plant Attitude platform, we enable the shift towards diverse and planetfriendly diets. Givaudan has been collaborating widely on a variety of projects for many years, and we made significant advances in 2021:

- · Protein Hub at the Zurich Innovation Centre, part of Givaudan's global protein innovation network
- Scale It Up! Challenge with Cargill, Bühler and Puris, the innovation challenge in meat and dairy alternatives for start-ups in North America



Biotechnology

Givaudan has been working for a number of years in biotechnology. Significant advancements in 2021:

- · Collaboration with Manus Bio, leading US manufacturer of sustainable natural products, on a new sustainable ingredient developed via fermentation.
- · Collaboration with Gingko Bioworks Inc., on cell programming
- · Collaboration with Biosyntia, Danish biotech, on the development of fermentation processes for select small molecules

Contributing to the United Nations Sustainable Development Goals (SDG)









For example, in China, we entered into an industry-first partnership with Tmall, the Alibaba group's open business-toconsumer (B2C) platform, to launch the T-Lab source innovation laboratory. We also strengthened our e-commerce offering through the opening of a flagship business-to-business (B2B) store on China's leading wholesale website, 1688.com. The partnerships will bring unprecedented consumer and brand insights, and a unified online and offline experience through seamless integration of Givaudan's digital capabilities and industry-leading perfumery teams.

At the end of 2021 we opened a new Digital Space in China to drive innovation. Strategically located at Givaudan's Shanghai Fragrance & Beauty site, it will allow us to leverage transformation opportunities and to support the growth with local and regional customers in the region. Innovative digital projects at this new facility will complement the explorations and developments at our Digital Factory in Paris, which opened in 2019.

In France, a specialised team partnered with researchers and academics from the Université Côte d'Azur, medical professionals from the Nice University Hospital (CHUN) and product designers from Onepoint, alongside our perfumery experts and digital specialists to create Ma Madeleine™, an olfactory kit guided by a web application to help repair the sense of smell for those who have been impacted by COVID-19 or other illnesses.

SUPPLIERS

Accelerating ideation and co-creation

Co-creating with our suppliers brings opportunities for growth and strengthens our joint efforts to ensure a responsible and sustainable future. Our collaborations result in new ingredients and novel ideas that enhance our creative palette to deliver better product performance and commercialisation.

We have about 300 suppliers from, large to small, global to local which are significant for our innovation solutions portfolio. Selective 'matchmaking' allows us to align needs with solutions and we are actively investigating a number of areas including food texture, technologies and solutions that contribute to renewability and biodegradability; two focus areas that help us meet our nature ambitions.

We re-shaped our Supplier Enabled Innovation programme and established a strategic initiative with a selected number of partners called 'Connect to Win'. Its aim is to unlock value from our existing supplier relationships and create a pipeline of technological innovations that differentiate us in the market. It is a structured, open-door approach that allows us to add significant value to our existing procurement approaches while creating value in our innovation agenda.

Together with our suppliers, we can achieve a level of innovation that goes beyond what we can do on our own.

In our strategic partnership with the biotech company Novozymes, for example, we plan to jointly work on the research and development of innovative sustainable solutions in the areas of food and cleaning. Novozymes brings innovation with extensive know-how in enzymes and microorganisms with substantial investments in technology and R&D. On the commercial side, Novozymes is in strong commercial partnerships with some of the largest companies in the household care and food and beverages sectors.

SUPPLY CHAIN

Strong partnerships created

Our Sourcing4Good programme, launched in 2021, will allow us to develop deeper and expanded partnerships with the aim of gaining an entire palette of materials that are sourced responsibly and providing the right level of traceability.

With this innovative approach we will be in an even better position to offer our customers access to safe, high-quality, responsibly sourced products, as well as deep knowledge and increased visibility in the supply chain. Our customers will be able to leverage traceability data to meet their consumers' expectations.

The programme will widen opportunities for customers and suppliers to develop strong partnerships and increase the ability to accelerate substantiated claims and flagship stories. For our customers, it will reduce risk and build confidence in buying from our Company.



Details of our Sourcing4Good programme can be found in the Communities chapter ▶ page 101

Driving innovation at our Digital Space in Shanghai

"Our customers in China are having a profound influence on digital transformation. The Digital Space is designed to spark creative, ground-breaking ideas through face-to-face interactions, co-creation and incubation experiences. It will enable us to leverage digital opportunities, manage rapidly evolving customer trends and deliver on key local initiatives while also easing integration with our global innovation projects." Anne Tayac, Head of Givaudan **Business Solutions**

1. The Digital Space offers co-creation spaces for both Taste & Wellbeing and Fragrance & Beauty teams.

Contributing to the United Nations Sustainable Development Goals (SDG)









2021 Key innovation achievements Taste &

With an expanded portfolio of products across flavours, taste, functional and nutritional solutions and a deep knowledge of the food ecosystem, our passion is to collaborate with customers and partners to develop game-changing innovations in food and beverages.

Wellbeing

Let's imagine together the future of food.



Commercialised in 2021

1. Culinary Cues

New technology based on chef's cooking techniques enabling the creation of truly authentic savoury flavour modules and foodstuff-based creations with a superior profile.

2. Umami upgrades

New natural umami creation capabilities have been introduced, acting as an enabler for enhanced performance across Givaudan's savoury product range.



3. Astringency masker for plant-based dairy

Masking typical off-notes in plantbased dairy applications.

4. Sweet taste

Leveraging oat flour for texture improvement and volume backfill in sugar-reduced bakery products, to strengthen the flavour portfolio.

5. VegeBrite® Veggie Browns for plant-based meats

New allergen-free solutions that recreate the colour of cooked meat.

6. Health & wellness infusions

Infusions, gently brewed in water, for consumer-friendly labelling. Preserve the botanicals authentic taste.

1. E1. 2021, "A randomized, placebo-controlled trial investigating the acute and chronic benefits of American Ginseng (Cereboost®) on mood and cognition in healthy young adults, including in vitro investigation of gut microbiota changes as a possible mechanism of action" Lynne Bell, Adrian Whyte, Cindy Duysburgh, Massimo Marzorati, Pieter Van den Abbeele, Romain Le Cozannet, Pascale Fança-Berthon, Emilie Fromentin & Claire Williams.

7. Cereboost®

New published study that has demonstrated promising effects on cognitive function and mood, potentially via gut microbiome modulation1.

8. Integrated Solutions

Formulation for botanical-based healthy beverages. These integrated solutions are combinations of taste, sense, nutrition and/or health ingredients and technologies that, when brought together, bring more value than using the individual ingredients and technologies on their own.



The food industry is facing profound disruption, driven by rapidly changing consumer and customer needs and growing environmental concerns. This disruption is signalling a transformation away from a traditional product or functional economy towards experiences.

No matter what we eat or drink or where we are, what we consume is often more than a means to satisfy our basic needs. It is an experience that, more recently, has grown in significance.

Added to this is the continued rise of the 'conscious consumer': one whose consumption habits show concern for society and the environment, as well as the impact on their wellbeing.

At Givaudan we keep our finger on the pulse of the latest developments and deliver a complete range of solutions, which means we can help solve more of our customers' holistic challenges and, in turn, those of their consumers.

How does Givaudan define food experiences?

"Food experiences are the culmination of multi-sensorial events that occur along the journey from interacting with the packaging to preparing and consuming food and beverages, all the way to experiencing physical and emotional benefits both immediate and long-lasting.

'Immediate' refers to, for example, taste, texture, mouthfeel, colour, relaxation, and energy boost. 'Long-lasting' refers to, for example, overall health, immunity, wellbeing, and doing good for the planet."

Mind, body and planet: the foods of tomorrow will delight our senses, enhance our wellbeing and satisfy our aspirations. Givaudan co-creates with its customers the food experiences consumers are looking for.

With this in mind, we have realigned our portfolio across three experience spaces:





Through our extensive portfolio of advanced taste and sense solutions, we create 'Feel Good' Food Experiences that consumers love. From great taste to visual appeal, shelf life management and texture, we offer sensory experiences that surprise and delight.

With our industry-leading portfolio of natural solutions, we deliver great tasting food experiences that 'do good' for body and mind. We provide solutions that enhance the nutritional value of food and support healthy living, bringing more of the natural wellbeing benefits that consumers want.

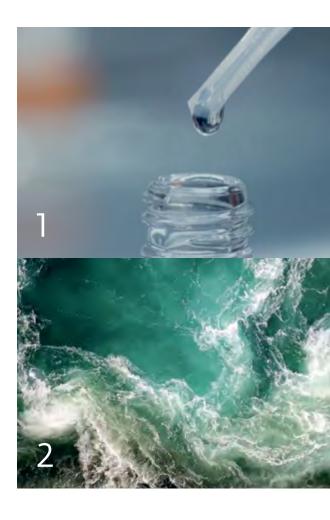




Through our Integrated Solutions and innovative programmes, we go beyond to imagine new food experiences. We leverage our insight and foresight, as we collaborate and co-create with our customers to discover new opportunities for high-value benefits.

Key innovation achievements Fragrance & Beauty

Our science and technology capabilities provide us with a solid foundation to create and innovate to solve the most pertinent challenges and tailor our offerings to a wide variety of consumer products and fine fragrance needs.



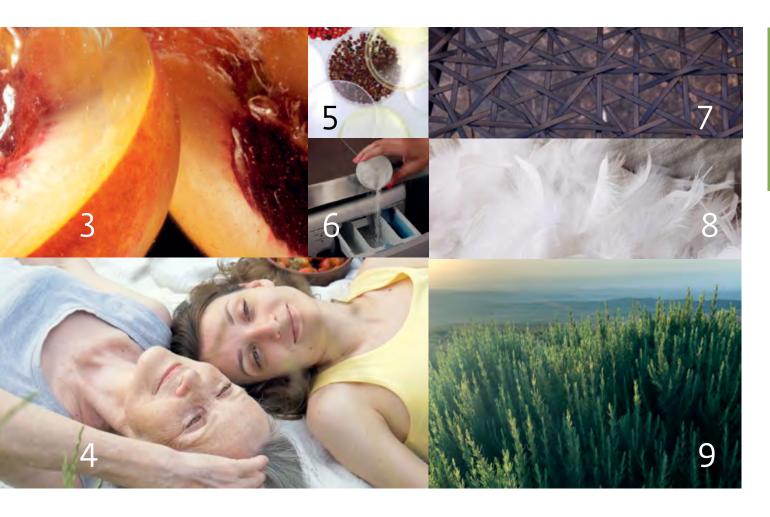
Commercialised in 2021

1. NatZap™

An addition to our existing suite of malodour counteraction products: meeting the need for malodour neutralisation while respecting nature.

2. Phytogaia™ and Thalassogaia™

Two new innovative fragrance technologies that capture the energy of our planet's blue and green spaces. Inspired by nature, they allow our perfumers to bring the natural benefits of forests and the ocean into perfumes.



3. Peach Alcoholate Orpur®

Our new, upcycled ingredient proving a breakthrough for both our Taste & Wellbeing and Fragrance & Beauty businesses and adds to an existing suite of upcycled products which include Apple, Rose, Akigalawood® and Cedarwood.

4. Z-biome™

We created two innovative technologies, My Z-biome™ and Z-biome™ Deo, to answer the demand for a sensation of wellbeing connected to healthy skin.

5. Zanthalene®

Scalable natural active ingredient crafted by green fractionation with botox-like efficacy and skin sensitivity modulation benefits.

6. Bloomful™ platform

Two new patent-pending technologies added to this platform: Bloomful™ Wave creates unique blooming moments during all wet stages of the laundry process, while Bloomful™ Sparkle is a direct response to consumers' expectation for a highfragrance experience while cleaning and rinsing dishes.

7. Sericoside

An active ingredient with the wellageing power to offer skin a second youth by resetting its cellular memory.

8. Masknyl™

An active ingredient able to counteract redness, inflammation and hyperpigmentation due to mask-wearing.

9. [N.A.S.]™ Rosemary 01

A functional cosmetic ingredient that challenges butylated hydroxytoluene (BHT) by outperforming its efficacy in a natural and organic way, and thus offering superior antioxidant benefits.

THE GIVAUDAN WAY DESIGNING NATURECONSCIOUS FRAGRANCES THAT DELIGHT CONSUMERS

Consumers are increasingly on a journey towards healthier, more environmentally conscious products. Our Naturality platform is a transformational approach to create delightful and nature conscious fragrances using mainly natural and biodegradable ingredients and integrating sustainability parameters in the formulation approach. This is creating with love for nature – and many beautiful, totally unexpected fragrances are already emerging from the approach.



Naturality is bigger than a platform; it's a mindset of being conscious, authentic and responsible in the way we source ingredients and design fragrances, from fine perfumes to fragrances for consumer products. It's also a holistic approach based on three key pillars, Consumer understanding, The Naturality Guide™, and The Naturality Index™, which together put our Company purpose at the centre of creating.

Consumer understanding We gain a unique understanding of consumers' expectations towards responsible fragrances and products through this robust series of consumer study programmes.

The Naturality Guide™ Provides a clear segmentation of the market and defines rules of formulations and parameters for development. It pushes perfumery to new frontiers of creativity and guides both our teams and our clients to discover and market the right design and the right claim.

The Naturality Index™ Measures the impact of a formula. The Index is built on a deep understanding of sustainability criteria. From eco-toxicity to energy efficiency and sourcing, the Index allows us to assess the environmental impact of a formula and from our understanding what it means to create a perfume with love for nature.

> Contributing to the United Nations Sustainable Development Goals (SDG)









FINE FRAGRANCES

NATURE-CONSCIOUS CHOICES

Our fine fragrance perfumers embrace nature-conscious fragrance creation and sustainability when meeting the most demanding briefs.



1. Ambrofix

by Linda Song

Linda consciously picks ingredients that have a positive real-world impact while still adding to the olfactive aesthetic. She did just this when presenting scented ceramic, based solely on Ambrofix – our innovative, lower carbon fragrance ingredient.

2. Sundrenched Earth

by Dana Schmitt

Like all our perfumers, Dana puts sustainability at the core of how we obtain ingredients. Working directly in the country of origin to ensure a sustainable stream of the naturals on which we rely, Dana created a nature inspired soy candle – Sundrenched Earth. Its scent draws from personal memories to produce a nostalgic patchouli and grapefruit combination.

3. Heroine

by Quentin Bisch

Our talented perfumer Quentin recreated a signature à la Poison that rediscovers forgotten ingredients and draws its pleasure from the past. An expensive and beautiful floral duet, possible because of this new design at low concentration. A creative challenge that divides carbon footprint by 4 or 5.

4. Bang Bang

by Christophe Raynaud

Christophe crafted Bang Bang, which demanded a nature-conscious design with high olfactory power and low environmental impact. He was responding to a brief that asked for 'a shot of universal gluttony' and 'pure pleasure', and to meet it he leveraged Givaudan's raw materials with high odour values.

CONSUMER PRODUCTS CONNECTING TO NATURE

Fresh smelling laundry, a kitchen that smells clean, aromatic shampoo; our perfumers are also transforming fragrances for consumer products under our Naturality approach.











by Onno Stofberg

US consumers highly value a 'clean' sensation in products and so Onno designed the Green Goddess fragrance, a 100% biodegradable and renewable blend containing naturally derived Italian citrus, Egyptian geranium and Indian cardamom.

2. Euphoric Spice

by Dalia Izem

Dalia listened to insights from Indian consumers, learning that they wish for perfumes to capture the very essence of nature. The result was Euphoric Spice, a concoction of locally sourced ginger extract, Akigalawood® and grapefruit for a

citrus, spicy and exhilarating impact.

3. Gin Basil Smash

by Jin Kim

Natural fragrances that are mild to skin appeal to 90% of Chinese consumers, and over 90% in Indonesia believe a natural scent connects them with nature. Gin Basil Smash is an uplifting, citrusy and aromatic design filled with antibacterial yet natural Basil and Peppermint SaniScent™ essential oils.

4. Alma Verde by Anna Vidineeva-

Juquois

Biodegradability and eco-friendliness are crucial for consumers in Brazil and Mexico. Anna created Alma Verde, a 100% biodegradable, effective laundry detergent fragrance built around notes of citrus, wood and a core of lavender essential oil.

5. L'Expérience Méditerranée

by Isabelle Abram

Evoking a Mediterranean escape by the sea, Isabelle Abram created a 100% biodegradable design drawing on Givaudan's unique natural Orpur™ Neroli oil to mimic the incomparable effect of nature by the seaside.

NATURE

Our purpose goal 'that we show our love for nature in everything we do' contributes to the following SDGs:













IN THIS CHAPTER

Acting on climate change	71
Our commitment to water stewardship	81
Rethinking plastics -	
towards 100% circularity	84
Reducing the amount of waste	
we produce	86

Acting on climate change

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%	 Setting internal carbon price Fixing site environmental targets and assessments Switching to renewable energy sources Promoting energy efficiencies Signing the UN pledge 'Business Ambition for 1.5°C'
	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%	 Sourcing ingredients responsibly Developing low-carbon creations Driving circularity and upcycling Optimising packaging, logistics, transport of goods, business travel and employee commuting
Electricity	Power 100% of our sites with renewable electricity by 2025	84%	 Committing to RE100 since 2015 Setting site renewable electricity targets Generating electricity on site

We believe that positivity creates possibility and we are taking positive action against climate change. That's why we're working towards a bold ambition to become climate positive before 2050. This means removing more greenhouse gases from the atmosphere than we put in, by tackling emissions in our operations and in our supply chain.

To be successful, we need to imagine a better future, what a climate positive 2050 could look like. And this must be done through different eyes, harnessing the energy and optimism of those who will live with the outcomes of the decisions we take now and creating the future we imagine.

2 love the future #climatepositivity love for nature

We can move towards this 'better' every day in many ways, from setting and pursuing stringent targets aligned to the latest climate science to reducing our packaging footprint, changing how we formulate our ingredients and how we move our products, rethinking how our employees travel, and engaging our supply chain on climate action.

Driven by our purpose, we see many opportunities to do things differently, to push ourselves to go further and to positively impact the communities and ecosystems in which we live and operate. With our scale, reach and impact, we have a responsibility and an opportunity to drive change. We hold ourselves to the highest standards of being a responsible business and by doing so will continue on our path of sustainable value creation for all stakeholders.

An industry leader in climate action

We have been working to become climate positive for some years, having been early adopters of the Science Based Targets initiative. Working with experts and joining others in calls for action is important, which is why we signed the UN pledge 'Business Ambition for 1.5°C' and take an active role in organisations such as CDP, We Mean Business and WBCSD.

In 2021, we were one of over 80 companies taking part in the road test of the world's first Net Zero Standard launched by the Science Based Targets initiative. As we strive to deliver on our purpose and sustainability ambitions, we know that no business can tackle the issue of climate change alone. Action depends on a collective effort, guided by the latest climate science and a shared commitment to creating a positive future.

Demonstrating our industry leadership in climate action and the transition to a low-carbon economy, we again took part in the annual CDP Climate Change questionnaire. We received the highest score for the third year in a row: CDP score A for climate action.

Reducing emissions of GHG in our operations is a major part of our actions against global warming and we are making good progress towards our targets. In 2021, our absolute total direct (scope 1) and indirect (scope 2) GHG emissions decreased by 75,600 tonnes. The evolution of absolute total scope 1 and 2 GHG emissions in 2021 vs the 2015 baseline has been of -31%.

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

While cutting GHG emissions is a key part of our climate actions, we are aware that two-thirds of industrial energy consumption relates to heating and cooling processes and is a major environmental challenge. In Spain, we are deploying an innovative approach to integrate renewable thermal energy sources: the HyCool project at our Sant Celoni site will use breakthrough technology by combining solar collectors with absorption chillers to harness solar energy to produce steam, heating and cooling energy with greater efficiency. Installation started in summer 2021

66 Our ambition is a bold one, but a necessary step to bring about impacts in the years to come. And we need to all work together with a positive, action-oriented mindset. **

Willem Mutsaerts

and, once completed, and at full scale, is expected to reduce site GHG emissions by 3%, reduce gas consumption, and deliver refrigeration with 25% greater efficiency. We are on track to complete the project in May 2022.

READ MORE

Have a look at the interview with the Givaudan HyCool project officer: www.givaudan.com ▶ sustainability ▶ nature ▶ climate action ▶ solar heat for cool innovation ▶ hycool project spain

Moving to 100% renewable electricity

As part of our industry-leading journey to become climate positive before 2050 and as a proud member of RE100 since 2015, we are converting our entire electricity supply to fully renewable sources by 2025. We are on track to achieve this target, as we attained 84% of renewable electricity supply, with 45 production sites purchasing 100% of electricity from renewable sources by the end of the reporting year as at December 2021.

Examples of our moves to renewable electricity can be seen at our Taste & Wellbeing site at Pune in India, where we are fitting more than 2,000 solar photovoltaic panels to rooftops, ground mounts and carports to cut reliance on fossil fuels. We've installed and commissioned a total of 746 kWp onsite solar power – 716 kWp in February 2020 and 30 kWp in July 2021. The installation, which dedicates about 5,300 square metres to the solar panels, has resulted in electricity generation of about 971,520 kWh. This enables us to cut by 20% the use of electricity purchased from fossil sources as well reducing our carbon footprint by more than 900 tonnes of CO₂e.

In addition, at our site in Melaka, Malaysia we've installed a 400 kWp solar PV system to cover a total area of more than 22,40 square metres. The objective is to reduce power purchases from about 100 mkW/month to about 55 mkW/month, avoiding the production of 332 tonnes of CO₂e every year.

And in Brazil, our Jaguaré and Botucatu sites have migrated to 100% renewable electricity (wind). While the main aim was to buy renewable energy, there was an added attraction of selling the sites' unused energy back to the market. The anticipated savings for the move to renewable electricity are CHF 750,000 over five years, with expected sales of unused energy worth more than CHF 72,000 in 2021.

These innovative examples are an important part of reaching our targets. 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). Our stringent procurement strategy helps add more renewable electricity to the grid and in 2021 we purchased electricity that accounted for 32% of the total energy used across the Company but which equated to 15% of our total CO₂ emissions.

Actions within our supply chain: tackling scope 3

We are committed to reduce emissions from our entire value chain and our scope 3 target is to cut GHG emissions by 20% between 2015 and 2030. Approximately 93% of our GHG emissions come from both upstream and downstream activities related to our value chain, so the challenge is clear.

Our ambition is to drive action through supply chain engagement and to collaborate across the industry. High on our agenda is buying raw materials and services that reduce our impact on the climate. In 2021, we invested in training our procurement teams on this complex scope 3 topic. With the right knowledge we can influence the day-to-day decisions and behaviours that impact our environmental footprint.

In addition, the CDP Supply Chain programme is one of the tools we use to engage with suppliers on climate action. The data collected through this programme contribute to an increased understanding of our supply chain.

SBTI's Net-Zero Standard

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



Action depends on a collective effort and shared commitment to creating a future we can be positive about.

Givaudan's GHG footprint

Approx. 2,300,000 tonnes GHG emissions emitted each year, scope 1, 2 and 3



GHG EMISSIONS GHG EMISSIONS

GHG EMISSIONS

6%

1%

Upstream activities



Downstream activities

GHG EMISSIONS

SCOPE 3

Other indirect GHG Emissions

Purchased goods and services 81%

Capital goods 4%

Fuel and energy related activities 3%

Upstream transportation and distribution 2%

Waste generated in operations 1%

Business travel <1%

Employee commuting <1%

GHG EMISSIONS

SCOPE 1

Direct GHG Emissions

Operations

SCOPE 2

Energy indirect GHG Emissions

Energy supply

GHG EMISSIONS

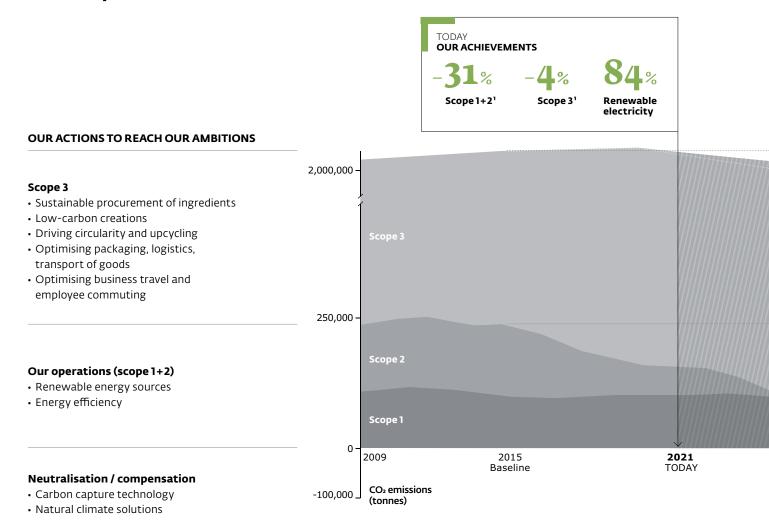
SCOPE 3

Other indirect **GHG Emissions**

Downstream transportation and distribution

OUR ROADMAP TO BECOMING

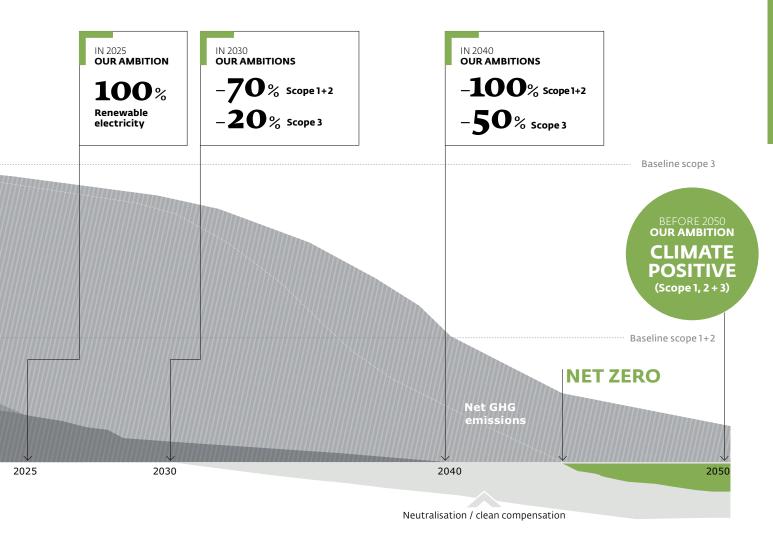
climate positive







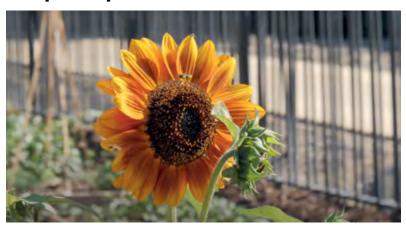
1. Compared to baseline year 2015.



ENABLERS TO REACH OUR AMBITIONS

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

Multipronged approach by our employees to help preserve 'Ma petite planète'



All of us can take individual actions to help preserve the planet. At Avignon in France, employees are taking a wide-ranging approach to ensure their site's impact on the environment is as positive as possible.

From the elimination of single use plastics and mobility solutions to the promotion of biodiversity with a project to boost the population of wild bees, Avignon colleagues are demonstrating the differences that can be made through their numerous actions.

As an early step on this journey, the local Green Team invited all on

site to send in their ideas, and these suggestions continue to be shared through a regular site newsletter 'Ma petite planète' (My small planet) with nature-focussed projects, stories and projects, some of which employees and their families might implement in their daily lives.

Among the many projects undertaken at the site we find the replacing single use plastics with recyclable or alternative products and replacing nearly 5,000 water bottles purchased each year for visitors with water fountains installed in each meeting room and common areas.

The Green Team has worked with the on-site food vendor to promote sustainable food options by using locally sourced produce and seasonal products to reduce the footprint of food consumed on site, and sustainable coffee machines have been installed.

Local biodiversity has received attention, with olive trees being planted on unused land at the site and the introduction of sustainable mowing of green spaces. In collaboration with a local beekeeping association, a site project is in place to conserve wild bees and promote the importance of pollinator bees.

What's next for the Avignon site? Under consideration is an employee mobility plan, including a car-pool calendar, electric charging stations, a fleet of bicycles for employees, and mobility kits as part of an onboarding package; new ways of managing site waste are also in focus.

Contributing to the United Nations Sustainable Development Goals (SDG)







Our engagement with suppliers aims to reduce the carbon footprint of purchased goods and services by identifying risks and opportunities, collecting data on climate change and proposing actions to reduce emissions within the framework of the CDP Supply Chain programme. We've already been recognised as a world leader in supplier engagement on climate change, earning a position on the CDP Supplier Engagement leaderboard in recognition of our actions and strategies to reduce emissions and lower climate-related risk across our supply chain.

This supply chain includes palm oil. Roundtable on Sustainable Palm Oil (RSPO) certification from our palm oil sourcing ensures the credibility of the sustainability claim at the end of the supply chain. It also includes a beneficial impact on carbon emissions, as RSPO-certified palm oil production decreases emissions by about 36% in kg of CO₂e per kg of palm oil.

As Givaudan covers part of its supply chain with certified palm oil, it also impacts the scope 3 inventory. In 2020 we were able to reduce the average CO₂e emission per kg of palm oil and palm oil derivatives by 5% compared to 2015 and our efforts continue throughout 2021.

Furthermore, to broaden our scope, we ensure our sites have the Palm Oil RSPO MB certification: 15 of our production sites were certified in 2021.

The scope 3 emission category includes travel, both business travel and employee commuting, the pandemic meant a reduction in all travel, but through virtual meetings we were able to maintain operations.

In terms of employee commuting, we support a range of schemes including a bike-to-work initiative and carpooling. During 2021 we carried out an employee commuter survey to understand the impact of our various initiatives. With 7,000 employees participating, we found that our impact went from 2.0 tCO₂e/employee in 2015 per year to 1.15 tonnes (without taking the pandemic into account). If we take working from home into account, we are at 0.87 tCO₂e/ employee per year.

In addition, we are promoting the use of electric vehicles (EVs) for those who drive company cars and we began introducing charging points at selected sites for employees and customers. All these initiatives contribute to reducing CO₂ emissions.

In 2021, our overall scope 3 GHG emissions decreased by 4% against the 2015 baseline figure, a decrease of 2% against 2020.

Preservation and sustainable use of biodiversity

We need a steady supply of ingredients from around the world to create our flavour, fragrance and beauty products. Our activity thus depends on biodiversity, as does the livelihood of the many communities with which we work. A combination of protection, sustainable management and, where necessary, restoration is then needed to ensure the future of a diverse, living planet.

As a purpose-led company, our approach to biodiversity is integrated in the Company's global approach. Day-to-day, this includes avoiding negative impacts (or reducing them when this is not possible), fostering a positive impact, and inspiring the different stakeholders we work with.

To strengthen our strategic value chains of natural raw material, we work hand in hand with producers at source for botanicals such as guarana, rosemary, turmeric and patchouli.

On one hand, our Origination and Agronomy teams focus on unlocking sustainable long-term value by building trust to help improve practices, addressing environmental impacts and ultimately increasing revenues for local farmers. Our team of experts are contributing to the upscaling of regenerative farming within our ingredient value chains, designing alternative practices to restore life in soil, foster biodiversity and build up resilient farming systems.

On the other hand, thanks to the Givaudan Foundation, we look to implementing virtuous solutions such as reforestation and ecosystems conservation.

Aspects of sustainability, including biodiversity, are discussed with our customers and with experts in specific issues. Participating in industry platforms and think tanks allows us to act together on certain aspects related to biodiversity.

In addition, we continually assess the potential impact of biodiversity laws worldwide, acting in compliance with regulatory frameworks that are in force and the Nagoya Protocol principles.

We also work with our suppliers to protect and promote biodiversity and ecosystem services. In our Responsible Sourcing Policy, suppliers are expected to cultivate or collect in a way that promotes biodiversity. We strive to prevent loss of species through various actions which 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.

With these approaches and by being closer to our customers on issues of sustainability and being part of industry platforms, and with the guidance of experts, we seek to strengthen our approach and inspire all players in the industry. In 2021, we started the process of hiring a Global Biodiversity lead to help us shape our strategy and measure our progress.

Addressing deforestation

We address specific issues of biodiversity preservation such as those related to deforestation through a number of approaches:

- Forest conservation with Tonka Bean collectors which aims at improving local livelihoods and protecting the forest in the Caura basin in Venezuela.
- Palm oil position statement emphasising our commitment to non-deforestation.
- Member of the SAI platform's Dairy Working Group which covers multiple sustainability topics including deforestation.
- Preserving natural resources through an efficient process which enables us to continue work on reducing fuelwood consumption and replanting fuelwood trees in the distillation of key ingredients such as ylang ylang and patchouli.
- Member of the French Alliance pour la Préservation des Forêts (APF), a food sector initiative that addresses the challenge of deforestation and ecosystem conversion within raw material supply chains.

A WORLD OF POSSIBILITIES WHEN OUR EMPLOYEES THINK CHMATE POSITIVE

At Givaudan we're positive about the climate action we are taking, and we believe that positivity creates possibility. Driven by our purpose, we see many opportunities: to do things differently, to push ourselves to go further and to positively impact the communities and ecosystems in which we live and operate.

Our journey towards becoming climate positive before 2050 is inspiring employees to find new ways of working to help reduce our environmental impact. In doing so, our business units are discovering that doing the right thing for the environment is also the right thing for our business as it increases collaboration across teams and generates cost savings, too. Three projects from our production sites show what is possible with a positive attitude.

Contributing to the United Nations Sustainable Development Goals (SDG)









DATA TRANSPARENCY

USING UTILITY METERING AND MONITORING

We can only reduce our energy and water use if we know where, when and how we're using them. With this in mind, Givaudan engineers implemented a pioneering data-driven software tool, **ULTIMO** (Utility Monitoring and Metering), to track usage in real time. It was piloted at our Vernier site in Switzerland and will be rolled out to all major production sites as part of our 2025 strategy.

In August 2021, for example, the tool highlighted that water consumption has spiked to almost three times as much as usual. Using the data, engineers were able to find the issue and correct it. Data on heat use and heat loss have also allowed the site to try out different ways of keeping the correct temperature during the production process.

"A key part of the success is collaboration and having governance in place to review the utility data each month with stakeholders, address issues



As part of our 2025 strategy, we are planning on rolling out ULTIMO to our major production sites.

99

and develop corrective action plans," says Bing, Director of Global Utilities Stream in our Centre of Excellence for Engineering. "It shows what we can do by thinking positively about reducing our environmental impacts."

Until September 2021, the Vernier site achieved savings of CHF 106,000, something which will be amplified across the Givaudan world in the future.



'CONSCIOUS OFFICE' **CERTIFICATION SHOWS** THE ENGAGEMENT OF **OUR PEOPLE FOR**

Excellence in environmental and sustainability efforts by our colleagues in Argentina have been recognised by the country's Eco House, a non-profit organisation specialising in education, politics, economics and volunteering for sustainability.

Our Givaudan Business Solutions (GBS) Buenos Aires site was awarded 'Conscious Office' bronze certification for implementing a range of activities



over a period of two years, with the effort, focus and enthusiasm continuing even through the COVID-19 pandemic. The certification was sponsored by the **Environment and Sustainable** Development Ministry of Argentina.

Under a comprehensive plan to help improve the sustainability of the GBS office space, the programme included defining KPIs for waste, replacing plastic bottles onsite with dispensers, working with partners to find ways of recycling and donating electronics and toners, implementing a plan to cut paper waste from printing and the set-up of a permanent training programme "Green onboarding".

The initiative reflects the collective awareness of our GBS colleagues of acting together for sustainable development.

An example of living our purpose and engaging in collective action for a sustainable impact on people and nature.

TACKLING THE TRIPLE THREAT **ELECTRICITY, WATER, WASTE**

At our Pioneer site in Singapore, the incremental effect is paying off: small changes have brought large savings in electricity and water use and substantially reduced waste water, all while production has increased.

Employees came up with a range of simple ideas, such as reducing temperatures, reducing or upgrading lighting, improving water overflows and pumps, and installing solar film on windows.

Starting in 2020, the site made monthly savings of around 114,131kWh of electricity - enough to light 2,000 4 to 5-room houses - and 432m3 of water compared to 2019. Year on year, production increased by 15% but electricity use dropped by 3% and water usage increased by only 9%. Together

these achieved savings of CHF 166,000 per year. In 2021, the site also reduced waste water by 80%.

"These activities are the start of a longer term plan to continue improving our operations in alignment with our purpose, while decoupling growth from environmental impact," says Ben, Regional Head of Fragrances APAC.

Together these measures achieved savings of CHF 166,000 per year. In 2021, the site also reduced waste water by 80%.



Our commitment to water stewardship

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)	-4%	 Driving continuous improvement using the 3R approach: 'reduce, reuse and recycle' Implementing our wastewater standard
	We will continuously improve water efficiency on all other sites	flat	Carrying out water risk assessmentsTracking site water quantity and quality
	100% of our wastewater discharge will meet or exceed regulatory and industry standards by 2030	In progress	 Identifying shared water challenges and local stakeholder priorities in the watershed Implementing our wastewater standard

Water is an essential element in our production activities as well as in our entire value chain. Driven by our goal to show our love for nature in everything we do, we must lead the way in protecting this precious natural resource. We can do this through leadership in water stewardship, working to protect water-dependent ecosystems and encouraging the sustainable use of resources.

In our own business operations, we are fully aligned with, and contribute to, the sustainable management of water in the key watershed basins in which we work. Our projects include reduced water withdrawal, water recycling and the use of alternative sources such as rainwater.

In Pune, India for example, we contributed to water preservation by reducing intake from the municipal water system and eliminating waste water effluent into adjacent waterways. We did this by applying 'zero liquid discharge' principles, treating waste water with processes including ultra-filtration and reverse osmosis so that it could be reused. Domestic-use waste water was treated, with pollution turned into biogas, and waste water used for irrigation. We reduced water intake by up to 50% and discharged zero liquid into the surrounding environment.

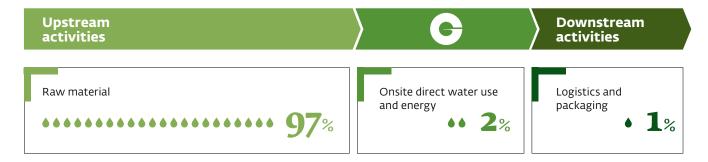
We have made great progress so far on our water goals, having reached our 2020 water target to achieve 15% reduction per tonne of product (since our baseline year of 2009) three years in advance.

Focusing on the key sites located in water-stressed areas, there was important improvement with a decrease of 4% since 2020 for the same indicator. Another key milestone is being recognised for leadership in water security by the CDP, which in 2021 awarded us the highest 'A' score for the third consecutive year.

We have made great progress on our water goals, having reached our 2020 water target to achieve 15% reduction per tonne of product three years in advance.

Givaudan's water consumption

Based on the 2018 corporate water footprint



Also in 2021, as industry leader and taking our responsibility to drive a positive impact, we created and published our water policy. This policy embodies our overall strategy for monitoring and reducing water consumption and emphasises our commitment to water stewardship. It is an approach based on the UN Global Compact's CEO Water Mandate and driven by our purpose.

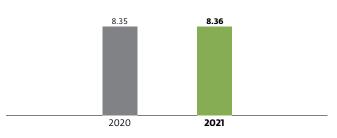
Looking forward, our guiding principles will focus on our operations and our communities: in our operations, we are looking to secure water supply and optimise water use and continuously improve how we manage effluent discharge; and in our supply chain and our communities we are reducing water risk and improving water quality management aspects. We are looking to foster sustainable water use at the watershed level and improve access to water, sanitation and hygiene, thus supporting communities to thrive.

OWNLOAD

www.givaudan.com ▶ sustainability ▶ nature ▶ water ▶ our water policy

Our targets and goals contribute to the UN's Sustainable Development Goals number 6 (clean water and sanitation) and number 12 (responsible consumption and production).

Water efficiency¹ in m³ per tonne of production



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

The policy is also used to guide our growth strategy in terms of location, technology and procedures. We put emphasis on places where water stress is expected, carrying out detailed risk assessments to develop water mitigation action plans, including efficiency improvements and water reuse opportunities.

In 2021, we also set new water targets and goals in order to increase our resilience against growing water challenges, reduce risk and protect business continuity; to meet increasing external and internal stakeholder expectations; and to drive positive impacts in watersheds where we source and operate.

We act as a role model in water stewardship working to protect water-dependent ecosystems and encourage the sustainable use of resources. This means that:

In our operations, our targets are

- to improve water efficiency by 25% on sites facing water stress by 2030 - defined as the ability, or lack thereof, to meet human and ecological demand for fresh water compared to 2020 levels.

Improving water management in Hungary

Our Taste & Wellbeing production site at Makó in Hungary needs a lot of water for the cleaning of equipment. The need to reduce this use came into sharper focus with the arrival in 2021 of new production processes that required the consumption of even more water.

The site's roadmap had for some years included a water saving goal as a sustainability target. But to help manage and stabilise the increased water demand, a site team launched a focussed programme in 2020 with several targeted projects - small and large in scale - to improve water use efficiency and reduce consumption.

The results have been significant. The site's daily water consumption in December 2020 had come down from an average of 834 m3 to 720 m3, and specific volume had been reduced from 8.59 m³/tonne to 6.64 m³/tonne.



By the end of the third quarter 2021, this water consumption translated to an estimated 6.2 m3/tonne, a further 6.6% reduction in specific water volume compared to 6.6 m³/tonne in 2020.

Contributing to the United Nations Sustainable Development Goals (SDG)



- to continuously improve water efficiency on all other sites,
- meeting or exceeding regulatory and industry standards by 2030 for a full 100% of our waste water discharge.

In our supply chain and our communities, our goals are to

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

These latter goals contribute towards achieving the Communities goals of our purpose.

As water becomes more scarce, particularly in stressed areas, we will monitor progress against these water stewardship goals while continuing to take focussed actions to reduce our use of water and increase efficiencies in our approaches to water management.

Rethinking plastics towards 100% circularity

OUR AMBITION

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

Focus area	Target	Status 2021	Actions and measures
Plastics	100% plastics circularity before 2030	In progress	 Members of the advisory board of the Renewable Carbon Initiative (RCI) Co-leading a WBCSD plastic and packaging workgroup defining a transition for B2B chemical products Reducing our plastic usage and consumption

In our purpose launch in 2019 we committed to replacing all single-use plastics across sites and operations with eco-friendly alternatives before 2030. Concretely this means for Givaudan moving towards 100% plastic circularity.

Recent developments have seen a change in the public's view of 'plastic use' and, in particular, 'plastic waste', and we as a business are also changing our approach. Now, a circular economy applied to plastics is no longer seen as a trend but an essential part of business activity if we wish to change the future. We are determined to manage our use of plastic in a responsible, sustainable way.

Plastic in itself is useful and necessary and we will be using it in our operations for the foreseeable future, but we need to ensure that it is renewable. A circular economy applied to plastics is our

We will apply the key principles of circular economy to plastics. It is our long-term strategy for sustainable plastics.

long-term vision for sustainable plastics, and the key principles for us here are 'rethink', 'reduce', 'recycle'.

In fact, we see plastic as a business opportunity, an enabler to grow and show our leadership in sustainability. Partnerships with customers offer business advantages in this area, while external partnerships can play a role in speeding up transformation and benefit from collective intelligence. We will use plastic circularity to engage employees and also as a common platform for speaking with customers.

In 2021, we joined the advisory board of the Renewable Carbon Initiative (RCI), started by the nova-Institute, which aims to support and speed up the transition from fossil carbon to renewable carbon for all organic chemicals and materials. Through the RCI, we hope to see the creation of cross-industry platforms that will demonstrate the feasibility of renewable carbon in tangible activities; it will enable advocacy for legislation, taxation and regulation changes to give renewable carbon an adequate commercial playing field; and support the creation of a wider pull for sustainable options by raising awareness and understanding of renewable carbon levels among the business community and wider public.



www.renewable-carbon-initiative.com

There is an urgency around the climate crisis, as we all know, and urgent solutions are required but it will 'take time to go fast' before we can become 100% circular with plastics. The way forward will require business agility and anticipating trends and may require investments. That's why it is important to remain positive and resilient on the topic.

At the beginning of our journey to 100% plastic circularity, we have a strategy and a roadmap in place to replace all single-use plastics by eco-friendly alternatives by 2030. We have appointed a Global Head of Plastic Circularity and new governance has been drawn up to facilitate the implementation of solutions in our operations. This enabled us to develop guidelines during 2021 to help our teams on the ground and we are also developing educational tools to share knowledge, learnings and information.

A detailed 'Plastic Book' is being prepared to better understand our detailed plastic footprint. This detail is important in order to set priorities, be ready for new regulations or compliance schemes, innovate and follow our progress.

We are undertaking a long-term journey, and as 100% plastic circularity is our final goal, anticipation is key to do good things in a good way. The journey will be guided by a strategy to support our long-term vision for sustainable plastics. This strategy is articulated around three main axes: designing our packaging to be more circular, increasing the renewable materials content and improving the system for the end of life of our plastics. On top of this, reducing our plastic usage and consumption should first be integrated in all our actions. Partnerships and systems will be powerful enablers in our journey.



Reducing the amount of waste we produce

Focus area	Target	Status 2021	Actions and measures
Waste	Reduce waste by 4% per tonne of product, year-on-year average (baseline 2015)	-2 % ¹	 Applying circular principles in product design, sourcing, manufacturing and packaging Upcycling to re-use materials normally disposed of Acting on the principle of 'no waste by design'

1. Absolute reduction since 2015

We need to pursue a culture of waste elimination by managing all our waste streams. Appropriate waste management helps to limit our impact on the environment, and reducing waste allows us to reduce the costs of production.

As we work to reduce waste we are adopting circular principles in product design, sourcing, manufacturing and packaging. We are also upcycling to create new and innovative products.

Reducing waste by adopting circular principles

Our approach is based on the concepts of 'rethink', 'reduce', 'reuse', 'recycle' and 'recover' in reducing the amount of waste we produce. We rethink the way we have dealt with waste in the past; we reduce the amount we create as a by-product of our processes; and we reuse where possible and recycle in an effort to move away from disposal in landfill or by incineration. Where waste is incinerated, we recapture the energy.

Our target is to reduce incinerated and landfilled waste production per tonne of product by an average of 4% year on year against the 2015 baseline figure, and in 2021 we reached an absolute reduction of 2% compared to 2015.

During 2021, the amount of waste sent for incineration with and without energy recovery, and landfill per tonne of product increased by 9% compared to the 2020 figure. This is due to product mix evolution as well as specific liquid discharges being separated from the waste water flows and being treated separately.

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

At our Jaguaré site in Brazil the local Green Team set out to reduce the impact of the disposal of site waste on the environment. The team's project focussed on 'closing the cycle', or reverse logistics, which is used to return some materials to the production process. This resulted in reduced production costs, while recycling reduced landfill and saved water and energy, and compositing created organic matter for use as fertiliser. 76% of waste generated by the site is now treated through reverse logistics, recycling and composting.

We are making strong progress: More than 70% of our waste is of our waste is either reused, recycled or recovered. 50% of our sites achieved zero-waste to landfill in 2021.

Upcycling: from side stream to mainstream

We see upcycling as an opportunity that can guide us in continuing to innovate and improve our ingredients portfolio while reducing the impact of our products. It involves transforming co-products, waste materials, useless or unwanted products into new ingredients for products that are more sustainable. Upcycled materials are obtained from the re-use of natural or synthetic materials that are normally disposed of or downgraded.

Upcycling is a cross-business, cross-functional programme that supports our purpose. The programme shows how we strive to use our business as a force for good. It is also an area of growing interest. For example, cosmetic products containing recycled or upcycled ingredients increasingly appeal to consumers, mostly in Brazil and China.

Our portfolio of upcycled materials increased in 2021 with for example, our Active Beauty business launching Omegablue®, a cosmetic ingredient created from upcycled wild bilberries used for skin repair. Also during the year, an upcycled peach alcoholate Orpur® was introduced to enrich the palettes of perfumers and flavourists. This new ingredient, which can be used in a range of products, is the result of a successful collaboration across the Company. Our interest in upcycled materials extends even to garlic, where leftover waste after normal extraction processes at our site in Chicago, USA is used to produce a paste that can be added to seasoning design.

While upcycling is our action, 'no waste by design' is our motivation. It underlies our search to valorise side streams by considering, from the design, what a raw material can offer in full. An example of how we consider the full circle is the harvesting of vetiver, the roots of which are predominantly used to craft a vetiver oil for fragrance. From the exhausted vetiver roots, the by-product of the extraction procedure, our Active Beauty team makes Vetivyne™ using water-soluble extraction techniques. In addition, through our long-standing involvement in the supply chain in Haiti, where vetiver mainly originates, applying the principle of 'no waste by design' has supported a local cooperative of vetiver root producers and established a programme to ensure the social and environmental responsibility of vetiver production.

EAST HANOVER, USA

Upcycling discarded solvents

The aim was to reduce waste and greenhouse gas emissions at this site, which has both liquids and naturals production.

For liquids, the team created a process that recovers and reuses oils from washed extracts so that the discarded citrus oils can be reused for future products. While in naturals, the team identified how solvents such as alcohol and ethyl acetate can be recovered and reused.

The achievements: upcycled 190,000 kgs of solvent/oil in a 12-month period, saving USD 30,000 on waste disposal fees and USD 616,000 on raw materials; 108 tonnes of carbon dioxide were also saved.

Contributing to the United Nations Sustainable Development Goals (SDG)









Working for a company that does well - and does good

Our people want to work for a company that does well and does good. A place where people love to be and grow.

They are passionate about their work, committed to our purpose, and contribute significantly to our success. Achieving our business goals relies on this engaged workforce and we are committed to providing a safe, healthy and inclusive work environment where everyone loves to be and grow.

As we strive to improve health and happiness, our first priority in 2021 has been to support and guide employees who are returning to work in person in a world where COVID-19 remains a factor. Across our global business, countries are at different stages in this transition, so we have provided guidance to managers on how to open up more fully in line with local regulations, for example on vaccination and testing, hygiene and safety, and travel rules.

This transition to a new world of work, however, goes much deeper. Together with employees we are collaborating on new, hybrid ways of working and interacting between ourselves and with our customers. Many of these have emerged from our learnings during the pandemic so far, for example, better and simpler business processes, smarter travel and business visits, and better use of office space.

One key global initiative is our Flexible Work Framework, a toolkit which provides structure and support to allow regions and local sites adjust to local needs, regulations and ways of working. The toolkit was received positively and managers find it accessible, easy to use and relevant. Through best practices and case studies, it answers many questions about the benefits of flexible working for employees and teams, about what flexible work means really, and how it works 'on the ground'.

Development opportunities

We continue to enhance opportunities for people to develop, especially in today's changed circumstances. Guided by our purpose, we want to offer opportunities for decent work and growth so all employees are satisfied in their jobs through autonomy, variety and a supportive and inclusive organisational culture. Development is key to this.

As work became largely virtual, and now hybrid, we have maintained our training offerings through different online approaches designed to create engaging experiences. An important part of this has been supporting managers to continue developing as leaders, even while working remotely. Through virtual sessions, managers have been able to learn and improve their skills in areas such as remote management and presentation skills.

In addition, our Global Learning Catalogue, which has run successfully for the past six years, became virtual. All courses are interactive, as if in a classroom setting, and 147 had been delivered by the end of 2021.

Leadership Senses

Our long-established Leadership Senses curriculum, based on the concept of nurturing and developing talent from within the Company, was redesigned during 2021 with various inputs including feedback from 300 managers and participants, our purpose and 2025 strategy, and case studies from leading organisations. The new programmes are redesigned to accelerate development of effective leadership behaviours of our key talent who will shape the organisation's future.

The five programmes of Leadership Senses - Discover, Begin, Grow, Evolve and Enhance - offer sequential steps in building leadership skills at every stage of a person's career journey. The foundational programmes designed for front-line leaders, new or newly promoted manager, had 1,105 participants in total since the initial launch. The New Begin and Grow programmes were piloted in 2021 with 99 participants. These two courses are designed to introduce front-line managers and supervisors to the concepts of leadership before they have full line responsibility for a team. Taking all programmes into consideration, 1,292 managers took part in the leadership

Since the launch of our leadership programmes in 2015, a total of 1,292 of 2,300 targeted managers have been trained¹ - of which 50% are in our leadership pool.

Expanding learning opportunities

programmes since the launch in 2015.

During 2021, we added LinkedIn Learning to offer 'just-in-time' training to many more of our employees across all locations when and where they need it, and we are following a phased plan to reach more of them. In 2021, 3,000 employees joined and we also introduced the role of Learning Champions who facilitate training for their entire team. By December 2021 there were 2,066 activated users and 71 Learning Champions.

Local training continued to complement our global initiatives. The starting point is often a performance discussion, and development can be mentoring or on-the-job training for an employee's career path. For example, we have specific mentoring initiatives and trainee programmes for flavourists, in operations, and for management trainees. There is also a sales academy in Taste & Wellbeing and the Givaudan Perfumery School in Fragrance & Beauty. In addition, a new initiative in 2021 was the 'Sharpist Coaching' piloted in Zurich, with about 10 employees taking part in a pilot that featured one-to-one video calls with a professional coach and individually curated learning content that complemented many of our programmes.

Local efforts also provide customised initiatives. In India, for example, the human resource teams designed and introduced a training plan and calendar customised to the local employees.

And in China, the local team ran workshops to help employees develop a growth mindset, which brought both personal and business benefits. As well as the workshops, employees were provided resources such as videos, audio books and live streams to apply a growth mindset around the topics including self-awareness, enhancing capacity and cultivating learning as a habit.

Underlining the importance of equipping employees with skillsets to help them succeed in the changing environment, an 'Upskilling Yourself' programme was introduced by Fragrance & Beauty in Asia Pacific. A survey in the region identified three

skills that employees wanted to focus on: communication in a virtual environment, influencing stakeholders remotely, and engaging teams virtually. Nearly 400 training seats were provided to Fragrance & Beauty employees in the region.

Targeting new talent

With the move to virtual working, we also redesigned our onboarding training, the ONE Givaudan programme. It supports new joiners to better understand our culture and business and builds networks that will be vital to their success. The programme changed from a two-day, in-person training to a four-week, virtual experience that can be implemented regionally. As part of this redesign, the content was updated and enhanced to align with our purpose and 2025 strategy.

With ONE Givaudan as the core for onboarding, we add specific training to integrate employees who have joined as a result of acquisitions: we added toolkits and training in topics such as in compensation and benefits; and we have a consistent approach and structured framework to align the way we bring these new employees into our people management practices. In the past three years, about 3,500 people have been integrated into our Company.

Talent acquisition followed a similar virtual path with more than 4,073 video interviews undertaken in 2021. In recruitment marketing, we piloted tools that will help us create more impactful and inclusive job advertisements to attract, engage and assess top talent faster, in line with being a more balanced and inclusive company.

Building a place where we all love to be and grow

We have evolved our employee listening approach in order to measure progress against our ambition to be a place where we all love to be and grow.

We revamped our Employee Engagement Survey in 2021, randomly selecting 2,000 employees during the year to gain their views about the Company with additional questions including inclusion so we can obtain a benchmark for measuring progress in this ambition. We plan to conduct a full Employee Engagement Survey in 2022 and to hold them more regularly than the usual three-year interval.

The 2021 sample survey results were generally positive and show we are moving in the right direction. Overall, we have a strong engagement and an increase across all areas. We are analysing the survey data and will share the results with employees, and will create initiatives for 2022 and beyond.

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

FOCUS STORY

CREATING A COMMUNIT

WITH PURPOSE

Our continuing programme Imagine helps employees understand our purpose, and gives them space to personally connect to it. In 2021, we invited everyone to Imagine.

Well-meaning statement. It is about who we are and who we want to be, and importantly, why we do what we do. Our purpose is owned and lived by all of us – and we can only deliver on our ambitions if we all embrace it in our hearts, heads and hands.

Martha, Purpose Project Lead



Thoughts from employees

Creations

"Our innovations are based around the importance of happier, healthier lives." Claude, Perfumer



Creating for happier, healthier lives with love for nature

Let's imagine together



Communities

We are a business that touches the lives of billions of consumers every day through our products, and we are in a

business where we can make a difference to the communities in which we operate and connect to. ??

Saulo, Head of Social Innovation

Nature

66 Our policy of 'reduce', 'reuse', and 'recycle' and our ambitious goal to become a climate-positive business by 2050 shows our commitment to addressing climate change and our desire to be responsible stewards of the environment. 97
Bing, Head of Utilities





People

We're part of a family of 16,000 colleagues. That's 16,000 opportunities to build friendships with passionate individuals who share the same purpose, of creating happier, healthier lives. ??

Shoon, Head of Diversity & Inclusion



We can only achieve our ambition to be a force for good if we all work together. When we shared our purpose of 'Creating for happier, healthier lives' with the world in 2019. it was a first step. To reach our potential we want to help every colleague to engage and to build a deep sense of community.

Imagine is an invitation for all colleagues at Givaudan to come together to explore our purpose. In practice, that means helping people understand our purpose, ambitions and goals, and how they will drive business growth. To bring our purpose to life, it is critical that we share concrete examples and practical actions to help people see the links with their everyday roles and discover new ones.

"Imagine is the result of collaboration of colleagues all over the world, and as the programme evolves we'll find new ways to help us all live our purpose," adds Martha.

We took the opportunity of new, virtual ways of working to invite colleagues to co-create the programme. More than 150 employees took part in its development, suggesting stories, examples and different ways to bring our purpose to life. By running the programme on a virtual platform we had the advantage that more people could attend, bringing together colleagues from all countries and roles. The virtual approach also allowed us to cross language barriers, translating the content into the 18 most commonly spoken languages at Givaudan.

Imagine was an invitation to inspire colleagues and to share ideas. One of the ways we did this was through Imagine Playlists, a simple way for employees to share material that has inspired them around our purpose: books, articles, podcasts, documentaries, films, music and more. We used simple tools to encourage new ways of doing things, ranging from small challenges which fostered new behaviours, such as having coffee with a colleague they didn't know, to team conversation-starters about focus topics.

Martha adds: "We know that purpose is a topic that many people are enthusiastic about, so we also invited people to join our community of Imagine Ambassadors. This was an opportunity to use their personal passions and creativity to spread the word and get others involved. We're proud of our team of 150 Imagine Ambassadors and the connections and energy that they've created."

Imagine is designed to be accessible for every colleague, everywhere. It is flexible and adaptable for different timelines and formats. It has a digital home, an interactive space where people can engage and catch up as well as materials for those front-line workers whose roles are offline.

With Imagine Live I feel involved in the future. I feel that I can make a difference and contribute to the bigger picture.



Sabine, Operations **Management Trainee** 66

I was able to show how proud I am to be in a company that values diversity.



Olumide, Operations Manager

We took the pivotal moment of COP26 to use the Imagine platform to engage our colleagues on our climate positivity journey. In the form of the first-ever all employee live townhall, CEO Gilles Andrier and other leaders from Givaudan shared why the climate topic is so important to each and everyone one of us, how at Givaudan we are working towards this goal and what each of us can do to contribute.

For 2022 and beyond, we will continue to build on the energy created by Imagine deepening understanding of our purpose in action with a focus on strategic priorities at global level and locally relevant activities. "Our goal is to move towards our purpose being an intrinsic lens for decision making, actions and behaviours at every level of the business, with local ownership and global impact," Martha concludes.

Contributing to the United Nations Sustainable Development Goals (SDG)





Towards a more balanced, inclusive company

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		Building more inclusive hiring practices: Inclusive job adsBalanced slates for hiring and promotion	
	50% of our senior leaders will be from high growth markets before 2030 (baseline 2018)	26%	Hiring manager training Fostering inclusive leadership development: Evolving our Leadership development programmes	
	50% of our senior leaders will be women before 2030 (baseline 2018)	26%	Better Balance approach Managing unconscious bias at work	

Our ambition is to become a more balanced company, strengthened by the diversity of employees and inclusivity for all. Diversity drives our innovation and creates closer connections between employees, customers and partners. Both diversity and inclusion are vital for encouraging employees to bring their whole selves to work, making them feel welcomed and inspired to do their best, and allowing them to enjoy a sense of belonging.

We have set ourselves the target that, by 2025, we will be rated among the leading employers for inclusion globally; 50% of our senior leaders will be from high growth markets; and 50% of our senior leaders will be women

Better Balance

One of our major initiatives is Better Balance, an approach which supports these goals by evolving our leadership mix to better reflect consumer and market demographics while embracing diversity in all its forms. As part of Better Balance, we have dialogue sessions which consist of two discussions, each two hours in length, to provide an opportunity for senior leaders to connect with colleagues. Since the launch in 2020, 361 people took part in these sessions.

Complementing Better Balance is our Leader Connect programme, which enables members of the Executive Committee and other senior leaders to build connections and strengthen networks within the Company that can support accelerated development, confidence and potential development opportunities.

Preventing unconscious bias

In becoming more inclusive, it is important for our leaders to be aware of unconscious bias and how to disrupt and manage this bias to become more inclusive. During the year we held workshops for managers and our HR teams to help us gain awareness of unconscious bias and provided practice to identify bias in the workplace. This training, which also provided practical tools to manage unconscious bias, was attended by 309 people in 2021.

We also held revised, interactive instructor-led virtual training for hiring managers, 'Selecting the Best - Imagine Tomorrow', which highlighted factors such as understanding where unconscious bias is likely to occur during the recruitment process. Three modules included a section on appreciating the potential that recruiting more diverse profiles or talent can bring to the business and how best these types of profiles can be recruited. Launched in the last quarter of 2021, 68 people took part in this training.

Givaudan Mexico recognised as 'Super company for women'

RANKED 13TH OUT OF 100

- 66 I feel safe here. Gender equality is promoted as part of our culture. 🤧 Daniela
- Givaudan has been evolving to achieve the diversity and inclusion that it has and to ensure that everyone has a voice that can be heard. 🤧 Enrique
- 46 This Company is unique because it inspires me; I can be who I am within a place that gives me infinite options to create, inspire and learn. 🤧 Paulina

Givaudan employees

	2021	2020	
Total number of full-time employees 1	16,842	15,852	
Total head count ²	14,128	12,807	
Total number of employees (head count)	14,128	12,807	
Women	5,579	5,026	
Men	8,549	7,781	
New employee hires	2,332	1,632	
Women	878	684	
Men	1,454	948	
Turnoverrate	10%	9%	
Women	10%	8%	
Men	10%	9%	

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

Compensation, a key driver

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

In addition, our compensation policies are an essential component of our employee value proposition and a key driver of both individual and business performance. A robust process and continuously updated rewards strategy for employees is in place to ensure our compensation offering is competitive and enables us to attract, motivate and retain qualified employees. For our senior managers, our Performance Share Plan is fully aligned with the purpose ambitions for climate, diversity and inclusion, and employee safety. Thus performance is measured using financial key performance indicators as well as social and environmental targets.

READ MORE

For a more detailed explanation of our compensation mix > page 129 > Setting incentives to create value

Equal pay certification

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



Nurturing a safe and healthy workplace

OUR AMBITION

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

Focus area	Targets	Status 2021	Actions and measures
Caring for employee safety, health and mental wellbeing	We will reduce our total recordable injury rate by 50% before 2025 (baseline 2018)	-22%	 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
G	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: Employee assistance programme Happier, healthier habits circles, health and wellbeing communities of practice

By taking care of employees through all aspects of their lives we can help them with the energy, mental focus and emotional drive needed to power our business. Somebody who feels great and has the support they need is in a better position to engage, be productive and succeed. To build on this, we have set ourselves the target that by 2025 we will improve how we care for all our people through offering everyone at our sites access to mental and physical health initiatives, tools and training and by reducing our total recordable injury rate by 50%.

We launched our 'Happier, Healthier Habits' campaign in 2020 to foster connections between colleagues and offer guidance on physical and mental health. This initiative was continued in 2021 through 'Happier Healthier Habits Circles'. In addition, a second series called 'Connecting for #climatepositivity' invited employees to explore how building connections with each other and nature can lead to many positive outcomes such as better relationships, more positive conversations and the ability to find calm and resilience.

This approach of building connections is also seen with 'Health & Wellbeing Communities of Practice', launched globally during the year as a forum for sharing common interest and best practice in health and wellbeing initiatives. Involving employees from North America, Latin America, the UK and Dubai, topics included strategies for better sleep, demonstrations of cooking to aid mental health, and the benefits of family activities. Many more local initiatives focusing on physical and mental health and wellbeing took place, including badminton tournaments in China, health coaching in North America, a 'workout for good' challenge in Singapore, and a 21-day mindfulness challenge in Oceania.

Also as part of our global health and wellbeing programme, we added a further initiative to encourage connections through an app available in the nine key languages of our sites. 'Coffee Talk' is designed to connect colleagues and help widen the circles and networks in all business areas. It is important to create a community and to promote a positive work environment - just as it is important for individual health and wellbeing.

A programme to help employees in all aspects of their lives is our Employee Assistance Programme (EAP). Provided by an external partner, this confidential tool supports employees and their families who have personal problems that might adversely impact their work performance, health and wellbeing. These might range from mental and physical issues to social and financial difficulties. EAP offers a 24/7 online help point in multiple languages as well as telephone advice with local consultants. It was fully rolled out in 2021.

We go beyond rules and processes to create a safe and secure work environment.

All these initiatives show how we are building the necessary tools and training for a caring culture. It is about empowering our people to best manage their own mental and physical health.

Our focus on safety

We work hard to create a culture of safety in our Company by caring together for our people and empowering everyone to safeguard the environment and protect people's health and safety. Our goal is to have everyone home safe every day and we actively promote a shared responsibility to reach this ambition. By caring together for our people and our place, we go beyond rules and processes to create a safe and secure work environment. It is by acting together that we will achieve our ambition to reduce our total recordable injury rate by 50% by 2025.

Health and safety indicators

	2018	2020	2021
Number of Total Recordable Cases (TRC) ¹	130	115	180
Fatalities	0	0	0
Number of LTIs	24	32	59
Number of Restricted Work Cases (RWC)	56	46	63
Number of Medical Treatment Cases (MTC)	50	37	58
Total Recordable Case Rate	1.33	0.88	1.04
LTI rate	0.25	0.25	0.34
Number of lost days ²	645	998	855
Lost day rate ³	6.61	7.65	4.95
Number of hours worked⁴	19,503,663	26,094,174	34,544,283
Absenteeism ⁵	2.7%	2.9%	3.6%

- 1. TRC is according to the official OSHA definition. in 2021 acquisitions included.
- 2. 2020 includes 73 days carried over from previous year. 2021 includes 21 days carried over from previous year.
- 3. Number of lost work days resulting from work-related accidents per 200,000 working hours. Calculation based on scheduled work days lost from the day after the accident.
- 4. 8.9% of these represent external contractors for whom the Company is liable.
- 5. Compared to the number of normal available working days, includes correction for employees working on a part-time basis. With regards to COVID-19, only absences due to positive tests are in scope.



Excelling in health and safety everywhere, every day

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

This success is the result of a positive health and safety culture that stems from the engagement of leaders and team-focussed efforts addressing people, training and processes. By working together in cross-functional teams, Jigani has ensured the right foundations are in place, while a tailored training programme at Daman empowers everyone to act in a safe and healthy way.

Creating awareness is also a priority. Jigani townhall and daily department meetings start with a health and safety moment, and both sites organise engagement events for employees, including activities for families and the community, extending the culture of care beyond the sites.

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

Contributing to the United Nations Sustainable Development Goals (SDG)



By engaging everyone, everywhere and every day, safety is a natural part of our everyday practices - essential in achieving our ambition of getting everyone home safe every day.

Our health and safety programmes support continuous improvement and reaching our purpose ambitions. For example, our long-term facilitator programme has been maintained during the pandemic with support for production sites and our online train-the-trainer sessions for facilitators increased the global reach. In 2021, 52 facilitators were trained in 9 countries.

A further innovative tool to support our safety efforts is a behavioural safety approach called HOP (Human and Organizational Performance), a science-based approach that looks at human errors which can be made and offers employees the information and tools required to make better-informed decisions concerning safety. It builds an understanding of how people perform and how we can build systems that are more tolerant to error. The initial implementation phase in 2021 involved eight sites in the Europe, Africa and Middle East region, and further rollouts are planned.

Engagement events continued to raise awareness and promote a strong, positive and long-term culture of health and safety that encompasses everybody, wherever they work. We introduced the idea of 'heroes' at sites, recognising the efforts of many people whose actions may go unnoticed yet make a big difference by caring for our people and our place. From the actions of volunteer firefighters in Mexico to the inspiring leadership in the pandemic shown by an individual manager in Iran, we have many people whose actions speak louder than words.

2021 Safety performance - 'Everyone Home Safe everyday'



In 2021, we have reduced our recordable injury rate by -22% since 2018.

Our occupational health programmes to manage physical risks continued with our focus on ergonomics. With Humantech Industrial Ergonomics software, sites focus on assessing activities and identifying ergonomic risks to improve performance and reduce risk in the workplace. A total of 257 ergonomic assessments were completed at 35 production sites by the end of 2021. In addition, we started trialling wearable technology, called SoterSpine, for improving physical wellbeing in the workplace. This device and app-based training programme enables employees to improve ergonomic practices and avoid physical injury. This first pilot was at our sites in North America, and we plan to extend the use of this technology in 2022.

The Humantech platform also enables employees to perform self-assessments of their individual computer workstations, resulting in recommendations for correct workplace set-ups and office habits that help in the prevention of musculoskeletal disorders. In 2021, about 943 employees completed the e-learning course and more than 829 self-assessments were entered throughout the year. Since the programme launched in 2020, more than 2,740 employees have completed the e-learning course and more than 3,000 self-assessments have been entered.

In safety training, we launched the third phase of a fire safety campaign, focusing on awareness and building competences through a train-the-trainer model. In 2021, we conducted 23 sessions, with more than 200 employees trained at our operations sites. The campaign is expected to be completed in mid-2022.

We drive continuous improvement in health and safety performance with the guidance of our Responsible Care® Management System (RCMS), which helps us in safeguarding and protecting what matters most, not least in protecting our people and ensuring a great work environment. In 2021 under RCMS, we introduced new global standards and guidelines on exposure control, fire safety and machine safety.

In helping meet our ambition to reduce our total recordable injury rate (TRCR) by 50% by 2025 compared to the 2018 baseline. we are expanding our focus to take into account all medical cases as well as lost time injuries (LTIs). Our TRCR is the total of lost time injuries, restricted work cases and medial tretment cases per 200,000 hours worked. The number of actual cases increased relative to previous years because of the inclusion of cases from recently acquired companies, yet the reduction in our recordable injury rate points to our success in embedding a positive and long-term culture of health and safety. We are well on track to reaching our target.

COMMUNITIES

Our purpose goal 'that all communities benefit by working with Givaudan' contributes to the following SDGs:



Our purpose commitment to responsible sourcing

OUR AMBITION

By 2030, we will source all materials and services in a way that protects people and the environment.

Focus area	Target	Status 2021	Actions and measures
Sourcing responsibly	100% of materials and services sourced responsibly by 2030 (baseline 2021)	in progress	 Implementation of our Sourcing4Good programme Responsible sourcing policy

We have always shown leadership in responsible sourcing, traceability, and transparency to meet our suppliers', communities', customers', and consumers' social and environmental needs and expectations. We were the first in the industry to publish a Responsible Sourcing Policy in 2016, and our new Sourcing4Good programme in 2021 builds on this leadership, reflecting our ambition to be B Corp certified and our purpose ambition to source all materials and services in a way that protects people and the environment by 2030.

Supplier management

CHF 3.8 bn procurement spend

raw material suppliers in > 90 countries

additional global partners supplying indirect materials and services

Sourcing4Good will help accelerate our actions to benefit workers at factory, farm and collector level, promote sustainable agricultural practices and preserve wild harvest supply chains. It will also contribute to the reduction of our supply chain environmental footprints, promote biodiversity and benefit the communities from where we source

This programme is designed to be flexible, collaborative, transformational and beneficial for all. It will reduce risk, increase transparency, and allow greater traceability and data visibility. Improved technology will allow us to collate data from all of our active suppliers so we can better classify and quantify these partnerships. Our ultimate aim is a full portfolio of ingredients, materials and services that will be sourced responsibly.

Sourcing4Good covers all of our active suppliers and applies to all natural and synthetic materials as well as indirect materials and services (IM&S). Suppliers can expect a wide variety of benefits including greater access to the market, capacity building and empowerment, and the opportunity for continuous improvement.

We expect our suppliers to share our commitment to respecting human rights, providing clean and safe working conditions, promoting good agricultural and collection practices, animal welfare and environmental stewardship. To these ends,

Our positive impact with ingredients

Through our experience of sourcing raw materials and expert internal teams, we have attained a leading position in the industry for end-to-end responsible sourcing. Going beyond compliance in selected supply chains we increase our positive impact with collaborative transformational projects with the Givaudan Foundation:

THANKS TO VETIVER

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



THANKS TO LAVENDER

We research preservation and resilience to climate change in France.

THANKS TO BFN7OIN We built schools in Laos.



THANKS TO JASMIN FLOWER

We are partnering to implement the Sourcing4Good programme and auditing our floral ingredients supply chain in India.

Sourcing4Good includes the status of our suppliers and materials and the levels of rigour and partnerships in place. There are four levels of supplier status, ranging from those just starting on their responsible sourcing journey to those involved in in-depth, transformational partnerships. This is meant to increase transparency, reduce risk and generate greater traceability and data.

The four levels help us define the right level of supplier engagement, activities and efforts across our full portfolio of spend in naturals, synthetics and Indirect Materials & Services (IM&S).

The four levels of Sourcing4Good

Active level

Our suppliers are made aware of responsible sourcing practices and expectations through our Responsible Sourcing Policy. Available on our website, this policy details the principles and standards that we require all of our suppliers to meet. Awareness of this policy is required for materials and services at the start of their 'sourced responsibly' journey. We have over 16,000 suppliers and we aim to engage all of them at this level.

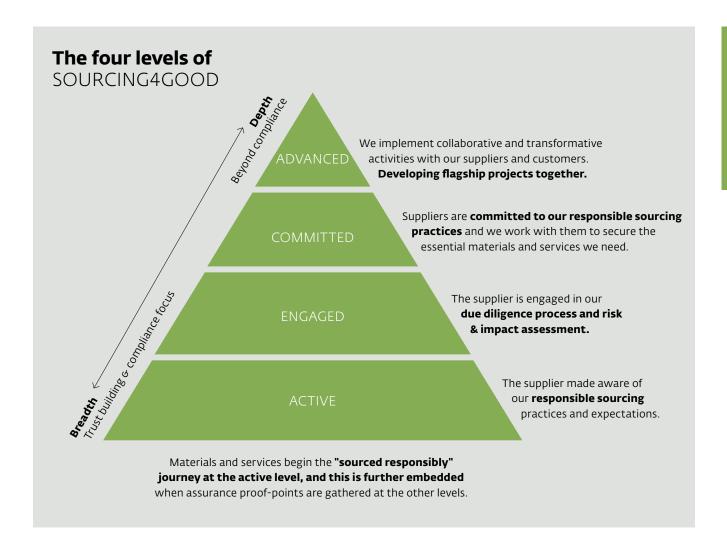
Our active suppliers are required to acknowledge and adhere to our Responsible Sourcing Policy and it applies to all our suppliers. It includes any primary producers of raw materials, suppliers of raw materials, intermediate materials, intermediary suppliers and service providers. The policy is applicable to all sites and workers and employees of any supplier (including permanent, temporary, contract agency and migrant workers), as well as sub-contractors, agents and subsidiaries.

The policy contains overarching requirements that apply to all areas of the supply chain, as well as some specific requirements pertaining to naturals, synthetics and Indirect Materials & Services (IM&S) Suppliers, which provide more depth and clarity on certain topics.

Our previous RS Policy has been sent to more than 14,000 of our raw material and Indirect Materials & Services (IM&S) suppliers. Since the update of the policy with the 2021 launch of the Sourcing4Good programme, we have sent this document to more than 2,170 raw material suppliers, representing 96% of the spend. We aim to reach our remaining active suppliers with the updated Responsible Sourcing Policy in 2022. We will continue this action in the years to come so that each new active supplier is included in this process.

Engaged level

At the engaged level of our Sourcing4Good programme, Our 2021 target was to engage the suppliers included in the top 80% of spend and/or defined as strategic by the procurement team. We reached all suppliers in scope this year and had an 89% response rate as of 31 December 2021. Our new Due Diligence



Questionnaire (DDQ) digital tool played a central role in allowing us to engage with 226 suppliers, representing 53 of the 158 prioritized Naturals materials families.

Committed level

At the committed level of the Sourcing4Good programme, we aimed to cover 51 of the prioritised materials families for further verification by the end of 2021. We approach this through factoryand farm-level third party audits in selected supply chains based on internationally recognised standards such as SMETA, FSA and UEBT. For now, we have reached 38% of this target. Some audits had to be postponed either because certain harvest periods had already passed before the launch of Sourcing4Good in April 2021 or because of the continued COVID-19 situation. 2021 should be seen as a transition year: a period of acclimatisation is needed for our teams and suppliers to implement this new approach.

Advanced level

At the advanced level, we have 24 projects ongoing in our supply chains. Our goal is to increase this number by starting new projects in collaboration with our customers and suppliers in the years to come.

READ MORE

2021 GRI Sustainability report > pages 109-112 > the detailed scope of the four levels of supplier engagement in Sourcing4Good

OUR AMBITION

By 2030, we will improve the lives of millions of people in communities where we source and operate.

Focus area	Target	Status 2021	Actions and measures
Communities benefit by working with us	Being defined	in progress	 Through employee activities, Green Teams and the Givaudan Foundation develop initiatives that: Respond to the needs within communities Support activities ranging from health and education to enhancing environmental and agricultural practices

Safeguarding the future of the communities in which we work is not just the right thing to do – it's also critical to our continued sustainable growth.

Givaudan has an impact on hundreds of communities around the world, and we make every effort to ensure it is a positive one. This is true for the local communities both where we source the ingredients that are essential to our business, and where we operate.

By responding to both long-term and immediate needs within communities we and our employees use our business expertise as a force for good. We create mutually beneficial relationships with economic, social and environmental opportunities that can improve lives. It's about doing business in a meaningful way, driven by our purpose and our journey to become a certified B Corporation.

We want to ensure the communities where we operate and where we source benefit from working with us.

Our initiatives focus on our ambition to improve the lives of millions of people in communities where we source and operate by 2030.

Supporting our producer communities

Givaudan needs a constant supply of thousands of ingredients, many of which are sourced from remote communities which can face environmental and economic pressures. We aim to lead in responsible sourcing, traceability, and transparency, and this begins in communities whose farmers cultivate our raw materials. We collaborate in many partnerships to build long-term environmental, social and economic benefits, which also ensures business sustainability and full traceability of our ingredients.

Farming communities in Madagascar provide two of these precious ingredients: vanilla, one of the world's best-loved fragrances and a universal flavour favourite, and clove leaf oil, used in many of our creative fragrances.

The majority of the world's vanilla comes from Madagascar, and for more than a decade Givaudan and the Givaudan Foundation have worked together with Malagasy smallholders on improving and diversifying farming activity.

Tools have been created to train vanilla farmers to improve the quality of their crops. 274 farmers who grow rice to feed their families have improved their rice cultivation practises. Villagers have learned how to develop alternative sources of income like fish and chicken farming or beekeeping, making them less dependent on vanilla during times of market volatility or the lean season between planting and harvesting

The wider community is also benefiting from the rural development programme supported by the Givaudan Foundation. In the activities focusing on education, health, water and hygiene, all decisions are made with the local communities, who are actively involved in implementation. As a result, over the years 28 schools have been built and educational materials supplied; wells providing clean water to more than 10,000 people have been built; health centres established; and people have been trained in COVIDspecific hygiene practises. In 2021, a new public health centre was built and equipped, offering eight villages and more than 11,000 beneficiairies access to healthcare. In addition, we have responded to an aggravated shortage of classrooms with the construction of an additional school which will be finished in 2022.

Precious clove leaf oil comes from Analanjirofo in Madagascar. In a partnership with the local communities we have several initiatives to provide education, skills and equipment that drive higher incomes and improved livelihoods, now and for the next generations. In addition, farmers have learned agronomic practises, such as correct pruning which helps preserve the clove trees and improves production of clove buds.

Many more community initiatives are supported by the Givaudan Foundation, an independent not-for-profit organisation that has been funding projects to help build more secure futures for communities and their environments since 2014 in three areas, education, health and environment preservation. There are currently 67 projects in 29 countries, and pages 111-113 offer an overview of the great initiatives around the world. Other funding sources are Givaudan's COVID-19 Communities Fund and, in some countries, direct charitable giving.

Madagascar vanilla

The Givaudan Foundation is promoting community development in terms of education, health, water, sanitation and hygiene, subsistence farming and income diversification.

>**29**,000 beneficiaries

2021 activities

- · Building and equipping a new health centre offering vanilla farmers from 8 villages access to healthcare.
- · Construction of a new school began in 2021.

Madagascar clove leaf oil

Givaudan and the Givaudan Foundations are helping small-scale producers of clove leaf essential oil in the Analanjirofo region establish sustainable sources of firewood and improve their distillation equipment.

2021 activities

- · more than 117,000 trees planted. The forests provide a sustainable source of energy for distilling clove leaf oil.
- · Continued work to develop and promote environmentally friendly stills.

Employees as a force for good

A second element of our support is for the communities in which we operate. This is where our more than 16,800 employees make an impact. Ideas can come from anyone, anywhere: everyone is encouraged to suggest community improvements, from small and simple to revolutionary or complex.

The total financial contribution from Givaudan to communities in 2021 was CHF 2 million.

Green Teams, cross-functional groups of volunteer employees, have historically led activity in our operational sites. They are active at most locations; today, around 500 members are undertaking diverse community projects focusing on the broad themes of the environment, blindness, health, nutrition, education, plastics and general local community engagement opportunities. Over 25 projects were initiated by Green Teams in 2021.

Also during the past year, COVID-19 was still having a global impact. Where communities have been severely affected by the pandemic, our employees stepped in at short notice to support local organisations. This was funded by our COVID-19 Communities Fund, which was set up in 2020 at the height of the pandemic. In 2021 we allocated an additional CHF 500,000 to be distributed to those most impacted. By the end of 2021, we have been able to help almost 100,000 people in 137 communities around the world. These efforts enabled communities in some of the hardest hit countries to gain access to medical care, such as ambulances, ventilators and oxygen concentrators and personal protective equipment (PPE), and basic food supplies. Where the impact was critical, direct donations were made to enable local organisations to provide food and shelter for surrounding communities, education was delivered remotely and community training was given to help provide future income.

The COVID-19 Communities Fund inspired us to think about how we could build on the quick, targeted help it gave and enable sustainable change. It was the catalyst for PurposeLive!, a social innovation programme which was piloted in 2020 and united 156 volunteers from 47 locations worldwide. In 2021, the initiative evolved into Imagin8, a global community network designed to foster connections between employees and give them the structure they needed to begin working with their communities.

As our Imagin8 programme scaled up, employees are encouraged to see themselves as changemakers, exploring their personal connection to our purpose to accelerate improvements in social conditions. In the first phase, hundreds of ideas for positive climate action were put forward. The scope of activity has now widened to include improving mental health or increasing access to affordable, healthy products for more communities.

One very simple but innovative idea was to promote handwashing among children. At the height of the pandemic in 2020, our employees saw the need to improve hand hygiene among children in poorer countries. Colleagues in Brazil, Malaysia, Nigeria, Singapore, UK and the USA collaborated and in 2021 we were able to pilot a sustainable, colour-changing bar soap to encourage children to learn how to wash their hands through play. Using our Active Beauty Colour Explosion Beads, the white soap produces a coloured foam while scrubbing hands, which helps ensure children wash for the recommended 20 seconds. The team also worked with a digital agency to create an online game, Challenge 20, teaching the key steps of hand-washing routines. Players have 20 seconds to kill as many 'germs' on the hands as possible to progress to the next level.

Education is one of our focus areas, as it is vital for building confidence and capabilities for the future of communities. In Istanbul, Turkey, for example, the local Green Team responded to the plight of visually challenged children from low-income families who were starting to fall behind with their education as a result of lockdowns. With families unable to afford tutors, and a lack of books in Braille, the children could only attend online classes designed for regular students.

Givaudan employees volunteered to give private lessons to the children in elementary subjects such as chemistry, physics, geography, English, and history. An association for visually challenged people matched children with volunteers, depending on needs and skills offered. Supported by a grant from Givaudan Foundation, the project is a success story that can be replicated at other sites around the world.

Having a positive impact on our communities

As we move forward, we aim to expand our reach and focus on creating an impact among the vulnerable. For us, this means ensuring we focus on women and girls, children, older adults, economically vulnerable people, and those with health vulnerabilities.

Through a better connection to our business and our expertise we can increase our impact on four specific areas:

- water, sanitation and hygiene (WASH)
- nutrition and food security
- economic resilience in our value chain
- mental health and wellbeing.

We are currently defining our ambitions for each of the impact areas, which will enable us to track progress and measure our success.

It's all about thriving together. Our communities' success and our own are intrinsically linked. By improving the lives of millions of people, we will continue to be a successful, sustainable business.



SUPPORTING LOCAL COMMUNITIES

WITH THE GIVAUDAN FOUNDATION

Through local community initiatives we ensure that we have a positive impact on the communities where we work and where we source our natural ingredients.

Contributing to the United Nations Sustainable Development Goals (SDG)











Impact in numbers

ongoing projects in 29 countries

Givaudan 1,200 volunteers organisations

66,400



NICE. FRANCE

Post-COVID olfaction kit

Hospital patients who lost their sense of smell through COVID-19 will be helped through an olfactory kit that works in tandem with a web application, developed by a consortium of professionals, including Givaudan volunteers who offered their specialised expertise.



BOTUCATU, BRAZIL -

Social garden benefits

Vegetable harvested at our Givaudan-Brazbio joint venture office in Botucatu is donated to a local food bank, thus helping vulnerable people access fresh products on a weekly basis.



SÃO PAULO, BRAZIL -

Elderly sensory training

Unemployed women over 60 and living in vulnerable neighbourhoods are trained as sensory panellists. A specialised organisation conducts the training with Givaudan volunteers, who designed the panel protocols and supplied the training products.

- Communities where Givaudan employees work
- Communities where we source natural ingredients

BEQAA GOVERNORATE, **LEBANON**

Upscaling fruit leather

Givaudan volunteers designed and delivered training to help vulnerable farmers to upscale their dry fruit paste manufacturing process and to improve their business and marketing skills.



MADHYA PRADESH, INDIA

Accessing drinking water

Villagers collecting Boswellia resin used in cosmetics, gain easier and faster access to safe drinking water through the construction of water wells and reservoirs.



NAMIBIA

Preserving Devil's Claw

Devil's claw is collected wild for use in nutraceuticals and a source of income for Namibian rural communities, who receive training in sustainable harvesting. Support for childcare services is also part of the initiative.



MOHELI, COMOROS

Protecting island nature

In areas where ylang ylang grows, Mohéli National Park and village communities are regenerating forests, with the aim of protecting biodiversity.



BANGKOK & CHIANG MAI, **THAILAND**

Smelling courses with visually impaired

Hundreds of visually impaired students take part in a pilot course where scented storytelling teaches them to better use olfaction in their everyday life.





Good corporate citizenship	112
Leading the way in regulatory	
compliance and product safety	115
Our code of conduct for	
a positive impact on society	120
Effective and transparent	
corporate governance	123
Setting incentives to create value	129

Good corporate citizenship

In pursuing socially responsible growth we go beyond financial due diligence and establish leading ethical, social and environmental practices at our sites and areas of operations.

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. As we aim to be a responsible corporate citizen, we strive to make a positive impact on the communities in which we are present.

Upholding human rights

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. In January 2021, we published a new Human Rights Policy, which expands on this commitment. It applies to the Company's direct operations, the entities we own and the facilities we manage. We expect every employee to take personal accountability for upholding our principles in daily actions within their own sphere of influence and with business partners and stakeholders. Information on our efforts and commitments around social responsibility, human rights and ethical business aspects can also be found in our Commitment to Social Responsibility Position Statement, our annual UK Modern Slavery Act and California Transparency Act statements, the Australia Modern Slavery Act disclosure, and our Human Rights disclosures in our integrated annual reports and GRI sustainability reports.

O DOWNLOAD

Our position statements, including our Human Rights Policy, are found on www.givaudan.com > our company > our position statements

Basic human rights aspects are covered as part of our Principles of Conduct training which is mandatory for all our employees worldwide. We are now in the process of developing dedicated human rights expectations and commitment training for all our employees. We aim to release this training in 2022.

We also recognise that human rights is not a subject that we can address alone and we work with all relevant stakeholders. Suppliers are a particular focus and we help them to adhere to our principles through our Responsible Sourcing Policy.

Collective action and leading advocacy is also important. We endorse the UN Guiding Principles on Business and Human Rights and base our human rights commitment on the International Bill of Human Rights consisting of the Universal Declaration of Human Rights and the International Labor Organization's Fundamental Conventions on Rights at Work. To strengthen our commitment in this area, we endorsed the WBCSD's CEO call-to-action on Human Rights in October 2020.

We have zero tolerance for any form of human rights abuse and follow strict governance, grievance and remediation mechanisms to ensure compliance on our principles and commitments. We also provide various mechanisms for raising concerns. Employees can do this in confidence with a Local Compliance Officer, the Corporate Compliance Officer or the Legal Department or through our internal Compliance Helpline. Third parties can raise issues in confidence to the Head of Group Ethics and Compliance by email. All issues are handled confidentially, and we do not tolerate any form of retaliation against anyone who seeks advice or reports misconduct in good faith.

We expect employees to take personal accountability for upholding our principles in their daily actions.

Our stand against child labour

The Company's positions on child labour, forced labour, compulsory labour and human trafficking are rooted in our Principles of Conduct and in our new Human Rights Policy. All forms of child or forced labour are against our principles. We do not practice or tolerate any form of child exploitation, and we do not provide employment to children before they have completed their compulsory education and in any event not before they reach the age of 15.

For business partners and suppliers, our Responsible Sourcing Policy specifies that suppliers must not use child labour (or forced labour) and are expected to comply with all reporting obligations regarding the abolition of child labour and human trafficking.

Ensuring ethical standards in our supply chain

Human Rights Impact Assessment in our 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.

For transparency and to ensure Givaudan works against the highest standards of ethical practice, we are an active member of Sedex, a global platform that enables companies to manage their performance around labour rights, health and safety, the environment and business ethics. Since 2010, we have been committed to register all our production sites on the Sedex platform and undergo the associated due diligence process. At the end of 2021, 82% of our production sites were registered on Sedex, had completed Sedex self-assessment questionnaires and were being assessed as per their set standard, i.e. Sedex Members Ethical Trade Audit (SMETA). The remaining 18% are new acquisitions and we plan to integrate them within two years of their acquisition.

82% of our production sites have been registered on Sedex and have completed Sedex selfassessment questionnaires.

Training and vigilance module

In 2021, we have developed a dedicated training and vigilance module around Givaudan's expectations on child labour and work in our supply chains, aimed at better informing and equipping our own procurement colleagues and supply chain stakeholders. We started rolling this out in the second half of 2021 and have already covered some key raw material supply chains including, among others, thaumatococcus in the Ivory Coast, cistus in Spain and vanilla in Madagascar.



EcoVadis CSR assessments Gold medal

Top 5% out of more than 75,000 companies assessed

The same standards are applied to our sites around the world, at our production sites as well as offices, warehouses and R&D locations, and these standards are regularly assessed through processes such as internal audits.

We have also developed a dedicated training and vigilance module around our Company's expectations on child labour and work in our supply chains, aimed at better informing and equipping our procurement colleagues and supply chain stakeholders. We started rolling out this training from the second half of 2021 and have already covered some key raw material supply chains such as Thaumatococcus in Ivory Coast, Cistus in Spain, and vanilla in Madagascar.

We also participate in the EcoVadis CSR assessments, disclosing detailed information around our business practices on human rights and labour aspects besides environment, ethics and responsible procurement. In the 2021 assessment, we received a gold medal, placing us in the top 5% of more than 75,000 businesses rated. EcoVadis provides invaluable insights which help us to understand and continually improve our sustainability performance.

Supporting freedom of association

We aim to provide and promote an environment where employer and employee can engage in open dialogue. Genuine open dialogue with freely chosen employee representatives, we believe, improves understanding between employees and employers and helps find ways to mutually resolve potential conflicts. We respect every employee's right to freedom of association and collective bargaining, and we follow commonly recognised best practices with all of our employees globally.

In addition, it is necessary to support the freedom of individuals to join trade unions, and regular union / works council consultations are held with a group of employees representing union / works council members at all applicable sites around the world. The purpose of these consultations is to inform and consult employees about significant changes in the organisation, ensure the right to freedom of association and collective bargaining is not put at risk, and to report any feedback to our Executive Committee to take any suitable action as required

Respecting notice periods and working hours

We respect local laws and practices concerning legal notice periods and communicate either directly to the affected employees or through their elected representatives, unions/ works council or other groups.

To ensure working hours at our sites are not excessive and do not generally exceed the 60 hours a week limit as defined under the Ethical Trade Initiative (ETI) principles, we are committed to the ETI Base Code principles and are a member of Sedex and AIM-Progress forums. Where local regulation and the ETI's international working hours rule differ, we follow the higher standard, and if there is a conflict then we follow the national regulation with the aim of aligning with the ETI's international standard. Here we put all our sites through the Sedex SMETA assessments under which the working hours as defined by national regulation and ETI principles are regularly checked. The same applies for our suppliers as we encourage and support them to become part of Sedex platform and undergo SMETA assessments.

READ MORE

2021 GRI Sustainability Report ▶ page 104-107 ▶ Human rights

We promote an environment where employer and employee can engage in open dialogue.

Leading the way in regulatory compliance and product safety

Our regulatory compliance and product safety teams ensure that all of our products are safe for consumers and the environment. We lead the industry in compliance and advocacy solutions that support the Company and our customers.

OUR EXPERTISE

Going beyond the established safety standards and helping customers manage a complex regulatory landscape

Regulatory expertise and advocacy Product stewardship	(0°)
Toxicology and product, human and environmental safety	A ×
Data and systems management	B
Compliance, communication and information services	X

Around the world there are frequent changes in the regulatory environment that can impact our customers' products. Givaudan teams, from scientists and toxicologists to specialists in regulatory affairs, help bring our customers clarity and understanding of these changes and their implications.

While regulatory compliance of our products is essential, it is also important for us to lead efforts in shaping the landscape of our industry through advocacy and membership in industry organisations.

Taste & Wellbeing: extending our scope

Our teams in Taste & Wellbeing have unique skills, capabilities and tools to service customers in managing the complex regulatory landscape. More than 200 experts provide superior regulatory services that are aligned with the needs of these customers through continuous improvements in technical content and communication as well as in speed of response and flexibility.

These services include providing advocacy through industry associations at the global, regional and local levels, and helping to shape the regulatory frameworks around the world with the aim of standardisation. We are active in our membership of the International Organization of the Flavor Industry (IOFI) as well as regional and local industry associations.

Our toxicology and product safety assessments have been expanded as our portfolio and business now extends into areas such as botanicals, naturals and food supplements. We ensure that we have all the relevant data in our compliance engine which is then able to produce comprehensive technical information services for our customers. This is an end-to-end process which starts with collecting information from suppliers, translating it in our compliance engine to our products and then providing the relevant information to customers.

In 2021, we strengthened our regulatory capabilities in the SAMEA (South Asia, Middle East and Africa) region, bringing our regulatory services closer to customers in these markets so we can better anticipate and meet their regulatory needs.

We continued to invest in training and development programmes for our regulatory teams with the introduction of 70 modules and academic training sessions for building skills.

Fragrance & Beauty: helping ensure transparency

Our Regulatory and Product Safety (RAPS) teams operate around the globe, collaborating with other departments to support business continuity and growth. We ensure the fragrances we create and the ingredients we source are safe and compliant, while respecting the environment. About 110 RAPS experts constantly innovate and ensure they are at the top of their professions in knowledge and understanding of ingredient standards, toxicology, environmental science methods, and local and regional regulations.

In 2021, these teams continued our engagement with external regulatory bodies and maintained an industry-leading position in working closely with customers to ensure the transparency of product information to consumers. These efforts have included working with customers to meet new European regulations in advance of enforcement dates for the withdrawal from use of Karanal and Lilial, both of which have been restricted by the European Chemicals Agency.

During the year our analytical and environmental laboratories in Vernier, Switzerland completed their expansion as a commitment to our aspiration to develop biodegradable polymers and fragrance ingredients. We also continued to invest in automated solutions to enable digital services to our customers and completed the global rollout of systems focusing on enhancing our service to the local and regional customer categories, in addition to our key global and international customers.

We continued to lead key global advocacy initiatives for fragrances through active representation on organisations in all regions. These efforts helped us to advocate for responsible science-based legislation and ensure we can guide our customers through the changing landscape. In 2021, we joined the Animal-Free Safety Assessment (AFSA) Collaboration coordinated by Humane Society International as part of our strategic commitment and strategy to end the need for animal testing for raw material safety assessment.

We continue to lead in global advocacy initiatives through active representation on organisations in all regions.

This multi-year collaboration includes the co-creation of a global training curriculum in next-generation risk assessment alongside other leading brands to enhance capabilities across companies and regulatory authorities so that safety decisions for cosmetics can be made without demands for new animal testing. During 2021, the OECD approved a strategy developed and validated in a decade-long joint effort by Givaudan and the German chemicals company BASF – the world's first animal-free toxicology testing strategy to predict skin allergic reactions.

As part of the AFSA collaboration, we have also pledged to contribute to real-world case studies in animal-free safety assessments and participate in AFSA advocacy efforts to overcome barriers to the acceptance of alternatives to animal testing by chemical regulators in the European Union and elsewhere.

Ensuring the safety of our products

Developing products that help people enjoy happier, healthier lives is part of our purpose, and the quality and safety of these products is fundamental for us to continue as a successful, sustainable business.

Although we do not sell products directly to the end consumer, we are responsible for providing safe products to our customers. We not only provide essential advice to our customers, but also ensure that our products meet or exceed all safety 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.

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 40 languages and are attached to every consignment.

We also seek to ensure the health and safety of consumers when using our products as they are intended. 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-today lives.

Similarly, we are committed to ensuring that our products are safe for our employees and the environment, and invest in environmental safety expertise and research to ensure the safety of our workers during production.

Alongside continuous improvement in our standards, systems and programmes, we seek to further strengthen our food safety culture. More than 100 food safety experts in all regions, including those in recently acquired businesses, are forming a global network aiming to bring food safety in Givaudan to the next level.

On our journey to food safety excellence, we have defined our approach to enhancing food safety culture within Givaudan over the years to come. This cultural enhancement builds on our decades of food safety management and requires the full commitment of all roles and levels of the organisation. Significant effort has been placed on increasing knowledge and raising risk awareness to foster best operational practices. This leadershipled initiative complements our investments in maintaining and continuing to invest in hygienic infrastructures.

In addition, we are driving the full implementation of Givaudan's global food safety standards in our acquisitions and the continuous improvement of core programmes in all our manufacturing sites. Today, 100% of our Taste & Wellbeing production sites supplying third party customers are already GFSI-certified, confirming adherence to the highest food safety standards also within most recent acquisitions.

READ MORE

2021 GRI Sustainability Report > our approach and management > pages 40 and 101 > 'Product quality & safety and ingredient disclosure' and 'Consumer health and wellbeing'

Adhering to the highest food safety standards: 100% of our Taste & Wellbeing production sites supplying third party customers are GFSI-certified.



Our purpose is creating for happier, healthier lives, with love for nature and that means we care about animal welfare, too. This is why we work for animal-free testing in fragrances and cosmetics, and we are proud of our achievements.

Givaudan is committed to a future where animals are not used in product safety assessments and we are passionate about discovering better alternatives and gaining acceptance for them. This is why, since 2006, we have been leading the way in developing animal-free alternatives for toxicology testing.

It is our responsibility, along with our partners, to develop credible alternatives and to increase awareness across our

entire industry that these methods exist and ensure the technology is available to others. We work to discover animal-free tests, demonstrate that they give reproducible results, and take part in advocacy to build confidence in them.

A major success this year was seeing the world's first animal-free toxicology testing strategy to predict skin allergic reactions approved by the Organisation for Economic Co-operation and Development (OECD), which issues harmonised testing guidelines for member countries. The strategy was developed and validated in a decadelong joint effort by Givaudan and the German chemicals company BASF.

By demonstrating that results are reproducible and predictive, trust in replacements of animal tests is growing.

Dr Roger Emter, Research Scientist at Givaudan, who developed one of the new methods

Three new non-animal tests combined can detect if a substance is a skin sensitiser. An additional test, which quantifies the potency of any allergic reaction, has also been adopted by the OECD. Givaudan and BASF have trained laboratories around the world on how to use these methods to generate accurate results.

This milestone opens up the possibility of approvals for entire testing strategies in other areas, such as eye irritation, or impacts on the hormone system.

As Dr Greg Adamson, Givaudan's Head of Fragrance & Beauty Global Regulatory Affairs and Product Safety, says: "Givaudan has been working to develop non-animal testing methods for many years. We are proud of our contribution in driving change to date and, as an industry, it's crucial that we work together to end the practice of animal testing for fragrances and cosmetics."

Our work does not stop there. We are extending our commitment to animal-free testing by joining the Animal-Free Safety Assessment (AFSA) collaboration, which aims to advance chemical safety globally.

AFSA brings together corporations and non-profits such as Humane Society International (HIS). Givaudan has signed up to a multi-year collaboration with a mission to enhance capabilities across companies and regulators so that safety decisions for cosmetics can be made without demands for new animal testing.

One important part of our role is to work with other stakeholders to co-create a global training curriculum in next-generation risk assessment. Another part is to contribute to realworld case studies in animal-free safety assessment. We will join in AFSA advocacy efforts to overcome barriers preventing acceptance of alternatives to animal testing by chemical regulators, both in the European Union and beyond.

The new strategy has a better predictivity for human allergy risks as compared to traditional animal testing.

Dr Andreas Natsch, Head of in vitro Molecular Screening at Givaudan

We're confident that collaborations with committed partners will accelerate alternative approaches to animal testing.

Dr Greg Adamson, Head of Fragrance & Beauty Global Regulatory Affairs and Product Safety at Givaudan

With this wide-ranging global partnership, our industry will be able to advance faster. As Troy Seidle, HSI Vice President for Research & Toxicology, says: "The scientific and ethical imperative to transition to non-animal test approaches compels companies and NGOs to work collaboratively towards a common goal. So we couldn't be more pleased to welcome Givaudan to the Animal-Free Safety Assessment collaboration. Givaudan's expertise and experience will provide a significant boost to our efforts to abolish the use of animals in cosmetic animal testing."

Contributing to the United Nations Sustainable Development Goals (SDG)





Our code of conduct for a positive impact on society

As a purpose-led company, we can go even further in making our world a happier, healthier place.

Our purpose commitments guide us in our choices and in our way of doing things, and in our interaction with our stakeholders we adhere to high ethical standards. Being open, transparent and honest in our dealings with these stakeholders allows us to grow with purpose.

The Givaudan Principles of Conduct express our ethical commitment and are the cornerstone of our Company culture. They are available in all major Company languages and are undersigned by our Chairman of the Board and our Chief Executive Officer. They were last reviewed in 2018.

The ethical commitments in our Principles of Conduct are developed around three pillars: Legal & Ethical Business Dealings, Responsible Corporate Citizenship and Protecting Givaudan's Assets. An additional section, 'How we live the Principles', restates our employees' responsibility for ethics and integrity and explains ways of reporting any violation of the Principles, including through a worldwide Compliance Helpline.

While our Principles of Conduct guide employees in ethical standards, our Responsible Sourcing Policy is our code of conduct for suppliers to ensure our partners' commitments adhere to the same ethical principles Givaudan does. Our Responsible Sourcing Policy includes a mechanism for third parties to report grievances.

Givaudan's Principles of Conduct

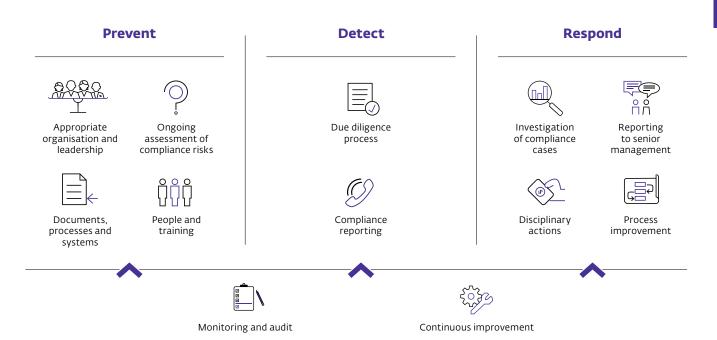
Legal & ethical	Compliance with the law and Givaudan policies
business	Bribery and corruption
dealings	Gifts and entertainment
	Competition law .
	Insider dealing
	Conflicts of interests
	Ethical conduct
Responsible	Human rights
corporate citizenship	Preserving the environment
	Diversity and fair treatment
	Fair employment standards and safe work environment
	Child labour
Protecting	Fraud against Givaudan
Givaudan's	Open communication
assets	Protection of confidential information and trade secrets, intellectual property
	Conduct in research, development, application and creation

DOWNLOAD

www.givaudan.com > Our Company > Corporate governance > Code of conduct www.givaudan.com ▶ Sustainability ▶ Expert corner ▶ Governance ▶ Responsible sourcing policy

Ethics and Compliance programme

Our Ethics and Compliance programme is based on the compliance and fraud prevention concept of 'prevent - detect respond'. The Corporate Ethics & Compliance Officer oversees the administration of this programme and coordinates with other dedicated functions for effective compliance management. This is further enhanced by a global Ethics & Compliance team and network of local compliance officers and regional compliance coordinators. The Corporate Ethics & Compliance Officer reports regularly to the Board of Directors, the Audit Committee of the Board, the Executive Committee and the CEO.



Regular compliance risk assessments are carried out by the Corporate Ethics & Compliance Officer with local compliance officers and corporate functions. In 2021, we also carried out a dedicated bribery risk cartography pursuant to the French Loi Sapin 2.

We have a Group-wide Compliance Helpline system which allows employees to report suspected or actual misconduct or violations of the Company's policies on a confidential basis and without fear of retaliation. We also have a mechanism as part of our Responsible Sourcing Policy to allow suppliers to bring grievances to our attention.

Our compliance incident investigation procedure and process regulates investigations of compliance allegations received through any channel. Depending on the nature of the allegations, these cases are handled either locally or centrally, with external specialist support where required.

Other compliance processes include the process for selection and engagement of third-party agents and distributors and the global supplier selection process of the procurement organisation.

Dedicated corporate functions ensure the management of compliance with specific areas of operational compliance risk such as product safety/regulatory, procurement, trade affairs, tax, environment, and occupational health and safety. The Group Data Protection Officer oversees the implementation of the Group Data Protection programme.

We have training and monitoring programmes in place to ensure compliance with our ethical rules. Our mandatory training on our Principles of Conduct is available online and offline in all major Company languages and includes material on anti-bribery, corruption and corporate social responsibility. Despite challenges because of the COVID-19 pandemic, 83% of all employees, including production workers, completed the training.

Anti-bribery and corruption management

Adhering to high ethical standards means protecting our business for the risks of corruption and bribery. Givaudan has zero tolerance towards bribery and corruption, including facilitation payments, as stated in our Principles of Conduct.

Most countries where we operate have strict anti-bribery laws. These include the US Foreign Corrupt Practices Act, the UK Bribery Act, the French Loi Sapin 2 and anti-bribery laws and regulations of other countries where Givaudan either plans to do or already does business. Anti-corruption compliance is managed as part of the Givaudan compliance management system:

- Corruption is one risk domain regularly reviewed by the Corporate Ethics & Compliance Officer as part of the compliance risk assessment.
- Corruption and inappropriate gifts and entertainments are prohibited in our Principles of Conduct. They are addressed in more detail in our Global Anti-Bribery, Gifts, Entertainment and Hospitality policy, including the reporting of gifts and entertainment. Both documents are available to employees in all major Company languages.
- Givaudan has included corruption and gifts/entertainment in its basic compliance training for all permanent employees and issues specific anti-bribery training to selected employees.
- As part of monitoring activities, the Compliance Helpline allows employees to report compliance issues in confidence. The helpline is open in all sites, and available in all major Company languages.
- Givaudan has a procedure for the selection and engagement of agents and distributors, which includes a formal due diligence review and minimum requirements for agent contracts and payments.
- We conduct pre-signing due diligence on acquisition targets and integrate acquired companies into our Ethics and Compliance programme system post-closing.

Since 2013, additional specific anti-bribery training has been given to 6,979 senior managers including all members of the Executive Committee and other employees whose work involves regular and direct contact with external stakeholders. In the last quarter of 2020, we started the roll-out of a new anti-bribery training to this group. Despite challenges caused by the COVID-19 pandemic, completion currently stands at 85%.

With further acquisitions in recent 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.

Charitable donations, lobbying and conflict of interest

Alongside our anti-bribery and anti-corruption policy we have two further policies addressing adjacent areas.

Firstly, our Global Charitable Donations, Philanthropy, Sponsorship, and Lobbying Policy focuses on charitable donations and sponsorship as well as lobbying. This policy prohibits donations to any political party. We also exclude as causes for charitable donations those organisations that advocate or support policies or practices that discriminate on the basis of race, religion, skin colour, age, gender, disability, national origin or sexual orientation or that are not otherwise aligned with our Principles of Conduct. We disclose all charitable contributions and sponsorship. Most of our charitable work is conducted through the Givaudan Foundation. As a rule, Givaudan does not engage in direct lobbying. We work with interest groups, NGOs and other groups to help our advocacy efforts and we are active participants in industry associations worldwide.

Secondly, our Conflict of Interest Policy establishes guidelines for handling actual, potential or apparent conflicts of interest, including of a financial kind. Its aim is to clarify and establish appropriate guidelines to conducting business in a manner that ensures the business judgment and decision making is not influenced by undue personal interests.

DOWNLOAD

Our position statements can be found on www.givaudan.com > Our Company > About Givaudan ▶ Our position statements

Effective and transparent corporate governance

A good governance system supported by responsible management and effective supervision is essential for the continued creation of shared value.

Assuring value creation through good corporate governance

We pride ourselves in transparent governance, which ensures we manage and supervise our operations in a responsible way. Our structures and processes for the direction and control of our Company allow for a continued focus on value creation for all our stakeholders.

management. Each Board member has extensive leadership experience and in-depth knowledge of relevant areas of expertise for Givaudan and contributes to the Board's competencies at the level of the full Board and in the Board's four committees: Audit. Compensation, Nomination & Governance, and Innovation. The Executive Committee (EC), led by the Chief Executive Officer

The Board of Directors is responsible for the ultimate direction, strategic supervision and control of Givaudan and its

(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 Board of Directors ensures the Company operates according to Swiss and international business standards and practices.

Robust standards, policies and management systems provide a framework for addressing risks and opportunities through operations and allow us to measure our performance against our targets and meet our commitments to stakeholders. Risks including those related to Environmental, Social and Governance (ESG) and sustainability issues are assessed as part of the Company's Enterprise Risk Management process.

Corporate governance in numbers

BOARD OF DIRECTORS **EXECUTIVE** COMMITTEE

members

members

years average

years average

nationalities represented

nationalities represented

woman

READ MORE

The full Governance Report can be found in our 2021 Governance, Compensation and Financial report ▶ pages 3-21

The governance structure

Our structures and processes for the direction and control of our Company allow for a continued focus on value creation for all our stakeholders as well as nature, in line with our purpose.

BOARD OF DIRECTORS

Responsible for the ultimate direction, strategic supervision and control of the management of the Company, including reviewing the overall progress and direction of the company purpose.

4 COMMITTEES

Audit · Compensation · Nomination & Governance · Innovation

EXECUTIVE COMMITTEE

Led by the CEO. Responsible for all areas of operational management that the Board has delegated to it, including decisions on the direction and commitments related to our purpose.

7 MEMBERS

Chief Executive Officer · Chief Financial Officer · President Taste & Wellbeing · President Fragrance & Beauty · Head of Global HR and Evironment Health & Safety · Head of Global Procurement and Sustainability · Head of GBS

Businesses & functions

 Constant engagement with employees of the businesses and functions

Management tools

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

Stakeholders

- Constant engagement with internal and external stakeholders
- · Directing our business efforts towards the broader needs of our relevant stakeholder groups

Partners and advisors

 Partnering with experts and external bodies for collaboration on key matters such as purpose, sustainability, innovation and more

Assuring stable governance as the pandemic continues its impact at a global level

The COVID-19 pandemic continued to attest to the resilience of the Company and its governance and leadership. Crisis management and business continuity procedures and the COVID-19 crisis management measures put in place in 2020 continued to serve the Company well in 2021. We were able to continue operating in an agile way in response to the different environments and stages of the pandemic worldwide, while keeping our employees safe and engaged and serving our customer and consumer demand for essential products as well as our supporting communities. Givaudan continued its work on areas that are important for the longer-term impact of the pandemic, including digitalisation and flexible work arrangement programmes for employees. Management continued to keep the Board of Directors and in particular the Chairman updated as required.

READ MORE

For information on our initiative to keep our employees safe and engaged: Our People > page 89, 96-97

Our purpose drives our sustainability agenda

Our governance systems enable the Company to live and implement its purpose, which ensures that the Company is a force for good for the business, society and the planet. The EC is accountable for our purpose ambitions. Topics related to these ambitions form part of the regular EC meeting agenda in addition to dedicated sessions held twice a year - for reviewing the overall progress and strategic direction of our purpose / sustainability ambitions.

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

In addition, risks related to Environmental, Social and Governance (ESG) and sustainability issues are also assessed as part of the Company's Enterprise Risk Management process and were included in the development of the 2025 strategy.

READ MORE

For an in-depth explanation of our sustainability governance consult our 2021 GRI sustainability report ▶ page 35

Our governance structure and processes aim to engage all stakeholders transparently and contribute to the creation of a fair, inclusive business.

Board of Directors

As of 31 December 2021, the Board of Directors consists of eight1 Board members, headed by our Chairman Calvin Grieder, and is composed of five men and three women representing five nationalities. The Board of Directors is responsible for the ultimate direction, strategic supervision and control of the management of the Company. Board members are elected each year at the Annual General Meeting with a mandate of one year.

Membership of the Board is composed to ensure the Board possesses all competencies required to execute its strategic oversight and control over Givaudan. The Board has formed four Board committees to support the preparation of discussions and decisions in certain areas in accordance with Swiss law.

Each of the eight Board members has extensive leadership experience and in-depth knowledge of his or her relevant areas of expertise.

^{1.} Thomas Rufer retired from the Board at the Annual General Meeting 2021 after 12 years as a Board member.







Each of our Board members has an in-depth knowledge of his or her relevant areas of expertise. Together, they ensure that the Company has all the competencies required.





Board expertise

Given the Company's business and its 2025 strategy of 'Committed to Growth, with Purpose', the most relevant and important required competencies include:

- international senior business leadership
- strategic oversight and implementation track record
- in-depth industry knowledge
- financial expertise
- innovation and technology (including digital)
- sales and marketing
- regulatory affairs.

The Board considers sustainability and ESG matters an integral part of the Company's strategy. Therefore, familiarity with ESG matters is required from all Board members, as are strong ethical values. The Board's collective knowledge and expertise as well as the diversity of experience of its members are crucial assets in leading a company of Givaudan's size in a complex and fastchanging environment with a multitude of stakeholders.





Sophie Gasperment

- Businesswoman
- · French national, born in 1964
- · Non-executive
- First elected 2020

NGC



The Board regularly reviews the list of competencies and has established a long-term skill matrix for the assessment of existing and required competencies, which is used as a basis for Board succession planning.

Board committees¹

AC AUDIT COMMITTEE

Victor Balli (Chairman), Lilian Biner, Olivier Filliol

- · Assists the Board in its oversight responsibilities with respect to financial reporting
- Ensures effectiveness and efficiency of internal control, risk management and compliance systems
- · Assesses and oversees the internal and external audit processes

CC COMPENSATION COMMITTEE

Prof. Dr-Ing. Werner Bauer (Chairman), Ingrid Deltenre, Victor Balli

- Reviews and recommends the compensation policies to the Board
- · Sets the remuneration for the Executive Committee within the maximum approved by the Annual General Meeting of shareholders
- Prepares the Compensation Report

NGC NOMINATION AND **GOVERNANCE COMMITTEE**

Calvin Grieder (Chairman), Ingrid Deltenre, Michael Carlos, Sophie Gasperment

- · Assists the Board in setting and reviewing principles of good corporate governance
- Prepares appointments to the Board and the Executive Committee

IC INNOVATION COMMITTEE

Michael Carlos (Chairman), Calvin Grieder, Prof. Dr-Ing. Werner Bauer, Olivier Filliol

- · Assists the Board in scientific matters relating to the flavours, fragrances and cosmetics Industry
- Identifies opportunities, proposes and screens potential innovation partner
- 1. All committee members were part of their respective committee(s) for the entire year of 2021.

Executive Committee

The Executive Committee is composed of seven members under the leadership of Gilles Andrier, Chief Executive Officer and consists of six men and one woman, representing six nationalities. Charged with the overall day-to-day management of Givaudan, each Executive Committee member draws on an average of 20 years' experience in the Company to bring a wealth of industry knowledge, and all have been promoted to the Executive Committee from within the Company. Gilles Andrier is one of the longest-standing CEO in the industry, having been in office since 2005.















Setting incentives to create value

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

The programmes reflect the performance of the business and of individuals and are aligned with our ambition of ensuring that Givaudan is a place where everyone feels welcome, valued and inspired. We have rigorous governance, policies and processes to ensure that our compensation practices are aligned with our principles of integrity, fairness and transparency.

The ability to attract, motivate and retain the right talented employees globally is key to the continued success of Givaudan. Our competitive remuneration policy supports this ambition and is based on the following principles:

- Pay for performance
- Alignment of interests
- External competitiveness
- Internal consistency and fairness.

Total compensation in 2021 is composed of the following elements:

- Base salary for all employees
- Benefits for all employees (including retirement, insurance and health care plans)
- Cash-based Profit Sharing Plan for approximately
 12,000 non-management employees based on Group financial objectives
- Cash-based Annual Incentive Plan for around 5,000 managers and executives
- Equity-based Performance Share Plan (PSP) for the top 500 employees.

Base salaries are regularly benchmarked in each location and pay scales are reviewed annually according to local market evolution. As a general rule, pay scales are built around market median.

Benefit plans seek to address current and future security needs of employees. These generally include retirement, health, death and disability benefits. In 2021, to provide further support to all our employees as the pandemic continued, we extended our

employee benefit offering from a local to a comprehensive global Employee Assistance Programme offering a 24/7 helpline in over 200 languages on a variety of topics such as personal wellbeing, mental health, relationships, family matters and workplace challenges.

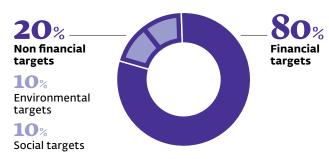
Non-management employees participate in the global Profit Sharing Plan. Payouts are based on the yearly evolution of Group EBITDA.

The Annual Incentive Plan covers all managers and executives globally. It rewards participants for the achievement of financial targets and other organisational and individual objectives.

The PSP is designed to reward executives and key talent who significantly influence the long-term success of the business and our purpose ambitions. From 1 January 2021, a new PSP aligned with the Givaudan purpose was introduced. The financial metrics of sales and free cash flow traditionally used to calculate the PSP are retained, and are complemented by non-financial criteria linked to three of the four focus areas of the Givaudan purpose:

- Creations: Financial targets of sales and free cash flow
- Nature: Environmental targets of net GHG emissions reduction (scope 1, 2 and 3)
- People: Social targets of senior leader diversity (women and high growth market representation) and employee safety.

Performance Share Plan for top 500 employees



READ MORE

The full Compensation Report can be found in our 2021 Governance, Compensation and Financial Report ▶ pages 22–39

Compensation of the Board of Directors

Compensation of Board members consists of Director fees, Committee fees and Restricted Share Units (RSUs). Fees are paid at the end of each year in office completed. RSUs give participants the right to receive Givaudan shares (or a cash equivalent in countries where securities laws prevent the offering of Givaudan securities) at the end of a three-year blocking period. During this period, Board members must hold RSUs (accordingly are restricted from trading RSUs or the underlying Givaudan shares), thereby aligning with shareholder interests over the longer term. Board members are entitled to receive Givaudan shares regardless of membership status so that, for example, if re-election does not occur during the restriction period, awarded RSUs are retained by the respective Board member. Such practice has been implemented in line with best practice in support of Givaudan's commitment to ensuring Board independence.

XIV. Board of Directors compensation summary

in Swiss francs		Director fees ³	Committee fees ³	Total fixed (cash)	Number of RSUs granted ⁴	Value at grant⁵	Total compensation
Calvin Grieder Chairman¹	2021	400,000	65,000	465,000	169	580,566	1,045,566
	2020	400,000	65,000	465,000	208	581,256	1,046,256
Victor Balli¹	2021	100,000	72,500	172,500	42	144,283	316,783
	2020	100,000	50,000	150,000	52	145,314	295,314
Prof. Dr-Ing. Werner Bauer ¹	2021	100,000	65,000	165,000	42	144,283	309,283
	2020	100,000	65,000	165,000	52	145,314	310,314
Lilian Biner¹	2021	100,000	25,000	125,000	42	144,283	269,283
	2020	100,000	25,000	125,000	52	145,314	270,314
Michael Carlos¹	2021	100,000	65,000	165,000	42	144,283	309,283
	2020	100,000	65,000	165,000	52	145,314	310,314
Ingrid Deltenre¹	2021	100,000	50,000	150,000	42	144,283	294,283
	2020	100,000	50,000	150,000	52	145,314	295,314
Thomas Rufer ^{1, 6}	2021	25,000	13,750	38,750	13	36,329	75,079
	2020	100,000	55,000	155,000	52	145,314	300,314
Olivier Filliol ^{1,7}	2021	100,000	50,000	150,000	42	144,283	294,283
	2020	75,000	37,500	112,500	39	108,986	221,486
Sophie Gasperment 1,8	2021	100,000	25,000	125,000	42	144,283	269,283
	2020	33,333	8,333	41,666	17	47,507	89,173
Total compensation ²	2021						3,183,126
	2020						3,138,799

- The function of each member of the Board of Directors is indicated on pages 7–9 in both the 2020 Governance report and the 2021 Governance Report.
- Represents total compensation of the Board of Director paid in respect of the reporting year, reported in accordance with the accrual principle.
- Represents Director and Committee fees paid in respect of the reporting year, reported in accordance with the accrual principle.
- 4. 2021 RSUs blocking period end on 15 April 2024; 2020 RSUs end on 15 April 2023.
- 5. Economic value at grant according to IFRS methodology with no discount applied for the blocking period.
- Thomas Rufer retired at the AGM in March 2021.
- 7. The 2020 figures represent compensation from April to December 2020.
- 8. The 2020 figures represent compensation from September to December 2020.

Estimated social security charges based on 2021 compensation amounted to CHF 263,416 (2020: CHF 259,320).

The compensation paid to the Board members for the period between the 2020 and 2021 Annual General Meetings, CHF 3,280,206, is again within the amount approved by shareholders at the 2020 Annual General Meeting CHF 3,400,000. Amounts approved at the 2021 Annual General Meeting CHF 3,250,000 will be paid by the end of the year in office and validated in the 2022 Compensation report. Such approved and paid amounts may differ from those shown in the Board compensation summary table which, according to the OaEC, must include compensation paid in the reporting year.

Compensation of the Executive Committee

Total Executive Committee (EC) compensation reported in 2021 remained stable compared to 2020, representing full year compensation for seven members (including the Chief Executive Officer). Total EC compensation for the reporting period increased by 2.8%, reflecting higher annual incentive achievement. Total fixed compensation and long-term incentive grant values did not increase versus the previous reporting period.

The compensation paid is within the amounts approved by shareholders at the respective Annual General Meeting. The fixed and long term variable compensation approved for 2021 was CHF 15,400,000 (2020: CHF 15,300,000). The annual incentive, short term variable compensation amount for 2021 was CHF 5,461,355 and will be submitted for approval at the 2022 Annual General Meeting (2020: CHF 4,812, 783).

XII. Executive Committee (EC) compensation summary

in Swiss francs		Base Salary	Pension benefits²	Other benefits ³	Total fixed compensa- tion	Annual Incentive⁴	Number of perfor- mance shares granted ⁵		Total variable compensation	Total compen- sation	Employer social security ⁷
Gilles Andrier,	2021	1,221,418	578,371	141,079	1,940,868	1,862,933	728	2,500,898	4,363,831	6,304,699	525,879
CEO	2020	1,211,084	574,237	145,344	1,930,665	1,636,536	895	2,501,078	4,137,614	6,068,279	504,728
EC, excluding	2021	3,228,752	1,086,554	388,786	4,704,092	3,598,422	1,688	5,798,786	9,397,208	14,101,300	1,073,231
CEO'	2020	3,336,973	1,036,769	433,184	4,806,926	3,176,247	2,077	5,804,177	8,980,424	13,787,350	1,029,178
Total: EC	2021	4,450,170	1,664,925	529,865	6,644,960	5,461,355	2,416	8,299,684	13,761,039	20,405,999	1,599,110
Members, including CEO	2020	4,548,057	1,611,006	578,528	6,737,591	4,812,783	2,972	8,305,255	13,118,038	19,855,629	1,533,906

- Represents full year compensation of six Executive Committee members.
- Company contributions to broad-based pension and retirement savings plans and annualised expenses accrued for supplementary executive retirement benefit.
- Represents annual value of health and welfare plans, international assignment benefits and other benefits in kind.
- 4. Annual incentive accrued in reporting period based on performance in the reporting period.
- 5. 2021 Performance shares vest on 15 April 2024, 2020 Performance Shares vest on 15 April 2023.
- 6. Value at grant calculated according to IFRS methodology and based on 100% achievement of performance targets.
- 7. 2021 estimated social security charges based on 2021 compensation; 2020 estimated social security charges based on 2020 compensation.

Ownership of Givaudan securities

As per 31 December 2021, the Chairman and other Board members, including persons closely connected to them held 6,183 Givaudan shares in total. The Chief Executive Officer and other members of the Executive Committee, including persons closely connected to

them, held 8.053 Givaudan shares. One person closely connected to a member of the Executive Committee owned 184 unvested Performance Shares as at 31 December 2021.

Board of Directors: ownership of Givaudan securities

2021 in numbers	Shares	Blocked RSUs
Calvin Grieder, Chairman	947	629
Victor Balli	248	157
Prof. Dr-Ing. Werner Bauer	1,428	157
Lilian Biner	735	157
Michael Carlos	1,260	157
Ingrid Deltenre	365	157
Olivier Filliol	1,200	94
Sophie Gasperment		72
Total 2021	6,183	1,580
Total 2020	6,501	1,962

Executive Committee: ownership of Givaudan securities

2021 in numbers	Shares	Unvested Performance Shares
Gilles Andrier, CEO	4,600	2,715
Tom Hallam	278	1,141
Louie D'Amico	525	1,270
Maurizio Volpi	801	1,357
Simon Halle-Smith	706	815
Willem Mutsaerts	434	815
Anne Tayac	525	815
Total 2021	7,869	8,928
Total 2020	6,312	10,937





Key figures

Financial Review

For the year ended 31 December

in millions of Swiss francs except earnings per share data	2021	2020
Sales	6,684	6,322
Gross profit	2,855	2,659
as % of sales	42.7%	42.1%
EBITDA ^a	1,482	1,397
as % of sales	22.2%	22.1%
Operating income	1,089	996
as % of sales	16.3%	15.8%
Income attributable to non-controlling interests	-	-
Income attributable to equity holders of the parent	821	743
as % of sales	12.3%	11.8%
Earnings per share - basic (CHF)	89.03	80.59
Earnings per share - diluted (CHF)	88.37	79.96
Operating cash flow b	1,288	1,189
as % of sales	19.3%	18.8%
Free cash flow ^c	843	811
as % of sales	12.6%	12.8%

- a) 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.
- b) After careful consideration with the Group auditors, the Group has determined that purchase and sale of own equity instruments relates to financing activities and has been reclassified from cash flows from (for) operating activities into cash flows from (for) financing activities.
- c) Free Cash Flow refers to operating cash flow after net investments, interest paid, lease payments and purchase and sale of own equity instruments.

For the six months ended 31 December (unaudited)

in millions of Swiss francs except earnings per share data	2021	2020
Sales	3,311	3,101
Gross profit	1,375	1,300
as % of sales	41.5%	41.9%
EBITDA ^a	673	663
as % of sales	20.3%	21.4%
Operating income	476	464
as % of sales	14.4%	15.0%
Income attributable to non-controlling interests	-	_
Income attributable to equity holders of the parent	340	330
as % of sales	10.3%	10.6%
Earnings per share - basic (CHF)	36.84	35.78
Earnings per share - diluted (CHF)	36.58	35.48
Operating cash flow ^b	873	830
as % of sales	26.4%	26.8%
Free cash flow ^c	657	633
as % of sales	19.8%	20.4%

- a) EBITDA: Earnings Before Interest (and other financial income (expense), net), Tax, Depreciation and Amortisation. This corresponds to operating income before depreciation, amortisation and impairment of long-lived assets.
- b) After careful consideration with the Group auditors, the Group has determined that purchase and sale of own equity instruments relates to financing activities and has been reclassified from cash flows from (for) operating activities into cash flows from (for) financing activities.
- c) Free Cash Flow refers to operating cash flow after net investments, interest paid, lease payments and purchase and sale of own equity instruments.

Group

For the year ended 31 December

in millions of Swiss francs	2021	2020
Sales to third parties	6,684	6,322
EBITDA ª	1,482	1,397
as % of sales	22.2%	22.1%
One off items	(22)	(45)
Comparable EBITDA	1,504	1,442
as % of sales	22.5%	22.8%
Operating income	1,089	996
as % of sales	16.3%	15.8%

a) 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.

Fragrance & Beauty

For the year ended 31 December

in millions of Swiss francs	2021	2020
Sales to third parties	3,091	2,924
EBITDA ª	696	677
as % of sales	22.5%	23.2%
One off items	(2)	(13)
Comparable EBITDA	698	690
as % of sales	22.6%	23.6%
Operating income	547	536
as % of sales	17.7%	18.4%

a) 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.

Taste & Wellbeing

For the year ended 31 December

in millions of Swiss francs	2021	2020
Sales to third parties	3,593	3,398
EBITDA ª	786	720
as % of sales	21.9%	21.2%
One off items	(20)	(32)
Comparable EBITDA	806	752
as % of sales	22.4%	22.1%
Operating income	542	460
as % of sales	15.1%	13.5%

a) 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.

Consolidated financial statements

Consolidated Income Statement

For the year ended 31 December

in millions of Swiss francs, except for earnings per share data	2021	2020
Sales	6,684	6,322
Cost of sales	(3,829)	(3,663)
Gross profit	2,855	2,659
as% of sales	42.7%	42.1%
Selling, marketing and distribution expenses	(921)	(848)
Research and product development expenses	(562)	(536)
Administration expenses	(239)	(218)
Share of results of joint ventures and associates	2	3
Other operating income	35	45
Other operating expense	(81)	(109)
Operating income	1,089	996
as % of sales	16.3%	15.8%
Financing costs	(94)	(86)
Other financial income (expense), net	(30)	(34)
Income before taxes	965	876
Income taxes	(144)	(133)
Income for the period	821	743
Attribution		
Income attributable to non-controlling interests	-	-
Income attributable to equity holders of the parent	821	743
as % of sales	12.3%	11.8%
Earnings per share – basic (CHF)	89.03	80.59
Earnings per share – diluted (CHF)	88.37	79.96

Consolidated Statement of Comprehensive IncomeFor the year ended 31 December

in millions of Swiss francs	2021	2020
Income for the period	821	743
Items that may be reclassified to the income statement		
Cash flow hedges		
Movement in fair value, net	54	(51)
Gains (losses) removed from equity and recognised in the consolidated income statement	9	6
Movement on income tax	(4)	4
Exchange differences arising on translation of foreign operations		
Movement in fair value arising on hedging instruments of the net assets in foreign operations	42	58
Change in currency translation	(31)	(385)
Movement on income tax	(2)	5
Items that will not be reclassified to the income statement		
Defined benefit pension plans		
Remeasurement gains (losses) of post employment benefit obligations	222	46
Movement on income tax	(40)	(5)
Other comprehensive income for the period	250	(322)
Total comprehensive income for the period	1,071	421
Attribution		
Total comprehensive income attributable to non-controlling interests	_	-
Total comprehensive income attributable to equity holders of the parent	1,071	421

Consolidated Statement of Financial Position

As at 31 December

in millions of Swiss francs	31 December 2021	31 December 2020
Cash and cash equivalents	273	411
Derivative financial instruments	16	54
Financial assets at fair value through income statement	4	4
Accounts receivable – trade	1,464	1,359
Inventories	1,380	1,201
Current tax assets	57	66
Prepayments	65	50
Other current assets	147	154
Current assets	3,406	3,299
Derivative financial instruments	37	65
Property, plant and equipment	2,291	2,222
Intangible assets	4,853	4,543
Deferred tax assets	182	218
Post-employment benefit plan assets	69	20
Financial assets at fair value through income statement	297	180
Interests in joint ventures and investments in associates	37	35
Other long-term assets	248	76
Non-current assets	8,014	7,359
Total assets	11,420	10,658
Short-term debt	428	206
Derivative financial instruments	37	49
Accounts payable – trade and others	1,008	809
Accrued payroll & payroll taxes	235	211
Current tax liabilities	188	157
Financial liability – own equity instruments	148	108
Provisions	13	23
Other current liabilities	261	233
Current liabilities	2,318	1,796
Derivative financial instruments	61	103
Long-term debt	4,239	4,245
Provisions	83	71
Post-employment benefit plan liabilities	371	545
Deferred tax liabilities	280	310
Other non-current liabilities	127	80
Non-current liabilities	5,161	5,354
Total liabilities	7,479	7,150
Share capital	92	92
Retained earnings and reserves	6,365	6,133
Own equity instruments	(211)	(168)
Other components of equity	(2,317)	(2,567)
Equity attributable to equity holders of the parent	3,929	3,490
Non-controlling interests	12	18
Total equity	3,941	3,508
Total liabilities and equity	11,420	10,658

Consolidated Statement of Changes in Equity For the year ended 31 December

Balance as at 31 December	92	6,365	(211)	(89)	(1,926)	(302)	3,929	12	3,941
Net change in other equity items		(589)	(43)				(632)	(6)	(638)
Non-controlling interests								(6)	(6)
Movement on own equity instruments, net			(43)				(43)		(43)
Dividends paid		(589)					(589)		(589)
Total comprehensive income for the period		821		59	9	182	1,071	-	1,071
Other comprehensive income for the period				59	9	182	250		250
Income for the period		821					821	-	821
Balance as at 1 January	92	6,133	(168)	(148)	(1,935)	(484)	3,490	18	3,508
2021 in millions of Swiss francs	Share Capital	Retained earnings and reserves	Own equity instruments	Cash flow hedges	Currency translation differences	Remeasurement of post employment benefit obligations	Equity attributable to equity holders of the parents	Non- controlling interests	Total equity

Balance as at 31 December	92	6,133	(168)	(148)	(1,935)	(484)	3,490	18	3,508
Net change in other equity items		(571)					(571)	(1)	(572)
Non-controlling interests								(1)	(1)
Movement on own equity instruments, net									
Dividends paid		(571)					(571)		(571)
Total comprehensive income for the period		743		(41)	(322)	41	421	-	421
Other comprehensive income for the period				(41)	(322)	41	(322)		(322)
Income for the period		743					743	-	743
Balance as at 1 January	92	5,961	(168)	(107)	(1,613)	(525)	3,640	19	3,659
2020 in millions of Swiss francs	Share Capital	Retained earnings and reserves	Own equity instruments	Cash flow hedges	Currency translation differences	Remeasurement of post employment benefit obligations	Equity attributable to equity holders of the parents	Non- controlling interests	Total equity

Consolidated Statement of Cash Flows

For the year ended 31 December

in millions of Swiss francs	2021	2020
Income for the period	821	743
Income tax expense	144	133
Interest expense	86	80
Non-operating income and expense	38	40
Operating income	1,089	996
Depreciation of property, plant and equipment	204	201
Amortisation of intangible assets	186	187
Impairment of long-lived assets	3	13
Other non-cash items		
- share-based payments	67	56
- pension expense	45	49
- additional and unused provisions, net	18	20
- other non-cash items	(5)	(18)
Adjustments for non-cash items	518	508
(Increase) decrease in inventories	(165)	(68)
(Increase) decrease in accounts receivable	(93)	(76)
(Increase) decrease in other current assets	(15)	(19)
Increase (decrease) in accounts payable	167	27
Increase (decrease) in other current liabilities	10	2
(Increase) decrease in working capital	(96)	(134)
Income taxes paid	(153)	(125)
Pension contributions paid	(53)	(40)
Provisions used	(17)	(16)
Cash flows from (for) operating activities ^{a)}	1,288	1,189

Table continued on page 141 ▶

Table continued from page 140		
in millions of Swiss francs	2021	2020
Increase in long-term debt	316	1,405
(Decrease) in long-term debt	(14)	(784)
Increase in short-term debt	1,514	3,044
(Decrease) in short-term debt	(1,510)	(3,300)
Cash flows from debt, net	306	365
Interest paid	(72)	(53)
Purchase and sale of derivative financial instruments, net	(26)	(19)
Lease payments	(57)	(52)
Transactions of non-controlling interest	(6)	(7)
Others, net	(5)	(9)
Cash flows from financial liabilities	140	225
Distribution to the shareholders paid	(589)	(571)
Purchase and sale of own equity instruments, net	(69)	(56)
Cash flows from (for) financing activities	(518)	(402)
Acquisition of property, plant and equipment	(186)	(188)
Acquisition of intangible assets	(70)	(39)
Acquisition of subsidiary, net of cash acquired	(401)	(629)
Proceeds from the disposal of property, plant and equipment	9	8
Proceeds from sales of intangible assets		2
Interest received	8	3
Dividends received from jointly controlled entities	1	1
Purchase and sale of financial assets at fair value through income statement, net	(92)	(3)
Impact of financial transactions on investing, net	(27)	25
Others, net	(149)	1
Cash flows from (for) investing activities	(907)	(819)
Net increase (decrease) in cash and cash equivalents	(137)	(32)
Net effect of currency translation on cash and cash equivalents	(1)	(9)
Cash and cash equivalents at the beginning of the period	411	452
Cash and cash equivalents at the end of the period	273	411

a) After careful consideration with the Group auditors, the Group has determined that purchase and sale of own equity instruments relates to financing activities and has been reclassified from cash flows from (for) operating activities into cash flows from (for) financing activities.

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The full Financial Report can be found in our 2021 Governance, Compensation and Financial Report > pages 40-125

Consolidated ESG data

Environmental performance indicators

		2015 (restated	2020 (restated	
	Key performance indicators	in 2021)1	in 2021) ²	20213
Energy				
Energy (GJ)	Direct energy consumption primary sources⁴	1,710,865	2,444,093	2,511,855
	Indirect energy: purchased electricity & steam	977,021	1,307,527	1,299,385
	Total energy	2,687,886	3,751,620	3,811,240
Energy efficiency				
(GJ/tonne of production)	Direct energy efficiency	4.44	4.28	4.30
	Indirect energy efficiency	2.54	2.29	2.22
	Total energy	6.98	6.57	6.52
Emissions				
GHG emissions (tonnes)				
Scope 1	From direct energy sources⁵	139,374	133,707	139,608
	From biogenic sources 6	4,700	3,925	3,574
Scope 2	From indirect energy sources ⁵	106,879	54,075	31,090
	From biogenic sources 6		1,333	397
	Total scope 1+2 GHG emissions direct and			
	indirect	246,253	187,782	170,698
	Total scope 1+2 GHG emissions biogenic	4,700	5,257	3,971
Scope 3	Purchased good and services	1,917,037	1,901,374	1,902,794
	Raw materials	1,691,701	1,676,242	1,677,400
	Other Indirect materials & services categories (excluding existing categories) ⁷	146,856	132,686	133,055
	Packaging	78,480	92,446	92,339
	Capital goods ⁷	51,722	72,797	56,003
	Fuel- and energy-related activities	105,744	68,001	36,349
	Upstream transportation and distribution	29,674	42,320	39,990
	Waste generated in operations	19,321	22,644	24,084
	Business travel	24,461	12,587	1,794
	Employee commuting	21,516	20,454	13,277
	Downstream transportation and distribution	54,615	56,099	65,297
	Outbound product to customers	39,503	38,172	42,343
	Outbound intercompany deliveries	15,112	17,927	22,954
	Total scope 3 GHG emissions	2,224,090	2,196,276	2,139,587
Total GHG emissions				
(excluding biogenic emissions)		2,470,343	2,384,058	2,310,285
GHG emissions efficiency (tonnes of GHG/tonne of production) ⁸	Scope 1: from direct energy sources (excluding biogenic)	_	0.23	0.24
	Scope 2: from indirect energy sources (excluding biogenic)	_	0.09	0.05
	Total GHG emissions	-	0.33	0.29

Table continued on page 143 ▶

▶ Table continued from page 142

	Key performance indicators	2015 (restated in 2021)¹	2020 (restated in 2021) ²	20213
Waste				
Hazardous waste (tonnes)	Preparation for reuse ⁹		-	12,495
	Recycling	_	-	9,150
	Other recovery operations 9	_	-	7,103
	Total hazardous waste diverted from disposal by recovery operation	15,152	20,969	28,748
	Incinerated without energy recovery offsite	4,412	5,853	5,917
	Incinerated with energy recovery	6,337	7,042	8,225
	Landfilled	318	221	137
	Total hazardous waste directed to disposal by disposal operation	11,067	13,116	14,279
	Total hazardous waste	26,219	34,085	43,026
Non-hazardous waste (tonnes)	Preparation for reuse ⁹	_	-	1,621
	Recycling	_	-	63,814
	Recycling	_	-	20,416
	Composted	_	-	16,420
	Biogas production	_	-	26,978
	Other recovery operations 9	_	-	487
	Total non-hazardous waste diverted from disposal by recovery operation	28,117	55,863	65,921
	Incinerated without energy recovery	1,153	1,318	1,256
	Incinerated with energy recovery	1,076	2,336	3,610.02
	Landfilled	6,412	9,635	10,233
	Total non-hazardous waste directed to disposal by disposal operation	8,642	13,289	15,099
	Total non-hazardous waste	36,758	69,152	81,021
Total incinerated and landfilled wast (HZ and NHZ, tonnes)	e	19,709	26,405	29,378
Waste efficiency (kg/tonne of production) 10		51.2	46.2	50
One-off waste (tonnes)"		2,219	2,509	2,354
Total waste (tonnes)		65,197	105,746	126,401

Table continued on page 144 ▶

	Key performance indicators	2015 (restated in 2021) ¹	2020 (restated in 2021)²	2021³
Water		·		
Water intake (m³)	Surface water	5,006,361	4,923,265	5,088,104
	Groundwater	1,390,267	1,561,661	1,390,612
	Seawater	_	_	547
	Third-party water – purchased water	2,359,818	3,205,348	3,495,105
	Rainwater collected directly and stored by the reporting organisation	13,249	13,200	14,099
	Third-party water – wastewater from another organisation	259,727	275,828	248,004
	Total water withdrawal 12	9,029,422	9,979,302	10,236,472
Water efficiency				
(m³/tonne of production) 13		9.74	8.35	8.36
Water discharge (m³)	To the environment w/o biological treatment	_	3,832,499	4,414,877.87
	To the environment after biological treatment	-	2,131,546	2,076,603.46
	To external treatment facility w/o pre-treatment	_	790,277	751,255.64
	To external treatment facility with pre-treatment	_	1,881,652	1,987,000.33
	Total water discharge	_	8,635,974	9,229,737.30
Water consumption (m³)	Water consumption	_	1,343,328	1,006,734.44
COD (tonnes)	COD load of water discharged to the environment	_	284.50	245.19
Other data				
	Nitrogen oxides – NO _x (tonnes) ¹⁴	-	66.71	69.28
	Sulphur dioxide − SO ₂ (tonnes) 14	_	96.84	98.37
	Volatile organic compounds (tonnes)	_	1,018.46	1,069.22
	CFC inventory (kg)	_	7,639	3,881.41
	CFC ¹¹ equivalent inventory (kg)	_	783	574.00
	CFC loss-replacement (kg)	_	765	525.62
	CFC ¹¹ equivalent loss/replacement (kg)	-	42	28.91
Production				
	Production quantities (tonnes)	385,189	571,141	584,154.76

- 1. Assured 2015 full-year figures. For Scope 1, 2 and 3 these values include the acquisitions of Naturex, Vika and drom sites. See the "Restatements of information" section for restatements. For all other figures, these values exclude the acquisitions of Naturex, Vika and drom sites.
- 2. Assured 12-month rolling figures (Q4 2019 to Q3 2020) for values excluding the acquisitions of Naturex, Vika and drom sites. These latter figures have been included in the reported values, but have not been assured by the third-party auditor. See the "Restatements of information" section for restatements in the 2021 GRI Sustainability Report page 81.
- 3. Assured 12-month rolling figures (Q4 2020 to Q3 2021) for values including the acquisitions of Naturex, Vika and drom sites.
- 4. For 2021, includes natural gas (0.0336 GJ/m²), light fuel (39.5904 GJ/m³), heavy fuel (40.1759 GJ/m³), Liquid Petroleum Gas (24.6719 GJ/m³), town gas (0.0254 GJ/m³), waste used as energy source (22.5000 GJ/m³), biofuel (33,1080 GJ/m³), biogas (0,0342 GJ/m³), biomass (0,0116 kg/GJ), geothermal energy (0.0036 GJ/kWh), deducting steam sold (3.0750 GH/tonnes).
- 5. Including emissions from CH_4 and N_2O from usage of biomass/biofuels.
- 6. Including emissions from CO₂ from usage of biomass/biofuels.
- 7. These two categories do not include data for the recent acquisitions of Naturex, Vika and drom.
- 8. Includes only scope 1 and scope 2.
- 9. This data was not collected in 2015. We started to include this category in our reporting in 2020. In the past, this treatment was included in the recycling processes.
- 10. Includes incine rated with and without energy recovery and land filled waste (HZ and NHZ).
- 11. This indicator measures the total quantity of waste that is not directly related to the daily operations, but is categorised as one-off waste.

 Examples of waste in this category are waste materials coming from demolition or remediation activities or waste or raw materials following an unusual incident, e.g., a fire.
- 12. Includes sanitary, cooling and process water.
- 13. Includes third-party water (municipal supplies / purchased water) and groundwater.
- 14. Quantity is calculated by multiplying the annual fuel consumption by the corresponding emission factor for fuel type.

Social performance indicators

Total Givaudan employees

	2021	2020
Total number of full time employees¹	16,842	15,852
Total head count ²	14,128	12,807

Employees² by employment type

	Full-tin	ne	Part-ti	me	Tot	al
	Women	Men	Women	Men	Women	Men
Asia Pacific	1,422	1,582	11	1	1,433	1,583
Europe	2,093	3,302	151	49	2,244	3,351
South Asia, Middle East and Africa	305	737	1		306	737
Latin America	758	1,291	2		760	1,291
North America	832	1,587	4		836	1,587
Total 2021	5,410	8,499	169	50	5,579	8,549
Total 2020	4,864	7,732	162	49	5,026	7,781

Employees² by employment contract

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

Staff² turnover by age group, gender and region

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

New employee² hires by age group, gender and region

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

Employees² categories and composition of governance bodies

Total 2021	5,579	8,549	3,016	5,595	1,043	2,051	2,423	14,128
-in %	36%	64%	21%	39%	7%	16%	17%	100%
Associates	3,561	6,460	2,078	3,896	719	1,598	1,730	10,021
-in %	50%	50%	23%	40%	8%	11%	17%	100%
Middle managers	1,967	1,941	918	1,578	318	436	658	3,908
-in %	26%	74%	10%	61%	3%	9%	18%	100%
Senior Leaders ³	51	148	20	121	6	17	35	199
	Women	Men	Asia Pacific	Europe	SAMEA	Latin America	North America	Total

^{1.} This is defined as the equivalent full time employees and includes acquisitions (Activ International, Vika B.V., Naturex, Centroflora, Expressions Parfumées, Albert-Vieille, Golden Frog, Ungerer, drom, Fragrance Oil, Alderys, DDW and Custom Essence).

^{2.} This is defined as the number of physical people and includes internal temporary and regular employees. In 2020, it included Activ International but all other acquisitions excluded. In 2021, it includes Activ International and drom integrated entities, all other acquisitions are excluded.

^{3.} Including the Executive Committee.

Health and safety indicators

	2018	2020	2021
Number of Total Recordable Cases (TRC) ¹	130	115	180
Fatalities	0	0	0
Number of LTIs	24	32	59
Number of Restricted Work Cases (RWC)	56	46	63
Number of Medical Treatment Cases (MTC)	50	37	58
Total Recordable Case Rate	1.33	0.88	1.04
LTI rate	0.25	0.25	0.34
Number of lost days ²	645	998	855
Lost day rate ³	6.61	7.65	4.95
Number of hours worked⁴	19,503,663	26,094,174	34,544,283
Absenteeism ⁵	2.7%	2.9%	3.6%

- 1. TRC is according to the official OSHA definition. The 2021 figure increased with the inclusion of our acquisitions.
- 2. 2020 includes 73 days carried over from previous year. 2021 includes 21 days carried over from previous year.

- 2. 2020 includes 73 days canned over inform previous year. 2021 includes 21 days canned over inform previous year.

 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.

 8.9% 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. With regards to COVID-19, only absences due to positive tests are in scope.

Total recordable cases by region

	2020	2021
Asia Pacific	17	15
Europe, Middle-East & Africa	51	74
Latin America	4	9
North America	43	82
Total	115	180

Governance performance indicators

Board of Directors

Number of members	8
Number of women	3
Years average tenure	6.4
Nationalities represented	5
Total compensation paid	CHF 3,183,126

Executive Committee

Number of members	7
Number of women	1
Years average tenure	6.6
Nationalities represented	6
Total compensation paid	CHF 20,405,999





Our global presence

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.

Our geographical balance continues to contribute to natural hedges against impacts such as the COVID-19 pandemic.

Givaudan's presence in numbers 185 sites worldwide, in 52 countries **79** production sites **69** creation and research centres > **16,800** employees (FTE) > 11,780 customers at a global level > **126,460** products sold per year





Givaudan sites worldwide

Taste & Wellbeing 👺 Fragrance & Beauty

- 1. Locations taken into account for GRI scope: $\boxed{\prime}$ health & safety performance or \checkmark environment, health & safety indicators.
- 2. GBS centre.

Country	Address	Legal Entity name	Business activity	Production	GRI Scope ¹	Creation & Research
Algeria	Tour A – 4 ^{ème} étage, Business Centre Dar El Madina, Micro Zone d'activité Hydra Lot No. 20, 16035 Algers	Givaudan International SA (Suisse) Bureau de Liaison Algérie	2%		V	
Argentina	San Lorenzo 4759, Esquina Ave Mitre, Munro, Prov. Buenos Aires B 1605 EIO	Givaudan Argentina SA	···	√	✓	✓
	Ruta 9 Panamericana Km 36.5, Partido Malvinas Argentinas, Buenos Aires B1667KOV	Givaudan Argentina SA	25	✓	✓	✓
	Tronador 4890, 8° piso, Buenos Aires C 1430 DNN CABA	Givaudan Argentina Servicios SA²				
Australia	12 – 14 Britton Street, Smithfield, Sydney NSW 2164	Givaudan Australia Pty Ltd	-111	√	✓	
	Unit 36, 5 Inglewood Place, Baulkham Hills, Sydney NSW 2153	Givaudan Australia Pty Ltd	25 <u>m</u>		\checkmark	√
	Suite West 11A, ground fl., 215 Bell Street, Preston VIC 3072	Givaudan Australia Pty Ltd	-111		\checkmark	
	9 Garling Road, Kings Park, NSW 2148, PO Box 4165, Marayong NSW 2148, Sydney	Naturex Australia Pty Ltd.	***	✓	✓	
	Parkview business centre suite 2, 1 Maitland place, Baulkham HIlls, Sydney, NSW 2153	drom international Pty Ltd.	25			
	P.O. Box 2143, Taren Point NSW 22229	Ungerer Australia Pty. Ltd	25 <u>***</u>	√		
Austria	Twin Tower Vienna, Wienerbergstrasse 11, 1109 Vienna	Givaudan Austria GmbH	<u> </u>		\checkmark	√
Belgium	Lausbedstraat 4, 3630 Maasmechelen	Naska Ingredients NV	<u> </u>	✓	✓	
	Val d'Or, Gulledelle, 96 BE-1200 Woluwe Saint Lambert, Brussels	Naturex SPRL	-111			
Brazil	Avenida Engenheiro Billings 2185, Jaguaré, São Paulo, 05321-010	Givaudan do Brasil Ltda	25 <u>m</u>	√	√	√
	Avenida Engenheiro Billings 1653 & 1729, Jaguaré, São Paulo, 05321-010	Givaudan do Brasil Ltda	25		✓	√
	Rodovia Eduardo Zuccari, Km 21,5, Chácara Recreio Vista Alegre, Botucatu, São Paulo, 18603-970	Givaudan	<u> </u>	✓	✓	
	Av. Buriti, no. 5391, Distrito Industrial, CEP: 69.075-000, Manaus	Naturex Ingredientes Naturais Ltda	-111	✓		
	Rua George Ohm, 230, Conj. 22 (Torre B), 04576-020 Brooklin Novo, São Paulo	Naturex Ingredientes Naturais Ltda	<u> </u>			
	Ave. Buriti 5680, Distrito Industrial 69075-000 Manaus Amazonas	DDW, The Color House	<u> </u>	✓		
Canada	2400 Matheson Blvd. East, Mississauga, Ontario L4W 5G9	Givaudan Canada Co.	-111		\checkmark	
Chile	Avda Del Valle 869, oficina 202, Ciudad Empresarial, Comuna de Huechuraba, Santiago de Chile	Givaudan Chile Ltda	***		$\overline{\checkmark}$	✓
	Avenida Suecia Nro. 0142 Oficina 303-304, Comuna Providencia, Región Metropolitana	Chile Botanics Spa	<u> </u>			
	Longitudinal Sur Km 297, S/N, Linares, Región del Maule	Chili Botanics Spa	-111	✓	✓	
	Calle Rio Reefugio 9663, Pudahuel, Santiago	DDW, The Color House	-111			

Country	Address	Legal Entity name	Business activity	Production	GRI Scope¹	Creation & Research
China	15F, Tower 2, Kun Sha Center, no. 16 Xin Yuan Li Road, Chao Yang District, 100027 Beijing	Givaudan Flavors (Shanghai) Ltd Beijing Branch	<u> </u>		$\overline{\checkmark}$	√
	15F, Tower 2, Kun Sha Center, no. 16 Xin Yuan Li Road, Chao Yang District, 100027 Beijing	Givaudan Fragrances (Shanghai) Ltd Beijing Branch	25		$\overline{\checkmark}$	
	668 Jing Ye Road, Jin Qiao Export Area, Pu Dong New Area, 201201 Shanghai	Givaudan Flavors (Shanghai) Ltd	<u>m</u>	✓	✓	✓ ✓
	298 Li Shi Zhen Road, Zhangjiang High-Tech Park, Pudong New Area, 201203 Shanghai	Givaudan Fragrances (Shanghai) Ltd	25	✓	✓	
	222, Jiang Tian East Road, Songjiang Development Zone, 201600 Shanghai	Givaudan Specialty Products (Shanghai) Ltd	\$\$ ##	✓	✓	
	No. 7 Jianghai Road, Nantong Economic and Technological Development Area, 226017 Nantong, Jiangsu Province	Givaudan Flavours (Nantong) Ltd	<u> </u>	✓	✓	
	Unit 5, 15F Shuion Center, no. 374 – 2 Beijing Road, Yue Xiu District, 510030 Guangzhou	Givaudan Flavors (Shanghai) Ltd Guangzhou Branch	<u> </u>		$\overline{\checkmark}$	✓
	Unit 6 – 7, 15F Shuion Center, no. 374 – 2 Beijing Road, Yue Xiu District, 510030 Guangzhou	Givaudan Fragrances (Shanghai) Ltd Guangzhou Branch	\$		$\overline{\checkmark}$	
	Room 2001, 20F Funian Plaza-2, no. 666 Jitai Road, Gaoxin District, 610041 Chengdu, Sichuan Province	Givaudan Flavors (Shanghai) Ltd Chengdu Branch	<u>"</u>		V	✓
	No.2 Chun Cheng Road, Chun Jiang Town, Xin Bei District, Changzhou, 213033, Jiangsu Province	Givaudan Fragrance (Changzhou) Ltd	25	✓		
	Room 1301, Block A, Building 2, Greenland New Metropolis, No. 80 Jinshui East Road, Zhengzhou 450046, Henan Province	Givaudan Flavors (Shanghai) Ltd Zhengzhou Branch	<u> </u>		$\overline{\checkmark}$	✓
	Shanghai Juke Biotech Park, 6 th Floor, Bdg 4, no.333 Guiping Road, Xuhui District, 200233 Shanghai	Naturex Trading Shanghai Co, Ltd	***			
	no. 66, Hongjing Road, 510760, Guangdong	drom fragrances international (Guangzhou) Ltd.	25	✓	✓	
	3823 Jiang Cheng Road, 200245 Shanghai	DDW, The Color House	<u> </u>	✓		
Colombia	Carrera 98 no. 25 G – 40, 151196 Bogotá D.C.	Givaudan Colombia SAS	25 <u>***</u>		V	✓
Czech Republic	Klimentská 10, Praha 110 00	Givaudan CR, s.r.o.	<u> </u>		$\overline{\mathbf{V}}$	
Egypt	Piece 37, Industrial Zone 3, 6 th of October City	Givaudan Egypt SAE	<u> </u>	√	✓	
	46 El Thawra st., 3 rd floor, Appt 304, Heliopolis	Givaudan Egypt Fragrances LLC	25			√
Eswatini	Smithco Industrial Park #19 , King Mswati III Avenue, Plot 471, Matsapha M202	DDW, The Color House	<u> </u>	✓		
Finland	Niemenkatu 73, 15140 Lahti	Givaudan International SA, Branch in Finland	<u> </u>		$\overline{\checkmark}$	



- Locations taken into account for GRI scope: ✓ health & safety performance or ✓ environment, health & safety indicators.
 GBS centre.

Country	Address	Legal Entity name	Business activity	Production	GRI Scope1	Creation & Research
France	46 avenue Kléber, 75116 Paris	Givaudan France SAS	25		\checkmark	\checkmark
	4 rue Lord Byron, 75008 Paris	Expressions Parfumées	25			
	4 Rue Lord Byron, 75008 Paris	Expressions Parfumées	25			
	4 et 6 rue Curie, 92150 Surenes, Paris	drom international S.A.R.L.	23			✓
	55 rue de la Voie des Bans, 95102 Argenteuil Cedex	Givaudan France SAS	25		✓	\checkmark
	19 – 23 rue de la Voie des Bans, 95102 Argenteuil Cedex	Givaudan France SAS	<u> </u>		✓	\checkmark
	16 rue Henri Becquerel, BP 525 – ZI Mitry Compans, 77295 Mitry Mory	Activ International SAS	<u> </u>	✓	✓	
	Route de Bazancourt, 51110 Pomacle	Givaudan France SAS	25	✓	✓	
	Anse du Pors Gelin, 22560 Pleumeur Bodou	Givaudan France SAS	23	✓	✓	
	3 Rue des Satellites, 31400 Toulouse	Givaudan France SAS	25		\checkmark	\checkmark
	136 Chemin de Saint-Marc, 06130 Grasse	Expressions Parfumées	25	✓		
	250 rue Pierre Bayle – BP 81218 – 84911 Avignon Cedex 9	Naturex SA	<u> </u>	✓	✓	
	Actiparc de Pont de Vaux /Les Chapelles Sud – 01190 Reyssouze	Naturex SA	<u> </u>	✓	✓	
	St Jean Baptiste 629 Route de Grasse, 6220 Vallauris	Albert Vieille SAS	23			
	Bátiment Mélèze, 86 rue de Paris, 91400 Orsay	Alderys	25 <u>m</u>			
	ENSG, 2 rue du Doyen Marcel Roubault, 54500 Vandoeuvre lès Nanc	y Myrissi	2,5			\checkmark
	Station F - 5, Parvis Alan Turing, Paris 13th	Myrissi	2,5			\checkmark
Germany	Giselherstrasse 11, 44319 Dortmund	Givaudan Deutschland GmbH	-111	√	✓	\checkmark
	Lehmweg 17, 20251 Hamburg	Givaudan Deutschland GmbH	23		\checkmark	
	Im Zollhafen 24, Kranhaus Süd, 50678 Köln	Naturex GmbH	-111			
	Oberdiller strasse 18, 82065 Baierbrunn	Givaudan Deutschland GmbH	25	✓	✓	\checkmark
Guatemala	Boulevar Los Proceres 18, Calle 24 – 69 Zona 10, Empresarial Zona Pradera, Torre 1, Oficiana 1201-01010	Givaudan Guatemala SA	\$ <u>"</u>		V	
Hungary	Királyhegyesi út 3, 6900 Makó	Givaudan Hungary Kft	<u> </u>	✓	✓	
	Bence utca 1., Váci Greens B, 1138 Budapest	Givaudan Business Solutions Kft²			$\overline{\mathbf{V}}$	\checkmark

Country	Address	Legal Entity name	Business activity	Production	GRI Scope¹	Creation & Research
India	Plot No. 30, Survey no. 168, Dabhel Industrial Estate, Daman 396210	Givaudan (India) Pvt Ltd	<u> </u>	√	✓	
	Survey no. 57/3 (2) & 3, Village Dunetha, Daman 396 210	Givaudan (India) Pvt Ltd	<u> </u>	√	√	
	Plot no. 26, 2nd Cross Jigani Industrial Area, Anekal Taluk, Jigani, Bangalore, Karnataka 560 105	Givaudan (India) Pvt Ltd	25	✓	✓	
	13 th Floor Prestige Meridian 1, 29 MG Road, Bangalore 560001	Givaudan (India) Pvt Ltd	25 <u>m</u>		\checkmark	
	401 Akruti Centre Point, 4 th Floor, MIDC Central Road, MIDC, Andheri (East), Mumbai 400093	Givaudan (India) Pvt Ltd	ॐ <u>₩</u>		$\overline{\checkmark}$	✓
	406 – 410, 4 th Floor, JMD Pacific Square, Sector 15, Part II, Gurgaon 122001, Haryana	Givaudan (India) Pvt Ltd	ॐ #		$\overline{\checkmark}$	
	H-2 Ranjangaon Industrial Area Phase II, Pune 412209	Givaudan (India) Pvt Ltd	ॐ ₩	✓	\checkmark	
	Star Hub, Building no. 02, 3 rd Floor,302, Sahar Airport Road, Near ITC Grand Maratha, Andheri (E), 400 059 Mumbai	Naturex India Pty Ltd	<u> </u>			
	Plot no. 15/2, Dhatav, Roha, District, Raigad, 402116 Mumbai	Naturex SA	<u> </u>	✓	\checkmark	
	Plot No. F-366, Phase - Viii-B, Ind. Focal Point, Mohali, Punjab	Ungerer Flavours India Private Limited	<u></u>	✓		
Indonesia	Jl. Raya Jakarta-Bogor Km 35, Cimanggis Depok, 16951 West Java	PT. Givaudan Indonesia	25 <u>m</u>	✓	\checkmark	
	Capital Place, 9 th floor, Jl. Jend. Gatot Subroto Kav. 18, 12710 Jakarta	PT. Givaudan Indonesia	₹ ##		\checkmark	✓
	Rukan Permata Senayan blok B-22. Jalan Tentara Pelajar, Senayan, 12210 Jakarta	PT Fragrance Oils Indonesia	\$\$ <u>***</u>			
	German Center Building, 6th floor, suites 6120-6130, jl. kapt. subijanto dj., 15321 South Tangerang City, Banten	PT drom fragrances Indonesia	23			✓
Iran	P.O. Box 15175/534 – no.202 – 204, Gol Bld., Gol Alley, After Park Saei, Vali Asr, Tehran	Givaudan International SA, Iran Branch	\$\$ ##		V	
Ireland	Unit D, Island Corporate Park, Little Island, Co. Cork T45 F673	DDW, The Color House	<u> </u>			
Italy	Via XI Febbraio 99, 20090 Vimodrone (MI)	Givaudan Italia SpA	₹ #			\checkmark
	Via Valassina 24, 2015 Milan	drom international Italia S.R.L.	25			
	Via Varesina 162, 20156 Milan	Expressions Parfumées	25			
	Via Galileo Ferraris, 44, 21042 Caronno Pertusella (VA)	Naturex SpA		✓	\checkmark	
Ivory Coast	Immeuble RMO, 5ème étage, rue du Docteur Blanchard Zone 4C, Abidjan	Givaudan International. SA Côte d'Ivoire	ॐ ₩		$\overline{\mathbf{V}}$	
	Abidjan Yopougon, Chaumière du Banco, 04 BP 1682, Abidjan	ITRAD	25			
Japan	3014 – 1 Shinohara-cho, Yokohama-shi, Kanagawa 222-0026	Givaudan Japan K.K.	25			✓
	3056 Kuno, Fukuroi-shi, Shizuoka 437-0061	Givaudan Japan K.K.		√	✓	
	3 – 6 – 6 Tokiwa New Building, Osaki, Sinagawa-Ku, Tokyo 141-0032	Givaudan Japan K.K.	$\frac{m}{}$			✓
	NBC MITA Building 7F, 5 – 29 – 18, Shiba, Minato-ku, Tokyo 108-0014	Naturex KK	<u> </u>			
Kenya	Vienna Court, Ground floor, West Wing Building, State House Crescent Road, P.O. Box 44168-00100 Nairobi	Givaudan MEA FZE - Kenya	···		V	
Korea	11/F Trust Tower Bldg, 60 Mabang-ro, Seocho-Gu, Seoul 06775	Givaudan Korea Ltd	25			✓
(Republic of)	12/F Trust Tower Bldg, 60 Mabang-ro, Seocho-Gu, Seoul 06775	Givaudan Korea Ltd	<u> </u>		$\overline{\mathbf{V}}$	√

- Taste & Wellbeing 👺 Fragrance & Beauty
- Locations taken into account for GRI scope: ✓ health & safety performance or ✓ environment, health & safety indicators.
 GBS centre.

Country	Address	Legal Entity name	Business activity	Production	GRI Scope ¹	Creation & Research
Malaysia	A-901 Menara 1, Kelana Brem Towers, Jalan SS 7/15 (Jalan Stadium), 47301 Petaling Jaya Selangor Darul Ehsan	Givaudan Flavours & Fragrances Malaysia Sdn. Bhd	₩		V	✓
	No. 121, Jalan Usaha 10, Kawasan Perindustrian Ayer Keroh, 75450 Malacca	Givaudan Flavours & Fragrances Malaysia Sdn. Bhd	<u> </u>	✓	✓	
	1 First Avenue, Banda Utama, level 12, Bandar Utama, PJU 6, 47800 Petaling Jaya, Selangor	Givaudan Business Solutions Asia Pacific Sdn Bhd²			\checkmark	
	Suite 733, Block B2, Level 7, Leisure Commerce Square 9, Jalan PJS 8/9, 46150 Petaling Jaya, Selangor	Fragrance Oils (Malaysia) Sdn Bhd	25			
	PLO 221, Jalan Bakau 6, PLO 221, Jalan Bakau 6, 81700 Pasir Gudang, Johor Bahru, Johor	DDW, The Color House	<u> </u>	✓		
Mexico	Av. Eje Norte-Sur No. 11 Civac, 62578 Jiutepec Morelos	Givaudan de México SA de CV	25	✓	✓	✓
	Lago Alberto 319, Piso 12, Col. Granada, 11520 Del. M. Hidalgo, Ciudad de México	Givaudan de México SA de CV	<u> </u>		V	✓
	Givaudan de México SA de CV, Camino a Quintanares Km. 1.5, Pedro Escobedo, 76700 Queretaro	Givaudan de México SA de CV	<u> </u>	✓	✓	
	Av. San Jerónimo 369 P-9, Tizapán San Ángel, 01090 Álvaro Obregón, CDMX	Givaudan de México SA de CV	25		\checkmark	
	Corredor Industrial Quetzalcoatl, No. 6, San Baltazar Temaxcalac, 74126 Puebla	Oxiquimica, Sapi de CV	\$ ##	✓		
	Carr. Costera del Pacifico Km. 63, Villa de Tututepec de Melchor Ocampo, 71803 Tututepec, Oaxaca	Ungerer Mexico S. de R. L. de C.V.	<u> </u>	✓		
Morocco	8 rue Ibnou Binna Aladdadi, Bourgogne, 20053 Casablanca	Givaudan MEA FZE Morocco Branch	₹ #		\checkmark	
	Technopole ONDA – BP 42 – 20240 Nouasser – Casablanca	Naturex Maroc SA	<u> </u>	√	✓	
Myanmar	46A – 2C Excellent Condo, Pantra Street, Dagon Township, Yangon	Givaudan Singapore Pte Ltd (Myanmar Branch)	\$ <u>"</u>		V	✓
Netherlands	Huizerstraatweg 28, 1411 GP Naarden	Givaudan Nederland B.V.	<u> </u>	√	✓	✓
	Nijverheidsweg 60, 3771 ME Barneveld	Givaudan Nederland B.V.	-m	✓	✓	
	Nizolaan 4, 6718 ZC Ede	Vika B.V.	<u> </u>	✓	✓	✓
New Zealand	Level 1, The Lane, Botany Town Center, Te Irirangi Drive, Botany 2010	Givaudan NZ Ltd	***		\checkmark	
Nigeria	Plot 2 and 4, Block D, Amuwo Odofin Industrial scheme, Apapa/ Oshodi Expressway, Lagos	Givaudan (Nigeria) Limited	\$ ##		V	√
	Suite 4, 7th floor, Nestoil tower, 41-42 Akin Adesola Street, Victoria Island, Lagos	Givaudan (Nigeria) Limited	25		V	
	A2 Billings Way, Oregun, Lagos	Fragrance Oils (West Africa) Limited	23			
Pakistan	25 th floor, Ocean Tower, Block 9, Clifton, Karachi - 75600	Givaudan International SA Pakistan	***		\checkmark	✓
Peru	Av. Victor Andrés Belaúnde 147, Centro Empresarial Real, Torre Real 1 Piso 11, San Isidro 27, Lima	Givaudan Peru SAC	\$\$ <u>"</u>		V	✓
Philippines	37/F Robinsons Equitable Tower, ADB Avenue corner Poveda Street, Ortigas Center, Pasig City 1605	Givaudan Singapore Pte Ltd, Regional Operating Headquarter	₩		V	√
Poland	UI. Puławska 182, IO-1 Building, 02-670 Warszawa	Givaudan Polska Sp. z o.o.	<u> </u>		$\overline{\mathbf{V}}$	

Country	Address	Legal Entity name	Business activity	Production	GRI Scope ¹	Creation &
Russian Federation	Riverside Towers Business Centre, Kosmodamianskaya Naberezhnaya 52/5, 115054 Moscow	Givaudan Rus LLC	<u> </u>		$\overline{\checkmark}$	✓
	Delovoy dom B-5, floor 9, Botanicheskiy pereulok 5, 129090 Moscow	Givaudan Rus LLC	25		$\overline{\checkmark}$	√
	Shuhova Str, 14, building 9, Office 201, 115162 Moscow	Naturex LLC	-m			
	Korpus 2, office 201, Dmitriya Ulianova str. 16, 117292 Moscow	drom fragrances GmbH & Co. KG	25			
Singapore	1 Woodlands Avenue 8, Singapore 738972	Givaudan Singapore Pte Ltd	₹ #	√	✓	√
	1 Pioneer Turn, Singapore 627576	Givaudan Singapore Pte Ltd	25	✓	✓	√
	19 Chin Bee Road, Singapore 619833	Givaudan Singapore Pte Ltd	-111	✓	✓	
	510 Thomson Rd, #04-01 SLF Building, Singapore 198135	Fragrance Oils (Far East) Pte.Ltd	23			
South	9 – 11 Brunel Road, Tulisa Park, Johannesburg 2197	Givaudan South Africa (Pty) Ltd	-111	√	√	√
Africa	51A Galaxy Avenue, Linbro Business Park, Frankenwald, Sandton 2065	Givaudan South Africa (Pty) Ltd	25		$\overline{\checkmark}$	✓
Spain	Pla d'en Batllé s/n, 8470 Sant Celoni, Barcelona	Givaudan Ibérica, SA	₹ #	✓	✓	
	Plaça d'Europa 2-4 3ª Planta, Hospitalet de Llobregat, 08902 Barcelona	Givaudan Ibérica, SA	25		$\overline{\mathbf{V}}$	
	Plaça Europa 9-11; Plta 17, Torre Inbisa, 8908 L'Hospitalet de Llobregat, Barcelona	Expressions Parfumées Iberica	25			
	Autovía A3, salida 343. Camino de Torrent s/n – 46930 Quart de Poblet	Naturex Iberian Partners, S.L.U	<u> </u>	✓	✓	
	Carretera Santa Olalla, KM 1; 41240 Almaden de la Plata, Seville	Aromasur SL	25	✓		
Sweden	Hyllie Vattenparksgata 12, 215 32 Malmö	Givaudan North Europe AB	-111			
	Båtafjordsvägen 12, 432 63 Bua	Swedish Oat Fiber AB	-111	√		
Switzerland	c/o Python, Baarerstrasse 21, 6300 Zug	Givaudan SA	ॐ ₩			
	Zweigniederlassung Dübendorf 138, Neugutstrasse 46, 8600 Dübendorf	Givaudan Schweiz AG	<u>m</u>	✓	✓	
	Zweigniederlassung Dübendorf 138, Neugutstrasse 46, 8600 Dübendorf	Givaudan International AG	<u> </u>		✓	
	Kemptpark 50, 8310 Kemptthal	Givaudan Schweiz AG	<u> </u>	√	✓	√
	Kemptpark 50, 8310 Kemptthal	Givaudan International AG	-m		✓	
	Chemin de la Parfumerie 5, 1214 Vernier	Givaudan Suisse SA	25	√	✓	
	Chemin de la Parfumerie 5, 1214 Vernier	Givaudan International SA	23.		✓	
	Industriestrasse 8A, 8604 Volketswil	Givaudan Suisse AG	25	√	√	√
	Kirchbergstrasse 211, 3400 Burgdorf	Naturex AG	<u> </u>	√	√	
	Industriestrasse 8, 9220 Bischofszell	Naturex AG	-m	√	√	
Taiwan	7/F, no. 303, Hsin Yi Road, Sec 4, Taipei City, Taiwan 106	Givaudan Singapore Pte Ltd, Taiwan Branch	**************************************		$\overline{\checkmark}$	✓



Country	Address	Legal Entity name	Business activity	Production	GRI Scope ¹	Creation & Research
Thailand	719 KPN Tower, floor 16 & 25, Rama 9 Road, Bangkapi Huaykwang, Bangkok 10310	Givaudan (Thailand) Ltd	₩		V	✓
	25 Bangkok Insurance Building, 23rd Floor, Sathon Tai Road, Kwang Thung Maha Mek, Khet Sathon, Bangkok 10120	Expressions Parfumées	25			
Turkey	Ebulula Cad. Lale Sok., Park Maya Sitesi Barclay 19A Daire 6 – 7, Akatlar, Besiktas / Istanbul 34335	Givaudan Aroma ve Esans Sanayi ve Ticaret Ltd. Sirketi	25		V	
	Büyükdere Cad. Telpa Plaza., no. 195 K.3, Levent, Istanbul 34394	Givaudan Aroma ve Esans Sanayi ve Ticaret Ltd. Sirketi	<u> </u>		V	✓
	ms. cise osmanoglu, Istanbul	drom fragrances GmbH & Co. KG	25			
	Edin&Suner Plaza, Meydan sok n°14/2B, 34335 Akatlar Istanbul	Expressions Parfumées, Turkey Liason Office	25			
UAE	Concord Tower, floor 20 & 36, Media City, Dubai	Givaudan Gulf Trading LLC	ॐ #			\checkmark
	Jafza Views 18, Office NO LB180502, PO Box 33170, Jebel Ali, Dubai	Givaudan Middle East & Africa FZE	55 #			
	Hamsa-A Bldg, Office 210, Khalid Bin Al Waleed St., Dubai	Expressions Parfumées	25			
United	Magna House, 76 – 80 Church Street, Staines, Middx. TW18 4XR	Givaudan UK Ltd	25			
Kingdom	Chippenham Drive, Kingston, Milton Keynes MK10 OAE	Givaudan UK Ltd	$\frac{m}{}$			√
	Kennington Road, Ashford, Kent TN24 OLT	Givaudan UK Ltd	25	✓	√	√
	Eton Hill Industrial Estate, Eton Hill Road, Radcliffe, Greater Manchester M26 2FR	Fragrance Oils (International) Ltd	25	√		✓
	Higham Business Park, Bury Close, Higham Ferrers, Rushden NN10 8HQ	Major International Limited	<u> </u>	√	✓	
	Park Road, Overseal, Swadlincote, Derbyshire DE12 6JX	Naturex Ltd	$\frac{m}{}$	✓	\checkmark	
	Sealand Road, Sealand Industrial Estate, Chester, England CH1 4LP	Ungerer Ltd	5 <u>m</u>	✓		
	Third Avenue, Centrum 100, Burton Upon Tren, Staffordshire DE14 2WD	DDW, The Color House	<u>"</u>	✓		
	Guinness Road, Manchester M17 1SD	DDW, The Color House	<u> </u>			
	Trafford Park Road, Manchester M17 1PA	DDW, The Color House	<u> </u>	✓		
Ukraine	Pimonenko Str. 13 6B/18, 04050 Kiev	Givaudan International SA, Representative Office	<u> </u>		\checkmark	

Country	Address	Legal Entity name	Business activity	Production	GRI Scope1	Creation & Research
United	580 Tollgate Road, Suite A, Elgin, IL 60123	Givaudan Flavors Corporation	<u> </u>		$\overline{\mathbf{V}}$	✓
States of America	1199 Edison Drive 1 – 2, Cincinnati, OH 45216	Givaudan Flavors Corporation	<u> </u>		√	√
7	245 Merry Lane, East Hanover, NJ 07936	Givaudan Flavors Corporation	<u> </u>	✓	√	√
	9500 Sam Neace Drive, Florence, KY 41042	Givaudan Flavors Corporation	<u> </u>	✓	√	
	4705 U.S. Highway 92 East, Lakeland, FL 33801-3255	Givaudan Flavors Corporation	<u></u>	✓	√	
	100 East 69 th Street, Cincinnati, OH 45216	Givaudan Flavors Corporation	<u></u>	✓	√	
	195 Alexandra Way, Carol Stream, IL 60188	Givaudan Flavors Corporation	<u> </u>	√	√	
	256 Lackland Drive East, Middlesex, NJ 08846	Givaudan Flavors Corporation	<u> </u>	√		
	5 ConAgra Drive, Omaha, NE 68102	Givaudan Flavors Corporation	<u> </u>		V	
	895 Dove Street, Newport Beach, CA 92660	Naturex USA California	<u></u>			
	39 Pleasant Street – Sagamore, MA 02561	Naturex DBS	<u></u>			
	375 Huyler Street, South Hackensack, NJ 07606	Naturex Inc.	<u> </u>	√		
	7400 S Narragansett Ave, Bedford Park, IL 60638	Vegetable Juices Inc	<u> </u>	√		
	10000 Highway 55, Minneapolis, MN 55441	Vika B.V.	<u> </u>			√
	International Trade Center, 300 Waterloo Valley Road, Mount Olive, NJ 07828	Givaudan Fragrances Corporation	25	✓	✓	
	$40\text{West}57^\text{th}\text{St}.11^\text{th}\text{and}17^\text{th}\text{floors},$ New York, NY 10019	Givaudan Fragrances Corporation	₹ #		$\overline{\mathbf{V}}$	✓
	717 Ridgedale Avenue, East Hanover, NJ 07936	Givaudan Fragrances Corporation	25		$\overline{\mathbf{V}}$	✓
	5 Jacksonville Road, Towaco, NJ 7082	Fine Fragrance Studio - drom fragrances, Inc. USA	2%	✓		✓
	144 Duane Street, New York, New York 10013	drom fragrances, Inc. USA	25			✓
	110 North Commerce Way, Bethlehem, PA 18017	Ungerer & Company	<i>♣</i> #	✓		
	4 Ungerer Way, Lincoln Park, NJ 07035	Ungerer & Company	ॐ ₩			
	1901 Payne Street, Louisville, KY 40206	DDW, The Color House	<u> </u>	✓		
	100 Sourth Spring Street, Louisville, KY 40206	DDW, The Color House	-111			
	815 W Sunset Road, Port Washington, WI 53074	DDW, The Color House	<u> </u>	✓		
	53 Veronica Avenue, Somerset, NJ 08873	Custom Essence	2%	✓		
Vietnam	Léman Luxury Building, 6th Floor, 117 Nguyen Dinh Chieu St., Dist. 3, Ho Chi Minh City	Givaudan Singapore Pte Ltd, Vietnam Representative Office	₹		V	✓
	31 Road No.8, Vietnam-Singapore Industrial Park , Binh Dang Quarter, Binh Hoa Ward , Thuan An Town, Binh Duong Province	Golden Frog Flavour-Fragrance Manufacture Company Ltd	<u> </u>	✓		
	VSIP II-A, Road no 31, Vietnam-Singapore II-A Industrial Zone, Vinh Tan Commune, Tan U yenTown, Binh Duong Province	Golden Frog Flavor-Fragrance Manufacture Corporation - Branch 3	<u>"</u>			
	Tan Hoa Hamlet , Tan Hoi Dong Commune Chau Thanh District, Tien Giang Province	Branch of Golden Frog Flavor- Fragrance Manufacture Corporation	<u> </u>	✓		

About this report

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.

This Integrated Annual Report is the primary report for our shareholders. Its scope covers the Company's main business and provides an overview of the financial and non-financial performance for the year ended 31 December 2021. In addition, we prepare a GRI Sustainability Report in accordance with the GRI Standards Core option and externally assured by EY. We also include a TCFD table and a SASB Standards mapping table in our reports.

The index of our GRI and SASB disclosures can also be found as a separate document on givaudan.com - online annual report - download centre



Our senior leadership acknowledges our responsibility for ensuring the integrity of our Integrated Annual Report, which we believe addresses all matters that have, or could have,

a material effect on our ability to create value. We have applied our collective mind to the preparation and presentation of information in this integrated report, which has been prepared in accordance with the International Integrated Reporting Framework (<IR> Framework).

Calvin Grieder Chairman

1 juin

Gilles AndrierChief Executive Officer

Overview of Frameworks applied

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

Reporting period

The reporting period is for full year 2021 which includes employee numbers and safety data.

Environmental data is from the fourth quarter 2020 to the third quarter 2021.

Integrated Reporting

Givaudan bases its integrated reporting on the International <IR> framework published by the International Integrated Reporting Council (IIRC, January 2021) and its core concepts. The following table shows where information related to the guiding principles and content elements of the <IR> framework can be found.

Guiding principles	Location / information
Strategic focus and future orientation	pages 10-37
Connectivity of information	Throughout the Integrated Annual Report, especially pages 26–27
Stakeholder relationships	pages 32–36, 2021 GRI Sustainability Report pages 21–23
Materiality	page 37, 2021 GRI Sustainability Report pages 11–13
Conciseness	The Integrated Annual Report outlines the key information for the Company's value creation. Additional details can be found in the complementary reports. The In a Nutshell report summarises the main takeaways from the Integrated Annual Report.
Reliability and completeness	Completeness is sought through the application of a materiality approach. Reliability is granted through internal audits and the external assurance of our financial and non-financial information.
Consistency and comparability	The content of our reporting suite is presented in a consistent and comparable way through clear navigation, multiple year overviews and links and references to relevant pages, documents or online information.
Content elements	
Organisational overview and external environment	pages 1, 6–9, 18–31, 150–151
Governance	pages 123–131; 2021 Governance, Compensation and Financial Report pages 4–21
Business model	pages 26-27
Risks and opportunities	pages 28–31; www.givaudan.com/our company/corporate governance/ risk management 2021 Governance, Compensation and Financial Report pages 57–67
Strategy and resource allocation	pages 18-23
Performance	pages 6-7, 20-25, 40-109
Outlook	pages 15, 18–19, 43, 52, 54, 71, 74–75, 81, 84, 94, 96, 101, 104
Basis of presentation	pages 32–37, 2021 GRI Sustainability Report pages 11–17

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Our 2021 GRI Sustainability Report and 2021 Governance, Compensation and Financial Report at www.givaudan.com > Investors > Online annual report > Download centre

The following Sustainability Accounting Standards Board (SASB) Standards mapping table, is especially tailored to the information needs of investors and other capital market players related to sustainability issues. The table maps the relevant metrics pertaining to the SASB Chemicals Standard to our sources of information. The SASB accounting metrics are highly aligned with our GRI reporting.

Торіс	Accounting Metric	Code	Location in this report
Greenhouse Gas Emission	Gross global scope 1 emissions, percentage covered under emissions-limiting regulations	RT-CH-110a.1	Pages 71–80
	 Discussion of long-term and short-term strategy or plan to manage scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets 	RT-CH-110a.2	
Air Quality	Air emissions of the following pollutants: (1) NOx (excluding N₂O), (2) SOX, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	RT-CH-120a.1	2021 GRI Sustainability Report page 60
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	RT-CH-130a.1	Pages 71, 72 2021 GRI Sustainability Report pages 52–54
Water Management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with high or extremely high baseline water stress	RT-CH-140a.1	Pages 81–83
	Description of water management risks and discussion of strategies and practices to mitigate those risks	RT-CH-140a.3	
Hazardous Waste Management	Amount of hazardous waste generated, percentage recycled	RT-CH-150a.1	Pages 86, 87 2021 GRI Sustainability Report pages 66, 67
Community Relations	Discussion of engagement processes to manage risks and opportunities associated with community interests	RT-CH-210a.1	Pages 104–109
Workforce Health & Safety	• (1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	RT-CH-320a.1	Pages 96-99
	 Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks 	RT-CH-320a.2	
Safety & Environmental Stewardship of Chemicals	Discussion of strategy to (1) manage chemicals of concern and Discussion & analysis (2) develop alternatives with reduced human and/or environmental impact	RT-CH-410b.2	Pages 54–69, 115–119
Activity Metric	 Production by reportable segment Percentage of production as: (1) paper/wood, (2) glass, (3) metal, and (4) plastic Number of employees 	RT-CH-000.A RT-CP-000.B RT-CP-000.C	584,155 tonnes of production For materials see 2021 GRI Sustainability Report page 66
			• 14,128 employees (headcount)

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Our 2021 GRI Sustainability Report at www.givaudan.com > Investors > Online annual report > Download centre

TCFD Recommendations

We have been carefully considering and managing – with increasing scrutiny since the 2015 Paris Agreement – many of the topics addressed by the Task Force on Climate-related Financial Disclosures (TCFD). Through our comprehensive reporting, including our Integrated Annual Report and our GRI Sustainability Report, we are already addressing many of the recommended

disclosures by TCFD. Alignment is also achieved through our yearly submissions of the CDP questionnaire on Climate Change, as shown in the table below.

We are increasing our efforts to further enhance the quality and robustness of our analysis and reporting.

Thematic area	Description	Recommended disclosures	CDP questionnaire references 2021
Governance	Disclose the organisation's governance around climate-related risks and opportunities.	 a. Describe the board's oversight of climate-related risks and opportunities. b. Management's role in assessing and managing climate related risks and opportunities 	Climate change: C1.1a, C1.1b, C1.2, C1.2a, C1.3a
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	 a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning. c Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. 	Climate change: C2.1a, C2.2a, C2.3, C2.3a, C2.4, C2.4a, C3.1, C3.1b, C3.1d, C3.1e, C3.1f, C3.2, C3.2a, C3.3, C3.4 Water security: section W4
Risk Management	Disclose how the organisation identifies, assesses, and manages climate-related risks.	 a. Describe the organisation's processes for identifying and assessing climate-related risks. b. Describe the organisation's processes for managing climate-related risks. c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management. 	Climate change: C2.1, C2.1a, C2.2, C2.2a Water security: section W3.3, W3.3a, W3.3b, W3.3c, W3.3d
Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	 a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process. b. Disclose scope 1, scope 2 and, if appropriate, scope 3 greenhouse gas (GHG) emissions and the related risks. c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets. 	Climate change: C2.1a, C2.1b, C2.3a, C2.4a, C4.1, C4.1a, C4.2, C4.2a, C6.1, C6.3, C6.5, C9.1 Water security: section W4.1a, W8

Our CDP questionnaires are found on givaudan.com > investors > ESG > CDP report on climate change and CDP report on water security

Givaudan prepares its sustainability reporting in accordance with the GRI Standards of the Global Reporting Initiative, Core option.

The most important sustainability information, including information about stakeholder engagement and material topics is integrated in our Annual Report. The complete set and details of our GRI disclosures, the GRI Content Index and the external assurance statement can be found in the 2021 GRI Sustainability Report.

The reporting period for our environmental data is from Q4 2020 to Q3 2021. Our different reports and the website are closely connected and reference between each other. All are published at the same time end of January 2022.

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Our 2021 GRI Sustainability Report at www.givaudan.com > Investors > Online annual report > Download centre

Materiality topic	Equivalent GRI topic	Purpose pillar	UNGC Principles	SDGs mapping
Biodiversity	GRI 304: Biodiversity	Nature	Principle 8	2= 15= 17==
Climate change	GRI 201 - 2: Financial implications and other risks and opportunities due to climate change GRI 301: Materials GRI 302: Energy GRI 305: Emissions	Nature	Principle 7, 8, 9	13 === 15 ===
Consumer health & wellbeing	GRI 416: Customer health and safety	Creations		2=3===17===
Diversity, inclusion & people development	GRI 102 – 8: Information on employees and other workers GRI 202: Market presence GRI 401: Employment GRI 404: Training and education GRI 405: Diversity and equal opportunity GRI 406: Non-discrimination	People	Principle 6	5 = 8 = = 17 = = 6
Economic performance	GRI 201: Economic performance	Creations Nature People Communities		
Employee safety, health & wellbeing	GRI 403: Occupational health and safety	People		3 mm. 8 mm
Governance & business conduct / ethics / transparency	GRI 102 – 11: Precautionary Principle or approach GRI 102 – 16: Values, principles, standards, and norms of behaviour GRI 102 – 17: Mechanisms for advice and concerns about ethics GRI 102 – 18: Governance structure GRI 205: Anti-corruption	Creations Nature People Communities	Principle 10	12 === W
Human rights	GRI 102 - 41: Collective bargaining agreements GRI 402: Labour/management relations GRI 407: Freedom of association and collective bargaining GRI 408: Child labour GRI 409: Forced or compulsory labour GRI 412: Human rights assessment GRI 414: Supplier social assessment	Nature People Communities	Principle 1, 2, 3, 4, 5	2 = 5 = 8 = = 17 = = 18 18 18 18 18 18 18

Materiality topic	Equivalent GRI topic	Purpose pillar	UNGC Principles	SDGs mapping
Innovation capabilities & management		Creations	Principle 8, 9	
Local community development	GRI 203: Indirect economic impacts GRI 413: Local communities	Communities	Principle 1	**************************************
Product / ingredients environmental & social performance	GRI 301: Materials GRI 302: Energy GRI 305: Emissions GRI 416: Customer health and safety	Creations Nature People Communities	Principle 7, 8, 9	2 III. 3 III. 9 III. III. III. III. III.
Product quality & safety and ingredient disclosure	GRI 416: Customer health and safety GRI 417: Marketing and labelling	Creations		3 mm 12 mm 12 mm 10 mm 1
Raw materials availability	GRI 301: Materials	Creations Nature Communities		2 = 15 = 17 ===
Responsible sourcing & traceability	GRI 102 – 9: Supply chain GRI 204: Procurement practices GRI 308: Supplier environmental assessment GRI 407: Freedom of association and collective bargaining GRI 408: Child labour GRI 409: Forced or compulsory labour GRI 412: Human rights assessment GRI 414: Supplier social assessment	Nature Communities	Principle 1,2,4,8,10	8 ===== 12 ===== 15 == 17 ===
Waste management & circular principles	GRI 306: Waste	Nature	Principle 8	12 100000
Water stewardship	GRI 303: Water and effluents	Nature Communities	Principle 8	

UNGC

Givaudan adheres to the 10 principles of the United Nations Global Compact (UNGC) in its business practices, comprising the four areas of human rights, labour standards, environment and anti-corruption.

Our sustainability reporting sets the basis for our annual Communication on Progress (CoP).



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

Our support for the SDGs

Prioritising to make a difference

Our sustainability approach is driven by our purpose; 'Creating for happier, healthier lives with love for nature. Let's imagine together'. It sits at the heart of our business as we grow together with our customers and strive to be a force for good. The Sustainable Development Goals (SDGs) were designed by the UN to cover a broad range of social and economic development issues by mobilising efforts to end all forms of poverty, fight inequalities and tackle climate change. 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.





Zero hunger

Givaudan is committed to helping end hunger, achieving food security and improved nutrition, and promoting sustainable agriculture. We believe that

through game-changing innovation in food and beverages we can encourage an uptake of healthier dietary choices, contributing to addressing global food challenges. By enabling access to plant-based protein ingredients, for example, our innovations are possible steps towards sustainably nourishing the growing global population. Givaudan relies on thriving local communities to source many natural ingredients and we work closely with our supply chains to encourage better nutrition among local producers.



Good health and well-being

One of the key ambitions of our purpose is that by 2030, we will double our business through creations that contribute to happier, healthier lives. We are

working hard to achieve this. For example, by developing solutions for food and beverage products with less sugar, fat or salt, we enable people to make healthier food choices. Our focus on good health and wellbeing is also supported by our people goals as we strive to improve how we care for our people by 2025

through access for everyone on our sites access to mental and physical health initiatives, tools and training and by striving to reduce our total recordable injury rate by 50%. Through our Responsible Sourcing Policy, we set high standards for health, safety, social and environmental practices for both our Company and our suppliers. Through all of this, we are building a culture in which safety, health and environmental commitments are the personal responsibility of every employee.



Gender equality

As a leading employer in the industry, with a global staff of around 16,000, including more than 90 nationalities: we reflect the societies and cultures in

which we operate by providing opportunities for people of all backgrounds, gender and location. Driven by our purpose, before 2030 we aim to be a more balanced and inclusive company. For example, before 2025, we will be rated among the leading employers for inclusion globally, and before 2030, 50% of our senior leaders will be women. Our policies and programmes keep us on track with these important commitments.



Clean water and sanitation

Water is an essential element in our operations and supply chain, and is managed within the framework of our Responsible Care Management System. Water

stewardship for us means optimising the use of intake water through reuse and efficiency, and ensuring the quality of discharged water through analysis and treatment. In the workplace, we ensure the availability of clean water, sanitation and hygiene. By 2021, we had reduced our water intensity by 31% (vs. 2009). In 2020, we endorsed the UN's CEO Water Mandate. This UN Global Compact initiative brings together business leaders to address global water challenges and in 2021 we were awarded the CDP A rating for our actions on water stewardship.



Decent work and economic growth

Our 2025 strategy, derived from our purpose of 'creating for happier, healthier lives with love for nature' is our five-year roadmap for how we will

deliver sustainable value creation for all our stakeholders. Nurturing a place where our people love to be and grow is an important driver of this strategy. We value our employees and provide them with opportunities for growth and career development through training programmes, and we promote a multi-generational and diverse workforce that operates in an agile and collaborative way. Through our Human Rights Policy, we commit to respect human rights, to act with due diligence to avoid causing or contributing to human rights abuses through our own activities, and to prevent and address human rights abuses that are linked to our operations, products or services around the world.



Industry, innovation and infrastructure

In line with our strategy to deliver profitable growth while having a positive, sustainable impact through our creations on people, nature and

communities, our approach to innovation considers the potential impact of our processes and products on the environment. Our research into new solutions utilises green chemistry and opportunities derived from traditional and novel forms of biotransformation, biodegradability and upcycling. We identify novel technologies that can improve our production environment, for example automation or greener processes. We continue investments in high growth markets especially China and India, as well as developing infrastructure in remote areas such as the Amazonian basin in Brazil where, for example, we have a joint venture in a programme to train farmers and cooperative workers in responsible practices for guarana.



Responsible consumption and production

As our purpose guides us to show our love for nature in everything we do, we have set clear ambitions to help reduce our own environmental impact and that

of our products. For example, our goal to become climate positive before 2050 and our bold ambitions on water and waste. As we grow together with our customers, we continue to work towards reducing waste and water consumption across our operations, and we have set stringent science-based targets for absolute greenhouse gas reduction. We innovate responsibly to offer sustainable new solutions based on green chemistry, to provide alternatives to animal testing, and to leverage biotechnical techniques and advanced fermentation methods to create new and existing molecules. Our new Sourcing4Good programme guides us in our approach to sourcing responsibly and is linked to our goal to source all materials and services in a way that protects people and planet by 2030.



Climate action

Givaudan is working towards an ambition to become climate positive before 2050. This means reducing our absolute scope 1 and 2 GHG emissions by 70% before

2030 and becoming climate positive in our operations by 2040. Our scope 3 GHG emissions will be cut by 20% before 2030 and our supply chain will be climate positive before 2050. Our targets on climate action Givaudan's targets have been approved by the independent Science Based Targets initiative in alignment with the global effort to keep a temperature increase below the two-degree threshold, a key goal of the 2015 Paris Agreement on climate action. We assess every aspect of our activities and those of our suppliers to find opportunities to limit our environmental impact, including our target for 100% renewable electricity by 2025. Our Responsible Sourcing Policy highlights our commitment to removing commodity driven deforestation from our supply chains.

Life on land

Givaudan is committed to sourcing all materials and services in a way that protects people and the environment by 2030. As an industry leader with

250 years of heritage, we work in partnership with producers and suppliers to transform the way we source and create new value to be shared by all as part of our Sourcing4Good programme. We recognise that we have an important obligation to contribute to preserving the environment and the planet's biodiversity for future generations. Through our Responsible Sourcing Policy we request that suppliers shall comply with all applicable environmental regulations and always aim to reduce their impacts on nature and landscapes. Suppliers must implement environmental management principles which avoid any pollution of air, soils and water and, in parallel, conserve biodiversity and nurture biodiversity.



Partnerships for the goals

Collaboration is essential in delivering on our bold ambitions. The more we do together, the quicker we drive sustainable solutions and the faster we meet

our targets. Our collaborations with an ecosystem of partners; from UN Global Compact, to the World Business Council for Sustainable Development, to RE100 and The Earthworm Foundation, help to inform and support our work on our most material sustainability issues. We have strategic relationships with suppliers, start-ups and partners allowing for even greater collaboration and co-creation to develop innovative solutions for the future. Examples of this include our Connect to Win programme for supplier enabled innovation, our strategic collaboration to increase opportunities in biotechnology and our co-creation partnerships with many of the prominent players in plant-based proteins that caters to the strong shift towards plant-based meat alternatives and alternative protein sources.

The following table gives an overview of our focus stories presented throughout this report, and indicates the main purpose pillar impacted, the priority stakeholders benefited and which Sustainable Development Goals are most supported.

How our key initiatives 2021 positively impact on sustainable development

	Page	IMPACTS			
Focus Story	reference	Purpose	Stakeholders benefited	Our contribution to the SDGs	
Food experiences: From product economy to experience economy	62-63	Creations	Customers, innovators and partners	2 III. 3 III. 12 III. 13 III. 13 III. 14 III. 15 III. 15 III. 16 III. 17 III. 18 III.	
The Givaudan way: Designing nature-conscious fragrances that delight consumers	66-69	Creations	Customers, suppliers	9 2 12 2 13 2 15 1 15 1 15 1 1 15 1 1 1 1 1 1 1 1 1	
A world of possibilities when our employees 'think climate positive'	78-80	Nature	Local communities	6 day and 12 morning 13 data 17 morning 17 m	
Creating a community with purpose	91-93	People	Employees	8 minutes asset 17 minutes:	
Excelling in health and safety everywhere, every day	98	People	Employees	3 deed duction	
Supporting local communities with the Givaudan Foundation	107-109	Communities	Local communities	3 menture 8 menture 6 menture 13 mm 15 mm 17 mm 17 mm 17 mm 17 mm 18 mm 18 mm 17 mm 18	
At the forefront of animal- free testing	118-119		Public & regulatory agencies, customers	9 12 2	

Glossary

2025 strategy: Committed to Growth, with Purpose

Givaudan's 2025 strategy, announced in 2020, is derived from the Company's purpose, and sets out the roadmap to deliver sustainable value creation over the next five years for all its stakeholders. It outlines Givaudan's intention to deliver growth in partnership with its customers, achieve ambitious financial targets, while also making progress on its longer term purpose ambitions in the areas of creations, nature, people and communities.

CO2 equivalent (CO2e)

CO₂e is a unit of measurement that is used to standardise the climate effects of various greenhouse gases. This metric measure is used to compare the emissions from various greenhouse gases on the basis of their global-warming potential, by converting amounts of other gases to the equivalent amount of carbon dioxide with the same global warming potential.

CDP

Formerly known as Carbon Disclosure Project, CDP possesses the world's most comprehensive collection of environmental data from companies, organisations and governments and evaluates this data systematically for investors.

Climate positive

Givaudan's commitment to do more than reducing or even eliminating emissions: the Company will also develop initiatives to remove carbon from the atmosphere.

Communication on Progress (COP)

The UN Global Compact requires participating companies to produce an annual COP that details their work to embed the Ten Principles into their strategies and operations, as well as efforts to support societal priorities.

Comparable EBITDA

EBITDA is the reported EBITDA, as adjusted for significant items of a non-recurring nature which have an impact on the understanding of the underlying normal operating activities

Earnings per share

Earnings per share are calculated by dividing the Group result attributable to the shareholders of Givaudan SA by the weighted average of the number of shares outstanding during the reporting period.

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.

EcoVadis

EcoVadis aims at improving environmental and social practices of companies by leveraging the influence of global supply chains. EcoVadis' reliable ratings and easy-to-use monitoring tools allow companies to manage risks and drive eco-innovations in their global supply chains.

Enterprise Risk Management (ERM)

The process of assessing, treating and monitoring the effects of uncertainty that may affect the achievement of Givaudan's objectives, especially its publicly stated strategic objectives, or jeopardise Givaudan's long-term business success.

Excellence, Innovation, Simplicity in everything we do

Focus area supporting all growth drivers and enablers in the 2025 strategy. It is the Company's commitment to delivering excellence, innovation and simplicity across the value chain, from operational and financial performance to the delivery of a superior customer experience.

Expand the portfolio

One of the three growth drivers powering the Company's 2025 strategy: Bringing enhanced value proposition to Givaudan's customers while nurturing and building on its core offering. The focus is to leverage the Company's existing capabilities and innovation pipeline and further expanding beyond the current portfolio of flavours and fragrances, naturals and delivery systems into nutrition, food ingredients and beauty.

Extend customer reach

One of the three growth drivers powering the Company's 2025 strategy: With a more fragmented customer landscape the Company will extend its customer reach in all market segments and geographies and asserting its market leadership position with large international and global customers as well as with the fast growing local and regional customer segment.

Focussed market strategies

One of the three growth drivers powering the Company's 2025 strategy is maximising mature market opportunities and extending its high growth market leadership.

Free Cash Flow (FCF)*

FCF refers to operating cash flow after net investments, interest paid, lease payments and purchase and sale of own equity instruments.

GHG emissions

Greenhouse gas emissions.

GHG emissions scope 1

Direct emissions from sources owned or controlled by Givaudan.

GHG emissions scope 2

Energy indirect emissions resulting from the generation of energy that Givaudan purchases, such as electricity.

GHG emissions scope 3

Other indirect emissions that relate to the emissions produced by Givaudan's entire value chain.

Givaudan Business Solutions (GBS)

Implemented in 2017, GBS is the foundation of Givaudan's commitment to deliver with excellence and is designed to improve internal efficiencies, leverage best practices from across the organisation and increase the Company's agility.

Global Reporting Initiative (GRI)

A non-profit organisation that has developed the most widely used frameworks for the creation of sustainability reports.

GRI Standards

The latest version of frameworks for sustainability reporting issued by GRI in 2016. Givaudan prepares its sustainability reporting in accordance with the GRI Standards, core option.

Integrated Reporting

An integrated report is a concise communication about how an organisation's strategy, governance, performance and prospects, in the context of its external environment, lead to the creation of value in the short, medium and long term. The capitals, or stocks of value, are increased, decreased or transformed by the activities and outputs of an organisation. The Integrated Reporting Framework is proposed by the International Integrated Reporting Council (IIRC). In 2021, the IIRC has merged with the SASB to form the Value Reporting Foundation.

International Fragrance Association (IFRA)

IFRA is the global representative body of the fragrance industry. It seeks to represent the collective interests of the industry and promote the safe use of fragrances.

International Organization of the Flavor Industry (IOFI)

IOFI is the global association representing the industry that creates, produces and sells flavourings worldwide.

Leverage ratio*

Leverage ratio is defined as net debt divided by the sum of net debt and equity.

Like-for-Like (LFL)*

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.

Lost Time Injury (LTI)

LTI refers to the number of accidents on the job involving an absence from the workplace for a minimum of one day.

Lost Time Injury Rate (LTIR)

LTIR is the measure of the number of occupational incidents with at least one day of work lost relative to 200,000 hours of work.

Net debt to EBITDA ratio

Information and reconciliation of this Alternative Performance Measure can be found in the Appendix 'Alternative Performance Measures' in Givaudan's 2021 Governance, Compensation and Financial report page 119.

Market capitalisation

Share price on the reporting date multiplied by the number of shares issued.

Materiality

This is a fundamental principle commonly used for defining report content. In the GRI Standards, material topics for a company are those that can significantly influence the assessments and decisions of stakeholders, or have a significant impact on the economy, environment or society. This defines a company's sustainability strategy and therefore its sustainability reporting. In integrated reporting, material topics are those that substantively affect the organisation's ability to create value over the short, medium, or long term. In financial reporting it determines the topics that influence stakeholders' assessments and decisions if omitted or misstated.

Definitions and further information and reconciliations of the Group's Alternative Performance Measures can be found in the Appendix 'Alternative Performance Measures' in Givaudan's 2021 Governance, Compensation and Financial report pages 118–119.

Ordinance against Excessive Compensation at Listed Stock Companies (OaEC)

The provisions of this Ordinance apply to joint-stock companies pursuant to Articles 620 – 762 of the Swiss Code of Obligations (OR) whose shares are listed on a stock exchange in Switzerland or abroad. The Ordinance allows companies to specify the amount of additional remuneration that could be paid to any member of executive management who joins after the shareholder resolution on aggregate remuneration.

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

Givaudan's purpose announced in 2019 and is the Company's guiding star to drive sustainable long-term performance while leading the way to improve happiness and health for people and nature. It is supported by bold, measurable ambitions in the areas of creations, nature, people and communities.

RE100 initiative

RE100 is a collaborative, global initiative uniting more than 100 influential businesses committed to 100% renewable electricity, working to massively increase demand for – and delivery of – renewable energy.

Responsible Sourcing Policy

The Responsible Sourcing Policy is a code of conduct for Givaudan's suppliers that requires them to adhere to the same high ethical standards. It was launched in 2016 and was the first in the industry.

Restricted Share Units (RSUs)

An RSU offers employees the prospect of acquiring a certain number of shares at a later date, either in return for payment or on preferential terms. RSUs are subject to a vesting clause. Between allocation and vesting, RSUs are therefore considered as entitlements to employee shares. They are subject to one or more conditions precedent during the vesting period and are therefore not irrevocably vested until the vesting date if the conditions are met.

Sustainability Accounting Standards Board (SASB)

SASB Standards are available for 77 industries and guide the disclosure of financially material sustainability information by companies to their investors. In 2021, the SASB organization merged together with the IIRC into the Value Reporting Foundation.

Science Based Targets (SBTs)

The Science Based Targets initiative is a collaboration between CDP, the United Nations Global Compact (UNGC), World Resources Institute (WRI), and the World Wide Fund for Nature (WWF), and is one of the We Mean Business Coalition commitments. The initiative enables companies to set targets in line with the 2015 Paris Agreement of limiting global warming to a maximum of 2°C and transitioning to a low-carbon economy.

Sedex Members Ethical Trade Audit (SMETA)

SMETA is an audit methodology that provides a compilation of best practice ethical audit techniques. It is designed to help auditors conduct high quality audits that encompass all aspects of responsible business practice, covering Sedex's four pillars of Labour, Health and Safety, Environment and Business Ethics.

Supplier Ethical Data Exchange (Sedex)

Sedex is a not-for-profit membership organisation dedicated to driving improvements in responsible and ethical business practices in global supply chains. Givaudan engages with Sedex both for the assessment of its production sites and for the assessment of its suppliers.

Sustainable Development Goals (SDGs)

The SDGs are a set of 17 global goals defined by the United Nations in 2016 to replace the Millennium Development Goals (MDGs). The goals comprise several sub-targets and indicators to measure progress and are to be met by 2030. Nations and businesses are called to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. Swiss Code of Best Practice for Corporate Governance The 'Swiss Code' issued by economiesuisse in 2006 provides guidelines and recommendations for good governance in public companies.

Task Force on Climate-related Financial Disclosures (TCFD)

Voluntary reporting recommendations introduced by the Financial Stability Board (FSB) to support the climate goals of the 2015 Paris Agreement. The TCFD seeks to present the specific risks and opportunities of climate change and identify the impact of these risks and opportunities on companies and financial markets.

Total recordable injury rate (TRCR)

Is the total of lost time injuries, restricted work cases and medical treatment cases per 200,000 hours worked.

Total shareholder return (TSR)

Total return of a stock, including change in stock price and shareholder distributions.

United Nations Global Compact (UNGC)

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

Value Reporting Foundation

In 2021, the IIRC and SASB merged together to create the Value Reporting Foundation: a global nonprofit organisation that offers a comprehensive suite of resources designed to help businesses and investors.

Our reporting suite

The 2021 Integrated Annual Report is the primary report to shareholders offering a holistic explanation of our value creation, financial and non-financial capitals and performance.

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

The full suite can be found on:

www.givaudan.com ▶ Investors ▶ Online annual report ▶ **Download centre**



2021 Integrated Annual **Report Online version** Available in English

from 28 January 2022



2021 Integrated **Annual Report**

Available in English

PDF from 28 January 2022 Print from 24 March 2022



- ▶ GRI Content Index
- > SASB Standards
- TCFD Recommendations



2021 Governance, Compensation and Financial Report

Available in English PDF from 28 January 2022



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Available in English, French and German PDF in English from 28 January 2022 Print and language versions

from 24 March 2022



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Available in English

PDF from 28 January 2022

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About this report

Being a sustainable business is our promise, acting as a force for good our objective. 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.

Our 2025 strategy, 'Committed to Growth, with Purpose', is our intention to deliver growth in partnership with our customers through creating inspiring products for happier, healthier lives and having a positive impact on nature, people and communities. Ambitious financial targets remain central to this roadmap: over the next five years, we aim to deliver an average organic sales growth of 4-5% on a like-for-like basis and an average free cash flow of at least 12%. In addition, we have defined bold and ambitious long-term goals in four domains: creations, nature, people and communities.

This stand-alone document provides details of our stable and efficient corporate governance and compensation principles that ensure our sustainable value creation. Our comprehensive financial performance may be found in the consolidated financial report and statutory financial report, while our Alternative Performance Measures is detailed in the appendix.

Our long-term ambition: Our purpose
Creating for happier, healthier lives with love for nature

CREATIONS

NATURE

PEOPLE

COMMUNITIES

Our mid-term priorities: Our 2025 strategy Committed to Growth, with Purpose

4-5% GROWTH PURPOSE LINKED TARGETS

>12% FCF

Table of contents

Governance report 3
Compensation report 22
Consolidated financial report 40
Statutory financial report 106
Appendix 117

Frameworks applied

- SIX Directive Corporate Governance
- Swiss Code of Best Practice for Corporate Governance
- IFRS
- Alternative Performance
 Measures

2021 reporting suite

- Integrated Annual Report
- Governance, Compliance and Financial Report
- In a Nutshell
- Online Integrated Report
- GRI Sustainability Report



Corporate governance Ensuring proper checks and balances

The Governance report is aligned with international standards and has been prepared in accordance with the 'Swiss Code of Obligations', the 'Directive on Information Relating to Corporate Governance' issued by the SIX Swiss Exchange and the 'Swiss Code of Best Practice for Corporate Governance' issued by economiesuisse.

The internal corporate governance framework is based on Givaudan SA's Articles of Incorporation. The 'Board Regulations of Givaudan SA', the Company's organisational regulation, further clarifies the duties, powers and regulations of the governing bodies of the Company.

Except when otherwise provided by law, the Articles of Incorporation and Givaudan's Board Regulations, all areas of management are fully delegated by the Board of Directors, with the power to sub-delegate to the Chief Executive Officer, the Executive Committee and its members. The Board Regulations of Givaudan also specifies the duties and the functioning of its four Board Committees.

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www.givaudan.com > Our company > Corporate governance > Rules and policies > Articles of Incorporation, Board Regulations of Givaudan and other documentation regarding Givaudan's principles of corporate governance

1. Group structure and shareholders

1.1 Group structure

1.1.1 Description of the issuer's operational Group structure

Givaudan SA, the parent company of the Givaudan Group, with its registered corporate headquarters at 5 Chemin de la Parfumerie, 1214 Vernier, Switzerland ('the Company'), 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.

The Company is a global leader in its industry. Givaudan operates around the world and has two principal businesses: Taste & Wellbeing and Fragrance & Beauty, providing customers with compounds, ingredients and integrated solutions. Taste & Wellbeing consists of four business units: Dairy, Sweet goods, Beverages and Savoury. Fragrance & Beauty also has four business units: Consumer products; Fine fragrances; Fragrance ingredients and Active Beauty.

Both divisions have a 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, where applicable. Corporate functions include Finance, Procurement, Science and Technology, Human Resources (HR), Legal, Ethics & Compliance, Enterprise Risk Management and Communications as well as Givaudan Business Solutions (GBS). GBS provides best-in-class internal processes and services in the areas of Finance, Controlling, HR, Procurement, Supply Chain, Environment, Health & Safety (EHS), Enterprise Data Management, Information Management and Technology (IM&T), Sustainability and Continuous Improvement.

1.1.2 Listed companies within the scope of consolidation

The Company does not have any publicly listed subsidiaries.

1.1.3 Unlisted companies within the scope of consolidation

The list of principal consolidated companies, their domiciles and the shareholding is presented on page 95, in note 32 to the 2021 consolidated financial statements. Note 1 to the consolidated financial statements as well as note 3 to the statutory financial statements on

Corporate governance

page 108 offer more details regarding the structure of the Group. All unlisted subsidiaries are wholly-owned, unless otherwise indicated in notes 3 and 4 to the statutory financial statements mentioned above.

READ MORE

2021 Financial report ▶ page 40

1.2 Significant shareholders

To the knowledge of the Company, the following shareholders were the only beneficial shareholders holding more than 3% of the share capital of Givaudan SA as at 31 December 2021 (or as at the date of their last notification under article 20 of the Stock Exchange Act):

Significant shareholders

2021	in %
Beneficial owners	
William H. Gates III and Melinda French Gates	13.86
BlackRock, Inc.	5.06
MFS Investment Management	4.99

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The Company has not entered into any shareholder agreements with any of its significant shareholders.

1.3 Cross-shareholdings

The Company does not have any cross-shareholdings with any other company.

2. Capital structure

2.1 Capital on the disclosure deadline

Ordinary share capital

As at 31 December 2021, the Company's ordinary share capital amounted to CHF 92,335,860 fully paid in and divided into 9,233,586 registered shares with a par value of CHF 10.00 each.

The market capitalisation of the Company at 31 December 2021 was CHF 44,247,344,112.

2.2 Authorised and conditional capital in particular

Authorised share capital

The Company does not have any authorised share capital.

Conditional share capital

As per article 3b of the Company's Articles of Incorporation, the Company's share capital can be increased by:

- issuing up to 463,215 shares (CHF 4,632,150) through the exercise of option or conversion rights granted in connection with bond issues of Givaudan SA or a Group company
- issuing up to 161,820 shares (CHF 1,618,200) through the exercise of option rights granted to employees and/or the members of the Board of Directors of the Group
- issuing up to 123,163 shares (CHF 1,231,630) through the exercise of warrants granted to the shareholders of Givaudan SA.

The conditional share capital amounts to a maximum of CHF 7,481,980, which equates to 8.1% of the existing share capital.

The subscription rights of the shareholders are excluded in cases a) and b) above. The Board of Directors is authorised to exclude the shareholders' preferential right to subscribe to bonds if the purpose is to finance acquisitions or to issue convertible bonds or warrants on the international capital market. In that case, the bonds or warrants must be offered to the public at market conditions, the deadline for exercising option rights must be not more than six years and the deadline for exercising conversion rights must be not more than 15 years from the issue of the bond or warrants and the exercise or conversion price for new shares must be at a level corresponding at least to the market conditions at the time of issue.

The acquisition of shares through the exercise of option or conversion rights and the transfer of such shares are subject to restrictions as described in section 2.4.

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2.3 Changes in capital

The information regarding the year 2019 is available in notes 7 and 8 to the statutory financial statements of the 2019 Financial report. Details of the changes in equity for the years 2020 and 2021 are given on page 110 in note 7 to the statutory financial statements included in the 2021 Financial report.



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2.4 Shares and participation certificates

The Company has one class of shares only. All shares are registered shares with a par value of CHF 10.00 each. Subject to the limitations described below, all shares have the same rights in all respects. Every share gives the right to one vote and to an equal dividend.

2.5 Dividend-right certificates

Other than the registered shares, dividend-right certificates and participation certificates do not exist.

2.6 Limitations on transferability and nominee registrations

2.6.1 Limitations on transferability for each share category; indication of statutory group clauses and rules for granting exceptions

At the Annual General Meeting of shareholders on 20 March 2014, the previously existing registration and voting rights restrictions were abolished. Today, the Company no longer has limitations on transferability of shares.

2.6.2 Reasons for granting exceptions in the year under review

This is not applicable because the Company has no limitations on transferability of shares.

2.6.3 Permissibility of nominee registrations; indication of any percent clauses and registration conditions

Subject to the provisions mentioned in the next paragraph, registration with voting rights in the Company's share register is conditional on shareholders declaring that they have acquired the shares in their own name and for their own account.

Based on a regulation of the Board of Directors, nominee shareholders may be entered with voting rights in the share register of the Company for up to 2% of the share capital without further condition, and for more than 2% if they undertake to disclose to the Company the name, address, nationality and number of shares held by the beneficial owners.

2.6.4 Procedure and conditions for cancelling statutory privileges and limitations on transferability

Limitations on transferability and nominee registrations may be changed by a positive vote of the absolute majority of the share votes represented at a shareholders' meeting.

2.7 Convertible bonds and warrants/options

There are no bonds or warrants outstanding that are convertible into shares of Givaudan SA.

3. Board of Directors

According to Givaudan's Articles of Incorporation, the Board of Directors may consist of between seven and nine members.

Membership of the Board is composed in such a way as to ensure it possesses all the competencies required to execute its strategic oversight and control over Givaudan. 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. Each of the current nine Board members has an in-depth knowledge of his or her relevant areas of expertise. Together, they ensure that the Company has all the competencies required.

Given the Company's business and its current 2025 strategy of 'Committed to Growth, with Purpose', the most relevant and important required competencies include:

- international senior business leadership
- Strategic oversight and implementation track record
- in-depth industry knowledge
- financial expertise
- innovation and technology (including digital)
- sales and marketing
- regulatory affairs.

The Board considers sustainability and ESG matters an integral part of the Company's strategy. Therefore, familiarity with ESG matters is required from all Board members, as are strong ethical values.

The Board regularly reviews the list of competencies and has established a long-term skill matrix for the assessment of existing and required competencies, which is used as a basis for Board succession planning.

In 2021, the Board did not add any new members. At the Annual General Meeting in March 2021, Calvin Grieder was re-elected as Chairman. Prof. Dr-Ing Werner Bauer was re-appointed Vice-Chairman by the Board. Thomas Rufer retired from the Board at the Annual General Meeting 2021 after 12 years on the Board.

3.1 Members of the Board of Directors

As of 31 December 2021, the following were members of the Board of Directors:



Calvin Grieder Chairman

- Engineer
- · Swiss national, born in 1955
- Non-executive
- · First elected in 2014
- Chairman since 2017

In 1980, Calvin Grieder started his career as Marketing Manager with Georg Fischer Ltd in Switzerland and continued in various executive positions at Swiss and German companies in the field of automation and control, including Swisscom Telecom Ltd, where he served as Head of the Mobile and Internet business. He was CEO of the international engineering group Bühler from 2001 to 2016, a worldwide leader in food processing technology.

Calvin Grieder holds the following mandate in a company quoted on an official stock exchange: Chairman of the Board of SGS SA, world leader in testing, inspection and certification.

He holds the following mandates in companies that are non-quoted: Chairman of the Board of Bühler Group, Chairman of the Board of AWK group, member of the Board of Trustees of Avenir Suisse, owner and member of the Board of Carivel7 AG.

Calvin Grieder holds a Master of Science from the ETH Zurich and has completed an Advanced Management Program (AMP) at Harvard University.



Prof. Dr-Ing. Werner Bauer Vice-Chairman

- Businessman
- German & Swiss national, born in 1950
- Non-executive
- First elected 2014

Prof. Dr-Ing. Werner Bauer started his career as a university professor in chemical engineering at the Technical University in Hamburg, Germany. After serving as the Director of the Fraunhofer Institute for Food Technology & Packaging and as Professor in Food Bioprocessing Technology at the Technical University of Munich from 1985 to 1990, he joined world leading multinational food and beverage company Nestlé as Head of the Nestlé Research Centre in Lausanne in 1990. After heading commercially Nestlé South and East Africa he joined general

management as Executive Vice-President in 2002, responsible for technical, production, environment and R&D. In 2007 he became Chief Technology Officer and Head of Innovation, Technology, Research and Development, a position from which he retired in September 2013.

Prof. Bauer holds the following mandates in companies that are quoted on an official stock exchange: member of the Boards of multinational chemicals and biotechnology company Lonza Group AG and aseptic packaging systems and solutions provider SIG Combibloc AG. He holds the following mandates in companies that are non-quoted: Chairman of the Board of Trustees of the Bertelsmann Foundation, vice-chairman of the Board of Bertelsmann SE & Co. KGaA.

Prof. Dr-Ing. Werner Bauer received a Diploma and a PhD in Chemical Engineering from the University Erlangen-Nürnberg in Germany.



Victor Balli Director

- Businessman
- · Swiss national, born in 1957
- Non-executive
- First elected in 2016

Victor Balli started his professional career in 1985, working as a Financial Analyst & Business Development Manager with EniChem International SA in Zurich and Milan. From 1991 to 1995, he worked as a Principal with Adinvest AG, a corporate finance advisory company with offices in Zurich, San Francisco, New York, and London. Victor Balli held various positions at Minibar, a leading hospitality supplier, between 1996 and 2005, most recently as Chief Executive Officer EMEA as of 2005. From 2007 to 2018 Victor Balli was Chief Financial Officer and member of the Executive Committee of Barry Callebaut AG, a leading manufacturer of high-quality chocolate and cocoa products.

Victor Balli holds the following mandates in companies that are quoted on an official stock exchange: member of the Boards of plant breeding and seed producer KWS Saat SE & Co. KGaA, multinational specialty chemical company SIKA AG and medical devices company Medacta International SA.

He holds the following mandates in companies that are non-quoted: Member of the Boards of the Federal Audit Oversight Authority, Hemro AG and the Supervisory Board of Louis Dreyfus Company Holding B.V.

Victor Balli has a Masters in Economics from the University of St. Gallen and a Masters in Chemical Engineering from the Swiss Federal Institute of Technology in Zurich.



Lilian Biner Director

- Businesswoman
- · Swedish national, born in 1962
- Non-executive
- First elected 2011

Lilian Biner has senior management experience from retail and consumer goods companies. These posts have most recently included Chief Financial Officer and Executive Vice President with Axel Johnson AB, a company building and developing trade and service businesses, in 2007 and Head of Strategic Pricing for Electrolux Major Appliances Europe, a company she joined in 2000 as head of HR and Organisational Development.

Lilian Biner holds the following mandates in companies that are quoted on an official stock exchange: member of the Boards of investment company LE Lundbergföretagen and brewery company Carlsberg A/S and manufacturing and engineering company Alfa Laval.

She holds the following mandates in companies that are non-quoted: member of the Boards of management consulting services a-connect (group) ag, automotive industry company Scania AB and sports supplier LeDap Group AB.

Lilian Biner is a graduate of the Stockholm School of Economics.



Michael Carlos Director

- Businessman
- French national, born in 1950
- Non-executive
- First elected 2015

Michael Carlos started his career with Givaudan in 1984 as General Manager in Hong Kong. He became Head of the European Creative Centre in Argenteuil in 1992 where he was in charge of integrating the creative resources from Givaudan and Roure. In 1999, he was appointed Global Head of Consumer Products and then President of the Fragrance Division in 2004, a position from which he retired in 2014.

Michael Carlos holds the following mandates in companies that are non-quoted: Member of the Boards of Manus Bio Inc. and Scent Design SA. He is the former Chairman of RIFM (The Research Institute of Fragrance Materials) and of IFRA (The International Fragrance Association)

Michael Carlos holds an MBA from the Indian Institute of Management and a degree in chemical engineering from the Indian Institute of Technology.



Ingrid Deltenre Director

- Businesswoman
- · Dutch & Swiss national, born in 1960
- Non-executive
- First elected 2015

Ingrid Deltenre has held several executive positions in the press and media including Director of Publisuisse from 1999 to 2004, and Director of the leading public TV broadcaster in German-speaking Switzerland, Schweizer Fernsehen, from 2004 to 2009. In 2010, she became Director General of the Geneva-based European Broadcasting Union (EBU), a position she held until June 2017.

She holds the following mandates in companies that are quoted on an official stock exchange: member of the Board of Banque Cantonale Vaudoise and member of the Supervisory Board of Deutsche Post/DHL.

She also is member of the board of Akara Funds, member of Agence France Presse, Member of the Executive Board of the Executive Education of the University of Zurich and member of the Foundation Board Schweizer Berghilfe.

Ingrid Deltenre holds a Master of Arts in Journalism, Educational Sciences and biological Anthropology from the University of Zurich.



Olivier Filliol Director

- Businessman
- · Swiss national, born in 1967
- Non-executive
- First elected 2020

Olivier Filliol started his professional career as a strategy consultant with Bain & Company, working in the Geneva, Paris and Sydney offices. In 1998, he joined Mettler Toledo International Inc., a global manufacturer and marketer of precision instruments for use in laboratory, industrial and food retailing applications. From 1998 to 2021 he served in various positions including General Manager of the company's North American checkweighing operations, Head of Process Analytics and Head of Global Sales, Service and Marketing and, from 2008 until 2021, as President and Chief Executive Officer

He holds the following mandates in companies that are quoted on an official stock exchange: member of the Board of Directors of Mettler Toledo International Inc.

Olivier Filliol holds a Master (lic. oec.) and Ph.D. (Dr. oec.) in Business Administration from the University of St. Gallen, Switzerland. He also completed executive education at the Business School of Stanford University.



Sophie Gasperment Director

- Businesswoman
- French national born in 1964
- Non-executive
- First elected 2020 (as of 1 September 2020)

Sophie Gasperment joined the world-leading beauty and personal care company L'Oréal from business school, in 1986. After 14 years in operational and strategic marketing positions, she was appointed General Manager for L'Oréal in the UK. She remained UK-based for the following 14 years, notably as L'Oréal UK/Ireland Managing Director, as well as Chair and global Chief Executive Officer of The Body Shop, the iconic English omnichannel brand spanning 60 countries and c. 20,000 people strong. She then led L'Oréal's Strategic Prospective and the group's Financial communication, with a specific focus on digital acceleration. Since 2019, she has been Senior Advisor at Boston Consulting Group, Non-Executive Director of listed companies and Angel investor in a number of innovative ventures.

Sophie Gasperment holds the following mandates in listed companies: Member of the Board of global hospitality company Accor (up until the 2022 AGM) where she chairs the Nomination, Remuneration and CSR Committee, Member of the Board of international home improvement retailer Kingfisher plc, where she chairs the Responsible Business Committee, Member of the Supervisory Board of international investment company D'leteren Group, and Lead Independent Director of Nasdaq-listed technology company Cimpress.

She is a graduate of ESSEC business school and of INSEAD. She had the opportunity to contribute to the Business Advisory Council of Saïd Business School, Oxford University.

3.2 Other activities and vested interests

Please refer to the biographies of the Board members described in section 3.1 for their other activities and vested interests.

Except for those described in section 3.1, no Board member of Givaudan SA holds any material permanent management or consultancy functions for significant domestic or foreign interest groups nor any significant official functions or political posts. The Board of Directors assesses the independence of its members.

As at 31 December 2021, all members of the Board of Directors were non-executive and independent in accordance with article 14 of the Swiss Code of Best Practice for Corporate Governance. None of the Board members has important business connections with Givaudan SA or any of its affiliates.

3.3 Rules in the Articles of Incorporation on the number of permitted activities pursuant to Art. 12 para. 1 point 1 of the Ordinance against **Excessive Compensation (OaEC)**

Article 32 of the Articles of Incorporation of the Company permits the following external mandates for members of the Board of Directors:

- Members of the Board of Directors may not hold more than four additional mandates in companies that are quoted on an official stock exchange and seven additional mandates in non-quoted companies.
- The following mandates are not subject to these limitations:
 - mandates in companies which are controlled by the corporation
 - mandates held by order and on behalf of the corporation or any controlled company. No member of the Board of Directors or of the Executive Committee shall hold more than ten such mandates
 - · mandates in associations, foundations, charitable organisations, trusts, employee welfare foundations and other comparable structures. No member of the Board of Directors or of the Executive Committee shall hold more than 15 such mandates.

'Mandates' mean mandates in the supreme governing body of a legal entity which is required to be registered in the Swiss commercial register or a corresponding foreign register. Mandates in different legal entities which are under joint control are deemed one mandate.

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3.4 Elections and terms of office

3.4.1 Principles of the election procedure, rules differing from the statutory legal provisions with regard to the appointment of the Chairman, the members of the Compensation Committee and the independent proxy

The Company amended its Articles of Incorporation at the Annual General Meeting 2014 to align with the requirements of the OaEC. The rules regarding the appointment of the Chairman, the members of the Compensation Committee and the independent proxy do not deviate from the statutory legal provisions. All Board members, the Chairman, the members of the Compensation Committee and the independent proxy are elected annually and individually for one year, being the time from one ordinary Annual General Meeting to the next one.

3.4.2 For each Board member: date of first election to Board and attendance of meetings

For the dates of first election to the Board and attendance of Board and committee meetings, please refer to the tables on pages 7-9 and table on page 13.

3.5 Internal organisational structure

3.5.1 Allocation of tasks among the Board members

The Chairman is elected annually at the Annual General Meeting. He prepares the agenda and chairs meetings of the shareholders, convenes, prepares and chairs the meetings of the Board of Directors, coordinates the work of the Board committees, prepares and supervises the implementation of resolutions of the Board of Directors (to the extent not delegated to a committee), supervises the course of business and the activities of the Executive Committee, proposes succession candidates for appointment to the Board of Directors or to the Executive Committee and proposes the global remuneration of the Chief Executive Officer and other members of the Executive Committee to the Compensation Committee.

The Chairman receives all invitations and minutes of Committee meetings and is entitled to attend these meetings. The Chairman further decides in cases which fall under the tasks and powers of the Board of Directors, but in which a timely decision of the Board of Directors cannot be made because of urgency. In such cases, the Chairman informs the members of the Board of Directors as quickly as possible and the corresponding resolution is minuted at the next Board meeting.

If the Chairman is unable to act, the Vice-Chairman exercises his functions, assuming all his tasks and powers.

3.5.2 For each committee of the Board of Directors:

List of members - tasks - areas of responsibility

The Board of Directors has four established Committees: an Audit Committee, a Nomination and Governance Committee, a Compensation Committee and an Innovation Committee. Each committee is led by a Committee Chairman whose main responsibilities are to organise, lead and minute the meetings. For the participation of the Board members in the committees, please refer to the table on this page and on page 13.

The Board of Directors has not established a dedicated committee for sustainability/ESG matters because it considers sustainability and ESG matters an integral part of the Company's strategy and therefore a full Board topic, not a committee topic. Certain aspects of sustainability and ESG matters are reviewed in the various committees as appropriate, including ESG criteria for executive remuneration in the Compensation Committee, but focus projects are reviewed by the full Board.

Audit Committee

The primary function of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities by reviewing the financial information, the systems of internal controls and the audit process. It carries out certain preparatory work for the Board of Directors as a whole. The Audit Committee currently consists of three members of the Board. All of them have the requisite financial experience.

The Audit Committee ensures that the Company's risk management systems are efficient and effective. It promotes effective communication among the Board, management, the internal audit function and external audit. It reviews and approves the compensation of the external auditors for the annual audit.

The Audit Committee held four regular meetings in 2021, each lasting approximately three to four hours. Due to the COVID-19 pandemic, all meetings were held by videoconference. The Head of Internal Audit, the Chief Financial Officer, the Corporate Ethics & Compliance Officer and the External Lead Audit Partner attended all meetings, apart from certain private sessions. The Chairman of the Board attended three meetings.

Compensation Committee

The Compensation Committee reviews and recommends the compensation policies to the Board of Directors. It approves the remuneration of the Chief Executive Officer and the other

Board committees¹

AC AUDIT COMMITTEE

Victor Balli (Chairman), Lilian Biner, Olivier Filliol

- Assists the Board in its oversight responsibilities with respect to financial reporting
- Ensures effectiveness and efficiency of internal control, risk management and compliance systems
- Assesses and overviews the internal and external audit processes

CC COMPENSATION COMMITTEE

Prof. Dr-Ing. Werner Bauer (Chairman), Ingrid Deltenre, Victor Balli

- Reviews and recommends the compensation policies to the Board
- Approves the remuneration for the Executive Committee
- Prepares the Compensation Report

NGC NOMINATION AND GOVERNANCE COMMITTEE

Calvin Grieder (Chairman), Ingrid Deltenre, Michael Carlos, Sophie Gasperment

- Assists the Board in applying principles of good corporate governance
- Prepares appointments to the Board and the Executive Committee

IC INNOVATION COMMITTEE

Michael Carlos (Chairman), Calvin Grieder, Prof. Dr-Ing. Werner Bauer, Olivier Filliol

- Assists the Board in scientific matters relating to the flavours, fragrances and cosmetics Industry
- Identifies opportunities, proposes and screens potential innovation partner
- 1. All committee members were part of their respective committee(s) for the entire year of 2021.

members of the Executive Committee as well as all performance-related remuneration instruments and pension fund policies. Since the Swiss Ordinance against Excessive Compensation came into force, the Committee prepares the Compensation Report to be established by the Board.

The Compensation Committee consists of three members of the Board who are elected annually by the Annual General Meeting of shareholders. The Committee takes advice from external independent compensation specialists and consults with the Chairman and the Chief

Executive Officer on specific matters where appropriate. Since the Annual General Meeting 2014, the members of the Compensation Committee are elected by the shareholders from the re-elected Board members.

In 2021, the Compensation Committee met four times. The average duration of each meeting was approximately 1.5 to 2 hours. Due to the COVID-19 pandemic, all meetings were held by videoconference. During these meetings the Committee reviewed, among other things, the short-term and long-term incentive plan parameters as well as the alignment of Executive Committee and Board of Directors compensation with the Company's principles and policy. The Committee also reviewed the design of the long-term incentive plan to ensure alignment with the Givaudan 2025 strategy. The Chairman, the Chief Executive Officer, the Head of Global Human Resources and/or the Head of Compensation and Benefits attended relevant sections of the meetings.

READ MORE

on the role of this committee in establishing and reviewing compensation policies ▶ page 23 ▶ Compensation committee

Nomination and Governance Committee

The Nomination and Governance Committee assists the Board in applying the principles of good corporate governance. It prepares appointments to the Board of Directors and the Executive Committee and advises on the succession planning process of the Company. It consists of four members of the Board.

The Nomination and Governance Committee met three times during 2021, to review the independence of Board members and to review the succession plans of critical leadership positions as well as the evolution of the board succession. Due to the COVID-19 pandemic, all meetings were held by videoconference. Each meeting lasted between one and one and a half hours. The CEO and the Head of Global Human Resources attended relevant sections of the meetings.

Innovation Committee

The Innovation Committee advises the Board on scientific matters relevant to the flavour, natural ingredients and fragrance and cosmetics industry, or other additional fields the Board may request. It acts as a sounding board to the Board of Directors and research management, reviewing activities in different fields of research, looking at new opportunities and possible partnerships and reviewing projects on a detailed basis as required. It also serves as a platform for Board dialogue with the relevant members of the Executive Committee and the divisional Heads of Science and Technology. The Innovation Committee consists of four members of the Board.

The Innovation Committee met twice during 2021. Due to the COVID-19 pandemic, all meetings were held by videoconference. On average each meeting lasted approximately four to six hours. The CEO, the Division Heads and the divisional Heads of Science and Technology were present. External speakers also attended the meetings. The Committee reviewed key areas of the innovation programme, which included naturals, nutrition, cultured meats, biotechnology delivery systems and external innovation collaborations.

3.5.3 Work methods of the Board and its Committees

Board meetings are held periodically and also when matters require a meeting, or on the written request of one of the members of the Board. Ordinary Board meetings are held on average once a quarter plus one additional ordinary Board meeting to approve the Annual Report. The Chairman, after consultation with the Chief Executive Officer, sets the agenda for each Board meeting. Decisions may also be taken by circulation (in writing, including by PDF sent by e-mail) or by telecommunication (including telephone and videoconference), provided that none of the Board members requests a formal meeting.

Meetings of Board Committees are usually held in connection with Board meetings, with additional meetings scheduled as required. The Board of Directors receives regular reports from its Committees and the Chairman, as well as from the Executive Committee.

Minutes of Committee meetings are prepared by the secretary of the respective Committee and circulated to all Board members. In preparation for Board and committee meetings, the Board members involved receive pertinent information for pre-reading via a secure electronic document sharing system.

In 2021 the Givaudan Board of Directors held six regular meetings including one constitutive meeting directly following the general meeting of shareholders. In addition, the Board held two extraordinary meetings. Due to the COVID-19 pandemic, five of the six regular meetings as well as the two extraordinary meetings were held by videoconference and one was held in person at the Company's sites in Paris, France. To ensure the efficiency of the video meetings the Chairman held a number of one-on-one calls/meetings with individual Board members throughout the year. No meetings were held at Givaudan locations outside Switzerland. The ordinary meetings

in person lasted for around one day each, the ordinary meetings by videoconference for four to six hours each and the two extraordinary meetings around one hour each.

Apart from the constitutive meeting directly following the general meeting of shareholders and the extraordinary meetings by telephone, the Company's operational and financial performance was presented by management and reviewed by the Board during each Board meeting. The Board was also informed about, and discussed all major business development and investment projects, management succession planning and compensation and other major business items as well as the findings of Internal Audit and risk management. The Chief Executive Officer, the Chief Financial Officer and the presidents of the two divisions were present at all ordinary meetings, except for the constitutive meeting and certain closed sessions. The other members of the Executive Committee attended five ordinary meetings. Selected senior managers were invited to address specific projects at ordinary Board meetings. The Head of Internal Audit and the Corporate Ethics & Compliance Officer each reported once to the Board of Directors. The CEO and the CFO attended both extraordinary meetings, as did the Head of Corporate Finance & Business Development. The presidents of the two divisions and the Global Head of Procurement and Sustainability attended one extraordinary meeting each.

To ensure that the Board always remains able to exercise effective oversight and leadership of the Company, the Board conducts an annual self-assessment. The assessment starts with a confidential survey of all Board members organised by the Board Secretary. The results of the survey are summarised by the Chairman and discussed by the full Board. Any findings are addressed to ensure the continued effectiveness of the Board. In 2021 the Board conducted one annual self-assessment.

The Board also held continuous discussions of succession planning for itself and for the Executive Committee. Succession plans are prepared by the Chairman with the support of the Nomination and Governance Committee and discussed in the Committee and with the full Board in closed sessions. Professional executive search specialists support searches of new Board members on the basis of specific selection criteria based on the evolving competency needs of the Company and in line with diversity considerations.

The attendance of Board members at Board and Committee meetings in 2021 as well as the average duration of the meetings can be seen in the table below.

Meetings: attendance 2021

		Board meetings / attended	Number of Audit Committee meetings/calls attended	Number of Compensation Committee meetings/calls attended	Number of Nomination and Governance Committee meetings/calls attended	Number of Innovation Committee meetings/calls attended
Board member	ordinary	extraordinary				
Calvin Grieder	6	2	3	4	3	2
Victor Balli	6	1	4	4		
Prof. Dr-Ing. Werner Bauer	6	2		4		2
Lilian Biner	6	2	4			
Michael Carlos	6	2			3	2
Ingrid Deltenre	6	2		4	3	
Olivier Filliol	6	2	4			2
Sophie Gasperment	6	2			3	
Thomas Rufer (Board member until 25/03/2021)	2	1	1			
Meetings held in the year	6	2	4	4	3	2
Average length of meetings	6-8 hour	s (ordinary)	3 to 4 hours	1.5 to 2 hours	1 to 1.5 hour	4 hours

3.6 Definition of areas of responsibility

The Board of Directors is responsible for the ultimate direction, strategic supervision and control of the management of the Company, as well as other matters which, by law, are under its responsibility. This includes the establishment of medium- and long-term strategies and of directives defining Company policies and the giving of the necessary instructions in areas such as acquisitions, major investments and long-term financial commitments exceeding certain thresholds.

In accordance with Swiss law, the Articles of Incorporation and the Board Regulations of Givaudan, the duties of the Board of Directors include the following matters:

- the ultimate management of the Company and, in particular, the establishment of medium- and long-term strategies and of directives defining Company policies and the giving of the necessary instructions
- the establishment of the organisation
- the approval of the annual Group budget
- the structuring of the accounting system and of the financial controlling, as well as the financial planning
- the assessment of the Company's risk management
- the decision on investments in, or divestments of, fixed and tangible assets of a global amount exceeding the limit set by the corporate investment guidelines established by the Board of Directors
- the appointment and removal of the persons entrusted with the management and representation of the Company, in particular the Chief Executive Officer and the other members of the Executive Committee
- the ultimate supervision of the persons entrusted with the management, in particular with respect to compliance with the law, the Articles of Incorporation, regulations and instructions given in any areas relevant to the Company, such as working conditions, environmental protection, trade practices, competition rules, insider dealing and ad hoc publicity

- the preparation of the annual business report, as well as the preparation of the Annual General Meeting of shareholders and the implementation of its resolutions
- the notification of the court in case of insolvency
- the decisions regarding the subsequent performance of contributions on shares not fully paid in
- the ascertainment of share capital increases to the extent that these fall under the powers of the Board of Directors and resulting confirmations and modifications to the Articles of Incorporation
- the verification of the special professional qualifications of the auditors.

Except as otherwise provided by Swiss law, the Articles of Incorporation and the Board Regulations, all other areas of management are fully delegated by the Board of Directors to the Chief Executive Officer, the Executive Committee and its members.

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3.7 Information and control instruments vis-à-vis senior management

The Board recognises that in order to be able to carry out its tasks of ultimate direction of the Company and supervision of the management, it needs to be fully informed about all matters that materially impact Givaudan. To ensure this, the Board has at its disposal an information and control system which comprises the following instruments:

Management information system

The Board ensures that it has sufficient information for appropriate decision-making through a management information system with wide-ranging information rights for the Board members:

- the Chairman of the Board receives invitations and minutes of Executive Committee meetings on a regular basis and the Chief Executive Officer and the Chief Financial Officer report regularly to the Chairman of the Board of Directors

- the Chief Executive Officer and the Chief Financial Officer are present and report at all regular Board meetings and answer all requests for information by the Board members about any matter concerning Givaudan that is transacted. Other members of the Executive Committee and selected senior managers are regularly invited to address specific projects at regular Board meetings. All members of the Executive Committee have a duty to provide information at meetings of the Board of Directors on request
- the Head of Internal Audit and the Corporate Ethics & Compliance Officer report to the Board once a year. The Board also receives annual reports on Environment, Health and Safety, Sustainability and Risk Management
- the Head of Internal Audit and the Corporate Ethics & Compliance Officer are present and report at each meeting of the Audit Committee. The Chief Financial Officer is also present at all meetings of the Audit Committee, as are the external auditors
- the Head of Global Human Resources, the Head of Compensation & Benefits and the Chief Executive Officer are present at each Compensation Committee meeting, except when questions of compensation for Executive Committee members are being deliberated. The Chairman also attends the meetings of the Compensation Committee regularly
- all Board members have access to the full minutes of all Committee meetings
- the Board of Directors receives summarised monthly reports from the Executive Committee, which include performance against key performance indicators. All Board members are immediately informed on extraordinary events. They also have direct access to the Givaudan intranet where all internal information on key events, presentations and organisational changes are posted. In addition, the Board members receive relevant information, including media releases and information to investors and financial analysts
- in preparation for each Board meeting, the Board members receive information and reports from the Executive Committee and other members of senior management via a secure electronic document sharing system and other means of communication

- the Board of Directors visits at least one Givaudan country operation per year, where Board members meet members of senior local management. Additionally, Board members are encouraged to visit country operations when travelling and to meet local and regional senior management to allow Board members the opportunity of getting first-hand information on local and regional developments and interacting directly with management across the globe
- the Board has regular access to the Chief Executive Officer, Chief Financial Officer and the other members of the Executive Committee. Any Board member may request from the Chief Executive Officer and other members of the Executive Committee information concerning the course of the business.

Risk management

Givaudan has established an internal risk management process that is based on the Givaudan Enterprise Risk Management Charter. It focuses on identifying and managing/exploiting risks.

The Board of Directors defines the strategic risk management framework. This process is under the responsibility of the Executive Committee. The risk management process follows a structured assessment, review and reporting cycle that is coordinated by the Corporate Ethics & Compliance Officer to ensure a harmonised Group-wide approach.

For each identified strategic top-level Company risk a member of the Executive Committee is designated as the risk owner with the responsibility to manage the risk on a Group-wide basis. Once a year the Executive Committee reports to the Board on the risk management process, the strategic risks and the mitigation actions. Individual risks are also regularly discussed in Board meetings. Corporate Internal Audit provides assurance on the effectiveness of the risk management process.

READ MORE

Detailed information on how we manage risks and opportunities: 2021 Integrated Annual Report > pages 30-31 ▶ Managing risks

Internal audit

The Internal Audit function is established as an independent and objective function reporting directly to the Audit Committee.

The purpose of Internal Audit is to evaluate and contribute to the continuous improvement of the Company's risk management and control systems including the analysis and evaluation of the effectiveness of business processes and recommendations for adjustments where necessary.

Corporate Internal Audit uses a risk-based audit approach aimed at providing independent assurance on the effectiveness and efficiency of processes and controls that support Givaudan in achieving its objectives, identifying and managing its major risks, and ensuring compliance with applicable policies, laws and regulations. This approach follows a business process audit methodology that provides value to both, the local entities and the Group's management.

Givaudan corporate strategy, risk management findings, past audit results, management input, changes in the organisation and Internal Audit experience are the elements taken into account to build the annual internal audit plan. Effective reporting, accountability assignment, and thorough follow-up ensure the implementation of the audit recommendation as well as the related risk reduction. For the individual audits, the internal audit function is supported by dedicated staff from the third party contractor Ernst & Young. The internal audit activity is reported to the full Board of Directors once a year.

4. Executive Committee

The Executive Committee, under the leadership of the Chief Executive Officer, is responsible for all areas of operational management of the Company that are not specifically reserved to the Board of Directors.

The Chief Executive Officer is appointed by the Board of Directors upon recommendation of the Nomination Committee. Subject to the powers attributed to him, he has the task of achieving the strategic objectives of the Company and determining the operational priorities. In addition, he leads, supervises and coordinates the other members of the Executive Committee, including convening, preparing and chairing the meetings of the Executive Committee.

The members of the Executive Committee are appointed by the Board of Directors on recommendation of the Chief Executive Officer after evaluation by the Nomination Committee. The Executive Committee is responsible for developing the Company's strategic as well as long-term business and financial plans. Key areas of responsibility also include the management and supervision of all areas of the business development on an operational basis, and approving investment decisions.

The tasks and powers of the Executive Committee include the approval of investments, leasing agreements and divestments within the corporate investment guidelines. The Executive Committee approves important business projects, prepares the business plan of the Company and the budgets of the individual divisions and functions.

In addition, it plays a key role - together with the Human Resources organisation - in the periodic review of the talent management programme, including succession planning for key positions. Alliances and partnerships with outside institutions, such as universities, think tanks and other business partners, are also monitored by the Executive Committee.

The members of the Executive Committee are individually responsible for the business areas assigned to them.

The Executive Committee meets generally on a monthly basis to discuss general Company business and strategy. In 2021 the Executive Committee held twelve regular meetings. Due to the COVID-19 pandemic, eleven of the twelve meetings were held in a hybrid way with some members at Company sites in Switzerland and the others joining via videoconference, and one meeting was held in person at the Company's headquarters in Vernier, Switzerland. In general, meetings lasted two days.

Sustainability

The Executive Committee (EC) is accountable for our Purpose and Sustainability ambitions. Topics related to these ambitions form part of the regular EC meeting agenda in addition to dedicated sessions - held twice a year - for reviewing the overall progress and strategic direction of our purpose / sustainability ambitions.

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

READ MORE

On our sustainability governance: 2021 GRI sustainability report > page 35

4.1 Members of the Executive Committee

At 31 December 2021, the following were members of the Executive Committee:



Gilles Andrier Chief Executive Officer

- French national
- Born in 1961
- · Appointed in 2005

Gilles Andrier spent the first part of his career with Accenture in management consulting before joining Givaudan in 1993 as Fragrance Division Controller and Assistant to the Chief Executive Officer. He later held various positions including Head of Fragrance Operations in the USA and Head of Consumer Products in Europe. He was appointed Head of Fine Fragrances, Europe in 2001 before becoming Global Head of Fine Fragrances in 2003 and then CEO of Givaudan in 2005.

Other mandates held by Gilles Andrier are: independent non-executive Director of Albea SA.

Gilles Andrier graduated with two Masters in Engineering from ENSEEIH Toulouse.



Tom Hallam Chief Financial Officer

- · British & Swiss national
- Born in 1966
- Appointed in 2017

Tom Hallam began his career in the UK working in various industries and positions. He moved to Switzerland in 1996 to join Serono in Geneva, where he held a number of positions of increasing responsibility including Financial Director for Manufacturing Operations, and in 2001 he was appointed Vice President, Corporate Finance. Tom Hallam joined Givaudan in 2008 as Group Controller, based in Vernier, Switzerland with responsibility for financial reporting and compliance, strategic planning and management of Givaudan's business development process. He was appointed Chief Financial Officer effective 1 January 2017.

Tom Hallam graduated from the University of Manchester, UK with a BA (Hons) in Accounting and Finance and subsequently qualified as a member of the Chartered Institute of Management Accountants.



Louie D'Amico President Taste & Wellbeing

- US national
- Born in 1961
- Appointed in 2018

Louie D'Amico began his career with Givaudan in sales as key account manager with Fries and Fries. On the merger with Givaudan Roure in 1997, he became the Head of the North America Sweet Goods business unit and later the North America Savoury business unit. In 2003, he relocated to Europe as Head of International Key Account Management and then Head of the Global Beverage business unit. In 2006, Louie D'Amico became Commercial Head of EAME. In 2010, he relocated back to the USA as Head of Flavours Americas. Effective 1 April 2018, he was appointed President of Taste & Wellbeing and a member of the Executive Committee.

Louie D'Amico has a BSc in chemistry from Michigan State University. He has over 30 years of experience in the flavour industry.



Maurizio Volpi President Fragrance & Beauty

- Italian national
- Born in 1969
- · Appointed in 2015

Maurizio Volpi began his career in consumer goods with P&G and Reckitt Benckiser in Italy, working in various marketing roles. In 2000, he joined Givaudan Italy as Account Manager in Milan before moving to Argenteuil in 2003 as Head of Marketing Consumer Products Europe. Maurizio Volpi subsequently took on roles of increasing responsibility at the global level: Head of Global Marketing Consumer Products, Head of Global Marketing and Consumer Market Research for both Consumer Products and Fine Fragrances, and World Account Manager for Unilever. He was appointed Regional Head of Western and Eastern Europe (WEE) for the Consumer Products business in 2012 and in 2015 became President of Givaudan Fragrance & Beauty.

Other mandates held are: member of the Boards of Directors of International Fragrance Association and the Research Institute for Fragrance Materials.

Maurizio Volpi holds a degree in Economics from the Bocconi University in Milan, Italy.



Simon Halle-Smith Head of Global Human Resources and FHS

- · British national
- Born in 1966
- Appointed in 2015

Simon Halle-Smith began his career in the pharmaceutical industry in 1991. He worked with Eli Lilly & Company in the UK in Clinical Trial Project Management, Sales and Human Resources. In 2004, he joined Quest as HR Director for the UK, before being appointed European HR Director in 2005. When Quest was acquired by Givaudan in 2007, he continued as European HR Director before being appointed Head of HR for the Fragrance Division in 2009. In 2015, Simon Halle-Smith became Head of Global Human Resources and a member of the Executive Committee. He took on the additional responsibility for Environment, Health and Safety (EHS) as of March 2017.

Simon Halle-Smith has a Bachelors in Biology and Chemistry and a PhD in Biochemistry from the University of East Anglia in the UK.

Other mandates held are: director of Geranium Management Ltd., United Kingdom.



Willem Mutsaerts Head of Global Procurement and Sustainability

- Dutch national
- Born in 1962
- Appointed in 2015

Willem Mutsaerts joined Givaudan in 1989, initially with responsibility for sales in Benelux. He moved on to become Regional Account Manager for the APAC region in Singapore before being appointed Head of Global Purchasing for Fragrances. In 2001, he took commercial responsibility for Fragrance consumer products in the EAME region, and in 2007 was appointed Head of Global Operations Fragrances.

Willem Mutsaerts became Head of Global Procurement and a member of the Executive Committee in October 2015. As of March 2017, he took on the additional responsibility of head of Givaudan's Sustainability programme.

Willem Mutsaerts has a degree in international marketing and is the holder of an MBA obtained at Golden Gate University in Singapore.



Anne Tayac Head of Givaudan Business Solutions

- French national
- Born in 1968
- Appointed in 2016

Anne Tayac began her career as a Quality Assurance coordinator with Robertet in Grasse. She joined Givaudan France in 1996 as Head of Quality Management before being promoted to Global Head of Fragrance Quality Management in 1998. Anne Tayac relocated to Vernier in 2003 where she assumed roles of increasing responsibility in Quality Management, Customer Care, SAP deployment change management, Fragrance and Flavour Supply Chain Excellence and was most recently responsible for leading Global Fragrance Operations. She was appointed as Head of Givaudan Business Solutions in August 2016.

Anne Tayac has a Master in Flavours and Fragrances from Sciences University in Le Havre, France and in Analytical Control and Quality from Sciences University in Marseille, France.

4.2 Other activities and vested interests

Please refer to the biographies of the members of the Executive Committee described in section 4.1 for their other activities and vested interests.

Except for those described in section 4.1, no member of the Executive Committee of Givaudan SA holds any material permanent management or consultancy functions for significant domestic or foreign interest groups nor any significant official functions or political posts.

4.3 Rules in the Articles of Incorporation on the number of permitted activities pursuant to Art. 12 para. 1 point 1 OaEC

Article 32 of the Articles of Incorporation of the Company permits the following external mandates for members of the Executive Committee:

- Members of the Executive Committee may, subject to approval by the Board of Directors, hold up to two mandates in quoted or non-quoted companies.
- the following mandates are not subject to these limitations:
 - mandates in companies which are controlled by the corporation
 - mandates held by order and on behalf of the corporation or any controlled company. No member of the Board of Directors or of the Executive Committee shall hold more than ten such mandates
- · mandates in associations, foundations, charitable organisations, trusts, employee welfare foundations and other comparable structures. No member of the Board of Directors or of the Executive Committee shall hold more than 15 such mandates.

'Mandates' mean mandates in the supreme governing body of a legal entity which is required to be registered in the Swiss commercial register or a corresponding foreign register. Mandates in different legal entities which are under joint control are deemed one mandate.

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4.4 Key elements of all management contracts between the issuer and companies (or natural persons) not belonging to the Group

The Company has not entered into any management contracts with third parties that fall within the scope of Subsection 4.4 of the SIX Directive on Information Relating to Corporate Governance.

5. Compensation, shareholdings and loans

In accordance with the Swiss Code of Obligations and the SIX Directive on Corporate Governance, Givaudan publishes the details of the remuneration of its Board of Directors and its Executive Committee in the Integrated Annual Report as well as the Compensation report and the Financial report.

6. Shareholders' participation

6.1 Voting rights and representation restrictions

6.1.1 All voting rights restrictions; indication of any statutory group clauses and rules on granting exceptions, particularly in the case of institutional voting rights representatives

At the Annual General Meeting of shareholders on 20 March 2014, the previously existing registration and voting rights restrictions were removed. Today, the Company has no limitations on voting rights for ordinary shareholders.

For restrictions on nominee shareholders, see section 2.6.3.

6.1.3 Reasons for granting exceptions in the year under review

Not applicable as the Company does not have any voting rights restrictions for ordinary shareholders.

6.1.4 Procedure and conditions for abolishing statutory voting rights restrictions

Any change in the above rules requires a positive vote of the absolute majority of the share votes represented at a shareholders' meeting, as prescribed by Swiss law.

6.1.5 Statutory rules on participation in the general meeting of shareholders if they differ from applicable legal provisions

There are no deviations from the Swiss legal provisions.

Any shareholder who, on the day determined by the Board of Directors, is registered as a shareholder with voting rights has the right to attend and to vote at the shareholders' meeting. Each shareholder may be represented at the shareholders' meeting by another shareholder who is authorised by a written proxy, by a legal representative or by the independent voting rights representative ('independent proxy') elected by the Annual General Meeting of shareholders.

6.1.6 Information on any rules which might be laid down in the Articles of Incorporation on the issue of instructions to the independent proxy, and any rules in the Articles of Incorporation on the electronic participation in the general meeting of shareholders

Article 10 of the Articles of Incorporation of the Company states that the Board of Directors establishes the rules on shareholder participation and representation in the shareholders' meeting, including the rules on proxies and voting instructions (by electronic means or otherwise).

6.2 Statutory quorums

The Articles of Incorporation of Givaudan SA follow the majority rules prescribed by Swiss law for decisions of general meetings of shareholders.

6.3 Convocation of the general meeting of shareholders

The convocation of shareholders registered with voting rights to general shareholders' meetings is made by publication in the Swiss official trade journal (SHAB/FOSC) at least 20 days prior to the day of the meeting. Shareholders representing at least 10% of the share capital may demand in writing that a shareholders' meeting be convened, setting forth the items to be included on the agenda and the proposals.

6.4 Agenda

Shareholders representing shares for a nominal value of at least CHF 1 million may demand in writing at least 45 days before the meeting that an item be included in the agenda, setting forth the item and the proposal.

6.5 Inscriptions into the share register

Shareholders will be registered with a right to vote in the share register of Givaudan SA until the record date set by the Board of Directors for each shareholders' meeting. The register date for the ordinary general meeting is specified in the invitation and is set approximately two weeks before the meeting. Only shareholders who hold shares registered in the share register with a right to vote at a certain date, or their representatives, are entitled to vote.

Givaudan SA has not granted any exceptions to this rule.

7. Change of control and defence measures

7.1 Duty to make an offer

The Articles of Incorporation of Givaudan SA do not contain any rules on opting out or opting up under Swiss law.

General Swiss legal provisions apply, which provide that anyone who acquires more than 33.3% of the voting rights of a listed company is required to make a public offer to acquire all listed securities of the Company that are listed for trading on the SIX Swiss Exchange.

7.2 Clauses on changes of control

In the event of a change of control, restricted share units (RSUs) and performance shares granted, as the case may be, by the Company to members of the Board of Directors and to a total of 506 senior management and employees may vest immediately. All other defence measures against change of control situations previously in effect were deleted by the Board of Directors in 2007.

8. Auditors

8.1 Duration of the mandate and term of office of the lead auditor

At the Annual General Meeting of shareholders on 26 March 2009, Deloitte SA was first appointed as Group and statutory auditor of Givaudan SA and its affiliates and has held the audit mandate since that time. At the Annual General Meeting of shareholders on 25 March 2021, Deloitte SA was reappointed as statutory auditor for the business year 2021. The rotation of the lead auditor follows the legally required maximum duration of seven years in accordance with the art. 730a para. 2 of the Swiss Code of Obligations. Since March 2016, the responsible lead auditor for the Givaudan audit at Deloitte has been Ms Karine Szegedi Pingoud, Partner.

The Audit Committee and the Board reconsider on an annual basis whether the statutory auditors should be proposed for re-election to the shareholders' meeting.

8.2 Auditing fees

The fees of Deloitte for professional services related to the audit of the Group's annual accounts for the year 2021 were CHF 3.7 million. This amount includes fees for the audit of Givaudan SA, its subsidiaries, and of the consolidated financial statements.

8.3 Additional fees

In addition, for the year 2021, Deloitte rendered tax and compliance related services for a total of CHF 0.6 million.

8.4 Informational instruments pertaining to the external audit

The external auditor presents the outcome of the audit directly to the Audit Committee after the end of each reporting year.

The Audit Committee conducts an assessment of the audit services provided by Deloitte during its regular meetings to evaluate the performance of Deloitte as external auditors.

The Audit Committee meets the external auditor at least four times per year, including private sessions without the presence of management. For each meeting the external auditors prepare a report in which they comment on their activities and are available for particular questions raised by the Audit Committee. In addition the Board of Directors meets with the external auditor as well at least once per year.

Furthermore, the Audit Committee reviews and approves the compensation and evaluates and approves other services provided by the external auditor.

The scope of the audit is defined in an engagement letter signed by the Chairman of the Audit Committee and the Chief Financial Officer.

During 2021 Deloitte attended all four of the Audit Committee meetings, except for certain closed sessions.

9. Information policy

Givaudan's Principles of Disclosure and Transparency are described in detail at:

www.givaudan.com > Our company > Corporate governance > Rules and policies

Givaudan's Articles of Incorporation can be found at:

Hard copies of Company publications such as the Integrated Annual Report are available on request. Corporate publications such as the Integrated Annual Report, the Half Year Report and the GRI Sustainability report can also be downloaded from Givaudan's website at:

www.givaudan.com > Investors > Financial results > Results centre

Quarterly sales information and other media releases can be found at:

www.givaudan.com | Investors | Financial results | Results centre

All relevant information can also be found at:

www.six-swiss-exchange.com > Market data > Shares > Share explorer

The complete calendar of events is available at:

www.givaudan.com > Investors > Investor events > Events calendar

For further information please contact: Pierre Bénaich, Head of Givaudan Media and Investor Relations, Chemin de la Parfumerie 5, 1214 Vernier, Switzerland

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10. Quiet periods

To prevent transactions in Givaudan shares and related securities at times where non public price sensitive facts (as defined under art. 53Listing Rules: hereafter Price Sensitive Information) may be available with respect to Givaudan's financials, the Company has enacted blackout periods during which the members of the Board of Directors of the Company, the members of the Executive Committee and all Givaudan employees worldwide are prohibited from dealing in Givaudan shares and related securities.

The blackout periods extend as follow:

- Annual Report and Half Year Report: Blackout periods start 10 trading days before the end of the reporting period concerned and last until close of business on the first trading day following the publication of the report.
- Quarterly sales: Blackout periods start 5 trading days before the end of the reporting period concerned and last until close of business on the first trading day following the publication of the report.

Blackout periods are without prejudice to the obligation of the members of the Board of Directors of the Company, the members of the Executive Committee and all Givaudan employees worldwide to refrain from dealing in Givaudan shares and related securities at any other times when in possession of price sensitive facts (as defined under art. 53LR) relating to Givaudan.



Givaudan owes its success to a diverse pool of highly engaged and talented people. The Company's compensation policies are an essential component of its employee value proposition and a key driver of both individual and business performance.

Compensation programmes reflect the performance of the business and of individuals and are aligned with the ambition of ensuring that Givaudan is a place where everyone feels welcome, valued and inspired. Rigorous governance, policies and processes to ensure that compensation practices are aligned with Givaudan's principles of integrity, fairness and transparency.

This report on compensation, complementing the integrated report, has been prepared in compliance with the Ordinance against Excessive Compensation in Listed Stock Companies (OaEC) and with the Directive on Information relating to Corporate Governance, issued by the SIX Swiss Exchange. The report also comprises information required under the Swiss Code of Obligations and takes into account the recommendations set out in the Swiss Code of Best Practice for Corporate Governance of Economiesuisse.

1. Compensation governance

1.1 Compensation Committee

The Compensation Committee supports the Board of Directors (Board) in establishing and reviewing compensation policies. It regularly reviews Company-wide programmes in regard to base salary, pension and benefit plans. The Compensation Committee also annually reviews and approves the performance targets and related payouts under the annual incentives and sharebased long-term incentives, while the applicable performance criteria are set by the Board.

The Compensation Committee is also responsible for reviewing and approving individual compensation and benefits of each Executive Committee member as well as recommending compensation for the Board.

The Compensation Committee consists of three independent members of the Board and is currently chaired by Prof. Dr-Ing. Werner Bauer. The Chief Executive Officer (CEO) is regularly invited to Compensation Committee meetings. The Head of Global Human Resources acts as secretary of the Compensation Committee. The Chairman of the Compensation Committee may invite other executives as appropriate. However, executives do not participate in discussions regarding their own compensation.

The Compensation Committee meets four to five times a year and informs the Board of its deliberations, recommendations and resolutions after each meeting. The minutes of the meetings are available to the full Board. The Committee utilises independent external consultants to benchmark the compensation of senior management and the Board.

Table I, on the next page, summarises the Compensation Committee standing agenda items and approvals.

1.2 Specific activities in 2021

Performance Share Plan (PSP)

After Givaudan articulated its purpose around the four focus areas of Creations, Nature, People and Communities, the Environment, Social and Governance (ESG) critera were fully integrated into its 2025 business strategy. The Compensation Committee reviewed the Company compensation plans to ensure alignment with the purpose goals and ambitions. Accordingly, certain aspects of the PSP changed with effect from 1 January 2021. Details of these changes are explained in section 3.6.

Continuing response to COVID-19

In 2021, to provide further support to all employees as the pandemic continued to impact their mental health, the Company extended its employee benefit offering from a local to a comprehensive global Employee Assistance Programme. This offers a 24/7 helpline in over 200 languages on a variety of topics such as personal wellbeing, mental health, relationships, family matters and workplace challenges.

Equal pay certification

As part of its commitment to being recognised as a leading employer for inclusion, Givaudan has obtained equal pay certification in July 2021 for all sites in Switzerland. The Swiss Fair-ON-Pay certificate was received following an external review in accordance with the requirements of the Federal Office for Gender Equality.

The Company is working towards similar recognition in the other markets where it operates.

I. Compensation Committee standing agenda items and approval

Timing	Agenda items	Proposed ¹	Consultation	Approved
Beginning of year	Compensation report	Compensation Committee		Board of Directors ³
	Prior year annual incentive achievement	CEO ²		Compensation Committee
	Set current year performance targets	CEO ²		Compensation Committee
	Long-term incentive award allocation	CEO ²		Compensation Committee
	Maximum amounts for shareholder voting on Executive Committee and Board compensation	Compensation Committee		Board of Directors (preliminary)³
Mid-year/end of year	Long-term incentive achievement against targets	CEO ²		Compensation Committee
	Compensation of the Executive Committee	CEO ²		Compensation Committee ³
	Compensation of the Board of Directors	Compensation Committee		Board of Directors ³
	Changes to compensation system (if any)	Compensation Committee	Chairman	Board of Directors
	Preview of key items for next year	CEO / Compensation Committee		-

- 1. CEO compensation proposed by Chairman of the Compensation Committee.
- 2. Individual concerned does not attend/abstains.
- 3. Subject to shareholders' vote (binding vote on maximum compensation amounts, consultative vote on Compensation report).

1.3 Governance rules

The Articles of Incorporation of Givaudan include rules on the principles applicable to performance-related pay and to the allocation of equity securities, convertible rights and options (Arts. 23–25), additional amounts for payments to Executive Committee members appointed after the vote on pay at the shareholders' meeting (Art. 27), loans, credit facilities and post-employment benefits for the Executive Committee and Board (Arts. 30 and 31) and the vote on pay at the shareholders' meeting (Art. 26).

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In line with Givaudan's Articles of Incorporation, the Board will submit the following maximum aggregate amounts for shareholder approval at the 2022 Annual General Meeting:

- Compensation of the Board for the period until the 2023 ordinary shareholders' meeting
- Short-term variable compensation of the Executive Committee for the 2021 fiscal year (Executive Committee retrospective vote)
- Fixed and long-term variable compensation of the Executive Committee for the 2022 fiscal year (Executive Committee prospective vote)

The calculation approach to be applied for determining the amounts to be approved by shareholders is aligned with the Compensation report valuation methodologies. Full details of the amounts to be submitted for approval will be included in the shareholders' meeting invitation.

Givaudan will also submit the 2021 Compensation report to a consultative vote at the 2022 Annual General Meeting.

2. Compensation principles

2.1 Board of Directors

In order to reinforce their independence in exercising their supervisory duties, members of the Board receive fixed compensation only. They are not eligible to any performance-based compensation and are not insured in the Company pension plans.

The Board compensation is paid in cash and in the form of Restricted Share Units (RSUs). RSUs are a right to receive shares of Givaudan after a three-year blocking period. They link the compensation with the share price evolution of the Company and strengthen the alignment with shareholders' interests.

2.2 Executives and employees

The ability to attract, motivate and retain the right talented employees globally is key to the continued success of Givaudan. Our competitive remuneration policy supports this ambition and is based on the following principles:

- Pay for performance: through our variable pay plans, employees participate in the Company's overall success and are rewarded for their contribution to business results.
- Alignment of interests: Givaudan seeks to align management and shareholders' interests by rewarding long-term value creation through share-based programmes.
- External competitiveness: overall compensation positioning should enable Givaudan to attract and retain highly talented individuals critical to its success.
- Internal consistency and fairness: internal pay scales reflect job level, function and geographic market.

Givaudan's total compensation in 2021 is composed of the following elements:

- Base salary: base salaries are regularly benchmarked in each location and pay scales are reviewed annually according to local market evolution. As a general rule, pay scales are built around market median.

- Profit Sharing Plan: non-management employees participate in the global Profit Sharing Plan. Payouts are based on yearly evolution of Group EBITDA.
- Annual Incentive Plan: this plan covers all managers and executives globally. It rewards participants for the achievement of financial targets and other organisational and individual objectives. Depending on the achievement of performance criteria, payouts can vary between 0% and 200% of target payout.
- Performance Share Plan: this plan links executives and selected manager compensation to the evolution of the Givaudan share price and long-term business objectives through the award of performance shares. Depending on the achievement of performance criteria, participants may receive between zero and two Givaudan shares per performance share at the end of the three-year vesting period.
- Benefits (indirect compensation): benefit plans seek to address current and future security needs of employees. These generally include retirement, health, death and disability benefits. Benefits-in-kind such as Company vehicles are offered to certain employees according to local market practice.

As illustrated in table II, every Givaudan employee's remuneration is linked to Company performance through cash-based and/or share-based variable pay plans and is aligned with Givaudan's compensation principles.

II. Givaudan compensation

Compensation	Base salary	Profit Sharing Plan	Annual Incentive Plan ¹	Performance Share Plan ¹	Benefits
Participants (number of participants)	All employees (17,000)	Non-management employees (12,000)	Managers and executives (5,000)	Executives and selected managers (500)	All employees (17,000)
Payout	Cash	Cash	Cash	Givaudan shares²	Insurances, pension, fringe benefits
Link to compensation principles	Attract and retain highly talented individuals. Provides internal consistency and fairness	Contribution to Group financial objectives	Contribution to Group financial objectives	Alignment of management with long-term targets and shareholders' interests	Protection against risk, attract and retain
Alignment with the 2025 strategy	Nurture a pipeline of industry experts and future leaders to develop skills for sustained success	Reward our people to share in Group profit	Achieve annual organic sales growth and EBITDA target and individual performance objectives	Achieve long-term organic sales growth and free cash flow targets, as well as people and nature ambitions linked to the Givaudan purpose	Same as base salary

- 1. The Annual Incentive Plan and Perforamnce Share Plan are described in more detail in the next sections.
- 2. Unless local laws prevent allocation of Givaudan shares, in which case payout is in cash.

3. Compensation of Givaudan executives

3.1 Compensation benchmarking

The compensation of Givaudan executives, in terms of both structure and level, is regularly benchmarked against individuals in similar positions within selected listed Swiss companies (members of the Swiss Leader Index, or SLI) as well as European companies that are comparable in size and international presence. Comparable European companies included in our benchmarking may be selected from the following industries (Specific companies used for benchmarking of Executive Committee positions are disclosed in section 4.1 page 32):

- Flavour and fragrance
- Consumer products
- Food and beverage
- Speciality chemicals
- Biotechnology
- Ingredients.

To the extent that the median size of the peer group of companies differs from Givaudan's size (taking into account revenue and market capitalisation), regression techniques are applied to adjust raw survey results for strict comparability.

3.2 Compensation mix

The total compensation of Givaudan executives consists of direct and indirect compensation components.

- Direct compensation consists of base salary, annual incentive and share-based components.
- Indirect compensation includes retirement coverage, health benefits, death and disability protection as well as certain benefits-in-kind according to local market practice.

Chart III illustrates the direct compensation mix at target for Givaudan executives in 2021.

III. Direct compensation mix policy guidelines

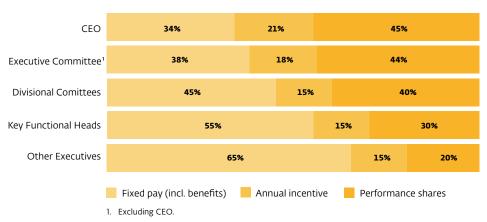


Table IV below illustrates the structure and purpose of the two incentive schemes.

IV. Variable compensation overview

	Annual Incentive Plan	Performance Share Plan
Participants	Managers and executives	Key talent and executives
Purpose	To reward managers and executives for the achievement of annual organisational targets and overall individual performance	To link compensation to shareholder value creation and achievement of business objectives including the Givaudan purpose ambitions
Grants	Annual grant	Annual grant
Vesting	End of each year	3 years
Conditions for vesting	Achievement of annual EBITDA and sales growth targets	Achievement of relative sales growth and free cash flow targets over 4 years and for grants from 2021 onwards, targets also include achievement of net greenhouse gas (GHG) emission reduction (scope 1, 2 and 3), senior leader diversity (women and high growth market representation) and employee safety
Payout	Cash	Shares ¹

^{1.} Unless local laws prevent allocation of Givaudan shares, in which case payout is in cash.

3.3 Clawback provisions

As part of the Givaudan compensation programme and ensuring appropriate risk management, all incentive-based compensation (Annual Incentive Plan and Performance Share Plan (PSP)) is subject to clawback provisions. The respective plan rules provide the Compensation Committee with absolute discretion to cancel any payouts that would otherwise be due, including for reasons linked to an individual's performance or behaviour. With regard to the PSP, this means that any right to receive Givaudan shares at the end of the vesting period will lapse if such a determination is made by the Compensation Committee. In 2021, the Compensation Committee did not exercise clawback for any current or former Executive Committee members.

3.4 Base salary

Base salaries are established on the basis of the scope and responsibilities of the function, the external value of the role and the profile of the incumbent in terms of skills, experience and individual performance. To ensure market competitiveness, base salaries are reviewed annually. Base salary adjustments (if any) are based primarily on market evolution, taking into consideration the executive's performance and contribution to Company results.

3.5 Annual Incentive Plan

The Annual Incentive Plan is designed to reward managers' and executives' individual performance and contribution to Givaudan annual objectives.

Performance criteria

In 2021, the Annual Incentive Plan for Executive Committee members was based on the following performance criteria:

- Sales growth targets in local currencies: 50%
- EBITDA margin targets: 50%

For the purpose of the Annual Incentive Plan, EBITDA is expressed as a percentage of sales. Measurement at Group level is considered, except where divisional level is more appropriate having regard to the members' scope of responsibility.

Givaudan's compensation system has been designed for alignment with the Company's vision and strategy and enshrines the principles of pay for performance. To provide shareholders the ability to assess this performance link and in line with Givaudan's commitment to transparency, the Company discloses ex-post the overall payout factor under its variable pay plans. The disclosure approach protects the Company's commercially sensitive, forward-looking information. Provision of such information, such as relating to Annual Incentive Plan performance targets, could otherwise put the Company and its shareholders at a competitive disadvantage. Details of the Performance Share Plan threshold, targets and maximum are presented in the Compensation report.

Annual incentive payouts for managers and executives below the Executive Committee level are based on a mix of organisational performance objectives, cascaded from Givaudan Group objectives, and individual performance, taking into consideration achievement of personal objectives, day-to-day job responsibilities and the demonstration of behaviours in line with the Givaudan core values.

Incentive targets, caps and payouts

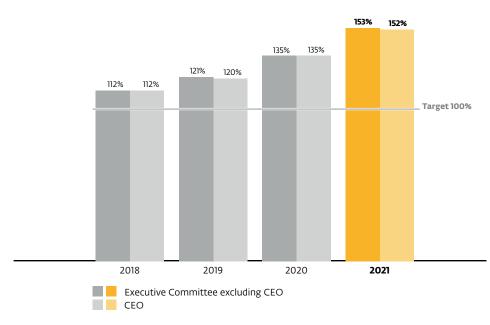
Expressed as a percentage of base salary, annual incentives at target were the following in 2021:

- Chief Executive Officer: 100%
- Chief Financial Officer and Division Presidents: 80%
- Other Executive Committee members: 60%
- Division Management Committee members: 35% 50%
- Other executives and managers: 10% 35%

Based on the performance achievements, incentive payouts may vary between 0% and a cap of 200% of target incentive. Minimum threshold achievement is required, otherwise no annual incentive is paid.

In 2021, sales growth and EBITDA was above target. This resulted in 152% of target payout for the Chief Executive Officer, and an average of 153% for the other members of the Executive Committee. Table V summarises historical annual incentive achievement against target since 2018.

V. Historical annual incentive achievement



3.6 Performance Share Plan

Executives and selected management members are eligible to participate in the Performance Share Plan (PSP), which is designed to reward executives and key talent who significantly influence the long-term success of the business and our purpose ambitions.

PSP participants are granted Performance Shares annually. The total number of Performance Shares granted, and the plan parameters generally, are approved each year by the Compensation Committee. Givaudan applies a policy to cap the maximum value of PSP allocations. For Executive Committee members the annual total grant value per member is approximately two times annual base salary.

Performance Shares vest three years from grant date based on the achievement of performance criteria measured over the performance period. The operation of the PSP is summarised in the following diagram.

VI. Operation of the 2020 PSP Performance criteria

2021 > **2022** > **2023** > **2024** >

March

Grant date

Receive performance shares

March

Vesting date

Receive 0-2 Givaudan shares per performance share, based on the achievement of performance criteria

Performance target setting

For grants before 2021, performance is measured on the vesting date, based on the extent financial performance criteria have been met over the previous four years. Measuring performance over an extended four-year period is consistent with the long-term outlook of the business.

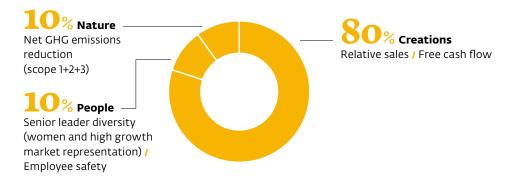
From 1 January 2021, a new PSP aligned with the Givaudan purpose was introduced. This purpose - Creating for happier, healthier lives with love for nature. Let's imagine together includes four focus areas: Creations, Nature, People and Communities. The financial metrics of sales and free cash flow previously used to calculate the PSP are retained and updated, and are complemented by non-financial criteria linked to three of the four focus areas of the Givaudan purpose (details on page 30).

Within the focus areas, calculation criteria in the new PSP are:

- Creations sales and free cash flow
- Nature net greenhouse gas (GHG) emissions reduction in scope 1, 2 and 3
- People senior leader diversity (women and high growth market representation) and employee safety.

Stretched targets to be set in the focus areas in the new PSP pave the way for the achievement of our purpose aspirations, and a clear methodology and sufficient data will ensure that these targets are appropriate. All the non-financial metrics used in the new PSP will be rigorously measurable and audited.

The following chart reflects the proportion of contribution from the three focus areas of the Givaudan purpose.



Creations performance criteria (80%)

Following the 2020 review of the Company compensation plans, the Compensation Committee considered the appropriateness of the existing flavour and fragrance industry peer group used in PSP calculations to benchmark organic sales growth. The nature of the Company's business has evolved in recent years with the acquisition of other businesses, and a new and broadened peer group was used for grants in 2021 to reflect this change:

- Relative average sales growth as compared to the sales growth of two equally weighted selected peer groups; and
- Cumulative free cash flow (FCF) margin, expressed as a percentage of cumulative sales.

The structure of performance criteria calculation has been specifically designed to be challenging.

As explained in section 3.7, these performance criteria from 1 January 2021 were complemented by non-financial criteria linked to the Givaudan purpose in the areas of net CHG emissions reduction, diversity and employee safety.

For average sales growth, this is compared with two peer groups:

- Peer Group 1 comprises companies from direct competitors in the flavour and fragrance industry and other consumer ingredient producers that publish sales in local currency. The peer companies currently included in the group are: DSM Nutrition, Kerry Taste & Nutrition, Firmenich, Hasegawa, IFF, Robertet, Sensient, Symrise and Takasago.
- Peer Group 2 comprises publically listed companies which reflect our customer segments and whose respective sales are representative of the mix of Givaudan business: Coca-Cola, PepsiCo, Danone, Nestlé, Mondelez, Kraft Heinz, General Mills, Henkel, Unilever, Reckitt, L'Oreal, P&G, Colgate, Estée Lauder and Coty.

The performance range for relative sales growth extends from −2% to 3% annualised sales growth versus both peer groups. Givaudan's performance versus both groups is weighted equally and measured over the four-year performance period (2018 to 2020 and prior: -1.5% to 2.5% for the direct competitor peer group).

In the case of FCF margin, final achievement is calculated as the average of the reported FCF margin for each of the four performance years. This means that Givaudan's FCF for each year of the performance period is summed, and this cumulative result is divided by the sum of Givaudan's sales in each year of the performance period. The assessment over four years ensures that the performance targets are stringent and reward sustained Company performance. The performance range extends from 9% to 17%.

Target setting and testing against targets follows adherence to strict governance policies. Careful consideration is given to Givaudan's performance and its projections. In addition, a reference test against historical achievements is conducted as depicted in table VII.

Targets set for the 2021 PSP remain aligned with our 2021 guidance, and within the overall objectives. In addition to the factors already mentioned, the assessment and target setting take into consideration the impact of significant investments (in particular, recent acquisitions) and ensuring targets are appropriately challenging.

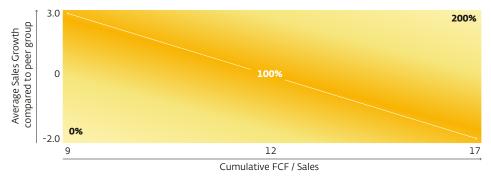
VII. Historical FCF margin vs set target



- 1. Cumulative FCF margin of the related previous performance period.
- 2. Four-year target for corresponding PSP.

A 100% payout for the Creations targets can be obtained where a target combination of the Creations performance criteria is met, such as when relative average sales growth is in line with the peer groups and cumulative FCF margin is 12%. An additional payout cap applies, so that the extent to which outperformance on FCF may counterbalance lower sales growth achievement is restricted. Accordingly, in the event relative sales growth is below the peer group and FCF margin targets are achieved or exceeded, a cap of at 100% applies.

VIII. Performance Share Plan Creations payout matrix



Darker region indicative of target achievement zone for 100% payout. Note that a cap at 100% applies in the event relative sales growth is below zero.

Nature performance targets (10%)

One of the Company's purpose ambitions is to be climate positive by 2050 regarding GHG emissions relating to scopes 1 (direct emissions), 2 (owned indirect emissions) and 3 (not-owned indirect emissions). Givaudan has created a path to achieve this ambition and for 2021 PSP grants, they have a three-year target reduction of 40,000 (CO2 equivalent tonnes) versus the 2020 baseline, reflected in table IX. below, with minimum, on target and maximum achievements.

People performance targets (10%)

The Company also has purpose ambitions that it will reduce total recordable injury rate of employees by 50% by 2025, and increase participation in senior leadership of women and high growth market nationality to 50% by 2030. Givaudan has created a path to achieve these ambitions and for 2021 PSP grants it has a three-year target to reduce the total recordable injury rate (TRCR) to 0.90 incidents per 100,000 Full Time Equivalent employees at the end of 2023, and to increase senior leader representation by women and high growth markets by 6% by the end of 2023¹. See table IX. below, with minimum, on target and maximum achievements.

IX. Performance Share Plan People and Nature payout matrix

Payout	0%	100%	200%
Nature performance targets			
Net GHG reduction vs 2020 (CO₂e tonnes)	-60,000²	40,000	140,000
People performance targets			
% females in senior leadership ¹	26%	32%	38%
% HGM nationals in senior leadership ¹	24%	30%	36%
Safety TRCR 2023	1.24	0.90	0.63

- 1. Senior leadership roles represent approximately the top 1% of the global workforce based on Givaduan's job
- 2. Represents an annual increase of only 1% GHG emissions versus projected average organic sales growth of 4–5% per year.

Share payout caps

For LTIP awards granted before 2021, based on the extent that performance criteria are met, the actual number of shares vesting at the end of the performance period may vary between 0% and 200% of the Performance Shares initially granted. The level of vesting is dependent on the combination of performance achievement against both criteria: relative sales growth and free cash flow.

A payout of 200% would require an achievement level above the maximum threshold for both criteria.

An achievement level below the minimum threshold on either measure results in a 0% payout.

Different combinations of relative sales growth and FCF achievements within the above ranges lead to payouts between 0% and 200%, ranked according to their long-term economic value generation for the Company. The outcome of the matrix payout approach is that outperformance on one performance criteria can be counterbalanced in the event of underperformance on the other. Accordingly, the weighting of impact for each performance criteria differs depending on the positioning within the matrix shown in table VIII.

For awards granted in 2021, the payouts will be calculated using the payout matrix as per table VIII as previously for 80% of the award value at grant, and the other 20% will be calculated against People and Nature targets described on page 31. For each performance target as well as for the overall PSP achievement rate, a payout cap of 200% applies.

Participants do not receive any dividends or have any voting rights in respect of Performance Shares during the vesting period.

In general, Performance Shares lapse on cessation of employment. In specific circumstances such as death, disability or retirement, Performance Shares may vest subject to satisfaction of the performance criteria. In case of a change of control, Performance Shares may vest immediately.

Vesting in 2021

The 2018 PSP vested on 15 April 2021 with a 140% payout. This reflects above target achievement on FCF and above target achievement on relative sales growth, as displayed in table X. Historical long-term incentive achievement is shown in table XI.

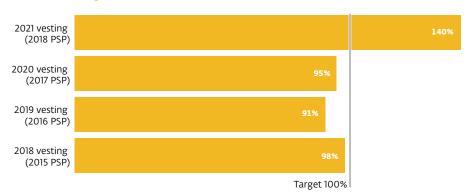
For reference, Givaudan tests performance against other benchmark metrics, including relative total shareholder return (TSR), and it continues to outperform the market in many regards. For instance, Givaudan's TSR measured over the latest three-year vesting period has generally been at or above third quartile when compared to local Swiss companies, related industry companies and the Company's benchmark peer group. Therefore Givaudan's performance, return to shareholders and executive compensation remain aligned.

X. 2018 PSP achievement

Criteria	Performance	Payout	
Average like-for-like sales +1.1% growth compared to peer group		→ 140% of performance shares	
Cumulative FCF / sales ¹	12.5%	granted	

1. Formula = Σ (FCF margin reporting year x sales in reporting currency in year / Σ Sales in reporting currency in year).

XI. Historical long-term incentive achievement



3.7 Benefits

Executive Committee members participate in the benefit plans of the Company, consisting mainly of retirement, insurance and health care plans that are designed to provide a reasonable level of protection for the employees and their dependents in respect of the risks of retirement, ill-health, disability and death.

Executive Committee members are also provided with certain executive perquisites and benefits in kind according to competitive market practice. The aggregate monetary value of these benefits is evaluated at fair value and disclosed in the compensation tables.

4. Compensation of the Executive Committee

4.1 Benchmarking of Executive Committee positions

All benchmarking activity related to Executive Committee positions is performed by independent consultants. Givaudan's executive compensation targets base pay at the market median. Executive Committee members have the opportunity to be rewarded with abovemedian pay for sustained outstanding performance from a number of variable compensation components. These variable elements reflect achievements against quantitative targets established by the Board. Variable compensation, particularly long-term components, represents a significant portion of an executive's total compensation. In general, the weight of variable compensation increases with executive's level of responsibility and the impact of their position on Company results.

In 2021, Executive Committee compensation was reviewed against a peer group of other Swiss multinational companies. This peer group consisted of Swiss Leader Index (SLI) companies of comparable market cap (approximately 0.5x to 2x), excluding financial services institutions. The benchmark included 12 companies: ABB, Alcon, Geberit, Kuehne + Nagel, LafargeHolcim, Lonza, Richemont, Schindler, SGS, Sika, Logitech and Swisscom. Consistent with prior external benchmarks, the review confirmed the positioning against the market remains appropriate. The findings have been cross-validated against a listed European company comparator group with the finding that Givaudan compensation positioning appears similar versus the European peer group than the SLI companies. The European benchmark included 10 companies: Akzo Nobel, Beiersdorf, Carlsberg, Coca-Cola European Partners, DSM, Kerry Group, Pernod Ricard, Smith & Nephew, Solvay and Symrise. The European peer group consists of companies of a similar size (approximately 0.5x to 2x market cap and turnover of Givaudan). In addition, the peer group chosen is a competitor group of Givaudan considering talent acquisition and retention.

XII. Executive compensation benchmark

	Below median	Median	Above median
Base pay			
Short-term incentive ¹			
Long-term incentive ²			=
Total compensation		_	

- 1. Annual Incentive Plan (please refer to section 3.5).
- 2. Performance Share Plan (please refer to section 3.6).

The results confirm that total compensation of the Executive Committee is overall aligned with the market. The long-term incentive compensation is positioned above median, which is in line with Givaudan policy and reflects our continued strong focus on rewarding outstanding performance over the long term.

In 2021, independent consulting services were contracted with Agnes Blust Consulting regarding Executive Committee compensation topics, including benchmarking. Additional executive compensation data was provided by Mercer who also provide general compensation and international mobility market data to the Company.

4.2 Compensation levels in 2021

Total Executive Committee compensation reported in 2021 remained stable compared to 2020, representing full year compensation for seven members (including the Chief Executive Officer (CEO)).

Total Executive Committee compensation for the reporting period increased by 2.8%, reflecting higher annual incentive achievement. Total fixed compensation and long-term incentive grant values did not increase versus the previous reporting period.

Further details are available in section 3.5.

Executive Committee member compensation has been set in accordance with our compensation principles, including consideration of roles and responsibilities and with reference to our compensation benchmarks.

4.2.1 Highest total compensation

The CEO, Gilles Andrier, received the highest total compensation in 2021. For compensation details, please refer to table XIV.

4.2.2 Other compensation, fees and loans to members or former members of the **Executive Committee**

No other compensation or fees were accrued for or paid to any member or former member of the Executive Committee during the reporting period. No member or former member of the Executive Committee or related parties had any loan outstanding as of 31 December 2021.

4.2.3 Special compensation of Executive Committee members who left the Company during the reporting period

No such compensation was incurred during the reporting period.

4.2.4 Employment contract termination clauses of Executive Committee members

Employment contracts of Executive Committee members comply with the OaEC and our Articles of Incorporation. Accordingly, contractual entitlements are within the specified thresholds, in particular the maximum contractual notice period is six months and any non-compete clause does not exceed 12 months. No additional compensation or benefits are provided in the case of change in control, except for long-term incentive awards that may vest immediately.

All contractual arrangements of Executive Committee members are approved by the Compensation Committee of the Board.

4.2.5 Compensation voting for Executive Committee members

The compensation paid is within the amounts approved by shareholders in the respective Annual General Meeting.

The fixed and long term variable compensation approved for 2021 was CHF 15,400,000 (2020: CHF 15,300,000).

The annual incentive, short term variable compensation amount for 2021 was CHF 5,461,355 and will be submitted for approval at the 2022 Annual General Meeting (2020: CHF 4,812, 783).

XIV. Executive Committee (EC) compensation summary

in Swiss francs		Base Salary	Pension benefits ²	Other benefits ³	Total fixed compensation	Annual Incentive⁴	Number of performance shares granted ⁵	Value at grant 6	Total variable compensation	Total compensation	Employer social security ⁷
Gilles Andrier, CEO	2021	1,221,418	578,371	141,079	1,940,868	1,862,933	728	2,500,898	4,363,831	6,304,699	525,879
	2020	1,211,084	574,237	145,344	1,930,665	1,636,536	895	2,501,078	4,137,614	6,068,279	504,728
EC Members, excluding CEO ¹	2021	3,228,752	1,086,554	388,786	4,704,092	3,598,422	1,688	5,798,786	9,397,208	14,101,300	1,073,231
	2020	3,336,973	1,036,769	433,184	4,806,926	3,176,247	2,077	5,804,177	8,980,424	13,787,350	1,029,178
Total: EC Members, including CEO	2021	4,450,170	1,664,925	529,865	6,644,960	5,461,355	2,416	8,299,684	13,761,039	20,405,999	1,599,110
	2020	4,548,057	1,611,006	578,528	6,737,591	4,812,783	2,972	8,305,255	13,118,038	19,855,629	1,533,906

- 1. Represents full year compensation of six Executive Committee members.
- 2. Company contributions to broad-based pension and retirement savings plans and annualised expenses accrued for supplementary executive retirement benefit.
- 3. Represents annual value of health and welfare plans, international assignment benefits and other benefits in kind.
- 4. Annual incentive accrued in reporting period based on performance in the reporting period.
- 5. 2021 Performance shares vest on 15 April 2024, 2020 Performance Shares vest on 15 April 2023.
- 6. Value at grant calculated according to IFRS methodology and based on 100% achievement of performance targets.
- 7. 2021 estimated social security charges based on 2021 compensation; 2020 estimated social security charges based on 2020 compensation.

5. Compensation of the Board of Directors

Compensation of Board members consists of Director fees, Committee fees and Restricted Share Units (RSUs). Fees are paid at the end of each year in office completed. RSUs give participants the right to receive Givaudan shares (or a cash equivalent in countries where securities laws prevent the offering of Givaudan securities) at the end of a three-year blocking period. During this period, Board members must hold RSUs (accordingly are restricted from trading RSUs or the underlying Givaudan shares), thereby aligning with shareholder interests over the longer term. Board members are entitled to receive Givaudan shares regardless of membership status so that, for example, if re-election does not occur during the restriction period, awarded RSUs are retained by the respective Board member. Such practice has been implemented in line with best practice in support of Givaudan's commitment to ensuring Board independence.

The annual fees for Board membership and additional functions are summarised in the table XIII. The fee structure remained unchanged versus prior year levels.

XIII. Board of Directors fees - Summary

	Annual fees (CHF)	Restricted Shares Compensation (CHF) ³
Chairman of the Board ¹	400,000	580,000
Vice-Chairman of the Board ¹	100,000	145,000
Board membership	100,000	145,000
Additional committee fees		
Chairman – Audit Committee ²	55,000	
Chairman – Other Committees ²	40,000	
Membership – All Committees	25,000	

- 1. Incl. Board membership fees.
- 2. Incl. Committee membership fees.
- 3. Number of RSUs granted represents the closest match to the values displayed.

The Chairman of the Board does not receive any additional board membership fees. Similarly, a Committee Chairman does not receive any additional Committee Membership fees.

Each Board member receives an additional amount of CHF 10,000 to cover out-of-pocket expenses. This amount is paid for the coming year in office. The RSUs are also granted for the same period.

Board fees are aligned with the total Board compensation approved by shareholders at the 2021 Annual General Meeting and with market practice. Board member compensation was benchmarked against a peer group of other Swiss multinational companies. This peer group consisted of Swiss Leader Index (SLI) companies with comparable market cap (approximately 0.5x to 2x), excluding financial services institutions. The benchmark included 12 companies: ABB, Alcon, Geberit, Kuehne + Nagel, LafargeHolcim, Lonza, Richemont, Schindler, SGS, Sika, Swatch and Swisscom. In 2021, this benchmarking review also included a study on the structures used to deliver the share-based component of Board fixed pay. Consistent with prior external benchmarks, the review confirmed the continued use of RSUs and positioning against the market remains appropriate.

The compensation paid to the Board members for the reporting period is shown in table XV.

5.1 Compensation of the Board member with the highest compensation

The Board member with the highest compensation in 2021 was Calvin Grieder, Chairman of the Board since 23 March 2017. For compensation details please refer to table XV.

5.2 Other compensation, fees and loans to members or former members of the Board

No additional compensation or fees were paid to any member of the Board. No Board member or related parties had any loan outstanding as of 31 December 2021.

5.3 Special compensation of members of the Board who left the Company during the reporting period

No such compensation was incurred during the reporting period.

XV. Board of Directors compensation summary

in Swiss francs		Director fees ³	Committee fees ³	Total fixed (cash)	Number of RSUs granted⁴	Value at grant⁵	Total compensation
Calvin Grieder Chairman¹	2021	400,000	65,000	465,000	169	580,566	1,045,566
	2020	400,000	65,000	465,000	208	581,256	1,046,256
Victor Balli ¹	2021	100,000	72,500	172,500	42	144,283	316,783
	2020	100,000	50,000	150,000	52	145,314	295,314
Prof. Dr-Ing. Werner Bauer¹	2021	100,000	65,000	165,000	42	144,283	309,283
	2020	100,000	65,000	165,000	52	145,314	310,314
Lilian Biner¹	2021	100,000	25,000	125,000	42	144,283	269,283
	2020	100,000	25,000	125,000	52	145,314	270,314
Michael Carlos¹	2021	100,000	65,000	165,000	42	144,283	309,283
	2020	100,000	65,000	165,000	52	145,314	310,314
Ingrid Deltenre¹	2021	100,000	50,000	150,000	42	144,283	294,283
	2020	100,000	50,000	150,000	52	145,314	295,314
Thomas Rufer ^{1,6}	2021	25,000	13,750	38,750	13	36,329	75,079
	2020	100,000	55,000	155,000	52	145,314	300,314
Olivier Filliol ^{1,7}	2021	100,000	50,000	150,000	42	144,283	294,283
	2020	75,000	37,500	112,500	39	108,986	221,486
Sophie Gasperment 1,8	2021	100,000	25,000	125,000	42	144,283	269,283
	2020	33,333	8,333	41,666	17	47,507	89,173
Total compensation ²	2021						3,183,126
	2020						3,138,799

^{1.} The function of each member of the Board of Directors is indicated on pages 7-9 in both the 2020 Governance report and the 2021 Governance Report.

Estimated social security charges based on 2021 compensation amounted to CHF 263,416 (2020: CHF 259,320).

^{2.} Represents total compensation of the Board of Director paid in respect of the reporting year, reported in accordance with the accrual principle.

^{3.} Represents Director and Committee fees paid in respect of the reporting year, reported in accordance with the accrual principle.

^{4. 2021} RSUs blocking period end on 15 April 2024; 2020 RSUs end on 15 April 2023.

^{5.} Economic value at grant according to IFRS methodology with no discount applied for the blocking period.

^{6.} Thomas Rufer retired at the AGM in March 2021.

^{7.} The 2020 figures represent compensation from April to December 2020.

^{8.} The 2020 figures represent compensation from September to December 2020.

5.4 Compensation voting for members of the Board

The compensation paid to the Board members for the period between the 2020 and 2021 Annual General Meetings, CHF 3,280,206, is again within the amount approved by shareholders at the 2020 Annual General Meeting CHF 3,400,000. Amounts approved at the 2021 Annual General Meeting CHF 3,250,000 will be paid by the end of the year in office and validated in the 2022 Compensation report. Such approved and paid amounts may differ from those shown in the Board compensation summary table which, according to the OaEC, must include compensation paid in the reporting year.

6. Share ownership guidelines

Under the share ownership guidelines (Guidelines), Executive Committee members must hold approximately two times annual base salary in Givaudan shares. In general, the Guidelines should be met within five years from the beginning of the calendar year after joining the Executive Committee.

As the current Guidelines were implemented in September 2017, transitional arrangements to the Guidelines were in place for Executive Committee members appointed before 2016, such that all such members reached the new Guideline holding requirement in 2020.

Ownership of Givaudan shares by Executive Committee members as per 31 December 2021 is shown in table XVI

7. Ownership of Givaudan securities

7.1 Executive Committee

The Chief Executive Officer (CEO) and other members of the Executive Committee, including persons closely connected to them, held 8,053 Givaudan shares. For further details, please refer to table XVI showing:

- The shares held individually by each member of the Executive Committee as per 31 December 2021
- The unvested Performance Shares that were granted in 2019-2021 and were still owned by members of the Executive Committee as per 31 December 2021.

No member of the Executive Committee held any share options or option rights as at 31 December 2021 (31 December 2020: no member of the Executive Committee held any share options or option rights).

One person closely connected to a member of the Executive Committee owned 184 unvested Performance Shares as at 31 December 2021.

The Company is not aware of any other ownership of shares, share options/option rights, RSUs or Performance Shares as per 31 December 2021 by persons closely connected to members of the Executive Committee

XVI. Executive Committee: ownership of Givaudan securities

2021		Unvested
in numbers	Shares	Performance Shares
Gilles Andrier, CEO	4,600	2,715
Tom Hallam	278	1,141
Louie D'Amico	525	1,270
Maurizio Volpi	801	1,357
Simon Halle-Smith	706	815
Willem Mutsaerts	434	815
Anne Tayac	525	815
Total 2021	7,869	8,928
Total 2020	6,312	10,937

7.2 Board of Directors

As per 31 December 2021, the Chairman and other Board members, including persons closely connected to them held 6,183 Givaudan shares in total. For further details, please refer to table XVII showing:

- The shares held individually by each Board member as per 31 December 2021.
- The RSUs that were granted in 2019–2021 and were still owned by members of the Board as per 31 December 2021.

The Company is not aware of any other ownership of shares, share options/option rights, RSUs or Performance Shares as per 31 December 2021 by persons closely connected to members of the Board.

XVII. Board of Directors: ownership of Givaudan securities

2021 in numbers	Shares	Blocked RSUs
Calvin Grieder, Chairman	947	629
Victor Balli	248	157
Prof. Dr-Ing. Werner Bauer	1,428	157
Lilian Biner	735	157
Michael Carlos	1,260	157
Ingrid Deltenre	365	157
Olivier Filliol	1,200	94
Sophie Gasperment		72
Total 2021	6,183	1,580
Total 2020	6,501	1,962

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Report of the statutory auditor

To the General Meeting of GIVAUDAN SA, Vernier

Compensation Report

Report of the Statutory Auditor in relation to sections 4 and 5 of the compensation report in accordance with the Ordinance against Excessive compensation in Stock Exchange Listed **Companies (Ordinance)**

We have audited the accompanying compensation report of Givaudan SA for the year ended 31 December 2021. Our audit is limited to the information provided in sections 4 and 5 on page 32 to 36 in accordance with the articles 14 - 16 of the Ordinance against Excessive compensation in Stock Exchange Listed Companies (Ordinance).

Responsibility of the Board of Directors

The Board of Directors is responsible for the preparation and overall fair presentation of the compensation report in accordance with Swiss law and the Ordinance against Excessive compensation in Stock Exchange Listed Companies (Ordinance). The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's Responsibility

Our responsibility is to express an opinion on the compensation report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the compensation report complies with Swiss law and articles 14 - 16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the compensation report with regard to compensation, loans and credits in accordance with articles 14 - 16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the compensation report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of remuneration, as well as assessing the overall presentation of the compensation report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Opinion

In our opinion, sections 4 and 5 of the compensation report of Givaudan SA for the year ended 31 December 2021 comply with Swiss law and articles 14 – 16 of the Ordinance.

Deloitte SA

Karine Szegedi Pingoud Licensed Audit Expert Auditor in Charge

Laetitia Cejudo Petit Licensed Audit Expert

Geneva, 27 January 2022







In this section

42 Consolidated financial statements Consolidated Income Statement **42** Consolidated Statement of Comprehensive Income Consolidated Statement of Financial Position 43 Consolidated Statement of Changes in Equity Consolidated Statement of Cash Flows Notes to the consolidated financial statements 1. Group Organisation 46 **46** 2. Summary of Significant Accounting Policies **56** 3. Critical Accounting Estimates and Judgments **57** 4. Foreign Exchange Rates **57** 5. Financial Risk Management **67** 6. Acquisitions **70** 7. Segment Information **72** 8. Employee Benefits **77** 9. Share-Based Payments 77 10. Investments in Joint Ventures and Associates **78** 11. Other Operating Income **78** 12. Other Operating Expense **78** 13. Expenses by Nature **78** 14. Financing Costs

78 15. Other Financial (Income) Expense, Net

79	16. Income Taxes
80	17. Earnings per Share
81	18. Cash and Cash Equivalents
81	19. Accounts Receivable – Trade
81	20. Inventories
82	21. Property, Plant and Equipment
83	22. Intangible Assets
85	23. Debt
87	24. Changes in Liabilities Arising from Financing Activities
88	25. Provisions
89	26. Own Equity Instruments
89	27. Equity
90	28. Commitments
90	29. Contingent Liabilities
91	30. Related Parties
91	31. Board of Directors and Executive Committee Compensation
95	32. List of Principal Group Companies
97	33. Disclosure of the Process of Risk Assessment
98	Report of the Statutory Auditor
98	Statutory Auditor's Report on the Consolidated

Financial Statements

Consolidated Income Statement

For the year ended 31 December

in millions of Swiss francs, except for earnings per share data	Note	2021	2020
Sales	7	6,684	6,322
Cost of sales		(3,829)	(3,663)
Gross profit		2,855	2,659
as % of sales		42.7%	42.1%
Selling, marketing and distribution expenses		(921)	(848)
Research and product development expenses		(562)	(536)
Administration expenses		(239)	(218)
Share of results of joint ventures and associates	10	2	3
Other operating income	11	35	45
Other operating expense	12	(81)	(109)
Operating income		1,089	996
as % of sales		16.3%	15.8%
Financing costs	14	(94)	(86)
Other financial income (expense), net	15	(30)	(34)
Income before taxes		965	876
Income taxes	16	(144)	(133)
Income for the period		821	743
Attribution			
Income attributable to non-controlling interests		_	-
Income attributable to equity holders of the parent		821	743
as % of sales		12.3%	11.8%
Earnings per share – basic (CHF)	17	89.03	80.59
Earnings per share – diluted (CHF)	17	88.37	79.96

The notes on pages 46 to 97 form an integral part of these financial statements.

Consolidated Statement of Comprehensive Income

For the year ended 31 December

in millions of Swiss francs Not	2021	2020
Income for the period	821	743
Items that may be reclassified to the income		
statement		
Cash flow hedges		
Movement in fair value, net	54	(51)
Gains (losses) removed from equity and recognised in the consolidated income statement	9	6
Movement on income tax 16	(4)	4
Exchange differences arising on translation of foreign operations		
Movement in fair value arising on hedging instruments of the net assets in foreign operations	42	58
Currency translation differences	(31)	(385)
Movement on income tax 16	(2)	5
Items that will not be reclassified to the income statement		
Defined benefit pension plans		
Remeasurement gains (losses) of post-employment		
benefit obligations 8	222	46
Movement on income tax 16	(40)	(5)
Other comprehensive income for the period	250	(322)
Total comprehensive income for the period	1,071	421
Attribution		
Total comprehensive income attributable to non-controlling interests	_	_
Total comprehensive income attributable to equity holders of the parent	1,071	421

Consolidated Statement of Financial Position

in millions of Swiss francs	Note	31 December 2021	31 December 2020
Assets			
Cash and cash equivalents	5, 18	273	411
Derivative financial instruments	5	16	54
Financial assets at fair value through income statement	5	4	4
Accounts receivable - trade	5, 19	1,464	1,359
Inventories	20	1,380	1,201
Current tax assets	16	57	66
Prepayments		65	50
Other current assets	5	147	154
Current assets		3,406	3,299
Derivative financial instruments	5	37	65
Property, plant and equipment	21	2,291	2,222
Intangible assets	22	4,853	4,543
Deferred tax assets	16	182	218
Post-employment benefit plan assets	8	69	20
Financial assets at fair value through income statement	5, 6	297	180
Interests in joint ventures and investments in associates	10	37	35
Other non-current assets		248	76
Non-current assets		8,014	7,359
Total assets		11,420	10,658

in millions of Swiss francs	Note	31 December 2021	31 December 2020
Liabilities and equity			
Short-term debt	5, 23	428	206
Derivative financial instruments	5	37	49
Accounts payable - trade and others	5	1,008	809
Accrued payroll and payroll taxes		235	211
Current tax liabilities	16	188	157
Financial liability - own equity instruments	26	148	108
Provisions	25	13	23
Other current liabilities		261	233
Current liabilities		2,318	1,796
Derivative financial instruments	5	61	103
Long-term debt	5, 23	4,239	4,245
Provisions	25	83	71
Post-employment benefit plan liabilities	8	371	545
Deferred tax liabilities	16	280	310
Other non-current liabilities		127	80
Non-current liabilities		5,161	5,354
Total liabilities		7,479	7,150
Share capital	27	92	92
Retained earnings and reserves	27	6,365	6,133
Own equity instruments	26, 27	(211)	(168)
Other components of equity		(2,317)	(2,567)
Equity attributable to equity holders of the parent		3,929	3,490
Non-controlling interests		12	18
Total equity		3,941	3,508
Total liabilities and equity		11,420	10,658

Consolidated Statement of Changes in Equity For the year ended 31 December

2021 in millions of Swiss francs	Share Capital	Retained earnings and reserves	Own equity instruments	Cash flow hedges	Currency translation differences	Remeasurement of post employment benefit obligations	Equity attributable to equity holders of the parents	Non- controlling interests	Total equity
Note	27	27	26, 27			8			
Balance as at 1 January	92	6,133	(168)	(148)	(1,935)	(484)	3,490	18	3,508
Income for the period		821					821	_	821
Other comprehensive income for the period				59	9	182	250		250
Total comprehensive income for the period		821		59	9	182	1,071	_	1,071
Dividends paid		(589)					(589)		(589)
Movement on own equity instruments, net			(43)				(43)		(43)
Non-controlling interests								(6)	(6)
Net change in other equity items		(589)	(43)				(632)	(6)	(638)
Balance as at 31 December	92	6,365	(211)	(89)	(1,926)	(302)	3,929	12	3,941

2020 in millions of Swiss francs	Share Capital	Retained earnings and reserves	Own equity instruments	Cash flow hedges	Currency translation differences	post employment	Equity attributable to equity holders of the parents	Non- controlling interests	Total equity
	· · · · · · · · · · · · · · · · · · ·			Casil flow fleuges	unierences		of the parents	Interests	Total equity
Note	27	27	26, 27			8			
Balance as at 1 January	92	5,961	(168)	(107)	(1,613)	(525)	3,640	19	3,659
Income for the period		743					743	_	743
Other comprehensive income for the period				(41)	(322)	41	(322)		(322)
Total comprehensive income for the period		743		(41)	(322)	41	421	-	421
Dividends paid		(571)					(571)		(571)
Movement on own equity instruments, net			_						
Non-controlling interests								(1)	(1)
Net change in other equity items		(571)					(571)	(1)	(572)
Balance as at 31 December	92	6,133	(168)	(148)	(1,935)	(484)	3,490	18	3,508



Consolidated Statement of Cash Flows

For the year ended 31 December

in millions of Swiss francs	Note	2021	2020
Income for the period		821	743
Income tax expense	16	144	133
Interest expense	14	86	80
Non-operating income and expense	14, 15	38	40
Operating income		1,089	996
Depreciation of property, plant and equipment	21	204	201
Amortisation of intangible assets	22	186	187
Impairment of long-lived assets	21, 22	3	13
Other non-cash items			
- share-based payments		67	56
- pension expense	8	45	49
- additional and unused provisions, net	25	18	20
- other non-cash items		(5)	(18)
Adjustments for non-cash items		518	508
(Increase) decrease in inventories		(165)	(68)
(Increase) decrease in accounts receivable		(93)	(76)
(Increase) decrease in other current assets		(15)	(19)
Increase (decrease) in accounts payable		167	27
Increase (decrease) in other current liabilities		10	2
(Increase) decrease in working capital		(96)	(134)
Income taxes paid		(153)	(125)
Pension contributions paid	8	(53)	(40)
Provisions used	25	(17)	(16)
Cash flows from (for) operating activities a		1,288	1,189

in millions of Swiss francs	Note	2021	2020
Increase in long-term debt	24	316	1,405
(Decrease) in long-term debt	24	(14)	(784)
Increase in short-term debt	24	1,514	3,044
(Decrease) in short-term debt	24	(1,510)	(3,300)
Cash flows from debt, net		306	365
Interest paid	24	(72)	(53)
Purchase and sale of derivative financial instruments, net	24	(26)	(19)
Lease payments	24	(57)	(52)
Transactions of non-controlling interest		(6)	(7)
Other, net	24	(5)	(9)
Cash flows from financial liabilities		140	225
Distribution to the shareholders paid	27	(589)	(571)
Purchase and sale of own equity instruments, net a		(69)	(56)
Cash flows from (for) financing activities ^a		(518)	(402)
Acquisition of property, plant and equipment	21	(186)	(188)
Acquisition of intangible assets	22	(70)	(39)
Acquisition of subsidiaries, net of cash acquired	6	(401)	(629)
Proceeds from the disposal of property, plant and equipment	21	9	8
Proceeds from sales of intangible assets	22		2
Interest received		8	3
Dividend received from joint ventures and associates		1	1
Purchase and sale of financial assets at fair value through			
income statement, net	6	(92)	(3)
Impact of financial transactions on investing, net		(27)	25
Other, net		(149)	1
Cash flows from (for) investing activities		(907)	(819)
Net increase (decrease) in cash and cash equivalents		(137)	(32)
Net effect of currency translation on cash and cash equivalents		(1)	(9)
Cash and cash equivalents at the beginning of the period	18	411	452
Cash and cash equivalents at the end of the period	18	273	411

a) After careful consideration with the Group auditors, the Group has determined that purchase and sale of own equity instruments relates to financing activities and has been reclassified from cash flows from (for) operating activities into cash flows from (for) financing activities.



1. Group Organisation

Givaudan SA and its subsidiaries (hereafter 'the Group') operate under the name Givaudan. Givaudan SA is a limited liability company incorporated and domiciled in Switzerland. The Group is headquartered in Vernier, near Geneva, Switzerland. Givaudan is a leading supplier of creative fragrance, beauty, taste and wellbeing products to the consumer goods industry. It operates in over 100 countries and has subsidiaries and branches in more than 40 countries. Worldwide, it employs 16,842 people. A list of the principal Group companies is shown in Note 32 to the consolidated financial statements.

The Group is listed on the SIX Swiss Exchange (GIVN).

2. Summary of Significant Accounting Policies

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.1 Basis of Preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the IASB and Swiss law.

They are prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities at fair value through the income statement, and of own equity instruments classified as derivatives. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements, and reported amounts of revenues and expenses during the reporting period. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Critical accounting estimates and judgments are disclosed in Note 3.

Givaudan SA's Board of Directors approved these consolidated financial statements on 27 January 2022.

2.1.1 Changes in Accounting Policies and Disclosures Standards, amendments and interpretations effective in 2021

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2020 with the exception of the adoption as of 1 January 2021 of the standards and interpretations described below:

Amendments to IFRS 16: Covid-19-related rent concessions provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification. The Group is not exposed to lessee relief for which the exemption election significantly impacts the consolidated financial statements.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest Rate Benchmark Reform (IBOR) - Phase 2 introduce a practical expedient for modifications required by the reform, clarify that hedge accounting is not discontinued solely because of the IBOR reform, and introduce disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well the entity's progress in transitioning from IBORs to alternative benchmark rates and how the entity is managing this transition. As the amendments permit continuation of hedge accounting, the Group will retain the cumulative gain or loss in the cash flow hedge reserve for designated cash flow hedges that are subject to interest rate benchmark reforms even though there is uncertainty arising from the reform with respect to the timing and amount of the cash flows of the hedged items.

2.1.2 IFRSs and IFRICs issued but not yet effective

New and revised standards and interpretations, issued but not yet effective, have been reviewed to identify the nature of the future changes in accounting policy and to estimate the effect of any necessary changes in the consolidated financial statements and supporting notes upon their adoption.

a) Issued and effective for 2022

Annual Improvements to IFRS Standards 2018–2020 provides a streamlined process for dealing efficiently with a collection of amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases and IAS 41 Agriculture. The amendments do not impact the current practice of the Group.

Amendments to IAS 16: Property, Plant and Equipment: Proceeds before Intended Use prohibit the deduction of proceeds from selling items produced before an item of property, plant and equipment (PP&E) is available for use from the cost of that PP&E. The amendments do not impact the current practice of the Group.

Amendments to IAS 37: Onerous Contracts - Cost of Fulfilling a Contract specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts. The amendments do not impact the current practice of the Group.

b) Issued and effective for 2023 and after

Amendments to IAS 1: Classification of Liabilities as Current or Non-current affect only the presentation of liabilities in the statement of financial position by clarifying that the classification (a) should be based on rights that are in existence at the end of the reporting period, and (b) is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability. The amendments do not impact the current practice of the Group.

Amendments to IAS 1: Disclosure of Accounting Policies require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2. The amendments do not impact the current practice of the Group.

IFRS 17 Insurance Contracts establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts. The standard has no impact for the Group. Amendments to IAS 8: Definition of Accounting Estimates help entities to distinguish between accounting policies and accounting estimates and replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error. The amendments do not impact the current practice of the Group.

Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition. The amendments do not impact the current practice of the Group.

2.2 Consolidation

The subsidiaries that are consolidated are those companies controlled, directly or indirectly, by Givaudan SA. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether or not it controls an investee if there are indications of a change in facts and circumstances.

Companies acquired during the year are consolidated from the date on which operating control is transferred to the Group, and subsidiaries to be divested are included up to the date on which control passes to the acquirer.

The acquisition method of accounting is used to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets acquired, shares issued and liabilities undertaken or assumed at the date of acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed are measured initially at their fair values at the acquisition date. Acquisition related costs are expensed as incurred. The excess of the cost of acquisition over the fair value of the Group's share of net assets of the subsidiary acquired is recognised as goodwill.

Where necessary, changes are made to the accounting policies of subsidiaries to bring and ensure consistency with the policies adopted by the Group. Assets and liabilities, equity, income, expenses and cash flows resulting from inter-company transactions are eliminated in full on consolidation.

2.3 Investments in Joint Ventures and Associates

A joint venture is a joint arrangement whereby the Group and other parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists when the strategic, financial and operating decisions relating to the activities of the joint venture require the unanimous consent of the parties sharing control.

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of joint ventures and associates are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, an investment in a joint venture or an associate is initially recognised at cost and adjusted thereafter to recognise the Group's share of the income statement and the other comprehensive income of the joint venture or associate. Adjustments are made where necessary to bring the accounting policies in line with those adopted by the Group. Unrealised gains and losses on transactions between the Group and a jointly controlled entity or an associate are eliminated to the extent of the Group's interest in the joint arrangement or associate.

2.4 Foreign Currency Valuation

2.4.1 Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the functional currency of that entity. The functional currency is normally the one in which the entity primarily generates and expends cash. The consolidated financial statements are presented in millions of Swiss francs (CHF), the Swiss franc being the Group's presentation currency.

2.4.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions, or using a rate that approximates the exchange rates on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting period-end rates of monetary assets and liabilities denominated in foreign currencies are recognised in other financial income (expense), net, except for:

- Exchange differences recognised in other comprehensive income as qualifying cash flow hedges on certain foreign currency risks and qualifying net investment hedges;
- Exchange differences on monetary items to a foreign operation for which settlement is neither planned nor likely to occur, therefore forming part of the net investment in the foreign operation, which are recognised initially in other comprehensive income and reclassified from equity to the income statement on disposal of the net investment or on partial disposal when there is a loss of control of subsidiary or a loss of joint control over a jointly controlled entity; and
- Exchange differences on foreign currency borrowings relating to assets under construction which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

Non-monetary items that are measured in terms of historical cost in foreign currencies are not retranslated.

2.4.3 Translation of the financial statements of foreign subsidiaries

For the purpose of presenting consolidated financial statements, the assets and liabilities of Group companies reporting in currencies other than Swiss francs (foreign operations) are translated into Swiss francs using exchange rates prevailing at the end of the reporting period. Cash flows, income and expenses items of Group companies are translated each month independently at the average exchange rates for the period when it is considered a reasonable approximation of the underlying transaction rate. All resulting exchange differences are recognised in other comprehensive income and accumulated in equity.

2.4.4 Hyperinflationary economies

Restatement of financial statements is required for subsidiaries whose functional currencies have experienced a cumulative inflation rate of more than 100% over the past three years. The gain or loss on the net monetary position as well as the gain or loss incurred upon adjusting the carrying amounts of non-monetary assets and liabilities for inflation are recognised in the consolidated income statement and then translated into Swiss francs. Restatement to current units of currency is made using the change in a general price index.

2.5 Segment Reporting

The operating segments are identified on the basis of internal reports that are regularly reviewed by the Executive Committee, the members of the Executive Committee being the chief operating decision makers, in order to allocate resources to the segments and to assess their performance. The internal financial reporting is consistently prepared along the lines of the two operating divisions: Fragrance & Beauty and Taste & Wellbeing.

The business units of each division, respectively Fine Fragrances, Consumer Products, Fragrance Ingredients and Active Beauty for the Fragrance & Beauty Division and Beverages, Dairy, Savoury, Sweet Goods and Natural Ingredients for the Taste & Wellbeing Division, are not considered as separately reportable operating segments as decision making about the allocation of resources and the assessment of performance are not made at this level.

Inter-segment transfers or transactions are set on an arm's length basis.

Information about geographical areas is determined based on the Group's operations; Switzerland, Europe, Africa and Middle East, North America, Latin America and Asia Pacific. Revenues from external customers are shown by destination and by segment.

2.6 Revenue from Contracts with Customers

The Group manufactures and sells manufactured fragrance, beauty, taste and wellbeing products, specialty ingredients and molecules of fragrance and taste to the agreed upon specifications and may contain additional performance obligations for certain clients such as the assignment of specific application technologies, joint market research and particular stock conditions. Most of these additional performance obligations are not distinct because they are highly dependent on the delivery of manufactured products and molecules.

Sales are recognised when control of the goods has transferred, being when the goods are delivered to the customer, the customer has full discretion over the channel and price to sell the goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Delivery occurs when the customer has accepted the goods in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

The goods are often sold with volume discounts based on aggregate sales over a 12 months period. Revenue from these sales is recognised based on the price specified in the contract,

net of the estimated volume discounts provided that it is highly probable that a significant reversal will not occur. No element of financing is deemed present as the sales are made with credit terms that are consistent with market practice.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

2.7 Research and Product Development

The Group is active in research and in formulas, technologies and product developments. In addition to its internal scientific efforts, the Group collaborates with outside partners.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

Internal developments or developments obtained through agreements on formula, technology and product costs are capitalised as intangible assets when there is an identifiable asset that will generate probable economic benefits and when the cost can be measured reliably. When the conditions for recognition of an intangible asset are not met, development expenditure is recognised in the income statement in the period in which it is incurred.

2.8 Employee Benefit Costs

Wages, salaries, social security contributions, annual leave and paid sick leave, bonuses and non-monetary benefits are expensed in the year in which the associated services are rendered by the Group's employees.

2.8.1 Pension obligations

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, principally dependent on an employee's years of service and remuneration at retirement. Plans are usually funded by payments from the Group and employees to financially independent trusts. The liability recognised in the statement of financial position is the aggregate of the present value of the defined benefit obligation at the statement of financial position date less the fair value of plan assets. Where a plan is unfunded, only a liability representing the present value of the defined benefit obligation is recognised in the statement of financial position. The present value of the defined benefit obligation is calculated by independent actuaries using the projected unit credit method at interim and annual publication. This reflects the discounted expected future payment required to settle

the obligation resulting from employee service in the current and prior periods. The future cash outflows incorporate actuarial assumptions primarily regarding the projected rates of remuneration growth, and long-term indexation rates. Discount rates, used to determine the present value of the defined benefit obligation, are based on the market yields of high quality corporate bonds in the country concerned. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past service costs are recognised immediately in the income statement. Pension assets and liabilities in different defined benefit schemes are not offset unless the Group has a legally enforceable right to use the surplus in one plan to settle obligations in another plan.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into publicly or privately administrated funds. The Group has no further payment obligations once the contributions have been made. The contributions are charged to the income statement in the year to which they relate.

2.8.2 Other post-retirement obligations

Some Group companies provide certain post-retirement healthcare and life insurance benefits to their retirees, the entitlement to which is usually based on the employee remaining in service up to retirement age and completing a minimum service period. The expected costs of these benefits are accrued over the periods in which employees render service to the Group.

2.9 Share-Based Payments

The Group has established a performance share plan to align the long-term interests of key executives and members of the Board of Directors with the interests of the shareholders

Key executives are awarded a portion of their performance-related compensation in equitysettled share-based payment transactions. The costs are recorded in each relevant functions part of the employees' remuneration as personnel expenses with a corresponding entry in equity in own equity instruments for equity-settled share-based payment transactions. The different share-based payments are described below:

2.9.1 Performance Share Plan

Key executives are awarded a portion of their performance-related compensation in equitysettled share-based payment transactions in the form of a performance share plan.

The performance share plan is established with Givaudan registered shares and a vesting period of three years. The Group has at its disposal either treasury shares or conditional share capital.

The cost of equity-settled instruments is expensed as employee remuneration over the vesting period, together with a corresponding increase in equity in own equity instruments. The cost is determined by reference to the fair value of the shares expected to be delivered at the date of vesting. Performance conditions are included in the assumptions in which the number of shares varies. No market conditions are involved.

The fair value is determined as the market price at grant date reduced by the present value of dividends expected or any other expected distribution to the shareholders to be paid during the vesting period, as participants are not entitled to receive dividends or any other distribution to the shareholders during the vesting period.

At each statement of financial position date the Group revises its estimates of the number of shares that are expected to be delivered. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation.

2.9.2 Restricted Share Plan

The members of the Board of Directors receive a portion of their compensation in equitysettled share-based payment transactions in the form of restricted share units.

Restricted shares are set generally with a vesting period of three years, during which the restricted shares cannot be settled or transferred. The Group has at its disposal treasury shares for the delivery of the restricted shares.

The cost of these equity-settled instruments to be expensed, together with a corresponding increase in equity, over the vesting period, is determined by reference to the fair value of the restricted shares granted at the date of the grant. Service conditions are included in the assumptions about the number of restricted shares that are expected to become deliverable. No performance conditions are included.

The fair value is determined as the market price at grant date reduced by the present value of dividends expected or any other expected distribution to the shareholders to be paid during the vesting period, as participants are not entitled to receive dividends or any other distribution to the shareholders during the vesting period.

At each statement of financial position date the Group revises its estimates of the number of restricted shares that are expected to be delivered. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation.

2.10 Taxation

Income taxes include all taxes based upon the taxable profits of the Group, including withholding taxes payable on the distribution of retained earnings within the Group. Other taxes not based on income, such as property and capital taxes, are included either in operating expenses or in financial expenses according to their nature. The Group's liability for current income tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are provided based on the full liability method, under which deferred tax consequences are recognised for temporary differences between the tax bases of assets and liabilities and their carrying values. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which those items can be utilised. Management considers that these tax benefits are probable on the basis of business projections on the relevant entities.

Such deferred tax assets and liabilities are not recognised if the temporary difference arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting nor the taxable income.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and interests in jointly controlled entities, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Current tax assets and liabilities are offset and deferred income tax assets and liabilities are offset when the income taxes are levied by the same taxation authority and when there is a legally enforceable right to offset them.

Current and deferred tax are recognised as an expense or income in the income statement, except when they relate to items that are recognised outside the income statement, in which case the tax is also recognised outside the income statement.

2.11 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks and similar institutions. Cash equivalents are held for the purpose of meeting short-term cash commitments (maturity of three months or less from the date of acquisition) and are subject to an insignificant risk of changes in value.

2.12 Financial Assets

Financial assets are classified as financial assets at fair value through the income statement except for trade receivables which are classified at amortised cost. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Regular way purchases or sales of financial assets require delivery of assets within the time frame established by regulation or convention in the marketplace. All regular way purchases or sales of financial assets are recognised and derecognised at the settlement date (i.e. the date that the asset is delivered to or by the Group). Financial assets are classified as current assets, unless they are expected to be realised beyond twelve months of the statement of financial position date.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset in its entirety, the following amounts are recognised in the income statement: (i) the difference between the asset's carrying amount and the sum of the consideration received and receivable; (ii) the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity.

Dividend income from investments is recognised in other financial income (expense), net when the right to receive payment has been established. Interest income is accrued on a time basis and included in other financial income (expense), net.

2.12.1 Financial assets at fair value through the income statement

Financial assets such as debt instruments, equity securities, investment funds and derivatives not designated as effective hedging instruments are classified in this category.

Debt instruments are held with the objective to manage cash flows by both collecting their contractual cash flows and selling them at market price when needed. The main purpose of such instruments is to fund obligations related to employees. They are designated as financial assets measured at fair value through the income statement to avoid recognition inconsistency resulting from changes in fair values of the financial assets and the obligations.

Other financial assets which are not debt instruments are held with the main objectives to participate in long-term partnerships, to hedge certain financial risks, and to fund obligations related to employees. Their designation as financial assets measured at fair value through the income statement is in line with management intentions to hold such assets.

These financial assets are initially measured at fair value whereas directly attributable transaction costs are expensed in the income statement. At the end of each period, the carrying value is adjusted to the fair value with a corresponding entry in the income statement until the investment is derecognised.

The subsidiaries in the United States of America entered over the years into various life insurance contracts called corporate owned life insurance (COLI) to fund long-term obligations related to employees. For both the COLI contracts and the associated long-term obligations, adjustments to the fair value, gains and losses, are recognised in the income statement.

For quoted equity instruments, the fair value is the market value, being calculated by reference to share exchange quoted selling prices at close of business on the statement of financial position date. Non-quoted financial assets are valued at fair value based on observable market transactions or if not available based on prices given by reputable financial institutions or on the price of the latest transaction.

2.12.2 Financial assets at amortised cost

Trade receivables are the only financial assets that are initially recognised at fair value and subsequently measured at amortised cost. They reach the objective of collecting contractual cash flows over their life. Trade receivables are carried at amortised cost less allowances for loss. They generally do not contain a significant financing component. The allowance loss

measurement is then determined by applying a simplified approach equalling the lifetime expected credit losses. Under this approach the tracking of changes in credit risk is not required but instead the base lifetime expected credit loss at all times is applied. An allowance for loss is estimated using a provision matrix that takes into account both the outstanding amounts and the risk category of the debtor, which is based on past default experience, specific factors to debtors and reasonable and supportable information about future economic conditions. Losses are recorded within selling, marketing and distribution expenses in the income statement. Trade receivables are deemed as impaired when there is an indication of significant financial difficulties of the debtor (delinquency in or default on payments occurs, probability of bankruptcy or need for financial reorganisation).

Trade receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

2.13 Derivative Financial Instruments and Hedging Activities

Most derivative instruments are entered into to provide economic hedges. They are initially recognised at fair value on the date a derivative contract is entered into and are subsequently measured at their fair value. The method to recognise the resulting gain or loss depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged.

The Group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, as to whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

Movements on the hedging reserve in shareholders' equity are shown in the statement of changes in equity. These derivatives are presented as current or non-current on the basis of their settlement dates.

2.13.1 Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within other comprehensive income, limited to the cumulative change in fair value of the hedged item on a present value

basis from the inception of the hedge. The gain or loss relating to the ineffective portion is immediately recognised in financing costs in the income statement.

Amounts accumulated in equity are reclassified to the income statement in the periods when the hedged transaction affects the income statement, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or liability, the amounts are transferred from equity and included in the initial measurement of the cost of the non-financial asset or liability.

When forward contracts are used to hedge forecast transactions such as future debt issuance, management assumes that the sources of hedge ineffectiveness in regards of the characteristics of the hedging relationship is sufficiently immaterial to exclusively perform a qualitative assessment.

When the hedging instrument expires or is sold, terminated or exercised, or the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the ultimate forecast transaction occurs. If the forecast transaction is no longer expected to occur, any cumulative gain or loss existing in equity is immediately taken to the income statement.

2.13.2 Hedges of net investments in foreign operations

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the foreign currency forward contracts relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated in the foreign currency translation reserve. The gain or loss relating to the ineffective portion is recognised immediately in other financial income and expense in the income statement.

2.13.3 Derivatives at fair value through the income statement

Certain derivative instruments do not qualify for hedge accounting and are accounted for at fair value through the income statement. At each statement of financial position date these derivative instruments are valued at fair value based on quoted market prices, with the unrealised gain or loss recognised in the income statement. They are derecognised when the Group has lost control of the contractual rights of the derivatives, at which time a realised gain or loss is recognised in the income statement.

2.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using a weighted average cost formula. The cost of finished goods and work in process comprises raw materials, direct labour, other direct costs and related production overheads but excludes borrowing costs. Cost of sales includes the corresponding direct production costs of goods manufactured and services rendered as well as related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

2.15 Property, Plant and Equipment

Property, plant and equipment are initially recognised at cost of purchase or construction and subsequently at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment includes expenditure that is attributable to the purchase or construction. It includes, for qualifying assets, borrowing costs in accordance with the Group's accounting policy (Note 2.19), and cost of its dismantlement, removal or restoration, related to the obligation for which an entity incurs as a consequence of installing the asset.

The assets are depreciated on a straight-line basis, except for land, which is not depreciated. Estimated useful lives of major classes of depreciable assets are as follows:

- Buildings and land improvements 40 years - Machinery, equipment and vehicles 3–15 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

The carrying values of assets are written down to their recoverable amount when the carrying value is greater than their estimated recoverable amount (Note 2.18).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount with gains being recognised within other operating income and losses being recognised within other operating expense within the income statement.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Subsequent costs such as repairs and maintenance are recognised as expenses as incurred.

2.16 Leases

For all agreements containing a lease, a right-of-use asset and a corresponding lease liability are recognised, except for low-value assets and short-term leases, defined as leases with a lease term of 12 months or less. Those are recognised as an expense on a straight-line basis in the consolidated income statement. The Group accounts for contracts containing both lease and non-lease components as a single lease component.

The lease liability is initially measured at the present value of the future lease payments, as from commencement date of the lease until the expected termination date. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options are only included in the lease term if the lease is reasonably certain to be extended. The lease term is reassessed if an option is, or not, actually exercised or the Group becomes obliged, or not, to exercise it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. The lease payments are discounted by using the interest rate implicit in the contract or, if not available, the incremental borrowing rate, which is defined as the interest rate that the Group would have to pay to borrow, over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The lease liability is subsequently measured to reflect interest, lease payments and any lease modifications. The lease liability is presented under the lines short-term debt and long-term debt in the consolidated statement of financial position. The interest expense is presented in the line financing costs in the consolidated income statement.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, initial direct costs and estimates of cost to put the underlying asset in the appropriate condition. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. They are depreciated over the shorter period of the lease term and the useful life of the underlying asset. Right-of-use-assets are presented in the consolidated statement of financial position under the line property, plant and equipment.

All lease payments on leases are presented as part of cash flows from financing activities, except for the short-term and low-value leases cash flows which are booked under operating activities.

2.17 Intangible Assets

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions is recognised in the statement of financial position as an intangible asset. Goodwill is tested annually for impairment or more frequently when there are indications of impairment, and carried at cost less accumulated impairment losses. Impairment charges on goodwill are not reversed. Any goodwill or fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of a foreign operation are recognised in the local currency at the effective date of the transaction and translated at year-end exchange rates. For the purpose of impairment testing, goodwill is allocated to the cash-generating units being the Group's reportable operating segments: Taste & Wellbeing Division and Fragrance & Beauty Division, which itself includes two lower levels of cash-generating units related to Expressions Parfumées and Fragrance Oils.

Intangible assets acquired in a business combination are identified and recognised separately from goodwill when they satisfy the definition of an intangible asset and their fair values can be measured reliably.

Internal developments are capitalised as intangible assets when there is an identifiable asset that will generate probable economic benefits and when the cost can be measured reliably. Costs include all costs directly attributable to preparing the asset for use. Development costs previously recognised as an expense are not recognised as an asset in subsequent periods.

Separately acquired intangible assets are capitalised when the identifiable asset will generate probable economic benefits and when its cost can be measured reliably.

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is on a straight-line basis over the estimated economic useful life of the asset. Useful life is determined based on the character of the asset and may be indefinite. In that case, the asset is not amortised but annually tested for impairment. Estimated definite useful life of major classes of amortisable assets are as follows:

 Process-oriented technology 5-20 years Client relationships 15-23 years Supplier relationships 3 years Name and product brands 2-10 years - Software/ERP system 3-7 years

Gains or losses arising on the disposal of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount with gains being recognised within other operating income and losses being recognised in other operating expense within the income statement.

2.18 Impairment of Long-Lived Assets

Non-financial assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. When the recoverable amount of a non-financial asset, being the higher of its fair value less cost to sell and its value in use, is less than its carrying amount, then the carrying amount is reduced to the asset's recoverable value. This reduction is recognised as an impairment loss within other operating expense within the income statement. Value in use is determined by using pre-tax cash-flow projections over a five-year period and a terminal value. These are discounted using a pre-tax discount rate that reflects current market conditions of the time value of money and the risks specific to the asset.

Intangible assets with indefinite useful life are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

An impairment loss is reversed if there has been a change in the circumstances used to determine the recoverable amount. A previously recognised impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.19 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to prepare for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in the income statement in the period in which they are incurred.

2.20 Accounts Payable - Trade and Others

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers and are carried at amortised cost.

2.21 Debt

The proceeds of straight bonds, of private placements and of debt issued are recognised as the proceeds received, net of transaction costs incurred. Any discount arising from the coupon rate, represented by the difference between the net proceeds and the redemption value, is amortised using the effective interest rate method and charged to interest expense over the life of the bonds or the private placements. Debt is derecognised at redemption date.

Debt is classified within current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the statement of financial position date.

2.22 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and for which a reliable estimate of the amount of the obligation can be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation.

2.23 Own Equity Instruments

Own equity instruments are own shares and derivatives on own shares. Purchases and sales are accounted for at the settlement date.

Purchases of own shares are recognised at acquisition cost including transaction costs as a deduction from equity. The original cost of acquisition, results from resale and other movements are recognised as changes in equity, net. Treasury shares acquired by the execution of own equity derivatives are recognised at the execution date market price.

The settlement and the contract for derivatives on own shares determine the categorisation of each instrument. When the contract assumes the settlement is made by exchanging a fixed amount of cash for a fixed number of treasury shares, the contract is recognised in equity except for a forward contract to buy and write put options which is recognised as a financial liability. When the contract assumes the settlement either net in cash or net in treasury shares or in the case of option of settlement, the contract is recognised as a derivative. Instruments recognised in

equity are recognised at acquisition cost including transaction costs. Instruments recognised as financial liabilities are recognised at the net present value of the strike price of the derivative on own shares with the interest charge recognised over the life of the derivative in the line Financing costs of the income statement. They are derecognised when the Group has lost control of the contractual rights of the derivative, with the realised gain or loss recognised in equity.

At each statement of financial position date instruments recognised as derivatives are valued at fair value based on quoted market prices, with any unrealised gain or loss recognised in the line Other financial income (expense), net in the income statement. They are derecognised when the Group has lost control of the contractual rights of the derivatives, with any realised gain or loss recognised.

2.24 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.25 Statement of Cash Flows

Cash flows from operating activities arise from the principal activities of the Group in the Fragrance & Beauty and Taste & Wellbeing businesses. The indirect method is used whereby the operating income is adjusted for the transactions of a non-cash nature in order to derive the cash generated from operations. It includes income tax paid on all activities.

Cash flows from financing activities are primarily the proceeds from the issue and repayment of the debt instruments, the dividend payment to shareholders and interest paid. Cash flows from long-term and short-term borrowings are reported separately of gross cash receipts and gross cash payments.

Cash flows from investing activities arise principally from the investments in property, plant and equipment and intangible assets, from the acquisition of subsidiaries, and from the transactions with jointly controlled entities.

2.26 Distribution to the Shareholders

Dividend distributions or distributions out of statutory capital reserves from 'capital contributions - additional paid-in capital' are recognised in the period in which they are approved by the Group's shareholders.

3. Critical Accounting Estimates and Judgments

The estimates and underlying assumptions are reviewed on an ongoing basis and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

3.1 Critical Accounting Estimates and Assumptions

The key assumptions concerning the future, and other key sources of estimation uncertainty at the statement of financial position date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are for the most part related to:

- In a business combination, the determination of the fair value of the identifiable assets acquired, particularly intangibles, and the liability requiring estimations which are based on all available information and in some cases on assumptions with respect to the timing and amount of future revenues and expenses associated with an asset. The purchase price is allocated to the underlying acquired assets and liabilities based on their estimated fair value at the time of acquisition. The excess is reported as goodwill. As a result, the purchase price allocation impacts reported assets and liabilities, future net earnings due to the impact on future depreciation and amortisation expense and impairment charges (Note 6);
- The impairment of goodwill requiring estimates of the value in use of the cash-generating units to which goodwill is allocated (Note 22);
- The impairment of long-lived assets requiring estimates to measure the recoverable amount of an asset or group of assets (Note 21 and 22);
- The calculation of the present value of defined benefit obligations requiring financial and demographic assumptions (Note 8);
- The determination and provision for income taxes requiring estimated calculations for which the ultimate tax determination is uncertain (Note 16);
- The provisions requiring assumptions to determine reliable best estimates (Note 25); and
- The contingent liabilities assessment (Note 29).

If, in the future, estimates and assumptions, which are based on management's best judgment at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change.

3.2 Critical Judgments in Applying the Entity's Accounting Policies

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimates, which have the most significant effect on the amounts recognised in the consolidated financial statements:

- Computer software and Enterprise Resource Planning: Computer software is internally developed programmes or modifications that result in new or in substantial improvements of existing IT systems and applications. Enterprise Resource Planning relates to the implementation of an ERP system that is changing the way the business is done in the areas of Finance, Supply Chain and Compliance. The Group has determined that the development phase of internally developed software and the ERP business transformations will provide future economic benefits to the Group and meet the criterion of intangible assets (Note 22); and
- Internal developments on formulas, technologies and products: The outcome of these developments depends on their final formulation and application, which varies to meet customer needs, and consequently the future economic benefits of these developments are not certain. Thus the criteria for the recognition as an asset of the internal developments on formulas, technologies and products are generally not met. The expenditures on these activities are recognised as expense in the period in which they are incurred.

4. Foreign Exchange Rates

Foreign currency to Swiss francs exchange rates	ISO code	Units	31 Dec 2021	Average 2021	31 Dec 2020	Average 2020	31 Dec 2019	Average 2019
Dollar	USD	1	0.91	0.91	0.88	0.94	0.97	0.99
Euro	EUR	1	1.04	1.08	1.08	1.07	1.09	1.11
Pound	GBP	1	1.23	1.26	1.21	1.21	1.28	1.27
Yen	JPY	100	0.79	0.83	0.86	0.88	0.89	0.91
Singapore dollar	SGD	1	0.68	0.68	0.67	0.68	0.72	0.73
Real	BRL	1	0.16	0.17	0.17	0.18	0.24	0.25
Renminbi	CNY	1	0.14	0.14	0.14	0.14	0.14	0.14
Mexican peso	MXN	100	4.45	4.49	4.44	4.37	5.13	5.13
Rupiah	IDR	10,000	0.64	0.64	0.63	0.64	0.70	0.70

5. Financial Risk Management

5.1 Capital Management

The objective of the Group when managing capital is to maintain the ability to continue as a going concern whilst maximising shareholder value through an optimal balance of debt and equity.

In order to maintain or adjust the capital structure, management may issue or reimburse debt, propose to adjust the amounts distributed to the shareholders, return capital to shareholders, issue new shares and cancel shares through share buyback programmes.

The Group monitors its capital structure using a number of classic measures, mainly Leverage and Net Debt to EBITDA. The Group is committed to maintaining an investment grade credit profile, as defined by external rating agencies.

The Leverage ratio is defined as net debt divided by the sum of net debt and equity.

The Net Debt to EBITDA ratio is defined as follows:

- Net debt is calculated as the total of the consolidated short-term and long-term debt, less cash and cash equivalents.

- EBITDA is 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.

The Group has entered into several private placements which contain various covenants with externally imposed capital requirements. The Group was in compliance with these requirements as at 31 December 2021 and 2020.

5.2 Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group generally enters into financial derivative transactions to hedge underlying business related exposures.

Risk management is carried out by a team within the central treasury department (hereafter 'Group Treasury') under the risk management policies approved by the Board of Directors. The Board of Directors provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Group Treasury monitors and manages financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risk. To manage the interest rate and currency risk arising from the Group's operations and its sources of finance, the Group enters into derivative transactions, primarily interest rate swaps, forward currency contracts and options. Compliance with policies and exposure limits is reviewed by the treasury controlling on a continuous basis. Group Treasury issues monthly reports for the Chief Financial Officer and quarterly reports for the Audit Committee.

Categories of financial instruments

The accounting policies for financial instruments have been applied to the items in the table:

2021 in millions of Swiss francs	Note	At amortised cost	At fair value through the income statement	Derivatives used for hedge accounting	Other financial liabilities	Total
Current financial assets						
Cash and cash equivalents	18	273				273
Derivative financial instruments	5.3		16			16
Financial assets at fair value through income statement	5.3		4			4
Accounts receivable – trade	19	1,464				1,464
Other current assets ^a		147				147
Non-current financial assets						
Derivative financial instruments	5.3			37		37
Financial assets at fair value through income statement	5.3		297			297
Total financial assets as at 31 December		1,884	317	37		2,238
Current financial liabilities						
Short-term debt	23	48 ^b			380	428
Derivative financial instruments	5.3		37			37
Accounts payable					1,008	1,008
Non-current financial liabilities						
Derivative financial instruments	5.3			61		61
Long-term debt	23	356b			3,883	4,239
Total financial liabilities as						
at 31 December		404	37	61	5,271	5,773

a) Other current assets consist of other receivables non trade.

at 31 December		414	19	133	4,846	5,412
Total financial liabilities as					-	
Long-term debt	23	369b			3,876	4,245
Derivative financial instruments	5.3			103		103
Non-current financial liabilities						
Accounts payable					809	809
Derivative financial instruments	5.3		19	30		49
Short-term debt	23	45 ^b			161	206
Current financial liabilities						
Total financial assets as at 31 December		1,924	238	65		2,227
Financial assets at fair value through income statement	5.3		180			180
Derivative financial instruments	5.3			65		65
Non-current financial assets						
Other current assets ^a		154				154
Accounts receivable – trade	19	1,359				1,359
Financial assets at fair value through income statement	5.3		4			4
Derivative financial instruments	5.3		54			54
Current financial assets Cash and cash equivalents	18	411				411
2020 in millions of Swiss francs	Note	At amortised cost	the income	Derivatives used for hedge accounting	Other financial liabilities	Total

a) Other current assets consist of other receivables non trade.

The carrying amount of each class of financial assets and liabilities disclosed in the previous tables approximates to the fair value. The fair value of each class of financial assets and liabilities, except financial assets and liabilities at amortised cost, is determined by reference to published price quotations and is estimated based on valuation techniques using the

b) Lease liabilities.

b) Lease liabilities.



quoted market prices. Given the nature of the Group's accounts receivable trade items, the carrying value is considered as equivalent to the fair value.

5.2.1 Market Risk

The Group's activities primarily expose it to the financial risks of changes in foreign currency exchange rates, interest rates and commodity prices. The Group enters into a number of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk, including:

- Currency derivatives, mainly forward foreign exchange contracts, to hedge the exchange rate risk arising from recorded transactions; and
- Interest rate swaps and other instruments to mitigate the risk of interest rate increases and/or to optimally manage interest rate costs depending on the prevailing interest rate environment

Market risk exposures are measured using sensitivity analysis. There has been no change during the year in the structure of the Group's exposure to market risks or the manner in which these risks are managed.

5.2.1.1 Foreign Exchange Risk

The Group operates across the world and is exposed to movements in foreign currencies affecting its net income and financial position. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities, and net investments in foreign operations.

It is the Group's policy to enter into derivative transactions to hedge current and forecasted foreign currency transactions, and translation risk arising from certain investments in foreign operations with a functional currency different from the Group's presentation currency.

In 2018 the Group applied hedge accounting on the net investment in foreign currency in Naturex SA with the aim of being protected from the foreign currency risk on the translation of the investment in Naturex (i.e. EUR) into the Group's presentation currency (i.e. CHF). In total EUR 1,292 million of Euro straight bonds were designated as hedging instruments, corresponding to the net investment in Naturex. This resulted in a gain of CHF 57 million (2020: gain of CHF 7 million), recognised in currency translation differences in equity in 2021.

In 2020 and 2021 the Group applied hedge accounting on the foreign currency risk related to the Euro straight bond coupons, and to the acquisitions of the cosmetic business of Indena in 2020.

In 2020 the Group also applied hedge accounting on the net investment in foreign currency in Ungerer with the aim of being protected from the foreign currency risk on the translation of the investment in Ungerer (i.e. USD) into the Group's presentation currency (i.e. CHF). The combination of a Eurobond and several cross-currency swaps as one single item are designated as a hedging instrument for a total of USD 544 million corresponding to the foreign currency principal cash flow of the cross-currency swap. In 2021 it resulted in a loss of CHF 15 million (2020: gain of CHF 51 million) recognised in currency translation differences in equity.

The cross-currency swaps designated in the above mentioned hedging relationship have the following characteristics:

Entity	Issue date	Type of instrument	Notional amount in millions of EUR	Notional amount in millions of USD	Annual USD fixed interest rate (payment)	Annual EUR fixed interest rate (receipt)	Starting date	Maturity date
			80	87.3	2.218%			
		6	100	108.8	2.166%			
Givaudan SA	2020	Cross- currency –	80	86.9	2.167%	104	22 Apr	22 Apr
Givaddaii 3A	2020	swaps	80	87.0	2.166%	1%	2020	2027
			90	97.9	2.133%			
			70	76.2	2.126%			

Furthermore, Group Treasury centrally manages foreign exchange risk management activities against the functional currency of each subsidiary, and is required to hedge, whenever costeffective, their largest exposures.

The measurement of the foreign currency risk expresses the total exposure by currency, which is in the opinion of Group Treasury a representative manner to monitor the risk. It measures the cumulative foreign exchange risk of all subsidiaries of recognised assets and liabilities that are denominated in a currency (e.g. USD) that is not the subsidiary's functional currency (e.g. other than USD).

The following table summarises the significant exposures to the foreign currency risk at the date of the consolidated statement of financial position:

Currency exposure 2021 in millions of Swiss francs	USD	EUR	CHF	GBP	SGD
Currency exposure without hedge ^a	542	(934)	325	(369)	105
Hedged amount	(601)	907	(308)	282	(110)
Currency exposure including hedge	(59)⁵	(27)	17	(87)	(5)
Currency exposure 2020 in millions of Swiss francs	USD	EUR	CHF	GBP	SGD
Currency exposure without hedge ^a	424	(774)	113	(200)	109
Hedged amount	(440)	754	(108)	195	(111)
Currency exposure including hedge	(16) ^b	(20)	5	(5)	(2)

a) + long position; - short position.

In the exposure calculations the intra-Group positions, except those related to net investments in foreign operations in Naturex and Ungerer, are included. The Euro straight bonds for the amounts of EUR 1,292 million and USD 544 million, which are both designated as hedging instruments, have been excluded respectively from the EUR and USD exposures to align the foreign exchange risk through natural hedging.

The following table summarises the sensitivity to transactional currency exposures of the main currencies as at 31 December:

Currency risks 2021 in millions of Swiss francs	USD	EUR	CHF	GBP	SGD
Reasonable shift	10%	5%	5%	7%	6%
Impact on income statement if the currency strengthens against all other currencies	(6)	(1)	1	(6)	-
Impact on income statement if the currency weakens against all other currencies	6	1	(1)	6	-
Currency risks 2020 in millions of Swiss francs	USD	EUR	CHF	GBP	SGD
Reasonable shift	9%	5%	6%	12%	6%
Impact on income statement if the currency strengthens against all other currencies	(1)	(1)	_	(1)	_
Impact on income statement if the currency weakens against all other currencies	1	1	-	1	-

The sensitivity is based on the exposure at the date of the consolidated statement of financial position and based on assumptions deemed reasonable by management, showing the impact on income before tax. Management uses historical volatilities of the significant currencies contributing to the exposure to determine the reasonable change.

Argentina became hyperinflationary effective 1 July 2018, requiring retroactive implementation of hyperinflation accounting as of 1 January 2018. The impact of the restatement of the nonmonetary assets and liabilities of the subsidiaries in Argentina with the general price index at the beginning of the period is recorded in the opening equity. In the current year the subsequent loss resulting from the restatement of non-monetary assets of CHF 2 million (2020: CHF 2 million loss) is recorded in other financial income (expense), net.

b) Mainly due to unhedged positions in countries where hedging is not cost-effective.



5.2.1.2 Interest Rate Risk

The Group is exposed to interest rate risk because entities in the Group borrow funds at fixed as well as floating interest rates, and invest in debt financial instruments. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially counterbalanced by cash held at variable rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

Group Treasury manages interest rate risk centrally by simulating various scenarios on liabilities taking into consideration refinancing, renewal of existing positions and hedging. Hedging strategies are applied by either positioning the liabilities or protecting interest expense through different interest cycles. Hedging activities are regularly evaluated to align interest rate views and define risk limits. Group Treasury manages interest rate risk mainly through the use of interest rate swap contracts.

In response to the announcements made by IBOR regulators (the Financial Conduct Authority) in regard of the transition to new interest rate benchmarks to replace LIBOR, the Group had set up an IBOR transition project comprising the following work streams: risk management, tax, treasury, legal, accounting and systems. The aim of the programme was to understand where the business could be impacted by IBOR exposures and prepare and deliver on an action plan to enable a smooth transition to alternative benchmark rates. During 2021 the Group has performed all activities necessary, that were resulting from the IBOR transition project. The revolving credit facility contract has been amended accordingly, while for the interest rate derivatives the ISDA (International Swaps and Derivatives Association) fallbacks will automatically be triggered.

The following table shows the sensitivity to interest rate changes:

As at 31 December 2021 in millions of Swiss francs	150 basis points increase	25 basis points decrease
Impact on income statement	-	_
Impact on equity	147	(30)
As at 31 December 2020 in millions of Swiss francs	150 basis points increase	25 basis points decrease
Impact on income statement	-	_
Impact on equity	152	(31)

The sensitivity is based on exposure on net liabilities at the date of the consolidated statement of financial position using assumptions which have been deemed reasonable by management showing the impact on the income before tax.



Cash flow hedges

The Group entered into several forward starting interest rate swaps, in order to protect against future increases in interest rates, while also fixing the interest rate on future debt issuance. The transactions have the following characteristics:

Entity	Issue	Hedge	Currency of	Notional amount	Annual fixed interest	Floating rate	Starting date	Maturity date	Hedge item
	date	instrument	instrument	in millions	rate (payment)	(receipt)			
Givaudan SA	2014 2015			100	2.345%	The 3 months CHF Libor rate	15 Feb 2024 19 Mar 2024	15 Feb 2034 19 Mar 2034	Highly probable debt issuance in 2024 replacing the public bond of CHF 150 million, issued in Mar 2014 with a 10 year maturity
	2016 2017	CHF	100	0.921%	The 6 months	05 Dec 2031	05 Dec 2041	Highly probable debt issuance in 2031 replacing the public bond of CHF 200 million, issued in Dec 2016 with a 15 year maturity	
	2018			25	1.275%	CHF Libor rate	09 Apr 2025	09 Apr 2030	Highly probable debt issuance in 2025 replacing the public bond of CHF 200 million, issued in Apr 2018 with a 7 year maturity
	2010	swaps		100	0.967%		20 Dec 2024	22 Dec 2031	Highly probable debt issuance in 2024 replacing the private placement of EUR 200 million, issued in Dec 2017 with a 7 year maturity
Givaddii 3A	2019 2020 2021		е	250	1.302%		17 Sep 2025	17 Sep 2032	Highly probable debt issuance in 2025 replacing the public bond of EUR 500 million, issued in Sep 2018 with a 7 year maturity
			EUR	375	1.190%	The 6 months EUR Libor rate	17 Sep 2030	17 Sep 2040	Highly probable debt issuance in 2030 replacing the public bond of EUR 800 million, issued in Sep 2018 with a 12 year maturity
	2020 2021			150	0.715%		22 Apr 2032	22 Apr 2042	Highly probable debt issuance in 2032 replacing the public bond of EUR 500 million, issued in Apr 2020 with a 12 year maturity
	2021			175	0.551%		22 Apr 2027	22 Apr 2034	Highly probable debt issuance in 2027 replacing the public bond of EUR 500 million, issued in Apr 2020 with a 7 year maturity

The carrying amount of the total cash flow hedges at 31 December 2021 is CHF 52 million (2020: CHF 133 million). The amount of fair value recognised in other comprehensive income is CHF 42 million (2020: CHF 58 million).

Hedge positions closed

The Group closed several financial instruments which had been entered into to protect against future increases in interest rate, while also fixing the interest rate on future debt issuance. The corresponding losses which have been recorded in equity will be recycled in the income statement (Financing costs) over the period of the cash flow initially hedged, although the period of cash flows of the newly issued debt is sometimes different. The transactions have the following characteristics:

Entity	Inception date	Type of Instrument	Currency of Instrument	Notional amount in millions	Average rate	Fair value of financial instrument at the date of settlement in millions of Swiss francs	Amount recycled in the income statement over the period in millions of Swiss francs	Starting date of recycling through income statement	Maturity Date	Tranche	Assigned to debt
	2012	Treasury locks	USD	100	1.80%	(1)	-	Feb 2013	Feb 2023	10Y	Private Placements for a total of USD 250 million, respectively USD 40 million redeemable in February 2020 with an annual interest rate of 2.74%, USD 150 million redeemable in February 2023 with an annual interest rate of 3.30% and USD 60 million redeemable in February 2025 with an annual interest rate of 3.45%.
	2012		CHF	75	1.63%	(8)	(2)	Dec 2016	Dec 2021	5Y	Public bond for a total of CHF 300 million, respectively CHF 100 million at a rate of 0.000% with 6 year maturity and CHF 200 million at a rate of 0.625% with 15 year maturity.
Givaudan SA	2012 2014		CHF	150	1.90%	(15)	(3)	Apr 2018	Apr 2023	5Y	Public bond for a total of CHF 350 million, respectively CHF 150 million at a floating rate with 2 year maturity and CHF 200 million at a rate of 0.375% with 7 year maturity.
	June 2018	Forward starting interest rate swaps	EUR	400	1.05%	(1) (5)	_ (1)	Sep 2018	Sep 2025 Sep 2028	7Y 10Y	Dual tranche placement of Euro bond totalling EUR 1,300 million, respectively of EUR 500 million at a rate of 1.125% for 7 years and EUR 800 million at a rate of 2.000% for 12 years.
	2014 2015 2018 2019	·	CHF	125	1.40%	(2) (20)	_ (2)	Nov 2020	Nov 2025 Nov 2028	5Y 8Y	Public bond of CHF 150 million at a rate of 0.150% with 8 year maturity.
	2014 2015		CHF	125	2.05%	(25)	-	Dec 2021	Jun 2030	8.5Y	Public bond of CHF 150 million at a rate of 0.375% with 10 year maturity.
Total for the	year ende	d 31 Decem	ber 2021				(8)				

5.2.1.3 Price Risk

The Group is exposed to equity price risk arising from equity investments held classified at fair value through income statement. The Group manages its price risk through a diversification of portfolios within the limits approved by the Board of Directors.

The Group holds its own shares to meet future expected obligations under the various sharebased payment schemes.

Sensitivity analysis

The Group's equity portfolio is composed of US and EUR shares. The benchmark for the reasonable change is an average of historical volatility of US indexes (16% for the last three years) and of CAC PME index (25% for the last three years).

The sensitivity analysis has been determined based on the exposure to equity price risks at the end of the reporting period:

2021 in millions of Swiss francs	Equity price increase	Equity price decrease
Impact on income statement	57	(57)
2020 – 16% USD & 24% EUR in millions of Swiss francs	Equity price increase	Equity price decrease
Impact on income statement	32	(32)

5.2.2 Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. Commercial credit risk is managed by the Group's subsidiaries and monitored on a Group basis whilst counterparty risk related to financial institutions is centrally managed within the Group Treasury function.

Trade receivables are subject to a policy of active risk management which focuses on the assessment of country risk, credit limits, ongoing credit evaluation and account monitoring procedures. Generally, there is no significant concentration of trade receivables or commercial counterparty credit risk, due to the large number of customers that the Group deals with and their wide geographical spread with the exception of one single external customer that generates revenues, mainly attributable to the Fragrance & Beauty Division, of approximately CHF 526 million (2020: CHF 566 million). Countries, credit limits and exposures are continuously monitored.

The credit risk on liquid funds, derivatives and other monetary financial assets is limited because the counterparties are financial institutions with investment grade ratings.

The following table presents the credit risk exposure to individual financial institutions:

			2021			2020
	Total in Mio CHF	Max. with any individual bank in Mio CHF	Number of banks	Total in Mio CHF	Max. with any individual bank in Mio CHF	Number of banks
AAA – range	3	2	1	30	30	1
AA – range	3	2	4	16	14	4
A – range	99	68	15	104	50	12
BBB – range	136	97	5	275	155	7

The carrying amount of financial assets recognised in the consolidated financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk.

5.2.3 Liquidity Risk

The Group manages liquidity risk by maintaining sufficient cash, marketable securities, availability of funds through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Group Treasury maintains flexibility in funding by maintaining availability under committed and uncommitted credit lines.

Group Treasury monitors and manages cash at the Group level and defines the maximum cash level at subsidiary level. Cash surpluses held by subsidiaries over and above amounts required for working capital management are transferred to the central treasury centre. The surplus of cash is generally invested in interest bearing current accounts, time deposits, money market deposits and funds. When necessary, intercompany loans are granted by the Group to subsidiaries to meet their non-recurrent payment obligations.

The following table analyses the Group's remaining contractual maturity for financial liabilities and derivative financial instruments. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group is obliged to pay.

The table includes both interest and principal cash flows:

2021	Up to 6	6-12	1–5	Over 5	
in millions of Swiss francs	months	months	years	years	Total
Short-term debt (excluding bank overdrafts)	(176)	(214)			(390)
Accounts payable	(1,008)				(1,008)
Net settled derivative financial instruments			(9)	(44)	(53)
Gross settled derivative financial instruments – outflows	(2,748)	(679)			(3,427)
Gross settled derivative financial instruments – inflows	2,730	677			3,407
Long-term debt	(24)	(28)	(1,340)	(2,622)	(4,014)
Balance as at 31 December	(1,226)	(244)	(1,349)	(2,666)	(5,485)
2020 in millions of Swiss francs	Up to 6 months	6–12 months	1–5 years	Over 5 years	Total
Short-term debt (excluding bank overdrafts)	(5)	(164)			(169)
Accounts payable	(809)				(809)
Net settled derivative financial instruments			(18)	(113)	(131)
Gross settled derivative financial instruments – outflows	(1,860)	(700)			(2,560)
Gross settled derivative financial instruments – inflows	1,889	706			2,595
Long-term debt	(24)	(28)	(1,787)	(2,477)	(4,316)
Balance as at 31 December	(809)	(186)	(1,805)	(2,590)	(5,390)

The undiscounted cash flows related to lease liabilities are CHF 52 million (2020: CHF 52 million) within 1 year, CHF 129 million (2020: CHF 146 million) within 1 to 5 years and CHF 268 million (2020: CHF 261 million) thereafter.

5.3 Fair Value Measurements

The following tables present the Group's assets and liabilities that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is measured:

- Level 1 inputs to measure fair value are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

- **Level 2** inputs to measure fair value are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 inputs to measure fair value are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2021 in millions of Swiss francs	Level 1	Level 2	Level 3	Total
Financial assets at fair value through income statement				
Forward foreign exchange contracts		16		16
Swaps (hedge accounting)		37		37
Corporate owned life insurance		45		45
Equity securities	113	19	107	239
Debt securities		17		17
Total assets	113	134	107	354
Financial liabilities at fair value through income statement				
Forward foreign exchange contracts		37		37
Swaps (hedge accounting)		61		61
Total liabilities		98		98

2020 in millions of Swiss francs	Level 1	Level 2	Level 3	Total
Financial assets at fair value through income statement				
Forward foreign exchange contracts		54		54
Swaps (hedge accounting)		65		65
Corporate owned life insurance		37		37
Equity securities	109	17	4	130
Debt securities		17		17
Total assets	109	190	4	303
Financial liabilities at fair value through income statement				
Forward foreign exchange contracts		19		19
Swaps (hedge accounting)		133		133
Total liabilities		152		152

Financial assets and liabilities at fair value through income statement are measured with Level 1, Level 2 and Level 3 inputs. Level 1 financial assets consist of marketable securities quoted on financial market. Level 2 financial assets and liabilities consist of cross-currency swaps and forward foreign exchange contracts that are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts, of interest swaps that are measured using quoted interest rates and yield curves derived from quoted interest rates matching maturities of the contracts, and of corporate owned life insurance (COLI) that are measured on quoted instruments with similar credit ratings and terms in a mix of money market, fixed income and equity funds managed by unrelated fund managers. Level 3 financial assets consist of investment funds in venture capital that are measured quarterly by independent third parties using proprietary valuation models which are audited by qualified authorities.

Furthermore, as disclosed in note 6, level 3 financial assets also include the b.kolor investment made by the Group as well as the option to acquire a controlling stake in the business. The value of the b.kolor investment was determined by performing a Discounted Cash Flow analysis on the basis of the latest business plan information available to the Group. On the other hand, the fair value measurement of the option was determined through a Monte Carlo valuation model which requires assumptions and inputs that can lead to volatility of the underlying value. The volatility used in the model was estimated based on a group of comparable quoted companies using their daily and monthly share prices over a period of three years. The total loss relating to level 3 financial assets recognized in other financial income (expenses), net amounted to CHF 2 million.

The carrying amount of each class of financial assets and liabilities disclosed above approximates their fair value. There was no transfer between the level categories in the period.

6. Acquisitions and Investments

Acquisitions 2021

During the year Givaudan made three acquisitions, Myrissi, DDW, and Custom Essence, as well as an investment in b.kolor.

Myrissi

As part of its long term strategy to expand its capabilities in artificial intelligence (AI), Givaudan acquired 100% of the share capital of Myrissi on 14 April 2021 for a purchase price of CHF 1.2 million. Founded in 2014 and based in France, Myrissi has developed a patented AI technology capable of translating fragrances into colour patterns and images, relevant to the consumer as well as predicting the end consumer's emotional response.

The identifiable assets and liabilities of Myrissi acquired are recorded at fair value at the date of acquisition and CHF 0.9 million goodwill has been recognised. The goodwill arising on the acquisition relates mainly to the value of the qualified workforce and expected synergies that do not meet the criteria for recognition as separable intangible assets. In compliance with IFRS 3, these values determined are provisional and the Group has twelve months from the date of acquisition to finalise the allocation of the acquisition price.

b.kolormakeup & skincare

On 30 June 2021 Givaudan acquired 25% of the share capital of b.kolormakeup & skincare, for a purchase price of CHF 89 million (EUR 80 million), of which CHF 83 million (EUR 75 million) was paid on 30 June 2021 and CHF 6 million (EUR 5 million) was paid on 12 October 2021. b.kolor is an innovative Italian company specialised in developing and producing end to end products in make-up and skin care for Consumer Packaged Goods (CPG) and luxury customers. Founded in 2000, b.kolor is headquartered close to Milan, Italy and employs around 250 employees. By joining forces, Givaudan Fragrance & Beauty and b.kolor will leverage their respective capabilities to provide creative and unique products and integrated solutions to customers.

The terms of the agreement do not establish a significant influence for Givaudan and the investment has therefore been accounted for as a financial asset at fair value through income statement. Under the terms of the agreement, Givaudan has the option but not the obligation to acquire a controlling stake in b.kolor after a period of three years.

Custom Essence

On 3 December 2021 Givaudan acquired 100% of the share capital of Custom Essence, a US based fragrance creation house, for a purchase price of CHF 247 million (USD 268 million). Founded in 1981, Custom Essence is a family owned business based in New Jersey, USA. They specialise in the formulation of natural fragrances and create perfumes across categories for both local and regional and for larger customers. The company employs 70 people globally.

The identifiable assets and liabilities of Custom Essence acquired are recorded at fair value at the date of acquisition. Total net assets acquired of CHF 118 million consist of cash (CHF 7 million), working capital (CHF 10 million), fixed assets (CHF 1 million), intangible assets which are comprised of process knowledge, client relationships and brand name (CHF 101 million) and other liabilities (CHF 1 million).

The total purchase price of CHF 247 million and the acquisition results in goodwill of CHF 129 million which relates mainly to the value of the qualified workforce and expected synergies that do not meet the criteria for recognition as separable intangible assets.

Due to the timing of the acquisition, the determination of the fair values of the identifiable assets and liabilities acquired is based on a provisional approach considering judgements and assumptions as at 31 December 2021, as not all information with respect to the timing and amount of future revenues and expenses associated with the assets, particularly intangible assets, and liabilities, is available at this point in time. Therefore, and in compliance with IFRS 3, these fair values determined are provisional and the Group has twelve months from the date of acquisition to adjust these provisional fair values and to finalise the purchase price allocation.

DDW

On 8 December 2021 Givaudan acquired 100% of the share capital of DDW, The Color House, a US based natural colour company, for a purchase price of CHF 214 million (USD 232 million). Headquartered in Louisville, Kentucky, USA, DDW is a leading privately-held company in the natural colour industry, with 12 manufacturing facilities around the world and 315 employees. Founded in 1865, the company has developed a strong market position from its origins in the brewing industry through its market leading capabilities in caramel colours and for the last 20 years having a strong focus on natural colours for the food and beverage industry.

The identifiable assets and liabilities of DDW acquired are recorded at fair value at the date of acquisition. Total net assets acquired of CHF 126 million consist of cash (CHF 9 million), working capital (CHF 24 million), other short term assets (CHF 1 million), fixed assets (CHF 24 million), intangible assets which are comprised of process knowledge, client relationships and brand name (CHF 121 million), other long term assets (CHF 12 million), short-term loans and bank loans (CHF 33 million) and other liabilities (CHF 32 million).

From the total purchase price of CHF 214 million, CHF 169 million was settled in cash at the closing date, whilst the remainder will be settled in cash after a period of three years from the date of acquisition and will be subject to adjustment based on agreed performance criteria. The total acquisition results in goodwill of CHF 88 million which relates mainly to the value of the qualified workforce and expected synergies that do not meet the criteria for recognition as separable intangible assets.

Due to the timing of the acquisition, the determination of the fair values of the identifiable assets and liabilities acquired is based on a provisional approach considering judgements and assumptions as at 31 December 2021, as not all information with respect to the timing and amount of future revenues and expenses associated with the assets, particularly intangible assets, and liabilities, is available at this point in time. Therefore, and in compliance with IFRS 3, these fair values determined are provisional and the Group has twelve months from the date of acquisition to adjust these provisional fair values and to finalise the purchase price allocation.

Acquisitions 2020

During the year Givaudan made three acquisitions, Ungerer, the cosmetics business of Indena and Aldervs.

Ungerer

On 20 February 2020 Givaudan acquired 100% of the share capital of Ungerer and its affiliates for a purchase price of CHF 676 million (USD 688 million). Headquartered in New Jersey, USA, Ungerer is a leading independent company in the flavour and fragrance specialty ingredients business, most notably in essential oils, which provides a rich palette of predominantly natural ingredients for flavour and fragrance creation, as well as for end customers of such specialties. Ungerer also has an impressive local and regional customer presence for both flavours and fragrances in North America. Founded more than 125 years ago, Ungerer has developed a strong market position in all segments and a high quality reputation with its customer base. With a presence in more than 60 countries, a total of eight manufacturing facilities and six R&D centres, Ungerer's capabilities and its 650 employees will further extend Givaudan's market leadership in its core flavour and fragrance activities.

The identifiable assets and liabilities of Ungerer acquired are recorded at fair value at the date of acquisition and are as follows:

in millions of Swiss francs	Fair value
Cash and Cash equivalents	94
Accounts receivable	36
Inventories	78
Other current assets	10
Property, plant and equipment	36
– Client relationships	213
 Process-oriented technology and other 	73
- Name and product brands	10
- Software / ERP system	1
Total identified intangible assets	297
Accounts payable	(4)
Other payables	(67)
Provisions	(7)
Debt	(7)
Deferred tax liabilities	(63)
Net assets acquired	403
Cash consideration	676
Goodwill	273

The goodwill of CHF 273 million arising on the acquisition relates mainly to the value of the qualified workforce and expected synergies that do not meet the criteria for recognition as separable intangible assets. The goodwill is allocated partly to the Taste & Wellbeing division and partly to the Fragrance & Beauty division for the amounts of CHF 191 million and CHF 82 million respectively. The total amount of goodwill that is expected to be deductible for tax purposes is nil.

The acquired receivables are fair valued at CHF 36 million. The gross contractual amounts of the receivables acquired are CHF 37 million. The best estimation at the acquisition date of the contractual cash flows not to be collected amounts to CHF 1 million.

The allocation of the acquisition price has been finalised and no adjustments were made to the acquisition values.

Indena

On 29 May 2020 Givaudan acquired the cosmetics business of Indena for a purchase price of CHF 32 million (EUR 30 million). Headquartered in Milan, Italy, Indena is a world leading company dedicated to the identification, development and production of high quality active ingredients derived from plants, for use in the pharmaceutical, health-food and personal care industries. With almost a century of botanical experience, Indena has developed an extensive breadth of expertise in this field, while ensuring bio-diversity and protecting the ecosystem from uncontrolled harvesting.

The identifiable assets and liabilities of the cosmetics business of Indena acquired are recorded at fair value at the date of acquisition and CHF 21 million goodwill has been recognised. The goodwill arising on the acquisition relates mainly to the value of the qualified workforce and expected synergies that do not meet the criteria for recognition as separable intangible assets. The allocation of the acquisition price has been finalised and no adjustments were made to the acquisition values.

Alderys

On 3 August 2020 Givaudan acquired 80% of the share capital of Alderys SAS for a purchase price of CHF 23 million (EUR 21 million). Founded in 2009, Alderys is an innovative French biotechnology company headquartered in Orsay, France, employing 30 employees. Alderys develops innovative approaches to the biological engineering of valuable compounds from renewable feedstock. The projects developed by Alderys are aimed at the chemical and cosmetic industry sectors as well as nutrition. They are recognised for offering innovative technological industrial solutions with high sustainability standards.

The identifiable assets and liabilities of the cosmetics business of Alderys acquired are recorded at fair value at the date of acquisition and CHF 10 million goodwill has been recognised. The goodwill arising on the acquisition relates mainly to the value of the qualified workforce and expected synergies that do not meet the criteria for recognition as separable intangible assets. The allocation of the acquisition price has been finalised and no adjustments were made to the acquisition values.

7. Segment Information

Management has determined the operating segments based on the reports reviewed by the Executive Committee that are used to allocate resources to the segments and to assess their performance. The Executive Committee considers the business from a divisional perspective:

Fragrance & Beauty Manufacture and sale of fragrance and beauty products into

three global business units: Fine Fragrances, Consumer Products and, Fragrance Ingredients and Active Beauty. Expressions Parfumées and Fragrance Oils are both included in Fine

Fragrances and Consumer Products; and

Taste & Wellbeing Manufacture and sale of taste and wellbeing products into five

business units: Beverages, Dairy, Savoury, Sweet Goods and Natural Ingredients. The information of the division is reviewed by

the Executive Committee primarily by region.

The performance of the operating segments is based on EBITDA as a percentage of sales.

Business segments

			& Beauty	Taste & W	/ellbeing	Gro	up
in millions of Swiss francs	Note	2021	2020	2021	2020	2021	2020
Segment sales		3,091	2,924	3,593	3,398	6,684	6,322
Less inter segment sales ^a		-	-	-	_	-	_
Segment sales to third		2 202	2 224	2 502	2 200		
parties		3,091	2,924	3,593	3,398	6,684	6,322
EBITDA		696	677	786	720	1,482	1,397
as % of sales		22.5%	23.2%	21.9%	21.2%	22.2%	22.1%
Depreciation	21	(83)	(77)	(121)	(124)	(204)	(201)
Amortisation	22	(65)	(64)	(121)	(123)	(186)	(187)
Impairment of long-lived assets	21, 22	(1)		(2)	(13)	(3)	(13)
Additions to Property, plant and equipment	21	152	89	143	104	295	193
Acquisitions of Property, plant and equipment	6, 21	1	16	24	24	25	40
Additions to Intangible assets	22	38	22	33	23	71	45
Acquisitions of Intangible assets (excluding goodwill)	6, 22	101	50	121	272	222	322
Total gross investments		292	177	321	423	613	600

a) Transfer prices for inter-divisional sales are set on an arm's length basis.

The amounts by division provided to the Executive Committee are measured in a consistent manner in terms of accounting policies with the consolidated financial statements.

Reconciliation table to Group's operating income

	Fragrance	& Beauty	Taste & W	/ellbeing	Grou	пÞ
in millions of Swiss francs	2021	2020	2021	2020	2021	2020
EBITDA	696	677	786	720	1,482	1,397
Depreciation	(83)	(77)	(121)	(124)	(204)	(201)
Amortisation	(65)	(64)	(121)	(123)	(186)	(187)
Impairment of long-lived assets	(1)		(2)	(13)	(3)	(13)
Operating income	547	536	542	460	1,089	996
as % of sales	17.7%	18.4%	15.1%	13.5%	16.3%	15.8%
Financing costs					(94)	(86)
Other financial income (expense), net					(30)	(34)
Income before taxes					965	876
as % of sales					14.4%	13.9%

Entity-wide disclosures

The breakdown of sales from the major group of similar products is as follows:

in millions of Swiss francs	2021	2020
Fragrance & Beauty		
Compounds	2,640	2,529
Ingredients and Active Beauty	451	395
Taste & Wellbeing		
Compounds	3,593	3,398
Total sales	6,684	6,322

The Group operates in a number of geographical areas: Switzerland (country of domicile); Europe, Africa and Middle-East; North America; Latin America; and Asia Pacific.

	Fragrance Segme	& Beauty ent sales ^a		Wellbeing ent sales ª	Group	Segment sales ª	Group No	n-current assets ^b
in millions of Swiss francs	2021	2020	2021	2020	2021	2020	2021	2020
Switzerland	47	35	33	33	80	68	1,603	1,496
Europe	977	882	870	833	1,847	1,715	2,510	2,453
Africa and Middle-East	273	255	249	240	522	495	79	81
North America	627	618	1,197	1,150	1,824	1,768	1,929	1,720
Latin America	370	359	354	315	724	674	220	211
Asia Pacific	797	775	890	827	1,687	1,602	840	839
Total geographical segments	3,091	2,924	3,593	3,398	6,684	6,322	7,181	6,800

- a) Segment sales are revenues from external customers and are shown by destination.
- b) Non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets. They consist of property, plant and equipment, intangible assets and investments in jointly controlled entities.

8. Employee Benefits

The following amounts related to employee remuneration and benefits are included in determining operating income:

in millions of Swiss francs	2021	2020
Wages and salaries	1,162	1,085
Social security costs	198	164
Post-employment benefits: defined benefit plans	45	49
Post-employment benefits: defined contribution plans	38	37
Equity-settled instruments	47	54
Change in fair value on own equity instruments	2	
Other employee benefits	104	104
Total employees' remuneration	1,596	1,493

Retirement Benefit 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 account of the recommendations of independent qualified actuaries. The most significant plans are held in Switzerland, United States of America and United Kingdom (further information by country is disclosed at the end of this note).

Non-pension plans consist primarily of post-retirement healthcare and life insurance schemes, principally in the United States of America.

The amounts recognised in the consolidated income statement are as follows:

			2021			2020
in millions of Swiss francs	Pension Plans	Non- pension Plans	Total	Pension Plans	Non- pension Plans	Total
Current service cost	44	1	45	45	1	46
Loss (gain) arising from settlement				3		3
Total included in employees' remuneration	44	1	45	48	1	49
Net interest cost included in financing costs	3	2	5	4	2	6
Total components of defined benefit cost	47	3	50	52	3	55
Of which arising from:						
Funded obligations	45	3	48	48	3	51
Unfunded obligations	2		2	4	-	4

The amounts recognised in other comprehensive income are as follows:

		2021			2020
Pension Plans	Non- pension Plans	Total	Pension Plans	Non- pension Plans	Total
(44)		(44)	(11)		(11)
(97)	(3)	(100)	128	5	133
30		30	23	(2)	21
(109)		(109)	(189)		(189)
(220)	(3)	(223)	(49)	3	(46)
(214)	(3)	(217)	(54)	3	(51)
(6)		(6)	5		5
	(44) (97) 30 (109) (220)	Pension pension Plans (44) (97) (3) 30 (109) (220) (3) (214) (3)	Pension Plans Non-pension Plans Total (44) (44) (97) (3) (100) 30 30 (109) (109) (220) (3) (223) (214) (3) (217)	Pension Plans Non-pension Plans Total Total Pension Plans (44) (44) (11) (97) (3) (100) 128 30 30 23 (109) (109) (189) (220) (3) (223) (49) (214) (3) (217) (54)	Pension Plans Non-pension Plans Total Pension Plans Non-pension Plans (44) (44) (11) (97) (3) (100) 128 5 30 30 23 (2) (109) (109) (189) (220) (3) (223) (49) 3 (214) (3) (217) (54) 3

The amounts recognised in the statement of financial position are as follows:

			2021			2020
		Non-			Non-	
in millions of Swiss francs	Pension Plans	pension Plans	Total	Pension Plans	pension Plans	Total
Funded obligations						
Present value of funded obligations	(2,181)	(60)	(2,241)	(2,301)	(63)	(2,364)
Fair value of plan assets	2,021		2,021	1,917		1,917
Recognised asset (liability)						
for funded obligations, net	(160)	(60)	(220)	(384)	(63)	(447)
Unfunded obligations						
Present value of unfunded						
obligations	(83)	(4)	(87)	(80)	(3)	(83)
Recognised asset (liability)						
for unfunded obligations	(83)	(4)	(87)	(80)	(3)	(83)
Total defined benefit asset						
(liability)	(243)	(64)	(307)	(464)	(66)	(530)
Deficit recognised as liabilities						
for post-employment benefits	(312)	(64)	(376)	(484)	(66)	(550)
Surplus recognised as assets						
for post-employment benefits	69		69	20		20
Total net asset (liability)						
recognised	(243)	(64)	(307)	(464)	(66)	(530)

Amounts recognised in the statement of financial position for post-employment defined benefit plans are predominantly non-current. The non-current portion is reported as noncurrent assets and non-current liabilities. The current portion is reported as current liabilities within other current liabilities.

Changes in the present value of the defined benefit obligations are as follows:

2020
Total
2,359
46
27
(11)
133
21
14
(80)
(9)
3
(56)
2.447

Changes in the fair value of the plan assets are as follows:

			2021			2020
in millions of Swiss francs	Pension Plans	Non- pension Plans	Total	Pension Plans	Non- pension Plans	Total
Balance as at 1 January	1,917	-	1,917	1,783		1,783
Amounts recognised in the income statement						
Interest income	16		16	21		21
Amounts recognised in the other comprehensive income						
Return on plan assets less interest on plan assets	109		109	189		189
Employer contributions	49	4	53	37	3	40
Employee contributions	17		17	14		14
Benefit payments	(85)	(4)	(89)	(77)	(3)	(80)
Settlements				(12)		(12)
Acquisitions				2		2
Currency translation effects	(2)	-	(2)	(40)	-	(40)
Balance as at 31 December	2,021	-	2,021	1,917	-	1,917

Plan assets are comprised as follows:

in millions of Swiss francs		2021		2020
Debt	417	20%	568	30%
Equity	539	27%	326	17%
Property	340	17%	335	17%
Insurances policies and other	725	36%	688	36%
Total	2,021	100%	1,917	100%

The investment strategies are diversified within the respective statutory requirements of each country providing long-term returns with an acceptable level of risk. The plan assets are primarily quoted in an active market with exception of the property and insurance policies.

The plan assets do not include Givaudan registered shares. They do not include any property occupied by, or other assets used by the Group.

The Group operates defined benefit plans in many countries for which the actuarial assumptions vary based on local economic and social conditions. The assumptions used in the actuarial valuations of the most significant defined benefit plans, in countries with stable currencies and interest rates, are as follows:

Weighted percentage	2021	2020
Discount rates	1.2%	0.9%
Projected rates of remuneration growth	1.1%	1.1%
Future pension increases	0.5%	0.5%

The overall discount rate and the overall projected rates of remuneration growth are calculated by weighting the individual rates in accordance with the defined benefit obligation of the plans.

Sensitivity analysis

The defined benefit obligations are calculated on the basis of various financial and demographic assumptions. The below information quantifies the consequences of a change in some key assumptions.

The effects ((gain)/loss) of the change in assumptions are as follows:

in millions of Swiss francs	Change in assumption	Effects of the change	Increase in assumption	Decrease in assumption
Discount rate ^a	0.5%	on the current service cost	(6)	7
	0.5%	on the defined benefit obligation	(179)	199
Salary increases	0.5%	on the current service cost	2	(1)
	0.5%	on the defined benefit obligation	12	(12)
Dancian increases	0.5%	on the current service cost	4	_
Pension increases	0.5%	on the defined benefit obligation	149	(38)
Life expectancy	lvoor	on the current service cost	-	_
	1 year	on the defined benefit obligation	48	(49)

a) The pension plan fiduciaries or trustees, as each situation dictates, may use various strategies which employ financial instruments to mitigate the impact of changes in the discount rate assumptions on the actual pension plan liabilities through corresponding changes in the plan assets. For the year end 2021, and considering the illustrative impact of changes in discount rates on the defined benefit obligation shown above, the use of these strategies is estimated to result in offsetting changes in the value of the assets between minus CHF 85 million and plus CHF 93 million for a plus and minus 50 basis point change in interest rates respectively.

Information by country

Switzerland

According to the Swiss Federal Law on Occupational Retirement, Survivors and Disability (LPP/BVG), the pension plan is managed by an independent, legally autonomous entity which has the legal structure of a foundation. The plan was amended during the second half of 2017 principally by reducing the conversion rate used to convert the retirement savings capital into a pension and by increasing savings contributions from both the employee and employer.

The Board of Trustees of the foundation is composed of equal numbers of employee and employer representatives. Each year the Board of Trustees decides the level of interest, if any, to apply to the retirement accounts in accordance with the pension policy. It is also responsible for the investment of the assets defining the investment strategy for long-term returns with an acceptable level of risk. The foundation provides benefits on a defined contribution basis.

The majority of the employees are participants to the plan and are insured against the financial consequences of old age, disability and death. The employer and employees pay contributions to the pension plan at rates set out in the foundation rules based on a percentage of salary. The amount of the retirement account can be taken by the employee at retirement in the form of pension or capital.

Under IAS 19 employee benefits, the pension plan is classified as defined benefit plan due to the promises and underlying benefits guarantees. Consequently the pension obligation is calculated by using the projected unit credit method.

The Group expects to contribute CHF 28 million to these plans during 2022.

United States of America

The main US pension plan is qualified under and is managed in accordance with the requirements of US federal law. In accordance with federal law the assets of the plan are legally separate from the employer and are held in a pension trust. The plan was frozen in 2016 and consequently no further accrual of benefits will continue as at the date of enforcement of the plan change.

The law requires minimum and maximum amounts that can be contributed to the trust, together with limitations on the amount of benefits that may be provided under the plan. There are named fiduciaries that are responsible for ensuring the plan is managed in

accordance with the law. The fiduciaries are responsible for the investment of the assets defining the investment strategy for long-term returns with an acceptable level of risk. The plan provides benefits on a defined benefit basis.

The accrued benefits based on service to the plan freeze are payable at retirement and on death in service. With exceptions for optional lump sum amounts for certain sections of the plan, the benefits are paid out as annuities.

Under IAS 19 employee benefits, the pension obligations are calculated by using the projected unit credit method.

The Group expects to contribute CHF 5 million to these plans during 2022.

United Kingdom

The two occupational pension schemes (Quest UK Pension Scheme and Givaudan UK Pension Plan) are arranged under the applicable UK Pension Schemes and Pensions Acts and managed as legally autonomous pension trusts by the Boards of Trustees. The plans were frozen during 2016 and consequently no further accrual benefits will continue as at the date of enforcement of the plan change.

The Boards of Trustees are composed of two employee representatives and four employer representatives, for the Quest UK Pension Scheme, and three employee representatives, three employer representatives plus two pensioner representatives for the Givaudan UK Pension Plan. The Boards of Trustees are responsible for the investment of the assets defining the investment strategy for long-term returns with an acceptable level of risk. In their respective sections, both trusts provide benefits on a defined benefit basis and are now frozen to future accruals and members.

The accrued benefits based on service to the plan freeze are payable at retirement and on death in service. With exceptions for trivial amounts, transfer values, lump sum death benefits and tax free lump sums, the benefits are paid out as annuities.

Under IAS 19 employee benefits, the pension obligations in the defined benefit sections of both the Quest UK Pension Scheme and the Givaudan UK Pension Plan are calculated by using the projected unit credit method.

In 2022 it is expected that the Givaudan UK Pension Plan will be transferred to a third party under a buy-out agreement, the Group expects to contribute CHF 7 million to the Quest UK Pension Scheme.

Rest of the world

The Group operates other retirement plans classified either as defined benefit or defined contribution plans in some other countries. No individual plan other than those described above is considered material to the Group.

The Group expects to contribute CHF 4 million to these plans in 2022

The funding position of the funded defined benefit plans are as follows:

As at 31 December 2021 in millions of Swiss francs	Switzerland	United States of America	United Kingdom	Other countries	Total
Present value of defined benefit obligation	1,319	436	342	84	2,181
Fair value of plan asset	1,168	404	410	39	2,021
Deficit / (surplus)	151	32	(68)	45	160
Funding ratio	88.6%	92.7%	119.9%	46.4%	92.7%
As at 31 December 2020 in millions of Swiss francs	Switzerland	United States of America	United Kingdom	Other countries	Total
D					

in millions of Swiss francs	Switzerland	of America	Kingdom	countries	Total
Present value of defined benefit obligation	1,376	458	369	98	2,301
Fair value of plan asset	1,089	398	388	42	1,917
Deficit / (surplus)	287	60	(19)	56	384
Funding ratio	79.1%	86.9%	105.1%	42.9%	83.3%

Key assumptions

2021 in percentage	Switzerland	United States of America	United Kingdom
Discount rate	0.20	2.86	1.95
Future salary increases	1.75	n/a	n/a
Future pension increases	0.00	0.00	3.03
Future average life expectancy for a pensioner retiring at age 65	22.8	22.0	23.3

2020 in percentage	Switzerland	United States of America	United Kingdom
Discount rate	0.00	2.55	1.40
Future salary increases	1.75	n/a	n/a
Future pension increases	0.00	0.00	2.83
Future average life expectancy for a pensioner retiring at age 65	22.9	21.9	22.7

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory. Mortality assumptions for the most important countries at year-end 2021 are based on the following tables:

- Switzerland: BVG2020
- United States of America: Pri-2012
- United Kingdom: S3PA.

Allowance for future improvements in mortality have been allowed for as appropriate in each country. In Switzerland the generational rates have been used adopting the CMI (2019) approach and a 1.50% long term rate of improvement. In the United States of America the published rates have been adjusted and projected in accordance with the MP2021 scale. In the United Kingdom the rates reflect the latest (2020) CMI projections with a 1.25% long term rate of improvement.

9. Share-Based Payments

Performance share plan

Performance shares are granted on a yearly basis. The performance shares are converted into tradable and transferable shares of Givaudan SA after the vesting period, subject to performance conditions. The performance metric is a combination of the average sales growth of selected peer companies and the cumulative free cash flow margin. There is no market vesting condition involved and participation in this plan is mandatory.

Year of grant	Commencing date	Vesting date	Number of shares expected to be delivered at vesting date	Fair value at grant date (CHF)
2019	31 Mar 2019	15 Apr 2022	23,907	2,290
2020	31 Mar 2020	15 Apr 2023	20,227	2,795
2021	31 Mar 2021	15 Apr 2024	12,659	3,435

The cost of the equity-settled instruments of CHF 65 million (2020: CHF 52 million) has been expensed in the consolidated income statement. A marginal portion of the number of shares expected to be delivered can be settled in cash in the jurisdictions where a physical delivery is not permitted.

Equity-settled instruments related to restricted shares

Restricted shares shown in the table below have been granted on a yearly basis. These shares are tradable and transferable after the vesting period. Participation in these plans is mandatory.

Restricted shares outstanding at the end of the year have the following terms:

Year of grant	Commencing date	Blocking period of restricted shares ends on	Restricted share at grant date (CHF)	Number of restricted shares 2021	Number of restricted shares 2020
2018	31 Mar 2018	15 Apr 2021	1,993		730
2019	31 Mar 2019	15 Apr 2022	2,290	630	630
2020	31 Mar 2020	15 Apr 2023	2,795	602	602
2021	31 Mar 2021	15 Apr 2024	3,435	463	

Of the 1,695 outstanding restricted shares (2020: 1,962), no share (2020: none) was deliverable. The cost of these equity-settled instruments of CHF 2 million (2020: CHF 2 million) has been expensed in the consolidated income statement.

Movements in the number of restricted shares outstanding are as follows:

Number of restricted shares	2021	2020
As at 1 January	1,962	2,260
Granted	463	602
Delivered/sold	(730)	(900)
As at 31 December	1,695	1,962

For these plans, the Group has at its disposal treasury shares.

10. Investments in Joint Ventures

Year of incorporation	Name of Joint ventures	Principal activity	Country of incorporation	Ownership interest
2014	BGN Tech LLC (in liquidation)	Innovative natural ingredients	USA	49%
2015	Natural Extracts International Ltd	Natural ingredient derivatives production	Mauritius	49%
2016	Vanilla International Ltd	Natural ingredient collection and extract	Mauritius	49%

Summarised financial information in respect of the Group's joint ventures is set out below. The following net assets represent 100% of the jointly controlled entities:

As at 31 December in millions of Swiss francs	2021	2020
Current assets	42	35
Non-current assets	28	28
Current liabilities	(10)	(7)
Non-current liabilities	(4)	(7)
Total net assets of joint ventures	56	49
As at 31 December in millions of Swiss francs	2021	2020
Income	11	11
Expenses	(9)	(10)

11. Other Operating Income

in millions of Swiss francs	2021	2020
Gains on disposal of fixed assets	4	4
Otherincome	31	41
Total other operating income	35	45

12. Other Operating Expense

in millions of Swiss francs	2021	2020
Project related expenses	13	15
Amortisation of intangible assets	14	16
Impairment of long-lived assets	3	13
Loss on divestment	-	8
Losses on disposal of fixed assets	6	2
Environmental provisions	1	1
Business taxes	19	20
Acquisition and integration related expenses	12	25
Other expenses	13	9
Total other operating expense	81	109

As part of the manufacturing footprint optimisation program, the Group restructured some of its operations and as a consequence recorded impairment charges of CHF 3 million (2020: CHF 13 million).

During 2020 the Group continued to review its business portfolio and divested a small part of its business, which resulted in a loss on divestment of CHF 8 million.

13. Expenses by Nature

in millions of Swiss francs	Note	2021	2020
III IIIIIIIOIIS OI SWISS ITAIICS	Note	2021	2020
Raw materials and consumables used		2,735	2,668
Total employee remuneration	8	1,596	1,493
Depreciation, amortisation and impairment charges	21, 22	393	401
Transportation expenses		11	17
Freight expenses		178	153
Consulting and service expenses		129	126
Energies		76	73
IT related costs		70	71
Other expenses		407	324
Total operating expenses by nature		5,595	5,326

14. Financing Costs

in millions of Swiss francs	Note	2021	2020
Interest expense		86	80
Net interest related to defined benefit pension plans	8	5	6
Derivative interest (gains) losses			(2)
Amortisation of debt discounts		3	2
Total financing costs		94	86

15. Other Financial (Income) Expense, Net

in millions of Swiss francs	2021	2020
Fair value and realised (gains) losses from derivatives instruments, net (at fair value through income statement)	67	(37)
Exchange (gains) losses, net	(43)	52
Unrealised (gains) losses from financial instruments measured at fair value through income statement	(8)	(4)
Interest (income)	(8)	(3)
Capital taxes and other non-business taxes	10	10
Other (income) expense, net	12	16
Total other financial (income) expense, net	30	34

16. Income Taxes

Amounts charged to (credited in) the consolidated statement of comprehensive income are as follows:

				2021				2020
in millions of Swiss francs	Income state- ment	Other compre- hensive income	Own equity instru- ments	Total	Income state- ment	Other compre- hensive income	Own equity instru- ments	Total
Current taxes								
- in respect of current year	191	2		193	176	(3)		173
- in respect of prior years	(4)			(4)	(6)			(6)
Deferred taxes								
- in respect of current year	(50)	46		(4)	(36)	(1)		(37)
- reclassified from equity to income statement								
- in respect of prior years	7	(2)		5	(1)			(1)
Total income tax expense	144	46		190	133	(4)		129

Since the Group operates globally, it is subject to income taxes in many different tax jurisdictions. As such, in determining the provision for income taxes, judgment is required as there are transactions for which the ultimate tax determination is uncertain at the time of preparing the financial statements. As a result, any differences between the final tax outcome and the amounts that were initially recorded impact the current and deferred taxes in the period in which such final determinations are made.

The Group calculates on the basis of the income statement its average applicable tax rate as a weighted average of the tax rates in the tax jurisdictions in which the Group operates, including research tax credits and withholding tax on dividends, interest and royalties.

The Group's average applicable tax rate differs from the Group's effective tax rate as follows:

		2020
	2021	2020
Group's average applicable tax rate	14%	16%
Tax effect of		
Income not taxable	(4%)	(3%)
Expenses not deductible	5%	2%
Change in tax rate	1%	1%
Other adjustments of income taxes of prior years	(2%)	(1%)
Other differences	1%	-
Group's effective tax rate	15%	15%

The variation in the Group's average applicable tax rate arises due to changes in the composition of the Group's profitability within the Group's subsidiaries, in accordance with the Group's business profile in terms of geographical presence, product mix and customer portfolio, as well as external factors related to changes in local statutory tax rates.

Income tax assets and liabilities

Amounts recognised in the statement of financial position related to income taxes are as follows:

As at 31 December in millions of Swiss francs	2021	2020
Current income tax assets	57	66
Current income tax liabilities	(188)	(157)
Total net current income tax asset (liability)	(131)	(91)

2021 in millions of Swiss francs	Property, plant & equipment	Intangible assets	Pension plans	Tax loss carry forward	Other differences	Total
Net deferred tax asset (liability) as at 1 January	(105)	(249)	105	24	133	(92)
Acquisition		-				
(Credited) debited to consolidated income statement	6	30	(6)	7	6	43
(Credited) debited to other comprehensive income			(40)		(4)	(44)
(Credited) debited to own equity instruments						
Currency translation effects	(2)	2	1	-	(6)	(5)
Net deferred tax asset (liability) as at 31 December	(101)	(217)	60	31	129	(98)
Deferred tax assets						182
Deferred tax liabilities						(280)
Net deferred tax asset (liability) as at 31 December						(98)

2020 in millions of Swiss francs	Property, plant & equipment	Intangible assets	Pension plans	Tax loss carry forward	Other differences	Total
Net deferred tax asset (liability) as at 1 January	(128)	(207)	113	29	124	(69)
Acquisition	(2)	(68)		1	5	(64)
(Credited) debited to consolidated income statement	19	18	1	(5)	4	37
(Credited) debited to other comprehensive income			(5)		6	1
(Credited) debited to own equity instruments						
Currency translation effects	6	8	(4)	(1)	(6)	3
Net deferred tax asset (liability) as at 31 December	(105)	(249)	105	24	133	(92)
Deferred tax assets						218
Deferred tax liabilities						(310)
Net deferred tax asset (liability) as at 31 December						(92)

Amounts recognised in the statement of financial position for deferred taxes are reported as non-current assets and non-current liabilities. The current portion will be charged or credited to the consolidated income statement during 2022.

Deferred tax assets on loss carry forwards of CHF 31 million (2020: CHF 24 million) have been recognised principally in the subsidiaries in France and China, the majority of which expires after 2022. The management considers that there will be future taxable profit available against which these tax losses can be recovered. Deferred tax assets on unused tax losses of CHF 19 million (2020: CHF 16 million) which have not been recognised are mainly located in subsidiaries in Spain.

Deferred tax assets on tax credits of CHF 75 million (2020: CHF 92 million) have been recognised.

A deferred tax liability of CHF 26 million has been recognised in 2021 (2020: CHF 24 million) for certain foreign subsidiaries which have undistributed earnings subject to withholding tax when paid out as dividend as the parent entity is in a position to forecast the timing of distributions expected in the foreseeable future, whereas no deferred tax liability could be recognised for undistributed earnings of CHF 674 million (2020: CHF 627 million).

17. Earnings per Share

Basic earnings per share

Basic earnings per share is calculated by dividing the income for the period attributable to shareholders by the weighted average number of shares outstanding:

	2021	2020
Income attributable to equity holder of the parent (in millions of		
Swiss francs)	821	743
Weighted average number of shares outstanding		
Ordinary shares	9,233,586	9,233,586
Treasury shares	(11,979)	(14,369)
Net weighted average number of shares outstanding	9,221,607	9,219,217
Basic earnings per share (CHF)	89.03	80.59

Diluted earnings per share

For the calculation of diluted earnings per share, the weighted average number of shares outstanding is adjusted to assume conversion of all potentially dilutive shares:

	2021	2020
Income attributable to equity holder of the parent (in millions of Swiss francs)	821	743
Weighted average number of shares outstanding for diluted earnings per share of 69,252 (2020: 72,588)	9,290,859	9,291,805
Diluted earnings per share (CHF)	88.37	79.96

18. Cash and Cash Equivalents

in millions of Swiss francs	2021	2020
Cash on hand and balances with banks	264	339
Short-term investments	9	72
Balance as at 31 December	273	411

19. Accounts Receivable - Trade

in millions of Swiss francs	2021	2020
Accounts receivable	1,484	1,377
Notes receivable	-	1
Less: allowance for doubtful accounts	(20)	(19)
Balance as at 31 December	1,464	1,359

Ageing list:

in millions of Swiss francs	2021	2020
Neither past due nor impaired	1,375	1,280
Less than 30 days	65	59
30-60 days	16	16
60-90 days	8	5
Above 90 days	20	18
Less: allowance for doubtful accounts	(20)	(19)
Balance as at 31 December	1,464	1,359

Movement in the allowance for doubtful accounts:

in millions of Swiss francs	2021	2020
Balance as at 1 January	(19)	(20)
Increase in allowance for doubtful accounts recognised in consolidated income statement	(7)	(5)
Amounts written off as uncollectible	1	2
Reversal of allowance for doubtful accounts	5	2
Currency translation effects	_	2
Balance as at 31 December	(20)	(19)

Past due and impaired receivables are still considered recoverable. The carrying amount of accounts receivable – trade is considered to correspond to the fair value.

20. Inventories

Balance as at 31 December	1,380	1,201
Less: allowance for slow moving and obsolete inventories	(81)	(74)
Intermediate and finished goods	894	787
Work in process	25	28
Raw materials and supplies	542	460
in millions of Swiss francs	2021	2020

In 2021 the amount of write-down of inventories was CHF 52 million (2020: CHF 45 million). At 31 December 2021 and 2020 no significant inventory was valued at net realisable value.

21. Property, Plant and Equipment

		Acquired P	roperty, Plan	t & Equipm	Right	Right-of-Use Assets			
2021 in millions of Swiss francs	Land	Buildings and land improve- ments	Machinery, equipment and vehicles		Total Acquired PP&E	Buildings, land and improvements	Machinery, equipment and vehicles	Use	Total Property, Plant & Equipment
Net book value									
Balance as at 1 January	129	949	623	112	1,813	388	21	409	2,222
Additions	4	2	4	193	203	83	9	92	295
Acquisitions	-	6	19		25				25
Disposals		(3)	(4)		(7)	(47)	-	(47)	(54)
Transfers		40	98	(138)					
Impairment	(1)	-	(1)		(2)				(2)
Depreciation		(52)	(101)		(153)	(40)	(11)	(51)	(204)
Reclassified as assets held for sale	(1)				(1)				(1)
Currency translation effects	_	11	2	-	13	(3)	_	(3)	10
Balance as at									
31 December	131	953	640	167	1,891	381	19	400	2,291
Cost	132	1,572	1,980	167	3,851	468	41	509	4,360
Accumulated depreciation		(606)	(1,332)		(1,938)	(87)	(22)	(109)	(2,047)
Accumulated impairment	(1)	(13)	(8)		(22)				(22)
Balance as at 31 December	131	953	640	167	1,891	381	19	400	2,291

Balance as at	(5)	(30)	(34)	(10)	(33)	(17)	(1)	(10)	(11/)
translation effects	(5)	(50)	(34)	(10)	(99)	(17)	(1)	(18)	(117)
Reclassified as assets held for sale Currency	(5)	-			(5)				(5)
Depreciation		(50)	(100)		(150)	(41)	(10)	(51)	(201)
Impairment		-	-		-				-
Transfers		133	118	(251)		_	_		
Disposals	(1)	(2)	(7)		(10)	(4)	-	(4)	(14)
Acquisitions	9	16	11	-	36	3	1	4	40
Additions		1	4	151	156	28	9	37	193
Net book value Balance as at 1 January	131	901	631	222	1,885	419	22	441	2,326
2020 in millions of Swiss francs	Land	Buildings and land improve- ments	Machinery, equipment and vehicles		Total Acquired PP&E	Buildings, land and improvements	Machinery, equipment and vehicles	Right-of- Use	Property, Plant & Equipment
			roperty, Plar	it & Equipii	ient	Rigit	of-Use Asse	Total	Total

The expense related to the low-value and short-term leases amounts to CHF 2 million (2020: CHF 2 million) and CHF 3 million (2020: CHF 2 million) respectively.

The Group leases various offices, warehouses, machinery and equipment. Rental contracts are typically made for fixed periods of 1 to 30 years, but may have extension and termination

options, used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. During the current financial year, no significant financial effect was triggered by revision of lease terms (2020: nil).

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

At 31 December 2021 and 2020 no significant capitalised borrowing costs were accounted for.

22. Intangible Assets

2021 in millions of Swiss francs	Goodwill	Process-oriented technology and other	Client relation- ships	Supplier relation- ships	Name and product brands	Software/ ERP system	Total
Net book value							
Balance as at 1 January	3,294	303	706	12	56	172	4,543
Additions		3				68	71
Acquisitions	218	48	163		11		440
Disposals							
Impairment		-				(1)	(1)
Amortisation		(60)	(67)	(11)	(10)	(38)	(186)
Currency translation effects	(16)	-	5	(1)	(2)	-	(14)
Balance as at 31 December	3,496	294	807	-	55	201	4,853
Cost	3,496	1,175	1,263	44	89	886	6,953
Accumulated amortisation		(875)	(452)	(44)	(34)	(684)	(2,089)
Accumulated impairment		(6)	(4)			(1)	(11)
Balance as at 31 December	3,496	294	807	_	55	201	4,853

2020		Process-oriented technology and	Client relation-	Supplier relation-	Name and product	Software/ ERP	
in millions of Swiss francs	Goodwill	other	ships	ships	brands	system	Total
Net book value							
Balance as at 1 January	3,146	290	604	25	57	164	4,286
Additions						45	45
Acquisitions	304	86	224		12	_	626
Disposals		(2)	(7)		_		(9)
Impairment		_	(4)				(4)
Amortisation		(61)	(64)	(13)	(12)	(37)	(187)
Currency translation effects	(156)	(10)	(47)	-	(1)	_	(214)
Balance as at 31 December	3,294	303	706	12	56	172	4,543
Cost	3,294	1,129	1,095	44	80	819	6,461
Accumulated amortisation		(820)	(385)	(32)	(24)	(647)	(1,908)
Accumulated impairment		(6)	(4)				(10)
Balance as at 31 December	3,294	303	706	12	56	172	4,543

Classification of amortisation expenses is as follows:

		2021		2020		
in millions of Swiss francs	Fragrance & Beauty	Taste & Wellbeing	Total	Fragrance & Beauty	Taste & Wellbeing	Total
Cost of sales	11	17	28	10	14	24
Selling, marketing and distribution expenses	31	35	66	33	37	70
Research and product development expenses	14	50	64	10	52	62
Administration expenses	3	10	13	3	12	15
Other operating expenses	6	9	15	8	8	16
Total	65	121	186	64	123	187

Impairment test for goodwill

Goodwill is allocated to the Group's cash-generating units (CGUs), which are defined as the Taste & Wellbeing Division and the Fragrance & Beauty Division, which itself includes two lower levels of cash-generating units related to Expressions Parfumées and Fragrance Oils. Goodwill allocated to these CGUs was CHF 2,370 million (2020: CHF 2,298 million) to the Taste & Wellbeing Division, CHF 889 million (2020: CHF 756 million) to the Fragrance & Beauty Division, CHF 129 million (2020: CHF 135 million) to Expressions Parfumées, and CHF 108 million (2020: CHF 105 million) to Fragrance Oils.

The recoverable amount of each CGU has been determined based on value in use calculations. These calculations use pre-tax cash flow projections based on financial business plans and budgets approved by management covering a five year period, as well as a terminal value. The basis of the key assumptions is market growth adjusted for estimated market share gains. The terminal value assumes the long-term inflation rate for growth beyond the five year period. The discount rate used to discount the estimated future cash flows has a number of components which are derived from capital market information where the cost of equity corresponds to the return expected by the shareholders by benchmarking with comparable companies in the fragrance & beauty and taste & wellbeing industry, and where the cost of debt is based on the conditions on which companies with similar credit rating can obtain financing.

A discount rate of 9.9% (2020: 9.1%) was applied to cash flow projections of the Fragrance & Beauty Division, 9.6% (2020: 9.2%) was applied to cash flow projections of the Taste & Wellbeing Division, 10.2% (2020: 9.1%) was applied to cash flow projections of Expressions Parfumées and 12.7% (2020: 10.6%) was applied to cash flow projections of Fragrance Oils. These discount rates are pre-tax.

No impairment loss in any of the CGUs resulted from the impairment tests for goodwill. The Group has conducted an analysis of the sensitivity of the impairment test to changes in the cash flows and in the discount rate in the periods presented. Management believes that any reasonable change in the assumptions would not cause the carrying amount to exceed the recoverable amount of each CGU.

Process-oriented technology and other

This consists mainly of process-oriented technology, formulas, molecules, delivery systems as well as process knowledge and research expertise in innovative cosmetic solutions, acquired when the Group purchased Food Ingredients Specialties (FIS), International Bioflavors (IBF), Quest International, Soliance, Induchem, Spicetec, Activ International, Vika, Centroflora Nutra, Expressions Parfumées, Naturex, Albert Vieille, AMSilk, Golden Frog, drom, Fragrance Oils, Ungerer, Indena, Alderys, Myrissi, Custom Essence and DDW.

Client relationships

As part of the acquisition of Quest International, Induchem, Spicetec, Activ International, Vika, Centroflora Nutra, Expressions Parfumées, Naturex, Albert Vieille, Golden Frog, drom, Fragrance Oils, Ungerer, Indena, Custom Essence and DDW the Group acquired client relationships in the Taste & Wellbeing and Fragrance & Beauty Divisions, mainly consisting of client relationships with key customers.

Supplier relationships

As part of the acquisition of Naturex and Albert Vieille, the Group acquired supplier relationships in the Taste & Wellbeing and Fragrance & Beauty Divisions, mainly consisting of relationships with key suppliers.

Name and product brands

In connection with the acquisition of Induchem, Spicetec, Activ International, Vika, Centroflora Nutra, Expressions Parfumées, Naturex, Albert Vieille, Golden Frog, drom, Fragrance Oils, Ungerer, Indena, Custom Essence and DDW the Group acquired name and product brands in active beauty and in natural flavour businesses.

Software/ERP system

This consists of internally generated intangible assets associated with the development of identifiable software products and ERP systems.

The residual useful lives of the acquired intangible assets carried at cost, being their fair value at acquisition date, are determined in accordance with the principles set out in Note 2.17. Remaining useful lives of major classes of amortisable intangible assets are as follows:

 Process-oriented technology and other 	7.0 years
 Client relationships 	15.8 years
– Supplier relationships	0.3 years
 Name and product brands 	11.4 years
– Software	2.8 years.

23. Debt

2021						Total short-term and		
in millions of Swiss francs	Bank borrowings	Bank facility	Bank overdrafts	Public bonds	Private placements	long-term debt	Total lease liabilities	Total debt
Balance as at 1 January	103		1	3,424	509	4,037	414	4,451
Cash flows	156		•	150	303	306	(57)	249
Non-cash changes								
 Amortisation of debt discount 				3		3	5	8
Acquisition / Divestment	33					33		33
– Currency effects	(7)			(103)	(6)	(116)	(2)	(118)
– Lease liabilities							44	44
Balance as at 31 December	285		1	3,474	503	4,263	404	4,667
Within 1 year	175		1	100	104	380	48	428
Within 1 to 3 years	42			150	344	536	67	603
Within 3 to 5 years	43			716	55	814	46	860
Thereafter	25			2,508		2,533	243	2,776
Balance as at 31 December	285		1	3,474	503	4,263	404	4,667

Bank borrowings	Bank facility	Bank overdrafts	Public bonds	Private placements	Total short-term and long-term debt	Total lease liabilities	Total debt
68	600	2	2,453	567	3,690	441	4,131
60	(600)	(1)	945	(39)	365	(52)	313
			2		2	8	10
3				1	4	1	5
(28)			24	(20)	(24)	(21)	(45)
						37	37
103		1	3,424	509	4,037	414	4,451
10		1	150		161	45	206
36			100	240	376	74	450
44			888	269	1,201	53	1,254
13			2,286		2,299	242	2,541
103		1	3,424	509	4,037	414	4,451
	68 60 3 (28) 103 10 36 44	68 600 60 (600) 3 (28) 103 10 36 44 13	Source Source Source	borrowings facility overdrafts bonds 68 600 2 2,453 60 (600) (1) 945 2 3 24 103 1 3,424 10 1 150 36 100 44 828 13 2,286	borrowings facility overdrafts bonds placements 68 600 2 2,453 567 60 (600) (1) 945 (39) 2 2 2 1 1 1 1 1 2 1 1 2 1 2 1 <td>Bank borrowings Bank facility Bank overdrafts Public bonds Private bonds Short-term and long-term debt 68 600 2 2,453 567 3,690 60 (600) (1) 945 (39) 365 3 2 2 1 4 (28) 24 (20) (24) 103 1 3,424 509 4,037 10 1 150 161 36 100 240 376 44 888 269 1,201 13 2,286 2,299</td> <td>Bank borrowings Bank facility Bank overdrafts Public bonds Private bonds short-term and long-term for debt Total lease liabilities 68 600 2 2,453 567 3,690 441 60 (600) (1) 945 (39) 365 (52) 2 2 2 8 3 2 24 (20) (24) (21) 103 1 3,424 509 4,037 414 10 1 150 161 45 36 100 240 376 74 44 888 269 1,201 53 13 2,286 2,299 242</td>	Bank borrowings Bank facility Bank overdrafts Public bonds Private bonds Short-term and long-term debt 68 600 2 2,453 567 3,690 60 (600) (1) 945 (39) 365 3 2 2 1 4 (28) 24 (20) (24) 103 1 3,424 509 4,037 10 1 150 161 36 100 240 376 44 888 269 1,201 13 2,286 2,299	Bank borrowings Bank facility Bank overdrafts Public bonds Private bonds short-term and long-term for debt Total lease liabilities 68 600 2 2,453 567 3,690 441 60 (600) (1) 945 (39) 365 (52) 2 2 2 8 3 2 24 (20) (24) (21) 103 1 3,424 509 4,037 414 10 1 150 161 45 36 100 240 376 74 44 888 269 1,201 53 13 2,286 2,299 242

The Group entered into the following debt transactions:

	Issue		Currency of	Principal amount				2021	2020			
Issuer	date	Type of debt	principal	in millions	Redeemable	Interest rate	Type of interest	in millions of Sw	iss francs			
Givaudan SA	2011	Public bonds	CHF	150	07 Dec 2021	2.125%		Reimbursed	150			
Givaudan United States, Inc.	2012	Private	USD	150	06 Feb 2023	3.300%		137	132			
Givaudan Onited States, Inc.	2012	placements ^a	USD	60	06 Feb 2025	3.450%	Fixed	55	53			
	2014		CHF	150	19 Mar 2024	1.750%	Fixeu	150	150			
	2016	Public bonds	CHF	100	07 Dec 2022	0.000%		100	100			
	2010		CHF	200	05 Dec 2031	0.625%		200	200			
	2017	Private	EUR	100	20 Dec 2022		Floating ^c	104	108			
	2017	placements	EUR	200	20 Dec 2024	1.331%	Fixed	207	216			
Givaudan SA			CHF	200	09 Apr 2025	0.375%		200	200			
Givaudan SA	2018		EUR	500	17 Sep 2025	1.125%					516	538
		– Public bonds	EUR	800	17 Sep 2030	2.000%	Fixed	826	861			
	2020	T dblic bollds		150	10 Nov 2028	0.150%	Fixed	150	150			
	2021		CHF	150	07 Jun 2027	0.125%		150				
	2021			150	07 Jun 2030	0.375%		150				
	2021	Otherlocal	CHF	20	04 Jan 2022		Floating ^c	20				
	2021	borrowings	USD	80	05 Jan 2022		Floatilig	72				
Givaudan Finance Europe BV	2020	Public bonds	EUR	500	22 Apr 2027	1.000%	Fixed	516	537			
Givaudaii Filialice Eul ope BV	2020	T dblic bolld3	EUR	500	22 Apr 2032	1.625%	rixeu	516	538			
	2020		ELID	2		1.1000	Et	4	6			
	2021		EUR	2		1.180%	Fixed	4	6			
Other entities	2020	Otherlocal		193	Various							
Otherentities	2021	borrowings	CNY	607	maturities			115	97			
	2021		INR	6,000			Floating	74				
	2021		other					1	1			
Total short-term and long-term de	bt as at 31 Dece	mber ^b						4,263	4,037			

a) There are various covenants contained in these transactions covering conditions on net worth, indebtedness and EBITDA ratio to net interest expense of Givaudan United States, Inc. The company is and has been in full compliance with the covenants set.

b) The fair value of the short-term and long-term debt exceeds its carrying value by approximately 6% as at 31 December 2021.

c) The floating interest rate is based on a Libor rate.

The weighted average effective interest rates at the statement of financial position date were as follows:

	2021	2020
Private placements (USD)	3.3%	3.3%
Private placements (EUR)	1.1%	1.1%
Straight bond (EUR)	1.5%	1.5%
Straight bond (CHF)	0.5%	0.8%
Bank facility	2.5%	5.0%
Weighted average effective interest rate on gross debt	1.4%	1.5%

24. Changes in Liabilities Arising from Financing Activities

		Cash impact		Non-cash	changes		
2021 in millions of Swiss francs	Balance as at 1 January	Cash flows Inflow (Outflow)	Amortisation of debt discount / premium and interest expense	Acquisition / Divestment	Fair values changes and Others	Currency effects	Balance as at 31 December
Total short-term and long-term debt	4,037	306	3	33		(116)	4,263
Interest on liabilities	22	(72)			72	-	22
Derivative financial instruments	133	(26)			(46)	_	61
Lease liabilities	414	(57)	5		44	(2)	404
Others, net	19	(5)			7	-	21
Total liabilities from financing activities	4,625	146	8	33	77	(118)	4,771

		Cash impact		Non-cash	changes		
2020 in millions of Swiss francs	Balance as at 1 January	Cash flows Inflow (Outflow)	Amortisation of debt discount / premium and interest expense	Acquisition / Divestment	Fair values changes and Others	Currency effects	Balance as at 31 December
Total short-term and long-term debt	3,690	365	2	4		(24)	4,037
Interest on liabilities	13	(53)			62	_	22
Derivative financial instruments	98	(19)			54	_	133
Lease liabilities	441	(52)	8	1	37	(21)	414
Others, net	19	(9)			9	-	19
Total liabilities from financing activities	4,261	232	10	5	162	(45)	4,625

Compensation Report

25. Provisions

2021		Claims and			
in millions of Swiss francs	Restructuring	litigation	Environmental	Others	Total
Balance as at 1 January	20	11	21	42	94
Acquisitions					
Additional provisions	19	8	-	5	32
Unused amounts reversed	(6)	(1)	(1)	(6)	(14)
Utilised during the year	(9)	(4)	-	(4)	(17)
Currency translation effects	_	-	_	1	1
Balance as at 31 December	24	14	20	38	96
Current liabilities	7	3	_	3	13
Non-current liabilities	17	11	20	35	83
Balance as at 31 December	24	14	20	38	96

2020	5	Claims and		0.1	-
in millions of Swiss francs	Restructuring	litigation	Environmental	Others	Total
Balance as at 1 January	14	10	27	36	87
Acquisitions				7	7
Additional provisions	16	2	3	6	27
Unused amounts reversed	(2)	-	(3)	(2)	(7)
Utilised during the year	(8)	(1)	(4)	(3)	(16)
Currency translation effects		-	(2)	(2)	(4)
Balance as at 31 December	20	11	21	42	94
Current liabilities	13	3	1	6	23
Non-current liabilities	7	8	20	36	71
Balance as at 31 December	20	11	21	42	94

Significant judgment is required in determining the various provisions. A range of possible outcomes is determined to make reliable estimates of the obligation that is sufficient for the recognition of a provision. Differences between the final obligations and the amounts that were initially recognised impact the income statement in the period in which such determination is made.

Restructuring provisions

Restructuring provisions arise from reorganisations of the Group's operations and management structure primarily related to integration of acquired businesses and from reorganisations in both divisions.

Claims and litigation

These provisions are made in respect of legal claims brought against the Group and potential litigations. Related estimated legal fees are also included in these provisions.

Environmental

Givaudan's affiliate, Givaudan Fragrances Corporation, is one of approximately 100 companies identified by the US Environmental Protection Agency ('EPA') as 'Potentially Responsible Parties' ('PRP') for alleged contamination of the Lower Passaic River. The EPA released a Focused Feasibility Study ('FFS') covering only the lower 8 miles of the River in 2014. In March 2016, the EPA issued its Record of Decision ('ROD') to confirm the remediation solution related to the FFS. The chosen solution entails a bank-to-bank dredge of the lower 8 miles of the River ('Operable Unit 2'), and the installation of an engineered cap, with an estimated cost of CHF 1.3 billion. One PRP agreed in 2016 to conduct the detailed remediation design for Operable Unit 2, which is underway and expected to be completed in late 2022 or early 2023. The EPA also selected an allocator to work with the PRP's on an allocation of the remediation costs for Operable Unit 2, the first phase of which was concluded at the end of 2020. The EPA anticipates the implementation of the 2016 ROD remediation for Operable Unit 2 will take at least 6 years and may begin in 2023 or thereafter.

The Cooperating Parties Group ('CPG'), of which Givaudan was formerly a member, completed its Remedial Investigation ('RI') in 2019 and submitted its final Feasibility Study ('FS') in September 2020, which proposed an Interim Remedial Measure ('IRM') for certain areas of sediment in the upper 9 miles of the Lower Passaic River (Operable Unit 4). EPA issued a Proposed Plan for the upper river Interim Remedy in April 2021, and issued the ROD in September 2021 with an estimated cost of USD 441 million for hot-spot dredging and capping of contaminated sediments in the upper river. The Interim Remedy for Operable Unit 4 requires a remedial design prior to implementation of the sediment cleanup under the ROD. EPA estimates that the RD work under the 2021 ROD will begin in either 2022 or 2023. EPA anticipates that the 2016 ROD and 2021 ROD remedies will be implemented concurrently and will utilize the same infrastructure and treatment facility to address dredged sediments from the river.

In June 2018, Occidental Chemical Corporation ('OCC') filed a complaint against more than one hundred parties, including Givaudan, in the federal district court of New Jersey, asserting claims under CERCLA related to certain portions of the Lower Passaic River. In February 2021, Givaudan and a number of other defendants filed third-party claims against the Passaic Valley Sewerage Commission and approximately 40 municipalities for contribution and for costs related to the prior study work and removal conducted by the CPG in the river. The introduction of those third-parties has caused, and will likely continue to cause, delays in the litigation. The parties are currently engaged in fact discovery, with fact depositions potentially beginning in second quarter 2022.

At this time, there are many uncertainties associated with the final remediation plans for the River and the Company's share of the costs, if any, related to the final remediation or the claims asserted by OCC. However, in accordance with accounting guidance, the Group has recorded a reserve which it believes can reasonably be expected to cover the Company's obligation, if any, given the information currently available.

The other material components of the environmental provisions consist of costs to sufficiently clean and refurbish contaminated sites and to treat where necessary.

Other provisions

These consist largely of provisions related to long-term deferred compensation plan and to restoring expenses related to leased facilities.

26. Own Equity Instruments

Details of own equity instruments are as follows:

As at 31 December 2021	Settlement	Category	Maturity	Strike price (CHF)	in equivalent shares	Fair value in millions of Swiss francs
Registered shares		Equity			12,656	61
Purchased calls	Gross shares	Equity	2022 – 2023	1,680.0 - 3,475.3	47,500	75
Written puts	Gross shares	Financial liability	2022 – 2023	1,680.0 - 3,369.3	47,500	2

As at 31 December 2020	Settlement	Category	Maturity	Strike price (CHF)	in equivalent shares	Fair value in millions of Swiss francs
Registered shares		Equity			16,570	62
Purchased calls	Gross shares	Equity	2021 - 2022	1,680.0 - 3,475.3	42,000	46
Written puts	Gross shares	Financial liability	2021 – 2022	1,680.0 - 3,369.3	42,000	1

27. Equity

Share capital

As at 31 December 2021 the share capital amounts to CHF 92,335,860, divided into 9,233,586 fully paid-up registered shares, with a nominal value of CHF 10.00 each. Every share gives the right to one vote.

The Board of Directors has at its disposal conditional capital of a maximum aggregate amount of CHF 7,481,980 that may be issued through a maximum of 748,198 registered shares, of which a maximum of CHF 1,618,200 can be used for executive share option plans.

At the Annual General Meeting held on 25 March 2021 the distribution of an ordinary dividend of CHF 64.00 per share (2020: CHF 62.00 per share) was approved. The dividend payment has been paid out of available retained earnings.

Movements in own equity instruments are as follows:

	_	Price	in Swiss fran	ıcs	Total in millions of
2021	Number	High	Average	Low	Swiss francs
Balance as at 1 January	16,570				168
Purchases at cost	24,100	3,623.4	2,857.8	2,503.0	69
Sales and transfers	(28,014)	2,707.8	2,501.9	2,501.9	(70)
(Gains) losses, net recognised in equity					-
Movement on registered shares, net					(1)
Movement on derivatives on own shares, net					44
Income taxes					
Balance as 31 December	12,656				211

	_	Price	in Swiss frar	ıcs	Total in millions of
2020	Number	High	Average	Low	Swiss francs
Balance as at 1 January	15,541				168
Purchases at cost	25,000	2,595.0	2,250.0	1,799.0	56
Sales and transfers	(23,971)	3,634.8	2,180.6	2,141.6	(52)
(Gains) losses, net recognised in equity					-
Movement on registered shares, net					4
Movement on derivatives on own shares, net					(4)
Income taxes					
Balance as 31 December	16,570				168

28. Commitments

From 1 January 2019, as in accordance with IFRS 16, the Group has recognised right-of-use assets and lease liabilities for lease commitments in the scope of IFRS 16, except for shortterm and low-value leases (Note 2.1.1). The charge in the consolidated income statement for all operating leases was CHF 18 million (2020: CHF 17 million).

The Group has capital commitments for the purchase or construction of property, plant and equipment totalling CHF 10 million (2020: CHF 13 million).

29. Contingent Liabilities

From time to time and in varying degrees, Group operations and earnings continue to be affected by political, legislative, fiscal and regulatory developments, including those relating to environmental protection, in the countries in which it operates.

The activities in which the Group is engaged are also subject to physical risks of various kinds. The nature and frequency of these developments and events, not all of which are covered by insurance, as well as their effect on the future operations and earnings are not predictable.

Givaudan Group companies are involved in various legal and regulatory proceedings of a nature considered typical of its business, including contractual disputes and employment litigation.

Two of the Group's US affiliates, Givaudan Flavors Corporation and Ungerer & Company have been named as defendants in numerous lawsuits brought against them and other flavour and raw chemical supply companies. The plaintiffs allege that they sustained pulmonary injuries due to flavours that contain diacetyl, 2,3 pentanedione and other flavouring chemicals. To date, many of the cases filed against the Group's affiliates have been settled or dismissed; however, numerous new cases have been filed. The Group has already recovered a portion of the prior defence and settlement costs from its insurance policies, and will continue to recover a portion of such future costs.

30. Related Parties

Transactions between Givaudan SA and its subsidiaries, which are related parties of Givaudan SA, have been eliminated on consolidation and are not disclosed in this note.

Compensation of key management personnel

The compensation of the Board of Directors and the Executive Committee during the year was as follows:

in millions of Swiss francs	2021	2020
Salaries and other short-term benefits	15	14
Post-employment benefits	2	1
Share-based payments	15	12
Total compensation	32	27

No other related party transactions have taken place during 2021 (2020: nil) between the Group and the key management personnel.

Reconciliation table to the Swiss code of obligations

		IFRS	Ad	djustments ^a	Swiss CO (Art. 663b ^{bis})
in millions of Swiss francs	2021	2020	2021	2020	2021	2020
Salaries and other short-term benefits	15	14	(7)	(6)	8	8
Post-employment benefits	2	1		1	2	2
Share-based payments	15	12	(5)	(2)	10	10
Total compensation	32	27	(12)	(7)	20	20

a) IFRS information is adjusted mainly to the recognition of the share-based payments, IFRS 2 versus economic value at grant date. IFRS information also includes security costs.

There are no other significant related party transactions including in the jointly controlled entities.

31. Board of Directors and Executive Committee Compensation

Compensation of members of the Board of Directors

Compensation of Board members consists of Director fees, Committee fees and Restricted Share Units (RSUs). Fees are paid at the end of each year in office completed. RSUs give participants the right to receive Givaudan shares (or a cash equivalent in countries where securities laws prevent the offering of Givaudan securities) at the end of a three-year blocking period.

The Chairman of the Board does not receive any additional Board Membership fees. Similarly, a Committee Chairman does not receive any additional Committee Membership fees. Each Board member receives an additional amount of CHF 10,000 to cover out-of-pocket expenses. This amount is paid for the coming year in office. The RSUs are also granted for the same period. The compensation paid to the Board members for the reporting period is shown in the table below:

in Swiss francs		Director fees ^c	Committee fees c	Total fixed (cash) Numbe	r of RSUs granted ^d	Value at grant ^e	Total compensation
Calvin Grieder Chairman ^a	2021	400,000	65,000	465,000	169	580,566	1,045,566
	2020	400,000	65,000	465,000	208	581,256	1,046,256
Victor Balli ^a	2021	100,000	72,500	172,500	42	144,283	316,783
	2020	100,000	50,000	150,000	52	145,314	295,314
Prof. Dr-Ing. Werner Bauer ^a	2021	100,000	65,000	165,000	42	144,283	309,283
	2020	100,000	65,000	165,000	52	145,314	310,314
Lilian Biner ^a	2021	100,000	25,000	125,000	42	144,283	269,283
	2020	100,000	25,000	125,000	52	145,314	270,314
Michael Carlos ^a	2021	100,000	65,000	165,000	42	144,283	309,283
	2020	100,000	65,000	165,000	52	145,314	310,314
Ingrid Deltenre ^a	2021	100,000	50,000	150,000	42	144,283	294,283
	2020	100,000	50,000	150,000	52	145,314	295,314
Thomas Rufer ^{a,f}	2021	25,000	13,750	38,750	13	36,329	75,079
	2020	100,000	55,000	155,000	52	145,314	300,314
Olivier Filliol ^{a,g}	2021	100,000	50,000	150,000	42	144,283	294,283
	2020	75,000	37,500	112,500	39	108,986	221,486
Sophie Gasperment ^{a,h}	2021	100,000	25,000	125,000	42	144,283	269,283
	2020	33,333	8,333	41,666	17	47,507	89,173
Total compensation ^b	2021						3,183,126
	2020						3,138,799

a) The function of each member of the Board of Directors is indicated on pages 7-9 in both the 2020 Governance report and the 2021 Governance Report.

Estimated social security charges based on 2021 compensation amounted to CHF 263,416 (2020: CHF 259,320).

b) Represents total compensation of the Board of Director paid in respect of the reporting year, reported in accordance with the accrual principle.

c) Represents Director and Committee fees paid in respect of the reporting year, reported in accordance with the accrual principle.

d) 2021 RSUs blocking period end on 15 April 2024; 2020 RSUs end on 15 April 2023.

e) Economic value at grant according to IFRS methodology with no discount applied for the blocking period.

f) Thomas Rufer retired at the AGM in March 2021.

g) The 2020 figures represent compensation from April to December 2020.

h) The 2020 figures represent compensation from September to December 2020.

Other compensation, fees and loans to members or former members of the Board

No additional compensation or fees were paid to any member of the Board. No Board member or related parties had any loan outstanding as of 31 December 2021.

Special compensation of members of the Board who left the company during the reporting period

No such compensation was incurred during the reporting period.

Compensation of members of the Executive Committee

The compensation of the Executive Committee during the year was as follows:

in Swiss francs		Base Salary	Pension benefits ^b	Other benefits ^c	Total fixed compensation	Annual Incentive ^d	Number of performance shares granted ^e	Value at grant ^f	Total variable compensation	Total compensation	Employer social security ^g
Gilles Andrier, CEO	2021	1,221,418	578,371	141,079	1,940,868	1,862,933	728	2,500,898	4,363,831	6,304,699	525,879
	2020	1,211,084	574,237	145,344	1,930,665	1,636,536	895	2,501,078	4,137,614	6,068,279	504,728
EC members, excluding CEO ^a	2021	3,228,752	1,086,554	388,786	4,704,092	3,598,422	1,688	5,798,786	9,397,208	14,101,300	1,073,231
	2020	3,336,973	1,036,769	433,184	4,806,926	3,176,247	2,077	5,804,177	8,980,424	13,787,350	1,029,178
Total: EC Members, including CEO	2021	4,450,170	1,664,925	529,865	6,644,960	5,461,355	2,416	8,299,684	13,761,039	20,405,999	1,599,110
	2020	4,548,057	1,611,006	578,528	6,737,591	4,812,783	2,972	8,305,255	13,118,038	19,855,629	1,533,906

a) Represents full year compensation of six Executive Committee members.

b) Company contributions to broad-based pension and retirement savings plans and annualised expenses accrued for supplementary executive retirement benefit.

c) Represents annual value of health and welfare plans, international assignment benefits and other benefits in kind.

d) Annual incentive accrued in reporting period based on performance in the reporting period.

e) 2021 Performance shares vest on 15 April 2024, 2020 Performance Shares vest on 15 April 2023.

f) Value at grant calculated according to IFRS methodology and based on 100% achievement of performance targets.

g) 2021 estimated social security charges based on 2021 compensation; 2020 estimated social security charges based on 2020 compensation.

Other compensation, fees and loans to members or former members of the **Executive Committee**

No other compensation or fees were accrued for or paid to any member or former member of the Executive Committee during the reporting period. No member or former member of the Executive Committee or related parties had any loan outstanding as of 31 December 2021.

Special compensation of Executive Committee members who left the company during the reporting period

Members of the Executive Committee that stepped down during 2021 did not receive any special compensation as a result of their departure from the Company.

Ownership of shares and unvested share rights

Details on the Givaudan share based payment plans are described in Note 9.

As per 31 December 2021, the Chairman and other Board members including persons closely connected to them held 6,183 Givaudan shares in total. For further details, please refer to the following table showing:

- The shares held individually by each Board member as per 31 December 2021.
- The RSUs that were granted in 2019 2021 and were still owned by members of the Board as per 31 December 2021.

2021		
in numbers	Shares	Blocked RSUs
Calvin Grieder, Chairman	947	629
Victor Balli	248	157
Prof. Dr-Ing. Werner Bauer	1,428	157
Lilian Biner	735	157
Michael Carlos	1,260	157
Ingrid Deltenre	365	157
Olivier Filliol	1,200	94
Sophie Gasperment		72
Total 2021	6,183	1,580
Total 2020	6,501	1,962

The company is not aware of any other ownership of shares, share options/option rights, RSUs or performance shares as per 31 December 2021 by persons closely connected to members of the Board.

As per 31 December 2021, the Chief Executive Officer and other members of the Executive Committee, including persons closely connected to them, held 8,053 Givaudan shares in total. For further details, please refer to the below table showing:

- The shares held individually by each member of the Executive Committee as per 31 December 2021
- The unvested performance shares that were granted in 2019–2021 and were still owned by members of the Executive Committee as per 31 December 2021.

2021 in numbers	Shares	Unvested Performance Shares
Gilles Andrier, CEO	4,600	2,715
Tom Hallam	278	1,141
Louie D'Amico	525	1,270
Maurizio Volpi	801	1,357
Simon Halle-Smith	706	815
Willem Mutsaerts	434	815
Anne Tayac	525	815
Total 2021	7,869	8,928
Total 2020	6,312	10,937

No member of the Executive Committee held any share options or option rights as at 31 December 2021 (2020: none).

One person closely connected to a member of the Executive Committee owned 184 unvested Performance Shares as at 31 December 2021

The company is not aware of any other ownership of shares, share options/option rights, RSUs or performance shares as per 31 December 2021 by persons closely connected to members of the Executive Committee

32. List of Principal Group Companies

The following are the principal companies fully owned by the Group. Share capital is shown in thousands of currency units:

Switzerland	Givaudan SA	CHF	92,336
	Givaudan Suisse SA	CHF	4,000
	Givaudan Finance SA	CHF	100,000
	Givaudan International SA	CHF	100
	Vamara Holding SA	CHF	100
	Givaudan Treasury International SA	CHF	1,000
	Naturex AG	CHF	15,288
	Agthemis RE AG	CHF	3,300
	Fondation Givaudan	-	-
Argentina	Givaudan Argentina SA	ARS	30,000
	Givaudan Argentina Servicios SA	ARS	8,000
Australia	Givaudan Australia Pty Ltd	AUD	95,726
	Naturex Australia Pty Ltd	AUD	0.003
	drom International Pty Ltd	AUD	50
	Ungerer Australia Pty Ltd	AUD	1,311
Austria	Givaudan Austria GmbH	EUR	40
Belgium	Naturex SPRL	EUR	1,000
Brazil	Givaudan do Brasil Ltda	BRL	345,38
	G Nutra Ind Com Prod Alim e Nutricionais Ltda	BRL	31,219
	Naturex Ingredientes Naturais Ltda	BRL	10,494
	drom Internacional Fragrâncias Indústria e Comércio Ltda.	BRL	14,388
	D.D. Williamson do Brasil Ltda	BRL	14,039
Canada	Givaudan Canada Co	CAD	12,90
	Naturex Inc (Canada)	CAD	500
Chile	Givaudan Chile Ltda	CLP	5,000
	Chile Botanics SA	CLP	1,837,205
	Naturex Chile SA	CLP	1,731,600
	DDW LATAM Ltda	CLP	2,484,432

China	Givaudan Fragrances (Shanghai) Ltd	USD	7,750
	Givaudan Flavors (Shanghai) Ltd	USD	10,783
	Givaudan Specialty Products (Shanghai) Ltd	USD	12,000
	Givaudan Hong Kong Ltd	HKD	7,374
	Givaudan Flavors (Nantong) Ltd	USD	39,000
	Naturex Trading Shanghai Co Ltd	CNY	5,608
	Givaudan Fragrances (Guangzhou) Co Ltd	CNY	14,058
	D.D. Williamson Ingredients (Shanghai) Ltd	CNY	_
Colombia	Givaudan Colombia SA	COP	6,965,925
	Ungerer de Colombia SAS	COP	39,600
Czech Republic	: Givaudan CR, s.r.o.	CZK	200
Egypt	Givaudan Egypt SAE	USD	21,360
	Givaudan Egypt Fragrances LLC	EGP	50
France	Givaudan France SAS	EUR	5,006
	Expressions Parfumées SAS	EUR	3,548
	Naturex SA	EUR	14,551
	SCI Les Broquetons	EUR	495
	Albert Vieille SAS	EUR	908
	Alderys SAS (ownership of 80%)	EUR	13
Germany	Givaudan Deutschland GmbH	EUR	164,402
	Naturex GmbH	EUR	150
	drom Perfume Trade GmbH	EUR	44,276
Hong Kong	drom Asia Pacific Ltd.	HKD	10
Hungary	Givaudan Hungary Kft	EUR	15
	Givaudan Business Solutions Kft	EUR	12
India	Givaudan (India) Private Ltd	INR	129,952
	Naturex India Private Ltd	INR	64,416
	Valentine Foods Private Ltd	INR	100
	Ungerer Flavours India PVT Ltd	INR	100
Indonesia	P.T. Givaudan Indonesia	IDR	2,608,000
	P.T. drom Fragrances Indonesia	IDR	3,462,600
	P.T. Fragrance Oils Indonesia	USD	30

Ireland	D.D. Williamson (Iroland) Ltd	EUR	140
пејапо	D.D. Williamson (Ireland) Ltd DDW Colours Ltd	EUR	140
Italy	Givaudan Italia SpA	EUR	521
	Expressions Parfumées SRLA	EUR	10
	Naturex SpA	EUR	1,200
Ivory Coast	Naturex Ivory Coast Abidjan Purchasing	XOF	6,000
Japan	Givaudan Japan K.K.	JPY	1,000,000
	Naturex K.K.	JPY	5,000
Korea	Givaudan Korea Ltd	KRW	550,020
	Naturex Korea Seoul sales office	KRW	284,000
Malaysia	Givaudan Business Solutions Asia Pacific Sdn.Bhd	MYR	2,000
	Givaudan Flavours & Fragrances Malaysia Sdn.Bhd	MYR	3,981
	Fragrance Oils (Malaysia) Sdn.Bhd	MYR	
	DDW Colours Sdn.Bhd	USD	
Morocco	Naturex Morocco Casablanca	MAD	24,640
Mexico	Givaudan de Mexico SA de CV	MXN	53,706
	Naturex Ingredientes Naturales SA de CV	MXN	62,768
	Oxiquimica S.A.P.I de CV	MXN	550
	Ungerer Mexico S. de R.L. de CV	MXN	94,617
Netherlands	Givaudan Nederland B.V.	EUR	402
	Vika B.V.	EUR	20
	Virgula B.V.	EUR	20
	Naturex Coöperatief UA	EUR	1
	Givaudan Finance Europe BV	EUR	5,000
New Zealand	Givaudan NZ Ltd	NZD	71
Nigeria	Givaudan (Nigeria) Ltd	NGN	10,000
_	Fragrance Oils (West Africa) Ltd	NGN	15,000
Peru	Givaudan Peru SAC	PEN	1,303
	Activ International SAC	PEN	14,043
Poland	Givaudan Polska Sp. Z.o.o.	PLN	50
Russia	Givaudan Rus LLC	RUB	9,000
	Naturex LLC	RUB	1,500

Singapore	Givaudan Singapore Pte Ltd	SGD	24,000
	Fragrance Oils (Far East) Pte Ltd	GBP	5
South Africa	Givaudan South Africa (Pty) Ltd	ZAR	360,002
Spain	Givaudan Iberica, SA	EUR	8,020
	Naturex Iberian Partners, SL	EUR	19,497
	Aromasur S.L.U.	EUR	1,320
	Tierra Aromatical del Sur SL	EUR	3
Swaziland	D.D. Williamson (Pty) Ltd	ZAR	_
Sweden	Givaudan North Europe AB	SEK	120
	Swedish Oat Fiber AB	SEK	1,000
Thailand	Givaudan (Thailand) Ltd	ТНВ	100,000
Turkey	Givaudan Aroma Ve Esans Sanayi Ve Ticaret Limited Sirketi	TRY	34
United	Givaudan UK Ltd	GBP	70
Kingdom	Major International Ltd	GBP	50
	Givaudan Holdings UK Ltd	GBP	317,348
	Naturex Ltd	GBP	1,006
	drom International UK Limited	GBP	30
	Fragrance Oils Limited	GBP	80
	Fragrance Oils (International) Limited	GBP	16
	Fragrance Oils (Purchasing) Limited	GBP	1
	Ungerer Limited	GBP	5
	D.D. Williamson (U.K.) Ltd	GBP	1
	DDW Colours UK Ltd	GBP	1
United Arab	Givaudan Middle East & Africa FZE	AED	1,000
Emirates	Expression Parfumées LLC	AED	300

United States	Givaudan United States, Inc.	USD	0.05
of America	Givaudan Flavors Corporation	USD	0.1
	Givaudan Fragrances Corporation	USD	0.1
	Givaudan Flavors and Fragrances, Inc.	USD	0.1
	Naturex Holdings, Inc.	USD	0.1
	Naturex, Inc.	USD	1
	Vegetable Juices, Inc.	USD	_
	Ungerer Industries, Inc	USD	1,807
	Ungerer and Company, Inc	USD	650
	DDW, Inc.	USD	_
	The Williamson Group, Inc.	USD	_
	D.D. Williamson & Co., Inc.	USD	2
	D.D. Williamson & Colors, LLC.	USD	-
	D.D. Global Holdings, LLC.	USD	-
	Custom Essence	USD	275
Uruguay	Ungerer Uruguay SA	UYU	360
Venezuela	Givaudan Venezuela SA	VES	4.5
Vietnam	Givaudan Vietnam Company Limited	USD	3,279

33. Disclosure of the Process of Risk Assessment

Risk management in Givaudan is an integral part of the business. It is a structured and continuous process of identifying, assessing and deciding on responses to risks. The reporting of the opportunities and threats that these risks create and how they might hinder the business in achieving its objectives is also part of managing risks.

Risk management is the responsibility of the Board of Directors, which delegates to the Executive Committee the management of the overall company risk management process. The Group actively promotes the continuous monitoring and management of risks at the operational management level.

The Givaudan Enterprise Risk Management Charter describes the principles, framework and process of the Givaudan Enterprise Risk Management, which ensure that material risks are identified, managed and reported. It defines the associated roles and responsibilities which are reflected in the delegated authorities. Enterprise Risk Management encompasses both the Fragrance & Beauty and Taste & Wellbeing businesses, as well as Givaudan Group functions. It includes all types of risks in terms of their nature, their source or their consequences.

The process aims to be comprehensive, organised and documented in order to improve compliance with corporate governance regulations, guidelines and good practices; better understand the risk profile of the business; and provide additional risk-based management information for decision making.

The objectives of the Risk Management process are to continuously ensure and improve compliance with good corporate governance guidelines and practices as well as laws and regulations, where applicable; facilitate disclosure to key stakeholders of potential risks and the company's philosophy for dealing with them. At the same time, the process creates the awareness of all key executives of the magnitude of risks; provides risk-based management information for effective decision-making; and safeguard the values of the company and its assets, and protect the interests of shareholders.

Givaudan's management, at all levels, is accountable for ensuring the appropriateness, timeliness and adequacy of the risk analysis. Mitigation decisions are taken at individual and combined levels. This management is also responsible for implementing, tracking and reporting the risk mitigation directives of the Executive Committee, including periodic reporting to the Board. The assessment is performed in collaboration between the Executive Committee, divisional and functional management teams and the Corporate Compliance Officer.

The Board of Directors' Audit Committee also promotes the effective communication between the Board, Givaudan's Executive Committee, other senior corporate functions and Corporate Internal Audit in order to foster openness and accountability.

Givaudan has carried out its annual review of internal controls over accounting and financial reporting. A risk assessment is performed throughout the Internal Control System for those identified risks which may arise from the accounting and financial reporting. Then, relevant financial reporting controls are defined for each risk.

34. Other information

On 26 January 2022 Givaudan announced that it has acquired a 48% stake in Nanovetores Group, a privately owned innovation company known for its unique technology of encapsulation for a diverse range of ingredients that are sold across the world to beauty brands. The company is based in Florianopolis, in Brazil and employs 56 people. The acquisition has no impact on the 2021 financial statements.





Statutory Auditor's Report

To the General Meeting of GIVAUDAN SA, Vernier

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Givaudan SA and its subsidiaries (the Group), which comprise the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity, consolidated statement of cash flows for the year ended 31 December 2021, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion the consolidated financial statements, presented on pages 42 to 97, give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISAs) and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the Auditor's Responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, as well as the International Code of Ethics for Professional Accountants, (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Our Audit Approach

Summary

Key audit matters	Based on our audit scoping, we identified the following key audit matters: - Acquisition accounting; and - Carrying value of intangible assets.
Materiality	Based on our professional judgment we determined materiality for the Group as a whole to be CHF 65 million.
Scoping	Based on our understanding of Givaudan's operations, we have defined 17 component operations in 11 countries that are in scope for group reporting purposes. We have requested from the auditors in these countries to perform audit procedures to address the risks identified in our risk assessment phase. Coverage ratio on group sales, group operating income and group total assets are disclosed below.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.





Acquisition accounting

Key audit matter

As described in the Critical Accounting Estimates and Judgments in Note 3, significant judgment is required in determining the fair value of the identifiable assets acquired, particularly intangibles, and the liabilities assumed. Such judgments require estimates that are not only based on available information but as well on assumptions with respect to the timing and amount of future revenues and expenses associated with an asset and a liability. In addition, judgment is required to allocate the purchase price to the underlying acquired assets and liabilities based on their estimated fair value.

As described in Note 6 to the consolidated financial statements, the Group completed the acquisition of Custom Essence on 3 December 2021 for a total consideration of CHF 247 million and DDW and its affiliates on 8 December 2021 for a total consideration of CHF 214 million.

These transactions are considered as business combinations as defined by IFRS 3 Business Combinations which requires management to perform a purchase price allocation. The purchase price allocation apportions the consideration paid against the net assets acquired and fair valued and against goodwill.

For the acquisition of Custom Essence, the consideration paid was allocated against the fair value of identified intangible assets for CHF 101 million, the fair value of other identifiable assets for CHF 18 million, the fair value of liabilities assumed of CHF 1 million and goodwill of CHF 129 million. The goodwill reflects mainly the value of the qualified workforce and expected synergies.

For the acquisition of DDW and its affiliates, the consideration paid was allocated against the fair value of identified intangible assets for CHF 121 million, the fair value of other identifiable assets for CHF 70 million, the fair value of liabilities assumed of CHF 65 million and goodwill of CHF 88 million. The goodwill reflects mainly the value of the qualified workforce and expected synergies.

We note that because of the timing of the closing of the transactions, the purchase price allocations are provisional and will be adjusted within the next twelve months, in compliance with IFRS 3.

The acquisition accounting of Custom Essence and DDW and its affiliates, including the valuation of intangible assets identified, requires a number of complex accounting judgments such as the determination of the fair value methodology and the selection of comparable transactions.

In addition, the amortisation period retained for the intangibles acquired also requires judgment and constitutes a management estimate that affects current and future financial periods.

We focused on these transactions because of the complexity of applying acquisition accounting, the level of judgment relating to the identification and valuation of intangible assets, calculation of the related deferred taxes, valuation of tangible assets acquired, and the liabilities assumed and the significance of consideration paid on that particular transactions in 2021.

How the scope of our audit responded to the key audit matter

We gained an understanding of the internal controls in relation to acquisition accounting.

We obtained legal documents such as the sale and purchase agreements and relevant appendices to evaluate the key terms and conditions. We confirmed our understanding of the transactions by conducting inquiries with management.

We obtained various reports from management's advisors that supported our understanding of the rationale of the acquisitions as well as the completeness of the assets acquired, and liabilities assumed. We obtained the last available financial statements of Custom Essence and DDW and its affiliates to validate the completeness of acquired assets and assumed liabilities as well as understand the difference in accounting policies with Givaudan's.

We obtained the reports from management's external valuation experts providing the valuation of intangible and tangible assets concerned in the acquisition accounting. We assessed management's expert competency and objectivity.

We assessed whether the transactions constitute business combinations in accordance with IFRS 3 Business Combinations. We also appraised the respective acquisition dates selected by management.

For each transaction, we tested the accuracy and completeness of the total consideration transferred by tracing the cash element to the bank statements evidencing the payments of the funds. For DDW and its affiliates, we also evaluated the fair value of the contingent consideration.

We challenged management on the identification and valuation of intangible assets and valuation of tangible assets acquired and liabilities assumed in the acquisition accounting against the terms of the sale and purchase agreement, management's experts reports and comparable transactions.

We reviewed and assessed the work performed by management's external valuation experts including the valuation methodology for determining the intangible assets provisional fair value. We have reviewed their valuation techniques, evaluated the reasonableness of the main judgements and carried out sensitivity analysis. We compared the allocation of the purchase consideration to intangible assets against Givaudan recent comparable transactions. We considered the appropriateness of using provisional values in accordance with the relevant accounting standard for the 2021 year-end consolidated financial statements.

We also challenged the duration estimated by management for the amortisation of the intangible assets acquired, comparing them to current Group accounting policies and other recent acquisitions.

We validated the appropriateness and completeness of the related disclosures in Note 3 and Note 6 to the consolidated financial statements

Based on the procedures performed above, we obtained sufficient audit evidence to corroborate management's judgments and assumptions regarding the acquisition accounting of Custom Essence and DDW and its affiliates.





Carrying value of intangible assets

Key audit matter

As of 31 December 2021, Givaudan carries intangible assets of CHF 4,853 million of which goodwill of CHF 3,496 million and other intangible assets of CHF 1,357 million.

The goodwill has been allocated to the following four Cash Generating Units ("CGUs"):

- Taste & Wellbeing: CHF 2,370 million,
- Fragrance & Beauty: CHF 889 million,
- Expressions Parfumées: CHF 129 million,
- Fragrance Oils: CHF 108 million.

Furthermore, Givaudan holds intangible assets that were recognised from previous business combinations amounting to CHF 1,156 million. These assets are mainly technology-related assets, customer and suppliers' relationships and brand names. These assets have been recognised during the initial purchase price allocations in accordance with IFRS 3 Business Combination. The valuation of software is not part of our Key Audit Matter consideration as Software and ERP system assets (carrying value CHF 201 million as of 31 December 2021) have not been recognised from acquisition accounting.

As stated in Note 2.17 to the consolidated financial statements, the carrying value of goodwill and intangible assets with infinite useful economic life is tested for impairment annually or more frequently if impairment indicators are present. Management has not identified any indicators of impairment in the period. For Goodwill, Management has proceeded to an evaluation of the recoverable amount of the CGUs by comparing the recoverable value of the assets with their carrying values. Management performed its annual impairment test of goodwill in the fourth quarter of 2021 and has calculated the value-in-use in order to estimate the recoverable value of the assets. In order to derive the value in use of the assets attributable to the CGUs, Management has prepared discounted cash flows models.

The key inputs that require judgment are:

- The identification of the relevant CGUs;
- The estimate of the future cash flows the entity expects to derive from each of the CGUs;
- The discount rates; and
- The long-term growth rate used to derive the terminal value.

Management concluded that in all cases, value-in-use formed the basis of the impairment conclusions and that no impairment should be recognised on that basis. A sensitivity analysis considering changes in assumptions in the cash flows and in the discount rates does not give rise to any material impairment.

Further details in relation to management impairment considerations have been provided in Note 22, with details regarding the discount rates used for each of the CGUs.

How the scope of our audit responded to the key audit matter

We assessed the internal controls in relation to the identification of impairment indicators. We independently performed our own assessment of impairment indicators.

We gained an understanding of the internal controls relating to the projected financial information process and approval, the preparation and review of the weighted average cost of capital and preparation and review of the asset impairment models for Goodwill and intangible assets with indefinite useful life.

We have inquired with management about the presence of impairment indicators for the intangible assets that have been recognised from current and past business combinations. We have corroborated the results of our inquiries with a review of the financial performance of the underlying markets and legal entities as well as inquiries with personnel outside the finance function.

We evaluated and challenged the key assumptions and inputs to the impairment models by independently estimating a range of acceptable outcome and performing sensitivity analyses in order to evaluate the impact of selecting alternative assumptions.

In challenging the assumptions, we have:

- Considered the appropriateness of the judgment that Expressions Parfumées and Fragrance Oils constitute separate CGUs and that the 2021 acquisitions are integrated to the Fragrance & Beauty and Taste &
- Assessed the appropriateness of the discount rates used by involving our internal valuation specialists to evaluate the reasonableness of management's key inputs used in deriving the discount rates. This included benchmarking these inputs against available market data;
- Evaluated the appropriateness of the long-term growth rates applied to derive the terminal value by tracing them back to a prominent source of macroeconomic projections;
- Tested the extent to which projected financial information can be reliably prepared by management by performing retrospective review to compare prior period forecasts with actual results and reviewed any budget revision and considering management track record in delivering their forecast;
- Confirmed that forecasted cash flows were consistent with Board approved forecasts and analysed reasonably possible downside sensitivities;
- Evaluated the sensitivity in the valuation resulting from changes to the key assumptions applied.

We audited the integrity of the impairment models and cash flow forecasts. We considered the compliance of management's impairment models with the requirements of IAS 36 Impairment of Assets.

We have compared management estimates of economic useful life with the actual usage of the assets.

We also reviewed the appropriateness of the amortisation method and related charges for intangible assets with a definite useful economic life.



Carrying value of intangible assets (continued)

Key audit matter	How the scope of our audit responded to the key audit matter
Intangible assets with a definite useful economic life are carried at cost less accumulated amortisation and accumulated impairment losses. In addition to the amortisation booked on a straight-line basis over the estimated economic useful life of the asset, management assessed impairment indicators on a regular basis.	We have validated the appropriateness and completeness of the related disclosures in Note 22 to the consolidated financial statements.
Due to the significance of the carrying value for goodwill and acquisition-related intangible assets and the judgments involved in performing the impairment test, this matter was considered as a key audit matter.	Based on the procedures performed, we obtained sufficient appropriate audit evidence to corroborate management's judgments and estimates regarding the carrying value for intangibles assets.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgment we determined materiality for the Group as a whole to be CHF 65 million, based on a calculation of 7% of normalised Group income before taxes, adjusted for non-recurring transactions. We selected Group income before taxes as the basis for determining our materiality because, in our view, this measure represents the performance of the Group and is one of the indicators against which Givaudan is commonly assessed and is a generally accepted benchmark.

The materiality applied by the component auditors ranged from CHF 20 million to CHF 49 million depending on the scale of the component's operations, the component's contribution to Group sales, Group income before taxes, Group total assets and our assessment of risks specific to each location.

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of CHF 3.25 million, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also reported to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

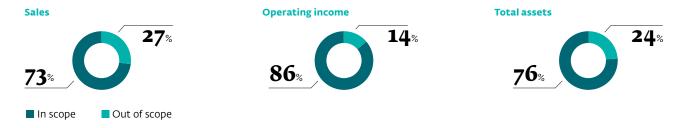
Deloitte.

An overview of the scope of our audit

Our group audit was scoped by obtaining an understanding of the group and its environment, including group-wide controls, and assessing the risks of material misstatement at the group level. Based on that assessment, we focused our group audit scope primarily on the audit work at 17 component operations in 11 countries. 11 of these were subject to a full audit, whilst the remaining six were subject to specified audit procedures where the extent of our testing was based on our assessment of the risks of material misstatement and of the materiality of the group's operations at those locations.

These locations are geographically spread across all regions, reflecting Givaudan's global operations. We obtain assurance over these countries through a combination of audit procedures performed locally, within the Givaudan shared service centres and centrally at the Head office.

In aggregate, these components represented scope coverage of:



All other wholly owned and joint venture businesses were subject to analytical review procedures for the purpose of the Group audit. Annual statutory audits are conducted by Deloitte at the majority of the Group's affiliates, although these are predominantly completed subsequent to our audit report on the consolidated financial statements.

At the parent entity level we also tested the consolidation controls and carried out analytical procedures to confirm our conclusion that there were no significant risks of material mis-statement of the aggregated financial information of the remaining components not subject to audit or audit of specified account balances.

The group audit team virtually visited some key locations as defined at planning stage. We are defining our visits based on significance of the affiliates and main events occurred during the year. All component audit partners were included in planning briefings, we discussed their risk assessment and we reviewed the documentation of the results from their procedures.



Other Information in the Annual Report

The Board of Directors is responsible for the other information in the annual report. The other information comprises all information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of the Company and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information in the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information in the annual report and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Board of Directors for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISAs and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



A further description of our responsibilities for the audit of the financial statements is located at the website of EXPERTsuisse: http://expertsuisse.ch/en/audit-report-for-public-companies. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Deloitte SA

Karine\Szegedi Pingoud Licensed Audit Expert Auditor in Charge

Laetitia Cejudo Petit

Geneva, 27 January 2022



Statutory financial statements of Givaudan SA (Group Holding Company)

Income Statement

For the year ended 31 December

in millions of Swiss francs	Note	2021	2020
Income from investments in Group companies		739	232
Royalties from Group companies		1,172	1,040
Other operating income		1	1
Share of results of joint ventures and associates	4		1
Total Operating income		1,912	1,274
Research and development expenses to Group companies		(359)	(325)
Personnel expenses		(2)	(2)
Other operating expenses		(62)	(66)
Depreciation of property, plant and equipment		-	-
Amortisation and impairment of intangible assets		(64)	(61)
Share of results of joint ventures and associates	4	(3)	
Total Operating expenses		(490)	(454)
Operating income		1,422	820
Financial expenses		(249)	(385)
Financial income		158	290
Non-operating expenses		(90)	(88)
Income before taxes		1,241	637
Income taxes		(51)	(38)
Net income		1,190	599

Statement of Financial Position

in millions of Swiss francs Note	31 December 2021	31 December 2020
Cash and cash equivalents	9	10
Marketable securities	188	106
Accounts receivable from Group companies	169	180
Other current assets	68	52
Accrued income and prepaid expenses	1	2
Current assets	435	350
Loans to Group companies	400	150
Other long-term assets	72	75
Investments in Group companies 3	6,189	5,991
Interests in joint ventures and investments in associates 4	27	31
Other financial assets	14	13
Property, plant and equipment	2	2
Intangible assets	353	210
Non-current assets	7,057	6,472
Total assets	7,492	6,822
Short-term debt 5	437	468
Accounts payable to Group companies	156	106
Other current liabilities	130	133
Deferred income and accrued expenses	155	85
Current liabilities	878	792
Long-term debt 5	2,551	2,524
Loans from Group companies	1,088	1,092
Other non-current liabilities	62	103
Non-current liabilities	3,701	3,719
Total liabilities	4,579	4,511
Share capital 7	92	92
Statutory retained earnings 7	18	18
Statutory capital reserves from capital contributions - additional paid-in capital 7	3	3
Voluntary retained earnings 7	1,542	1,542
Own shares 7, 8	(34)	(35)
Available retained earnings		
- Balance brought forward from previous year	102	92
- Net income for the year	1,190	599
Equity	2,913	2,311
Total liabilities and equity	7,492	6,822



1. General Information

1.1 Structure and Description of the Activity

Givaudan SA is a limited liability company incorporated and domiciled in Switzerland. The company is based in Vernier, near Geneva, Switzerland. Givaudan SA invests in companies of the Givaudan Group, who is a leading supplier of creative fragrance, beauty, taste and wellbeing products to the consumer goods industry. In addition, Givaudan SA invests in research and development and supplies services for the use of these products. Givaudan SA develops, registers and makes use of all trademarks, patents, licenses, manufacturing processes and formulas.

1.2 Employees

The average number of employees during the year was less than ten (2020: less than ten).

2. Summary of Accounting Principles Adopted

The financial statements at 31 December 2021 are prepared in accordance with Swiss law.

The company is classified as a large entity as it meets the criteria to present group accounts under the definition of art. 961d al. 1 of the Swiss Code of Obligations. As Givaudan prepares and reports comprehensive consolidated financial statements under International Financial Reporting Standards (IFRS) including a cash flow statement, accompanying notes and a management report, Givaudan SA is exempt from preparing this information.

Valuation Methods and Translation of Foreign Currencies

Investments in, and loans to, Group companies are stated at cost less appropriate writedowns. Marketable securities are shown at the lower of cost and market value. Derivatives are recorded at fair value.

The currency in which Givaudan SA operates is Swiss francs (CHF) and the accounts are presented in Swiss francs. In the statement of financial position, foreign currency assets and liabilities are remeasured at year-end exchange rates with the exception of investments in Group companies which are valued at historical exchange rates. In the income statement, expenses and income in foreign currencies are converted in Swiss francs using the daily exchange rate of the transaction date. Foreign currency gains and losses are recognised in the income statement as they occur with the exception of unrealised gains which are deferred.

3. Subsidiaries

List of the direct subsidiaries of the company, which are wholly-owned unless otherwise indicated (percentage of voting rights):

Switzerland	Giyaudan Suisse SA
Switzeriand	Givaudan Suisse SA Givaudan Finance SA
	Prodiga AG
	Givaudan International SA
	Vamara Holding SA
	Kemptthal Immobilien Nord AG
	Givaudan Treasury International SA
Argentina	Givaudan Argentina SA
	Givaudan Argentina Servicios SA
Australia	Givaudan Australia Pty Ltd
Austria	Givaudan Austria GmbH
Brazil	Givaudan do Brasil Ltda
	Naturex Ingredientes Naturais Ltda
	drom internacional Fragrâncias Indústria e Comércio Ltda
Canada	Givaudan Canada Co
Cayman Islands	Colortech LP
Chile	Givaudan Chile Ltda
China	Givaudan Fragrances (Shanghai) Ltd
	Givaudan Flavors (Shanghai) Ltd
	Givaudan Specialty Products (Shanghai) Ltd
	Givaudan Hong Kong Ltd
	Givaudan Flavors (Nantong) Ltd
	Givaudan Management Consulting (Shanghai) Ltd
	Givaudan Fragrances (Changzhou) Ltd



Colombia	Givaudan Colombia SA
Czech Republic	Givaudan CR, s.r.o.
Egypt	Givaudan Egypt SAE
	Givaudan Egypt Fragrances LLC
France	Givaudan France SAS
	Activ International SAS
	Expressions Parfumées SAS
	Naturex SA
	Albert Vieille SAS
	Alderys SAS (ownership of 80%)
Germany	Givaudan Deutschland GmbH
Guatemala	Givaudan Guatemala SA
Hungary	Givaudan Hungary Kft
	Givaudan Finance Services Kft
India	Givaudan (India) Private Ltd
Indonesia	P.T. Givaudan Indonesia
	P.T. Givaudan Flavours and Fragrances Indonesia
	P.T. drom Fragrances Indonesia
Italy	Givaudan Italia SpA
Japan	Givaudan Japan K.K.
Korea	Givaudan Korea Ltd
Malaysia	Givaudan Malaysia Sdn.Bhd
	Givaudan Flavours & Fragrances Malaysia Sdn.Bhd
Mexico	Givaudan de Mexico SA de CV
Netherlands	Givaudan Nederland B.V.
	Virgula B.V.
	N&H International Holding 2 B.V.
Nigeria	Givaudan (Nigeria) Ltd
Peru	Givaudan Peru SAC
Poland	Givaudan Polska Sp. Z.o.o.
Russia	Givaudan Rus LLC
Singapore	Givaudan Singapore Pte Ltd
South Africa	Givaudan South Africa (Pty) Ltd
Spain	Givaudan Iberica, SA

Sweden	Givaudan North Europe AB
Thailand	Givaudan (Thailand) Ltd
Turkey	Givaudan Aroma Ve Esans Sanayi Ve Ticaret Limited Sirketi
United Kingdom	Givaudan Holdings UK Ltd
	Fragrance Oils Limited
	drom International UK Limited
United Arab Emirates	Givaudan Middle East & Africa FZE
United States of America	Givaudan United States, Inc.
	Ungerer Industries, Inc.
Vietnam	Givaudan Vietnam Company Limited

In 2021 Givaudan SA acquired 100% of the share capital of the drom entities in Brazil, the United Kingdom as well as Indonesia, previously owned by another subsidiary of the Givaudan Group. Furthermore, as a result of the acquisition of DDW by the Givaudan Group, Givaudan SA acquired Colortech LP and N&H International Holding 2 B.V.

During 2021 Givaudan SA increased its investments in Naturex SA and Givaudan (India) Private Ltd, while the company ceased:

- its investment in Givaudan Capital Transactions Ltd, following the liquidation of the subsidiary;
- its investments in drom Verwaltungssgesellschaft mbH and Dr.Storp Verwaltungs GmbH following their merger into Givaudan Deutschland GmbH; and
- its investment in Grupo Givaudan SA de CV following its merger into Givaudan Mexico SA de CV.

4. Investments in Joint Ventures and Associates

Name of joint ventures	Principal activity	Country of incorporation	Ownership interest / Voting rights
BGN Tech LLC (in liquidation)	Innovative natural ingredients	USA	49%
Natural Extracts International Ltd	Natural ingredient derivatives production	Mauritius	49%
Vanilla International Ltd	Natural ingredient collection and extract	Mauritius	49%

5. Debt

Givaudan SA entered into the following debt transactions:

Issue	Type	Currency	Principal	Redeemable	Interest	Type of	2021	2020
date	of debt	of principal	amount in millions	1	rate	interest	in millions of Sw	iss francs
2011		CHF	150	07 Dec 2021	2.125%		Reimbursed	150
2014	Public	CHF	150	19 Mar 2024	1.750%	Fixed	150	150
2016	bonds	CHF	100	07 Dec 2022	0.000%		100	100
2016		CHF	200	05 Dec 2031	0.625%		200	200
2017	Private	EUR	100	20 Dec 2022		Floating	104	108
2017	placements	EUR	200	20 Dec 2024	1.331%		207	216
		CHF	200	09 Apr 2025	0.375%		200	200
2018		EUR	500	17 Sep 2025	1.125%		516	538
	Public	EUR	800	17 Sep 2030	2.000%	Fixed	826	861
2020	bonds	CHF	150	10 Nov 2028	0.150%		150	150
2021		CHF	150	07 Jun 2027	0.125%		150	
2021		CHF	150	07 Jun 2030	0.375%		150	
2021	Other	CHF	20	04 Jan 2022		Floating	20	
2021	Borrowings	USD	80	05 Jan 2022		Floating	72	
Total	lebt as at 31	Decemb	er				2,845	2,673

As at 31 December 2021, short term debt includes an overdraft of CHF 141 million (2020: CHF 319 million) related to the cash pooling agreements with a Group company.

6. Indirect Taxes

The company is part of a Group for VAT purposes with two other affiliates of the Group in Switzerland. The company is jointly and severally liable towards the tax authorities for current and future VAT payables of the VAT Group to which it belongs.

7. Equity

As at 31 December 2021 the share capital amounts to CHF 92,335,860, divided into 9,233,586 fully paid-up registered shares, with a nominal value of CHF 10.00 each. Every share gives the right to one vote.

The Board of Directors has at its disposal conditional capital of a maximum aggregate amount of CHF 7,481,980 that may be issued through a maximum of 748,198 registered shares, of which a maximum of CHF 1,618,200 can be used for executive share option plans.

At the Annual General Meeting held on 25 March 2021 the distribution of an ordinary dividend of CHF 64.00 per share (2020: CHF 62.00 per share) was approved. The dividend payment has been made out of available retained earnings.

The movements in equity are as follows:

2021 in millions of Swiss francs	Share Capital	Statutory retained earnings	Additional paid-in capital	Voluntary retained earnings	Available retained earnings	Own shares	Total
Balance as at 1 January	92	18	3	1,542	691	(35)	2,311
Registered shares							
Issuance of shares							
Movement of shares						1	1
Appropriation of available earnings							
Distribution to the shareholders paid relating to 2020					(589)		(589)
Net profit for the year					1,190		1,190
Balance as at 31 December	92	18	3	1,542	1,292	(34)	2,913
2020	Share	Statutory retained	Additional paid-in	Voluntary retained	Available retained		
in millions of Swiss francs	Capital	earnings	capital	earnings	earnings	Own shares	Total
Balance as at 1 January	92	18	3	1,542	663	(31)	2,287
Registered shares							
Issuance of shares							
Movement of shares						(4)	(4)
Appropriation of available earnings							
Distribution to the shareholders paid relating to 2019					(571)		(571)
Net profit for the year					599		599
Balance as at 31 December	92	18	3	1,542	691	(35)	2,311

Statutory capital reserves from capital contributions – additional paid-in capital are presented separately in equity. Any payments made out of these reserves are not subject to Swiss withholding tax, nor subject to income tax on individual shareholders who are resident in Switzerland.

8. Own Shares

The movements in own shares are as follows:

	Price in Swiss francs			ıcs	Total in
2021	Number	High	Average	Low	millions of Swiss francs
Balance as at 1 January	16,570				35
Purchases at cost	24,100	3,623.4	2,857.8	2,503.0	69
Sales and transfers at cost	(28,014)	2,707.8	2,501.9	2,501.8	(70)
Balance as at 31 December	12,656				34

		Price in Swiss francs			Total in
2020	Number	High	Average	Low	millions of Swiss francs
Balance as at 1 January	15,541				31
Purchases at cost	25,000	2,595.0	2,250.0	1,799.0	56
Sales and transfers at cost	(23,971)	3,634.8	2,170.2	2,141.6	(52)
Balance as at 31 December	16,570				35

As at 31 December 2021 and 2020, there were no other companies controlled by Givaudan SA that held Givaudan SA shares.

As at 31 December 2021, William H. Gates III and Melinda French Gates (13.86%), BlackRock Inc. (5.06%) and MFS Investment Management (4.99%), were the only shareholders holding more than 3% of total voting rights.

9. Board of Directors and Executive Committee Compensation

Information required by Swiss law, as per art. 663b bis CO, on the Board of Directors and Executive Committee compensation are disclosed in the Givaudan consolidated financial statements, Note 31.



Appropriation of available earnings and distribution from the statutory capital reserves from contributions - additional paid-in capital of Givaudan SA

Proposal of the Board of Directors to the **General Meeting of Shareholders**

Available earnings

Amount to be carried forward	281,965,600	101,479,573
Distribution not paid on Treasury shares held by the Group		1,764,480
Total appropriation of available earnings	1,009,416,676	590,949,504
Transfer to free reserve	400,000,000	
2021 distribution proposal of CHF 66.00 gross per share	609,416,676	
2020 distribution proposal of CHF 64.00 gross per share		590,949,504
Total available earnings	1,291,382,276	690,664,597
Balance brought forward from previous year	101,479,573	91,607,602
Net income for the year	1,189,902,703	599,056,995
in Swiss francs	2021	2020

Statutory capital reserves from capital contributions additional paid-in capital

Amount to be carried forward	3,322,955	3,322,955
	5,5=2,555	-,-==,
Total additional paid-in capital	3,322,955	3,322,955
Balance brought forward from previous year	3,322,955	3,322,955
in Swiss francs	2021	2020



Statutory Auditor's Report

To the General Meeting of GIVAUDAN SA, Vernier

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Givaudan SA, which comprise the income statement, the statement of financial position for the year ended 31 December 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements as at 31 December 2021, presented on pages 107 to 113, comply with Swiss law and the company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on Key Audit Matters based on the circular 1/2015 of the Federal Audit Oversight Authority

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Carrying value of Investments in Group companies

Key audit matter	How the scope of our audit responded to the key audit matter
As described in Note 3 to the financial statements, the Company holds investments in Givaudan Group companies with a carrying value of CHF 6,189 million as of 31 December 2021, representing 83% of total assets. Each investment held is valued individually and reviewed annually for impairment. Each investment showing another than temporary impairment indicator must be tested for impairment and an impairment would need to be recorded if the recoverable amount is lower than the carrying value. The impairment test performed by Givaudan management is subject to judgement around the valuation method, key assumptions used and the susceptibility to the expected future market developments that could affect the profitability and positive cash flows of these entities. Accordingly, for the purposes of our audit, we identified judgements and estimates applied by management on the valuation of these investments as representing a key audit matter.	We evaluated management's implementation of accounting policies regarding the valuation of investments in Group companies. We obtained an understanding of internal controls around the valuation of investments in Group companies to determine whether appropriate controls are in place. We challenged the identification of impairment indicators performed by the Company. We tested the valuations by critically assessing the methodology applied and the reasonableness of the underlying assumptions and judgements. We assessed the impairment testing models and calculations by: - checking the arithmetical accuracy of the impairment models and the extraction of inputs from source documents; and - independently deriving the significant inputs and assumptions used in the impairment testing for investments in Givaudan Group companies, such as the ability of the Group companies to generate positive cash flows in the future. We validated the appropriateness and completeness of the related disclosures in Note 3 to the financial statements. Based on the procedures performed, we consider judgements and estimates applied by management on the valuation of investments in Group companies to be reasonable.

Deloitte.

Responsibility of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the website of EXPERTsuisse: http://expertsuisse.ch/en/audit-report-for-public-companies. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Deloitte SA

Karine Szegedi Pingoud Licensed Audit Expert Auditor in Charge

Licensed Audit Expert

Geneva, 27 January 2022





Alternative performance measures Appendix to the 2021 Full Year Results

Introduction

On 1 January 2019 the Directive Alternative Performance Measures (DAPM), issued by the SIX Exchange Regulation, came into force with the purpose to promote the clear and transparent use of alternative performance measures.

The Directive prescribes that clear and comprehensible definitions must be disclosed for all alternative performance measures used. Also, for alternative performance measures that are based on a measure included in the financial statements prepared in accordance with recognised accounting standards and which have been adjusted by adding or omitting specific items, a reconciliation statement must be disclosed to a comparable measure in the financial statements according to the recognised accounting standard. Significant reconciliation items must be explained.

Givaudan's Alternative Performance Measures

In the 2021 Full Year Results Media Release and on pages 40 to 47 of the 2021 Integrated Annual Report, the Group uses a number of Alternative Performance Measures that are listed and defined below

Like-for-Like (LFL)

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.

Reconciliation tables of the LFL sales to the reported sales in accordance with IFRS have been included in the 2021 Full Year Results Media Release

EBITDA

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.

In millions of Swiss francs	2021	2020
Income for the period	821	743
Interest and other financial (income) expense, net	124	120
Income taxes	144	133
Operating income	1,089	996
Depreciation	204	201
Amortisation	186	187
Impairment	3	13
EBITDA	1,482	1,397

Comparable EBITDA

Comparable EBITDA is the reported EBITDA, as adjusted for significant items of a nonrecurring nature which have an impact on the understanding of the underlying normal operating activities.

A reconciliation table of the published EBITDA to the Comparable EBITDA (EBITDA as defined in the section EBITDA above) has been included in the 2021 Full Year Results Media Release. In that reconciliation table, all significant one-off items have been explained.

Alternative performance measures

Free Cash Flow (FCF)

FCF refers to operating cash flow after net investments, interest paid, lease payments and purchase and sale of own equity instruments.

In millions of Swiss francs	2021	2020
Cash flows from (for) operating activities	1,288	1,189
Acquisition of property, plant and equipment	(186)	(188)
Proceeds from the disposal of property, plant and equipment	9	8
Acquisition of intangible assets	(70)	(39)
Proceeds from the disposal of intangible assets		2
Interest paid	(72)	(53)
Lease payments	(57)	(52)
Purchase and sale of own equity instruments, net ^a	(69)	(56)
Free cash flow (FCF)	843	811
Sales	6,684	6,322
Free cash flow (FCF) as a % of sales	12.6%	12.8%

a) After careful consideration with the Group auditors, the Group has determined that purchase and sale of own equity instruments relates to financing activities and has been reclassified from cash flows from (for) operating activities into cash flows from (for) financing activities. The Group has updated its definition of FCF to reflect this change.

Leverage Ratio

Leverage ratio is defined as net debt divided by the sum of net debt and equity (as defined for leverage ratio in the table below).

In millions of Swiss francs	31 December 2021	31 December 2020
Short-term debt	428	206
Long-term debt	4,239	4,245
Less: cash and cash equivalents	(273)	(411)
Net debt	4,394	4,040
Total equity attributable to equity holders of the parent	3,929	3,490
Remeasurement of post-employment benefit obligations	302	484
Equity (as defined for leverage ratio)	4,231	3,974
Net debt and equity (as defined for leverage ratio)	8,625	8,014
Leverage ratio	51%	50%

Net debt to EBITDA Ratio

The Net debt to EBITDA ratio is calculated as follows:

In millions of Swiss francs	31 December 2021	31 December 2020
Short-term debt	428	206
Long-term debt	4,239	4,245
Less: cash and cash equivalents	(273)	(411)
Net debt	4,394	4,040
EBITDA	1,482	1,397
Net debt to EBITDA ratio	2.97	2.89
Comparable EBITDA	1,504	1,442
Net debt to Comparable EBITDA ratio	2.92	2.80





Country	Legal Entity name	Address
Algeria	Givaudan International SA (Suisse) Bureau de Liaison Algérie	Tour A – 4 ^{ème} Etage, Business Centre Dar El Madina, Micro Zone d'activité Hydra Lot No. 20, 16035 Algers
Argentina	Givaudan Argentina SA	Nicolàs Rodriguez Peña 1568, 5° B, 1021, C.A.B.A.
	Givaudan Argentina Servicios SA	Rodriguez Peña 1568, piso 5, oficina B, Ciudad Autónoma de Buenos Aires
Australia	Givaudan Australia Pty Ltd	12 – 14 Britton Street, Smithfield, Sydney NSW 2164
	drom International Pty. Ltd.	Parkview Business Centre, suite 2/1, 1 Maitland Place, Baulkham HIlls, Sydney, NSW 2153
	Naturex Australia Pty Ltd	9 Garling Road, Kings Park NSW 2148
	Ungerer Australia Pty. Ltd.	P.O. Box 2143, Taren Point NSW 22229
Austria	Givaudan Austria GmbH	Twin Tower Vienna, Wienerbergstrasse 11, 1109 Vienna
Belgium	Naska Ingredients NV	Lausbedstraat 4, 3630 Maasmechelen
Bermuda	Givaudan International Ltd	Hamilton
	FF Holdings (Bermuda) Ltd	Hamilton
	FF Insurance Ltd	Hamilton
	Naturex SPRL	Val d'Or, Gulledelle, 96 – 5 th Floor, 1200 Brussels
Brazil	Givaudan do Brasil Ltda	Avenida Engenheiro Billings 2185, Jaguaré, São PauloSP – 05321-010
	G. Nutra Industria e Comércio de Produtos. Alimenticios e Nutricionais Ltda	Rodovia Eduardo Zucari, Km 21,5 - Zona Rural - CEP 18603-970, Botucatu/ São Paulo
	Naturex Ingredients Naturais Ltda	Avenida Buriti no. 5.391, Distrito Industrial, city of Manaus, state of Amazonas, Zip Code: 69075-000
	DDW, The Color House	Avenida Buriti 5680, Distrito Industrial, 69075-000 Manaus Amazonas
Canada	Givaudan Canada Co.	2400 Matheson Blvd. East, Mississauga, Ontario L4W 5G9
	Naturex Inc (Canada)	44 Chipman Hill, Suite 1000 – Saint John, New Brunswick E2L 2A9
Chile	Givaudan Chile Ltda	Avda Del Valle 869, oficina 203, Ciudad Empresarial, Comuna de Huechuraba, Santiago de Chile
	Naturex CHILE SPA	Avenida Apoquindo 3001, piso 9, Las Condes, Santiago de Chile
	Chile Botanics SPA	Panamericana Sur, Kilómetro 297, Comuna de Linares
	DDW, The Color House	Calle Rio Reefugio 9663, Pudahuel, Santiago



Country	Legal Entity name	Address	
China	Givaudan Flavors (Shanghai) Ltd Beijing Branch	15F Tower 2, Kun Sha Center, no. 16 Xin Yuan Li Road, Chao Yang District, Beijing 100027	
	Givaudan Fragrances (Shanghai) Ltd Beijing Branch	15F Tower 2, Kun Sha Center, no. 16 Xin Yuan Li Road, Chao Yang District, Beijing 100027	
	Givaudan Flavors (Shanghai) Ltd	668 Jing Ye Road, Jin Qiao Export Area, Pu Dong New Area, Shanghai 201201	
	Givaudan Fragrances (Shanghai) Ltd	298 Li Shi Zhen Road, pilote Free Trade Zone, Shanghai 201303	
	Givaudan Flavors (Shanghai) Ltd Guangzhou Branch	15F The Centrepoint, no 374 – 2 Beijing Road, Yue Xiu District, Guangzhou 510030	
	Givaudan Fragrances (Shanghai) Ltd Guangzhou Branch	15F The Centrepoint, no 374 – 2 Beijing Road, Yue Xiu District, Guangzhou 510030	
	Givaudan Flavors (Shanghai) Ltd Chengdu Branch	Room 2001, 2 Fu Nian Plaza, Ji Tai Road, Gao Xin District, Chengdu 610041, Sichuan Province	
	Givaudan Flavors (Nantong) Ltd	No. 7 Jiang Hai Road, Nantong Economic and Technology Development Area, Nantong, Jiangsu Province 226017	
	Givaudan Flavors (Shanghai) Ltd Zhengzhou Branch	Room A1301, Bldg 2, no. 80 Jin Shui Road (East), New Green City, Zhengzhou, He Nan Province	
	Givaudan Fragrances (Changzhou) Ltd	Room 232, no. 238 Chunjiang Zhongyang, Huayuan, Xinbei District, Changzhou 213034, Jiangsu Province	
	Givaudan Specialty Products (Shanghai) Ltd	222, Jiangtian East Road, Songjiang District, 201600 Shanghai	
	Givaudan Management Consulting (Shanghai) Ltd	3 rd floor, no. 5 building, 298 Lishizhen Road, Zhangjiang High-Tech Park, Pudong New Area, 201203 Shanghai	
	Givaudan Hong Kong Ltd	6 th Floor Alexandra House, 18 Chater Road, Central , Hong Kong	
	Naturex Trading Shanghai Co. Ltd	6 th Floor, Building 4, no. 333 Gui Ping Rd, Xuhui DST, Shanghai, 200233	
	Ungerer Fragrance & Flavor (Shanghai) Co. Ltd.	#1-2 Building no. 508, Lane 2655 Fengzhe Road, Fengxian, Shanghai 201407	
	DDW, The Colour House	3823 Jiang Cheng jRoad, 200245 Shanghai	
Colombia	Givaudan Colombia SAS	Carrera 98 no. 25 G – 40, 151196 Bogotá D.C.	
Czech Republic	Givaudan CR, s.r.o.	Klimentská 10, Praha 110 00	
Egypt	Givaudan Egypt SAE	Piece 37, Industrial Zone 3, 6 th of October City	
	Givaudan Egypt Fragrances LLC	46 El Thawra St., 3 rd floor, Appt 304, Heliopolis	
Finland	Givaudan International SA, Branch in Finland	Niemenkatu 73, 15140 Lahti	
France	Givaudan France SAS	55 Rue de la Voie des Bans, CS500024, 95102 Argenteuil Cedex	
	Expressions Parfumées	136 Chemin de Saint-Marc, 06130 Grasse	
	Albert Vieille SAS	629 Route de Grasse, 6220 Vallauris	
	drom International S.A.R.L.	4 et 6 rue Curie, 92150 Suresnes, Paris	
	Naturex SA	250 rue Pierre Bayle – BP 81218, 84911 Avignon Cedex 9	
	Alderys	Bátiment Mélèze, 86 rue de Paris, 91400 Orsay	



Country	Legal Entity name	Address
Germany	Givaudan Deutschland GmbH	Giselherstrasse 11, 44319 Dortmund
•	drom fragrances GmbH & Co. KG	Oberdiller str. 18, 82065 Baierbrunn
	drom Holding GmbH	Oberdiller str. 18, 82065 Baierbrunn
	drom perfume trade GmbH	Oberdiller str. 18, 82065 Baierbrunn
	Naturex GmbH	Im Zollhafen 24, Kranhaus Süd, 50678 Köln
Guatemala	Givaudan Guatemala SA	Boulevar Los Proceres 18 Calle, Zona 10 Empresarial Zona Pradera, Torre 1 Of 1803 - 01010
Hungary	Givaudan Hungary Kft	Királyhegyesi út 3, 6900 Makó
σ,	Givaudan Business Solutions Kft	Bence utca 1. , Váci Greens B, 1138 Budapest
India	Givaudan (India) Pvt Ltd	Plot no. 26, 2 nd Cross Jigani Industrial Area, Anekal Taluk, Jigani, Bangalore, Karnataka 560 105
	Naturex India Pty Ltd (ex. Valentine Agro Private Ltd)	302, Bldge no. 2, Star Hub. Next to ITC Grand Maratha Hotel, Sahar Road, Andheri (East) Mumbai – 400 059
	Ungerer Flavours India Private Limited	Plot no. F-366, Phase - Viii-B, Ind. Focal Point, Mohali, Punjab
Indonesia	PT. Givaudan Indonesia	JI. Raya Jakarta-Bogor Km 35, Cimanggis Depok, 16951 West Java
	PT drom fragrances Indonesia	German Center Building, 6 th floor, suites 6120-6130, Jl. Kapt. Subijanto Dj., 15321 South Tangerang City, Banten
	PT Fragrance Oils Indonesia	Rukan Permata Senayan blok B-22. Jalan Tentara Pelajar, Senayan, 12210 Jakarta
Iran	Givaudan International SA, Iran Branch	P.O. Box 15175/534 – No.202 – 204, Gol Bld., Gol Alley, After Park Saei, Vali Asr, Tehran
Ireland	DDW, The Color House	Unit D, Island Corporate Park, Little Island, Co. Cork T45 F673
Italy	Givaudan Italia SpA	Via Borgogne 5, 20121 Milano
	drom International Italia Srl	Via Valassina 24, 20159 Milano
	Expressions Parfumées Srl	Via Varesina 162, 20156 Milano
	Indena S.p.A.	Via Ortles 12, 20139 Milan
	Naturex SPA	Caronno Pertusella, Via Galileo Ferraris, 44, 21042 Caronno Pertusella (VA)
Ivory Coast	Givaudan International. SA Côte d'Ivoire	Immeuble RMO, 5 ^{ème} étage, Rue du Docteur Blanchard Zone 4C, Abidjan
	ITRAD	Abidjan Yopougon, Chaumière du Banco, 04 BP 1682 Abidjan
Japan	Givaudan Japan K.K.	6-6 Osaki 3-chome, Shinagawa-ku, Tokyo 141-0032
	Naturex K.K	6-6 Osaki 3-chome, Shinagawa-ku, Tokyo 141-0032
Kenya	Givaudan MEA FZE - Kenya Branch	Vienna Court, ground floor, West Wing Building, State House Crescent Road (P.O. Box 44168-00100) Nairobi
Malaysia	Givaudan Flavours & Fragrances Malaysia Sdn. Bhd	48 Jalan Kota Laksamana 2/15, Taman Kota Laksamana, Seksyen 2, 75200 Melaka
	Givaudan Business Solutions Asia Pacific Sdn. Bhd	1 First Avenue, Banda Utama, level 12, Bandar Utama, PJU 6, 47800 Petaling Jaya, Selangor
	Fragrance Oils (Malaysia) Sdn Bhd	Suite 733, Block B2, Level 7, Leisure Commerce Square, 9, Jalan PJS 8/9, 46150 Petaling Jaya, Selangor



Country	Legal Entity name	Address	
Mexico	Givaudan de México SA de CV	Av. Eje Norte-Sur no. 11 Civac, 62578 Jiutepec Morelos	
	Grupo Givaudan SA de CV	Av. Eje Norte-Sur no. 11 Civac, 62578 Jiutepec Morelos	
	Naturex Ingredientes Naturales SA de CV	Av. Paseo de la Reforma 483, Piso 21 Col. Cuauhtémoc , Ciudad de México - 06500	
	Ungerer Mexico S. de R. L. de C.V.	Carr. Costera del Pacifico Km. 63, Villa de Tututepec de Melchor Ocampo, Tututepec, Oaxaca 71803	
Morocco	Givaudan MEA FZE Morocco Branch	8 Rue Ibnou Binna Aladdadi, Bourgogne, 20053 Casablanca	
MIOI OCCO	Naturex Maroc SA	Technopole ONDA – BP 42 20240 Nouasser, Casablanca	
Myanmar		46A – 2C Excellent Condo, Pantra Street, Dagon Township, Yangon	
Myanmar	Givaudan Singapore Pte Ltd (Myanmar Branch)		
Netherlands	Givaudan Nederland B.V.	Huizerstraatweg 28, 1411 GP Naarden	
	Givaudan Finance Europe BV	Huizerstraatweg 28, 1411 GP Naarden	
	Vika B.V.	Nizolaan 4, 6718 ZC Ede	
	Virgula B.V.	Nizolaan 4, 6718 ZC Ede	
	Vika Nutrition B.V.	Nizolaan 4, 6718 ZC Ede	
	G.A.L.M International B.V.	Nizolaan 4, 6718 ZC Ede	
	Naturex Coöperatief U.A	Strawinskylaan 3127, 1077 ZX Amsterdam	
New Zealand	Givaudan NZ Ltd	Level 1 The Lane, Botany Town Center, Te Irirangi Drive, Botany 2010	
	Cuisine Resources NZ limited	15 Crosbie Road, Pukekohe 2120	
Nigeria	Givaudan (Nigeria) Limited	Plot 2 and 4, Block D, Amuwo Odofin Industrial scheme, Apapa/Oshodi Expressway, Lagos	
	Fragrance Oils (West Africa) Limited	A2 Billings Way, Oregun, Lagos	
Pakistan	Givaudan International SA Pakistan	25th floor, The Ocean Tower, Block – 9, Clifton, Karachi – 75600	
Peru	Givaudan Peru SAC	Av. Victor Andrés Belaúnde 147, Centro Empresarial Real, Torre Real 1, Piso 11, San Isidro 27, Lima	
	Activ International SAC	Ambrosio Vucetich, 200 Parque Industrial Mz K – Lt 3, Arequipa	
Philippines	Givaudan Singapore Pte Ltd, Regional Operating Headquarter	37/F Robinsons Equitable Tower, ADB Avenue corner Poveda Street, Ortigas Center, Pasig City 1605	
Poland	Givaudan Polska Sp. z o.o.	Ul. Puławska 182, IO-1 Building, 02-670 Warszawa	
	Naturex Polska Sp. z.o.o.	Ul. K.K. Baczyńskiego 29, 38-200 Jasło	
Russian	Givaudan Rus LLC	Riverside Towers Business Centre, Kosmodamianskaya Naberezhnaya 52/5, 115054 Moscow	
Federation	Naturex LLC (Russia)	Shuhova Str, 14, building 9, Office 201, 115162 Moscow	
Singapore	Givaudan Singapore Pte Ltd	1 Woodland Avenue 8, Singapore 738972	
	Fragrance Oils (Far East) Pte. Ltd	510 Thomson Rd, #04-01 SLF Building, 298135 Singapore	
	Naturex Holdings Singapore Private Ldt	20 Changi Business Park Central 2, #05-04A, Singapore 486031	



Country	Legal Entity name	Address
South Africa	Givaudan South Africa (Pty) Ltd	9 – 11 Brunei Road, Tulisa Park, Johannesburg 2197
	Naturex (Pty) Ltd	Granger Bay Court Building, Block B-Ground Floor, V&A, Waterfront, Cape Town, 8002
South Korea	Givaudan Korea Ltd	11 – 12/F Trus Tower Building, 60 Mabang-Ro, Seocho-Gu, Seoul
	Naturex (Korea)	Room 503, Leaders Bldg, 14, Hwangsaeul-Ro 311 beon-gil, Bundang-gu, SeongNam-si, GyeongGi-do, 13590
Spain	Givaudan Ibérica, SA	Pla d'en Batllé s/n, 8470 Sant Celoni, Barcelona
	Aromasur SL	Carretera De Santa Olalla, S/n, 41240 Almaden de la Plata, Sevilla
	drom spain S.L.	Sant Cugat Business Park, Edificio B2, Planta 5a, Of. Núm. 15, av. via Augusta 15-25, 8174 Sant Cugat Del Vallès, Barcelon
	Naturex Iberian Partners S.L.U	Autovía A3, salida 343. Camino de Torrent s/n 46930 Quart de Poblet
	Tierras Aromaticas del Sur SL	Carretera De Santa Olalla, Km 1, 41240 Almaden de la Plata, Sevilla
Sweden	Givaudan North Europe AB	Hyllie Vattenparksgata 12, 215 32 Malmö
	Swedish Oat Fiber AB	Båtafjordsvägen 12, 432 63 BUA
Switzerland	Givaudan SA	Chemin de la Parfumerie 5, 1214 Vernier
	Givaudan Finance SA	Chemin de la Parfumerie 5, 1214 Vernier
	Givaudan Suisse SA	Chemin de la Parfumerie 5, 1214 Vernier
	Givaudan International SA	Chemin de la Parfumerie 5, 1214 Vernier
	Givaudan Treasury International SA	Chemin de la Parfumerie 5, 1214 Vernier
	Vamara Holding SA	Mettlenweg 17, 2504 Bienne
	Naturex AG	Industriestrasse 8, 9220 Bischofszell
Taiwan	Givaudan Singapore Pte Ltd, Taiwan Branch	7/F No 303, Hsin Yi Road, Sec 4, Taipei City Taiwan 106
Thailand	Givaudan (Thailand) Ltd	719 KPN Tower, floor 16 & 25, Rama 9 Road, Bangkapi Huaykwang, Bangkok 10310
Turkey	Givaudan Aroma ve Esans Sanayi ve Ticaret Ltd. Sirketi	Akat mahallesi, Bilge sokak, Park Maya Sitesi Barclay 19 no. 1 daire 6/7 Besiktas, Istanbul
	Expressions Parfumées, Turkey Liason Office	Edin&Suner Plaza, Meydan sok n°14/2B, 34335 Akatlar Istanbul
UAE	Givaudan Gulf Trading LLC	Concord Tower, floor 20 & 36 , Media City, Dubai
	Givaudan Middle East & Africa FZE	Free Zone Establishment, Jafza View 19, First floor, office no. 129, Jebel Ali Free Zone, Dubai
	Expressions Parfumées LLC	Hamsah-A Bldg, Office 210, Khalid Bin Al Waleed St., Dubai
	Naturex S.A (Middle East)	Building P6 Office #132, Sharjah Airport International Free Zone (SAIF Zone), P.O. Box 121873, SHARJAH





Country	Legal Entity name	Address
United Kingdom	Givaudan UK Ltd	Kennington Road, Ashford, Kent TN24 OLT
	Givaudan Holdings UK Ltd	Kennington Road, Ashford, Kent TN24 OLT
	drom International UK Ltd.	Northline Business Consultants Ltd, 3-4 Wharfside, The Boatyard, M28 2WN Worseley, Manchester
	Major International Limited	Higham Business Park, Bury Close, Higham Ferrers, Rushden NN10 8HQ
	Naturex Ltd	Park Road, Overseal, Swadlincote, Derbyshire DE12 6JX
	Fragrance Oils Limited	Eton Hill Industrial Estate, Eton Hill road, Radcliffe, Manchester, M26 2FR
	Fragrance Oils (International) Limited	Eton Hill Industrial Estate, Eton Hill road, Radcliffe, Manchester, M26 2FR
	Fragrance Oils (Purchasing) Limited	Eton Hill Industrial Estate, Eton Hill road, Radcliffe, Manchester, M26 2FR
	Northern Aromatics (Sales) Limited	Eton Hill Industrial Estate, Eton Hill road, Radcliffe, Manchester, M26 2FR
	Odouraze LImited	Eton Hill Industrial Estate, Eton Hill road, Radcliffe, Manchester, M26 2FR
	Ungerer Ltd	Sealand Road, Sealand Industrial Estate, Chester, England CH1 4LP
Ukraine	Givaudan International SA, Representative Office	Pimonenko Str. 13 6B/18, 04050 Kiev
United States	Givaudan Flavors Corporation	1199 Edison Drive, Cincinnati, OH 45216
of America	Givaudan Fragrances Corporation	1199 Edison Drive, Cincinnati, OH 45216
	Givaudan Flavors and Fragrances Inc.	1199 Edison Drive, Cincinnati, OH 45216
	Givaudan United States Inc.	15 East North Street, Dover, DE 19901
	drom International Inc.	5 Jacksonville Road, Towaco, NJ 7082
	Naturex Inc	251 Little Falls Drive, Wilmington, DE 19808
	Naturex Holdings Inc	c/o Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808
	Naturex Cooperative LLC	801 Adlai Stevenson Drive – Springfield, IL 62703
	Ungerer & Company	110 North Commerce Way, Bethlehem, PA 18017
	Vegetable Juices Inc	c/o Illinois Corporation Service Company , 801 Adlai Stevenson Drive – Springfield, IL 62703
Vietnam	Givaudan Singapore Pte Ltd, Vietnam Representative Office	Giay Viet Plaza 5 th fl., 180 – 182 Ly Chinh Thang Street, District 3, Ho Chi Minh City
	Golden Frog Flavour-Fragrance Manufacture Company Ltd	31 Road no.8, Vietnam-Singapore Industrial Park , Binh Dang Quarter, Binh Hoa Ward , Thuan An Town, Binh Duong Province
	Golden Frog Flavor-Fragrance Manufacture Corporation – Branch 3	VSIP II-A, Road no 31, Vietnam-Singapore II-A Industrial Zone, Vinh Tan Commune, Tan U yenTown, Binh Duong Province
	Branch of Golden Frog Flavor- Fragrance Manufacture Corporation	Tan Hoa Hamlet, Tan Hoi Dong Commune Chau Thanh District , Tien Giang Province

Our reporting suite

The 2021 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 separate 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 28 January 2022



2021 Integrated **Annual Report**

Available in English PDF from 28 January 2022 Print from 24 March 2022



2021 Governance, Compensation and Financial Report

Available in English PDF from 28 January 2022



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PDF in English from 28 January 2022 Print and language versions from 24 March 2022



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Available in English PDF from 28 January 2022



▶ GRI Content Index

▶ SASB Table

▶ TCFD Table

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www.givaudan.com



About this report

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

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

Our long-term ambition: Our purpose Creating for happier, healthier lives with love for nature. Let's imagine together.



Our mid-term priorities: Our 2025 strategy Committed to Growth, with Purpose

4-5%
GROWTH

PURPOSE
LINKED
TARGETS

>12% FCF

Our impacts and material topics Economic/Governance

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

Environment

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

Social

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

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

Frameworks applied

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

GRI 101: Foundation

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

Reporting principles for defining report content

- Stakeholder inclusiveness
- Sustainability context
- Materiality
- Completeness

Reporting principles for defining report quality

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



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

Ve welcome feedback on its contents.

Table of contents

A year in review

- 4 Letters to stakeholders
- 5 Conversation with our new Head of B Corp
- 6 Our impact in 2021
- Our purpose is at the heart of everything we do
- ESG fully integrated in our business
- Our sustainability journey
- **10** How ingredients help us protect the environment and care for communities
- Stakeholder engagement
- Material topics
- Key partnerships

Economic/Governance

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

Environment

- Our ambitions
- 50 Givaudan's environmental footprint
- Climate change
- Waste management & circular principles
- Water stewardship
- Biodiversity
- Environmental performance indicators

Social

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

Appendix

- The principles of the UN Global Compact
- The Sustainable Development Goals
- GRI Content Index
- TCFD Recommendations
- 129 SASB Standards mapping
- Independent assurance statement
- Our reporting suite

References used

- References to other pages in this report, other reports, documents or our websites for more information
- £ Link to a website



Letters to stakeholders

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

Calvin Grieder, Chairman

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

and goals also support our quest

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



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

Gilles Andrier, CEO

Our company purpose of 'creating for happier, healthier lives with love for nature' drives our 2025 strategy and acts as a roadmap for delivering sustainable value creation for all stakeholders. Environment. Social and Governance issues are fully integrated into our 5-year strategy and therefore our business - we are committed to growth, with purpose. We also continue to express our support for the ten principles of the UN Global Compact with respect to human rights, labour, environment and anti-corruption. These commitments allow us to pursue ambitious financial targets through the creation of inspiring products for happier, healthier lives, all while moving towards our longer-term purpose ambitions in terms of creations, nature, people and communities. They allow us to increase our positive impact on society and the planet in order to ensure sustainable long-term performance.

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

Willem Mutsaerts. Head of Global Procurement and Sustainability

READ MORE

2021 Integrated Annual Report ▶ page 10 ▶ Chairman's introduction 2021 Integrated Annual Report ▶ page 12 ▶ CEO interview

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



Conversation with our new Head of B Corp

About B Corp

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

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

Anna Segura First of all, I'm really excited to be heading up Givaudan's B Corp certification journey. It's true that I'll be

leading us along the path to certification, but all of us have a role to play. I see our journey towards B Corp certification as a truly collective effort. We'll work together as colleagues, but also with our customers, partners and suppliers to realise this ambition and use our business as a force for good in the world.

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

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

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

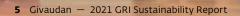
AS Our climate positive goal, and interim targets, aligned with science-based targets, as well as our management approach towards achieving those targets are areas that will be assessed as part of the B Corp certification process. Our ongoing reporting already provides a transparent view of progress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

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

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

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

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



Our impact in 2021

ENVIRONMEN

84% Renewable electricity

GHG emissions scope 1 + 2 since 2015

GHG emissions scope 3 since 2015

Production sites registered on Sedex

Women in senior management

Average base salary difference between men and women¹

Reduction of recordable injury rate since 2018

>16,800 Employees

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

CHF million 6,684 Sales

12.6% Free cash flow as % of sales

7.1% Sales growth LFL²

20% non-financial targets in Performance Share Plan compensation

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

Our solid track-record of ESG ratings



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



CDP leader board recognition for supplier engagement



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



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

FTSE4Good **Index Series**

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



Included in SXI **Swiss Sustainability** 25 Index



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

Our purpose is at the heart of everything we do

Our guiding star to drive sustainable growth

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

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

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

Calvin Grieder, Chairman

Creations

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

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



Communities

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



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





People

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



Working towards sustainable development



















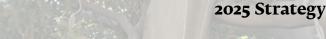
ESG fully integrated in our business

Committed to Growth, with Purpose

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

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

Gilles Andrier, CEO





Creations



We create inspiring solutions for happier, healthier lives



People



We nurture a place where we all love to be and grow



Growing together with our customers





We show our love for nature through impactful actions

Communities



We bring benefits to all

communities that work with us

Excellence, innovation, simplicity in everything we do

4-5% GROWTH

PURPOSED LINKED TARGETS

>12% FCF

Environment





Our sustainability journey

Givaudan commits to RE100 and to set a

2015

Science Based Target



Support for UN Global Compact pronounced

RE 100

2017

New approach to sustainability "A Sense of Tomorrow" introduced

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

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





2019

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

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

positive before 2050





2020

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

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

2021

Givaudan introduces the new Sourcing4Good programme

Givaudan publishes its **Human Rights policy**

Givaudan joins Together for Sustainability (TfS)

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

Givaudan includes **TCFD** recommendations

Givaudan includes **SASB** standards mapping











How ingredients help us protect the environment and care for communities





We research preservation and resilience to climate change in France



We help communities preserve the environment in Australia

We preserve 150,000 hectares of Amazonian Rainforest in Venezuela



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



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

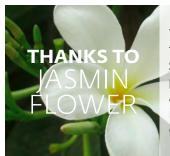




We build schools in Laos



We train farmers and help their businesses grow in Sulawesi



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

Stakeholder engagement

Disclosure 102 - 40, 102 - 44

List of stakeholder groups and key topics and concerns raised

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

Stakeholder dialogue

Why we engage	How we engage	Key topics & concerns discussed
Customers	Customer sustainability requests	Climate change

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.

- 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

- · Consumer health & wellbeing
- Governance & business conduct / ethics / transparency
- Human rights
- Innovation capabilities & management
- Product / ingredient environmental & social performance
- Product quality & safety and ingredient disclosure
- · Responsible sourcing & traceability

Suppliers

Our suppliers are genuine partners, and we work with them towards mutual value creation: open dialogue secures a pipeline of technological innovation through supplier enabled innovation; supplier engagement and collaboration ensure our suppliers have high standards in business ethics and respect for people and the environment.

- Assessments
- Supplier audits
- · Collaborations to improve performance
- · Multi-stakeholder groups
- Supplier events: capacity building, discussing issues
- Direct engagement with supplier relationship managers
- Climate change
- Human rights
- Innovation capabilities & management
- · Raw material availability
- · Responsible sourcing and traceability

Employees

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.

- · Works Council consultations
- Employee engagement surveys
- Annual performance dialogue
- · Talent management processes
- · Learning and development opportunities
- On-going dialogue with Givaudan Green Teams
- Imagine employee community management platform

- Climate change
- Diversity, inclusion & people development
- Employee health & safety & wellness
- Governance & business conduct / ethics / transparency
- Human rights
- · Innovation capabilities & management

Stakeholder engagement

our efforts in this domain.

Why we engage	How we engage	Key topics & concerns discussed
Investors and shareholders Our active dialogue with the capital market ensures transparency and helps us improve our reporting practices. Our relationship with debt investors, banks and credit rating agencies ensures we have funding for investment opportunities.	 Annual General Meeting Annual investor conferences and investor road shows Briefings with analysts Conferences with investors and other financial stakeholders 	 Climate change Diversity, inclusion & people development Economic performance Environmental, Social & Governance Governance & business conduct / ethics / transparency Innovation capabilities & management Raw material availability
Local communities Open dialogue fosters good relations and enables us to work together with communities and neighbourhoods on projects and causes that benefit local communities, help protect local ecosystems and support livelihoods.	 Community development programme survey Local site community engagement programme Ongoing dialogue with local authorities and community organisations Employees engaged in social activities within the communities in which we operate Givaudan Foundation Local partners (NGOs or cooperatives) acting as Givaudan agents 	 Biodiversity Climate change Diversity, Inclusion & People Development Governance & Business Conduct / ethics / transparency Human rights Local community development Product / Ingredient Environmental & Social Performance Responsible Sourcing & Traceability
Public & regulatory agencies Engagement and collective action with external partners are essential in order to inspire and lead by example as a responsible business. Only collective action can influence decisions. We engage with local governments and regulators to understand the changes, their concerns and find mutually beneficial solutions.	Amongst those we engage with: United Nations Global compact B Movement Builders International Fragrance CASSOCIATION (IFRA) ECOVADIS International Organization of the Flavor Industry (IOFI) WBCSD (RCI) AIM-PROGRESS Sustainability (TfS)	 Climate change ESG topics (Environmental, Social & Governance) Governance & business conduct / ethics / transparency Human rights Product / ingredient environmental & social performance Product quality & safety and ingredient disclosure Responsible Sourcing & Traceability
Innovators and partners We engage in innovative partnerships to go beyond our own internal capabilities and seek out the extended possibilities and opportunities that collaboration can bring. This allows us to access the latest trends in innovation, to extend our innovation ecosystem to the global level and to accelerate	 Global network of accelerators and incubators Partnerships with innovators, accelerators and with academia Plugged into disruptive and digital trends Co-creation and co-innovation opportunities 	 Climate change Consumer health and wellbeing Innovation capabilities & management Product / ingredient environmental & social performance Product quality & safety and ingredient disclosure

Stakeholder engagement

Disclosure 102 - 42

Identifying and selecting stakeholders

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

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

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

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

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

Disclosure 102 - 43

Approach to stakeholder engagement

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

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

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

Material topics

Disclosure 102 - 46

Defining report content and topic boundaries

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

Materiality assessment

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

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

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

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

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

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

Material topics

Disclosure 102 - 47

Material topics

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

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

Materiality topic	Equivalent GRI topic	Purpose pillar*	UNGC Principles	SDGs mapping
Biodiversity	GRI 304: Biodiversity		Principle 8	2 mm 15 mm 17 mm rgs:
Climate change	GRI 201 – 2: Financial implications and other risks and opportunities due to climate change GRI 301: Materials GRI 302: Energy GRI 305: Emissions		Principle 7, 8, 9	12 ****** 13 ****
Consumer health & wellbeing	GRI 416: Customer health and safety			2 min 3 minutus 9 minutus 17 minutus 18 minutus
Diversity, inclusion & people development	GRI 102 – 8: Information on employees and other workers GRI 202: Market presence GRI 401: Employment GRI 404: Training and education GRI 405: Diversity and equal opportunity GRI 406: Non-discrimination		Principle 6	5 man 8 moneton 17 moneton (17
Economic performance	GRI 201: Economic performance	₩ ₩ ₩		8 size on or
Employee safety, health & wellbeing	GRI 403: Occupational health and safety			3 mental and a minute of the control
Governance & business conduct / ethics / transparency	GRI 102 – 11: Precautionary Principle or approach GRI 102 – 16: Values, principles, standards, and norms of behaviour GRI 102 – 17: Mechanisms for advice and concerns about ethics GRI 102 – 18: Governance structure GRI 205: Anti-corruption		Principle 10	12 ************************************

Material topics

Materiality topic	Equivalent GRI topic	Purpose pillar*	UNGC Principles	SDGs mapping
Human rights	GRI 102 – 41: Collective bargaining agreements GRI 402: Labour/management relations GRI 407: Freedom of association and collective bargaining GRI 408: Child labour GRI 409: Forced or compulsory labour GRI 412: Human rights assessment GRI 414: Supplier social assessment		Principle 1, 2, 3, 4, 5	2 mm 5 mout 8 mout man and 17 minutary of the first man and 18 mout man and 18 minutary of the first man and 18 minutary of the firs
Innovation capabilities & management		♠♠♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦♦<	Principle 8, 9	8 minute result 12 minute result 17 minute result 17 minute result 18 minute result 18 minute result 19 minute res
Local community development	GRI 203: Indirect economic impacts GRI 413: Local communities	♠♠♠♥♥	Principle 1	8 minimum 8 minimum 17 minimum 6 minimum
Product / ingredients environmental & social performance	GRI 301: Materials GRI 302: Energy GRI 305: Emissions GRI 416: Customer health and safety		Principle 7, 8, 9	2 mm 3 mm and 9 mm and 12 mm and 13 mm and 12 mm and 13 mm and 13 mm and 13 mm and 14
Product quality & safety and ingredient disclosure	GRI 416: Customer health and safety GRI 417: Marketing and labelling	♠ ♠ ♥ ₩		3 MIN MAIN.
Raw materials availability	GRI 301: Materials	* * * * * * * * * *		2 III 9 III 15 II 17 MARKOUNT WAR OF THE USE
Responsible sourcing & traceability	GRI 102 – 9: Supply chain GRI 204: Procurement practices GRI 308: Supplier environmental assessment GRI 407: Freedom of association and collective bargaining GRI 408: Child labour GRI 409: Forced or compulsory labour GRI 412: Human rights assessment GRI 414: Supplier social assessment		Principle 1, 2, 4, 8, 10	8 more marked by more



Material topics

Materiality topic	Equivalent GRI topic	Purpose pillar*	UNGC Principles	SDGs mapping
Waste management & circular principles	GRI 306: Waste		Principle 8	12 serveril serveril CO
Waterstewardship	GRI 303: Water and effluents	· • • • • • • • • • • • • • • • • • • •	Principle 8	8 size of the second of the se

* Creations W Nature Nature Creations * People Communities *

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.

Disclosure 102-49

Changes in reporting

Changes in material topics

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

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

Changes in boundaries

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

READ MORE

2021 Integrated Annual Report ▶ pages 152–159 ▶ Givaudan sites worldwide

Disclosure 102 - 50

Reporting period

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

Commitments / Calls to action

What we want to achieve











Working

to become a

Certified





With whom we partner to achieve our commitments



















Reporting

How we communicate about our progress









Assessments / Ratings

External evaluation of our performance













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 of showing our love for nature in everything we do.

How we engage

Givaudan endorsed the CEO Water Mandate in March 2020.

(ceowatermandate.org

CDP

What it is

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

Why we engage

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

How we engage

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

READ MORE

www.givaudan.com ▶ Media ▶ Media releases ▶ 2022 ▶ Givaudan recognised with CDP double A rating

Our CDP questionnaires are found on givaudan.com > investors > ESG > CDP report on climate change and CDP report on water security

www.cdp.net

WBA (World Benchmarking Alliance)

What it is

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

Why we engage

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

How we engage

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

www.worldbenchmarkingalliance.org

MSCI Index

What it is

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

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

Why we engage

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

How we engage

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

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

Science Based Targets initiative (SBTi)

What it is

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

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

Why we engage

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

How we engage

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

sciencebasedtargets.org

The Global Reporting Initiative

What it is

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

Why we engage

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

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

How we engage

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

www.globalreporting.org

Sedex (Supplier Ethical Data EXchange)

What it is

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

Why we engage

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

How we engage

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

www.sedexglobal.com

EcoVadis

What it is

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

Why we engage

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

How we engage

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

mww.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 turning to 100% renewable electricity. Our RE100 commitment is an important part of our ambition to become climate positive before 2050.

How we engage

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

(ii) there100.org

FTSE4Good

What it is

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

Our inclusion

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

Our involvement

Social

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

www.ftse4good.com

Sustainalytics

What it is

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

Our inclusion

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

Our involvement

Inclusion in the rating.

www.sustainalytics.com

SXI Switzerland Sustainability 25 Index

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

Our inclusion

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

Our involvement

Givaudan was included on this list.

www.six-group.com

B Corp Certification ambition

What it is

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

Why we engage

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

How we engage

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

bcorporation.net

Business for Nature

What it is

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

Why we engage

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

How we engage

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

www.businessfornature.org

Disclosure 102 - 13

Membership of associations

The strategic organisations we are currently engaged with include:

WBCSD - World Business Council for Sustainable Development

What it is

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

Why we engage

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

How we engage

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

www.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 business conduct; human rights; responsible sourcing; traceability and transparency and reporting.

How we engage

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

www.aim-progress.com

Roundtable on Sustainable Palm Oil

What it is

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

Why we engage

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

How we engage

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

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

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

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

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

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

American Cleaning Institute

What it is

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

Why we engage

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

How we engage

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

www.cleaninginstitute.org

Earthworm Foundation

What it is

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

Why we engage

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

How we engage

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

www.earthworm.org

B Movement Builders

What it is

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

Why we engage

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

How we engage

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

READ MORE

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

bcorporation.eu/b-movement-builders

Together for Sustainability (TfS)

What it is

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

Why we engage

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

How we engage

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

tfs-initiative.com

IFRA – IOFI Sustainability Task Force

What it is

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

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

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

Why we engage

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

How we engage

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

(i) ifra-iofi.org

SAI Platform

What it is

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

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

Why we engage

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

How we engage

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

saiplatform.org

UEBT

What it is

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

Why we engage

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

How we engage

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

www.ethicalbiotrade.org

The Sustainable Vanilla Initiative (SVI)

What it is

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

Why we engage

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

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

How we engage

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

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

RCI (Renewable Carbon Initiative)

What it is

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

Why we engage

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

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

How we engage

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

renewable-carbon-initiative.com



A year in review

Economic/Governance

Environment

-

Appendix

Our ambitions

Our contribution to SDGs











CR	EAT	IONS	,

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

Focus area	Targets	Status 2021	Actions and measures
Sales growth	Average organic sales growth of 4–5% on a like-for-like basis	71	Focusing our strategic growth drivers
	between 2021–2025	/.1%	· Focusing on renewable, biodegradable and viable natural solutions
			Addressing health and wellbeing issues
Free cash flow	Average free cash flow of at least 12% of sales between 2021–2025	12.6%	Expanding our portfolio
		12.0%	Greater collaboration and co-creation
			Exploiting AI and digital opportunities
			Increasing operational efficiencies



66 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. 99

Calvin Grieder, Chairman of the Board

Economic performance

Disclosure 103 – 1 EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

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

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

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

Boundary

- Givaudar
- Customers

Disclosure 103 – 2, 103 – 3 MANAGEMENT APPROACH

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

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

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

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

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

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

Economic performance

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

Disclosure 201-1

Direct economic value generated and distributed

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

Givaudan's economic value retained of CHF 235 million is the revenue of CHF 6.727 generated less the economic value of CHF 6,492 distributed to stakeholders through operating costs, employee wages and benefits, payments to providers of capitals and taxes.

Disclosure 204-1

Proportion of spending on local suppliers

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

Direct economic value generated and distributed

in millions of Swiss francs

revenues **6,727**

ECONOMIC VALUE DISTRIBUTED **()**,**492**

ECONOMIC VALUE RETAINED

Employee wages and benefits

Payments to providers of capital

Current taxes

Economic performance

Disclosure 201-2

Financial implications and other risks and opportunities due to climate change

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

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

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

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

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

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

Committment to TCFD

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

READ MORE

TCFD Recommendations ▶ page 128

Disclosure 201-3

Defined benefit plan obligations and other retirement plans

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

Material topic definition

Governance & business conduct / ethics / transparency

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

Purpose pillars









Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

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

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

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

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

Boundary

- Business partners
- Suppliers

Disclosure 103 - 2, 103 - 3, 102 - 16 MANAGEMENT APPROACH **Ethics and integrity**

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

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

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

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

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

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

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

Disclosure 102 - 17

Mechanisms for advice and concerns about ethics

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

Anti-bribery & anti-corruption

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

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

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

Disclosure 205 – 2

Communication and training about anti-corruption policies and procedures

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

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

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

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

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

READ MORE

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

Disclosure 102 - 11

Precautionary principle or approach

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

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

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

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

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

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

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

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

Governance

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

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

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

Disclosure 102 - 18

Governance structure

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

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

BOARD OF DIRECTORS

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

EXECUTIVE COMMITTEE

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

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

Disclosure 102 - 20, 102 - 31

Purpose / sustainability governance

Our purpose drives our sustainability agenda.

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

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

BOARD OF DIRECTORS

Regularly reviews overall progress and direction in purpose / sustainability

EXECUTIVE COMMITTEE

Reviews progress and pending decisions in specific purpose/sustainability ambitions on a regular basis. Dedicated sessions are held twice a year to review the overall purpose/ sustainability agenda, including progress and decisions on strategic direction and commitment

Engaged to define and drive the purpose/sustainability agenda

Sustainability **Leadership Team**

Led by the Global Head of Sustainability, it meets twice a month for a regular progress review and to jointly discuss direction and progress in key purpose/ sustainability topics

Purpose Management Office

Led by the purpose project lead. Is responsible to both support the embedding of the purpose and identify ways of cascading it down through the organisation

Divisions and functions

Integrate purpose/ sustainability goals and commitments into strategic plans and embed them into daily business decisions and operations throughout the Company

Management tools

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

Stakeholders

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

Partners and advisors

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

World Sustainability Award winners

Givaudan won the world Sustainability Team Award from Sustainability Leaders, a global community-

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

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

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

Disclosure 102 - 35

Compensation

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

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

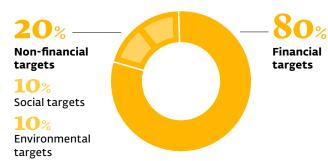
and employee safety in People. The PSP is thus designed to reward executives and key talent who significantly influence the long-term success of the business and our purpose ambitions.

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

Transparency

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

Performance Share Plan for top 500 employees



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

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

READ MORE

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

Product / Ingredients environmental & social performance

Material topic definition

Product / Ingredients environmental & social performance

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

Purpose pillars











Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

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

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

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

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

Boundary

- · Customers and consumers

Product / Ingredients environmental & social performance

Disclosure 103 - 2, 103 - 3 MANAGEMENT APPROACH

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

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

READ MORE

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

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

Our products

INGREDIENTS ENVIRONMENTAL AND SOCIAL IMPACTS

Minimise negative impacts

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

Maximise benefits

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

Our efforts

HOW WE MANAGE THESE IMPACTS

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

Product quality & safety and ingredient disclosure

Material topic definition

Product quality & safety & ingredient disclosure

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

Purpose pillars









CREATIONS NATURE OF PEOPLE COMMUNITIES

Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

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

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

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

Boundary

- · Customers and consumers

Disclosure 103 - 2, 103 - 3 MANAGEMENT APPROACH

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

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

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

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

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

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

Product quality & safety and ingredient disclosure

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

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

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

Disclosure 416 - 1

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

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

Disclosure 416 – 2

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

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

Disclosure 417-1

Requirements for product and service information and labelling

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

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

Material topic definition

Innovation capabilities & management

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

Purpose pillars









Disclosure 103 - 1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

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

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

Boundary

- Suppliers
- Innovators and partnerships

Disclosure 103 - 2.103 - 3 MANAGEMENT APPROACH

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

Investments in Research & Development

CHF 502 Million R&D spend

representing 8.4% of sales

Taste & Wellbeing

Innovation through collaborations and co-creation

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

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

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

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

Co-creation

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

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

Front End Innovation

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

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

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

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

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

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

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

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

Biotechnology partners

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

MANUS BIO

- · Leading US manufacturer of sustainable natural products
- · Focus on additional new ingredients
- · Commercialising the ingredients on an exclusive worldwide basis
- Expected commercialisation of the product in early 2022

BIOSYNTIA

- Danish biotech company, considered world leader within the development of fermentation processes for select small molecules
- Their fermentation processes and experience assure a consistent and dependable supply of ingredients that have a reduced environmental impact.

Biotechnology partners

GINGKO BIOWORKS

- Building the leading horizontal platform for cell programming
- Recently announced a business combination with Soaring Eagle Acquisition Corp. (Nasdag: SRNG)
- Expertise in enabling companies to develop biobased products to produce a number of innovative and sustainable ingredients through fermentation
- Extensive platform to accelerate development and enhance Givaudan's portfolio of ingredients
- Givaudan will be able to sustainably deliver products such as those that are only available in minute quantities in nature, using the natural world as inspiration for an expanded creative palette

Fragrance & Beauty

Innovation through creation

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

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

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

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

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

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

Animal-free testing

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

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

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

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

Cutting edge fragrance technology

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

Upcycling

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

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

Supplier enabled innovation

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

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

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

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

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

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

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

Leading the industry's digital innovation

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

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

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

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

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

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

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

New Digital Space to drive innovation in China in 2021

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





Our ambitions

Our contribution to SDGs













OUR AMBITION

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

Focus area	Targets	Status 2021	Actions and measures	<u>^1 11 11 11 11 11 11 11 11 11 11 11 11 1</u>
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%	 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
	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%	Sourcing ingredients responsiblyDeveloping low-carbon creationsDriving circularity and upcycling	Optimising packaging, logistics, transport of goods, business travel and employee commuting
Electricity	100% of our sites will be powered with renewable electricity by 2025	84%	Committing to RE100 since 2015 Setting site renewable electricity targets	Generating on site renewable electricity

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 %	 Driving continuous improvement using the 3R approach: 'reduce, reuse and recycle' 	Implementing our wastewater standardCarrying out water risk assessmentsTracking site water quantity and quality
		100% of our wastewater discharge will meet or exceed regulatory and industry standards by 2030	In progress	Identifying shared water challenges and local stakeholder priorities in the watershed	Exploring water stewardship activity opportunities
Focus area	ITION	Before 2030, we will replace single-use plastics w	Status 2021	Actions and measures	nd operations.
Focus area Plastics	a diameter in the second seco	Targets 100% plastics circularity by 2030			Co-leading a WBCSD plastic and packaging workgroup defining a transition for B2B chemical products

Givaudan's environmental footprint



IMPACTS/FOOTPRINTS

GHG EMISSIONS - Approx. 2,300,000 tonnes

SCOPE 3 Other indirect GHG Emissions
Purchased goods and services 82%
Capital goods 3%

Capital goods 2%

Fuel and energy related activities 2%

Upstream transportation and distribution 2%

Waste generated in operations 1%

Business travel <1%

Employee commuting <1%

0%

SCOPE 1 Direct GHG Emissions

Operations

ons **6**%

SCOPE 2 Energy indirect GHG Emissions

Energy supply

1%

SCOPE 3 Other indirect GHG Emissions

Downstream transportation and distribution

WATER CONSUMPTION - Based on 2018 Corporate water footprint

Raw material

97%

Onsite direct water use and energy

2%

Logistics and packaging

1%

3%

Material topic definition

Climate change

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

Purpose pillars







Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

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

Risk

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

Impact

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

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

Boundary

- Givaudan
- Suppliers

Disclosure 103 - 2, 103 - 3

MANAGEMENT APPROACH

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

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

SBTi's Net-Zero Standard

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



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

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

We constantly assess and mitigate the risks posed by climate change and drive adaptation and remediation in our own operations and across our supply chain, from the raw material suppliers to indirect materials and service providers. We expect all of our suppliers to support our efforts by working collaboratively to provide data and information about their carbon footprint when required, and to work to reduce their overall impact over time.

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

Our operations (scope 1 and 2)

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

Energy efficiency

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

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

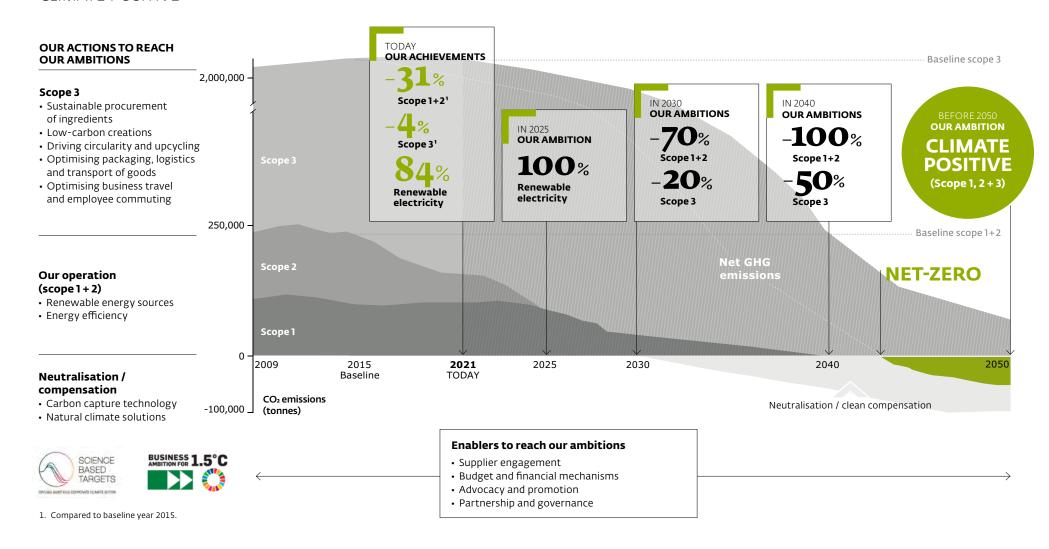
HYCOOL

Solar heat for cool innovation

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

Our roadmap to becoming

CLIMATE POSITIVE



Renewable energy sources

Innovative sourcing strategies are an important part of reaching our targets. In 2020, we set a new renewable electricity strategy prioritising first on-site generation, then off-site generation and finally the purchase of Electricity Attribute Certificates (EACs). Our stringent procurement strategy helps add more renewable electricity to the grid. In 2021, we purchased electricity that accounted for 32% of the total energy used across the Company but which equated to 15% of our total CO_2 emissions.

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

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

Energy - Progress 2021

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

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

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

Disclosure 302-1, 302-4
Energy consumption and reduction within the organisation

	2020 (restated)¹	2021²	Change to 2020 in %
Direct energy: from primary sources (GJ)			
Natural Gas	2,121,738	2,166,714	2%
Town Gas	172	257	49%
LP Gas	10,119	10,827	7%
Light fuel oil	34,381	40,592	18%
Heavy fuel oil	91,367	93,664	3%
Biofuel	217	397	83%
Biogas	0	76	
Biomass	23,776	22,626	(5%)
Steam sold from steam produced on site	25,294	30,735	22%
Geothermal	6,294	8,107	29%
Waste used as energy	181,324	199,330	10%
Total direct energy	2,444,093	2,511,855	3%
Indirect energy: purchased electricity and steam (GJ)			
Electricity purchased	1,231,837	1,217,506	(1%)
Electricity purchased covered by Energy Attribute Certificates	_	1,026,918	
Electricity sold	4,499	7,487	66%
Electricity self-produced from renewable sources	5,135	8,528	66%
Electricity self-produced from non-renewable sources	44,236	60,343	36%
Steam purchased	75,053	80,838	8%
Total indirect energy	1,307,527	1,299,385	(1%)
Total energy	3,751,620	3,811,240	2%

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

Disclosure 302 – 3 Energy intensity

	2015 (restated)¹	2020 (restated)²	20213
Energy intensity			
(GJ per tonne of product)	6.98	6.57	6.52

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

Scope 1 and 2 emissions progress 2021

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

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

Climate action leadership recognised by CDP

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

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

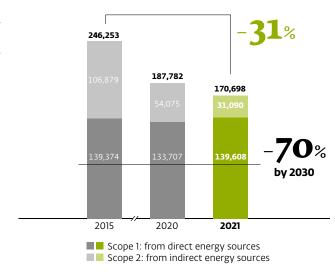
Scope 2

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

Brazil example

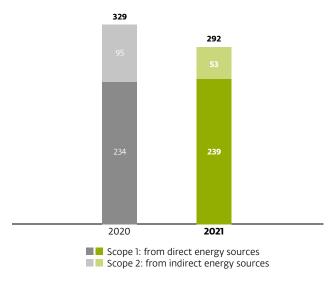
In Brazil, we aimed to migrate to 100% renewable electricity on our sites by 2025. Our Brazil teams migrated our Jaguare and Botucatu sites to renewable electricity generated by wind. Migration was achieved in just 6 months, five years ahead of the 2025 target. No additional investment was needed and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

Disclosure 305-1. 305-2. 305-5 Direct and energy indirect GHG emissions' GHG emissions (tonnes)



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

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



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

Scope 3

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

Sustainable procurement of ingredients

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

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

Regenerative agriculture

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

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

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

Low-carbon creations

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

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

Scope 3 model evolution

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

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

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

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

Driving circularity and upcycling

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

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

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

Optimising packaging, logistics and transport of goods

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

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

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

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

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

Optimising business travel and employee commuting

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

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

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

Scope 3 progress in 2021

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

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

Purchased goods and services

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

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

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

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

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

Supply chain

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

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

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

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

- 1. Supplier response rate: In 2021, our supplier response rate rose by 17% to 83% compared to 66% in 2020. This is an excellent outcome, considering that we also increased the number of suppliers by 38 in 2021.
 - Below, points 2, 3 and 4 are a means of measuring how many suppliers are more advanced in their climate action journeys. These are the suppliers with whom we are working to find collaborative measures or programmes, for example, combining several orders into full container loads to reduce transport emissions, to reduce our common emissions. Encouraging suppliers to cascade commitments in their own supply chain is another key element of driving action.
- 2. Percentage of suppliers with a leadership (A or A-) or management (B or B-) score: 51% of our responding suppliers, compared with 29% last year. This is a significant gain and is the effect both of supplier improvement and an increase in the number of suppliers involved.
- 3. Percentage of suppliers reporting active targets: 78% vs. 80% last year. The decrease is due to the important increase in the number of suppliers involved and is not interpreted as a negative development.
- 4. Percentage of suppliers engaging their own suppliers: 82% vs. 66% last year.

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

ULTIMO measures, monitors utilities consumption in real time

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

Capital goods

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

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

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

Upstream and downstream transportation and distribution

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

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

Disclosure 305 – 3 Other indirect (scope 3) GHG emissions

Appendix

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

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

Disclosure 305 - 6 **Emissions of ozone-depleting substances (ODS)**

	2020 (restated in 2021)¹	2021²
CFC inventory (kg)	7,639	3,881
CFC 11 equivalent inventory (kg)	783	574
CFC loss-replacement (kg)	765	526
CFC 11 equivalent loss/ replacement (kg)	42.08	28.91

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

Disclosure 305-7 Nitrogen oxides (NOX), sulphur oxides (SO2), and other significant air emissions

	2020 (restated in 2021)1	2021²
Nitrogen oxides – NOx (tonnes) ³	66.71	69.28
Sulphur dioxide – SO₂ (tonnes)³	96.84	98.37
Volatile organic compounds (tonnes)	1,018	1,069

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

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

Waste generated in operations

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

Business travel

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

Employee commuting

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

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

Neutralisation / compensation

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

Natural Climate Solutions

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

Carbon capture technology

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

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

Enablers

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

Innovation

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

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

Budget and financial mechanisms

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

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

Advocacy and promotion

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

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

Partnership and governance

In terms of governance, the Executive Committee leads Givaudan's overall strategic direction and is accountable for our purpose and Sustainability ambitions, including those on climate. The Sustainability Leadership Team, led by the Global Head of Sustainability, is made up of internal experts on topics linked to purpose / sustainability.

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

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

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

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

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

Material topic definitions

This chapter addresses our following two material topics:

Waste management & circular principles

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

Purpose pillars









Raw materials availability

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

Purpose pillars











Disclosure 103-1 **EXPLANATION OF THE MATERIAL TOPIC** AND ITS BOUNDARY

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

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

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

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

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

Boundary

- Givaudan
- Suppliers

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

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

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

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

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

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

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

Procurement

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

Products and processes and packaging

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

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

Production and operations

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

Production planning must consider all options of preparation for reuse and recycling (e.g., of solvents) to increase material productivity and to minimise waste streams. Waste optimisation opportunities that result from technical innovation and/or availability of recycling options are to be evaluated on a regular basis as a part of the environmental programme of each site. We are also tackling single-use plastics across our sites and operations with an ambition to replace them with eco-friendly alternatives before 2030.

Upcycling

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

EAST HANOVER, USA

Upcycling discarded solvents

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

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

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

Our plastics strategy REDUCE →<u></u> **CIRCULARITY PARTNER & SYSTEMS** This gave us the idea to upcycle the seeds into a natural ingredient to address skin dryness, irritation, and desquamation caused by lipid barrier damage.

Rethinking plastics - plastic circularity

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

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

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

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



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

Progress in 2021

Waste

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

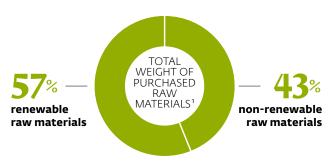
In total, we diverted 76% of all our waste from disposal in 2021. The amount of waste diverted from disposal per tonne of product has increased by 44% since 2015. The reduction of landfill is also a priority and half of our sites (31 out of 62) are without landfill waste.

Plastics

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

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

Disclosure 301-1 Materials used by weight or volume



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

Weight of purchased raw materials (tonnes)	2020	2021
Total 568,55		591,088
Weight of purchased packaging (tonnes) ¹	2020	2021
Plastic	8,734	9,253
Steel/Metal	15,347	14,613
Fibre	627	226
Paper/Board	2,986	2,985
Wood	8,906	10,438
Total	36,600	37,515

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

READ MORE

2021 integrated report > Our purpose commitment to responsible sourcing > pages 101-103

Disclosure 306 - 3 Waste generated

Waste (tonnes)	2015¹	2020 (restated)²	2021³
Hazardous waste	26,219	34,085	43,026
Non-hazardous waste	36,758	69,152	81,021
One-offwaste4	2,219	2,509	2,354
Total waste	65,197	105,746	126,401

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

Appendix

Waste management & circular principles

Disclosure 306 - 4 Waste diverted from disposal

In tonnes	20151	2020 (restated) ²	20213
Hazardous waste	2013	(restaced)	2021
Preparation for reuse⁴		_	12,495
Onsite		_	3,003
Offsite		_	9,492
Recycling		_	9,150
Onsite		_	36
Offsite		_	9,114
Other recovery operations⁴		_	7,103
Total hazardous waste	15,152	20,969	28,748
Non-hazardous waste	13,132	20,303	20,740
Preparation for reuse ⁴		_	1,621
			·
Onsite			19
Offsite		-	1,601
Recycling		-	63,814
Onsite		-	1,101
Offsite		-	19,315
Composted (offsite)⁴		_	16,420
Biogas production (offsite)⁴		-	26,978
Other recovery operations⁴		-	487
Total non-hazardous waste	28,117	55,863	65,921

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

Disclosure 306 - 5 Waste directed to disposal

20151	2020 (restated) ²	20213
4,412	5,853	5,917
6,337	7,042	8,225
-	-	1,529
-	-	6,695
318	221	137
11,067	13,116	14,279
1,153	1,318	1,256
1,076	2,336	3,610
-	-	0.02
_	_	3,610
6,412	9,635	10,233
8,642	13,289	15,099
19,709	26,405	29,378
	4,412 6,337 - 318 11,067 1,153 1,076 - - 6,412 8,642	2015¹ (restated)² 4,412 5,853 6,337 7,042 318 221 11,067 13,116 1,153 1,318 1,076 2,336 6,412 9,635 8,642 13,289

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

Material topic definition

Water stewardship

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

Purpose pillars











Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

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

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

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

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

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

Boundary

- Givaudan
- Suppliers

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

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

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

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

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

Our response to increasing water challenges

SHARED WATER CHALLENGES

Droughts / Water stress / Declining water quality / WASH



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

OUR OPERATIONS

Targets (*)

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

Means M

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

SUPPLY CHAIN AND COMMUNITIES1

Goals (%)

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

Means 🛍

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

Appendix

Water stewardship

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

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

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

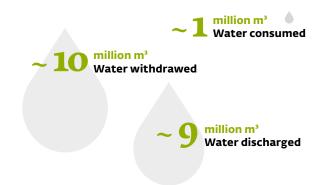
Water use

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

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

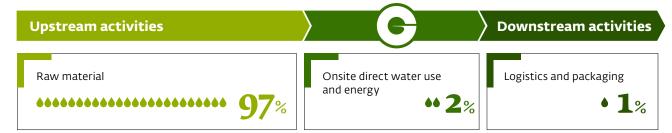
Source of water withdrawal in our operations





Givaudan's water consumption

Based on 2018 Corporate water footprint



Operations

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

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

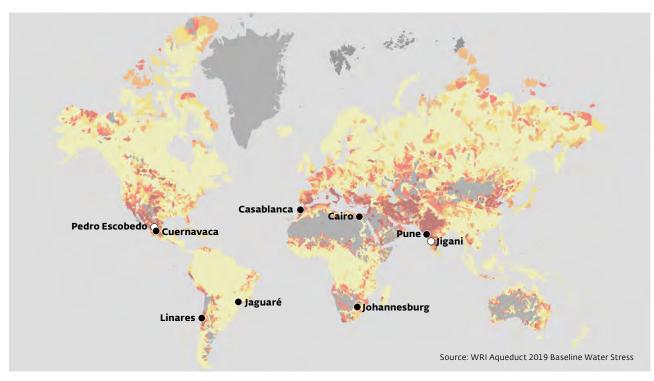
On sites that are not deemed to face particular water stress, we will in any case drive continuous improvement to site water use through the 3R approach.

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

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

Our sites in water stressed areas

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



cleanings and utilities-related consumption including water treatment, steam and cooling that use water. Once all continuous improvement opportunities have been tackled, the next move involves a step change, moving towards semiclosed or closed loops wherein the discharged water is cleaned and reintroduced as water inputs whenever possible in terms of quality, safety and cost. Our new water strategy has identified 9 sites as being in water-stressed areas.

HUMA

Water management improvement

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

Operations water risk management

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

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

Our actions and progress

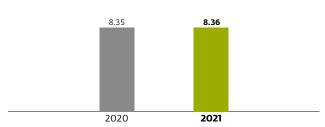
Some practical approaches to improving site water use have included switching processes that currently use municipal water to our existing cooling tower loop, meaning we were able to reduce the amount of municipal water required for cooling. Another is the installation of automatic valves to manage water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

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

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

Water efficiency1

In m³ per tonne of production



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

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

Disclosure 303 - 3 Water withdrawal

surface water category.

	2020	
Water intake (m³)¹	(restated) ²	2021³
Surface water	4,923,265	5,088,104
Fresh water⁴	-	5,088,104
Other water⁴	-	0
Groundwater	1,561,661	1,390,612
Fresh water⁵	-	1,353,985
Other water⁵	-	36,627
Seawater	-	547
Third-party water – purchased water	3,205,348	3,495,105
Rainwater collected directly and stored		
by the reporting organization	13,200	14,099
Third-party water - wastewater from		
another organisation	275,828	248,004
Total water ²	9,979,302	10,236,472

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

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

 4. This data was not collected in 2015. We started to include this category in our reporting in 2020. In the past, this category was included in the
- This data was not collected in 2015. We started to include this category in our reporting in 2020. In the past, this category was included in the groundwater category.

Disclosure 303 - 4 Water discharge

Appendix

2020 (restated Water discharge (m³) in 2021)¹	2021²
To the environment	
w/o biological treatment 3,832,499	4,414,878
Surface water –	4,368,133
Fresh water –	3,853,411
Otherwater –	514,722
Groundwater –	33,126
Fresh water –	33,126
Otherwater –	0
Seawater –	13,619
Fresh water –	13,619
Otherwater –	0
To the environment after biological treatment 2,131,546	2,076,603
Surface water -	1,623,716
Fresh water –	301,124
Other water –	1,322,592
Groundwater –	45,127
Fresh water –	45,127
Other water –	0
Seawater –	407,761
Fresh water –	406,578
Other water –	1,183
To external treatment facility w/o pre-treatment 790,277	751,256
Fresh water –	551,127
Other water –	200,128
To external treatment facility with pre-treatment 1,881,652	1,987,000
Fresh water –	1,321,521
Other water –	665,479
Total discharged water 8,635,974	9,229,737

2020

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

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

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

Disclosure 303 - 5 Water consumption

	2020 (restated	
In m³	in 2021)¹	2021²
Water consumption ³	1,343,328	1,006,734

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

Supply chain and communities

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

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

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

Supply chain water risk management

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

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

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

Our actions and progress

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

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

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

Biodiversity

Material topic definition

Biodiversity

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

Purpose pillars









Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

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

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

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

Boundary

- Givaudan
- Raw material suppliers

Disclosure 103 - 2, 103 - 3

MANAGEMENT APPROACH

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

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

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

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

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

Biodiversity

It is part of our business, as well as our responsibility, to join forces with local stakeholders to preserve the equilibrium of the landscapes from which we source. This year, we have launched a strengthened responsible sourcing programme, Sourching4Good, which outlines our commitments in favour of promoting biodiversity even more clearly. We look, for example, to "Reduce environmental impacts and promote biodiversity" in areas including land use and soil health, good stewardship and limitation of hazardous substances, water management, waste management and animal welfare. Sourcing4Good requires all suppliers of raw materials to conserve biodiversity.

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

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

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

Disclosure 304-1

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

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

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

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

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

Disclosure 304 – 2

Significant impacts of activities, products, and services on biodiversity

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

Water, effluents, waste and GHG

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

Land use, agricultural and collection practices

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

Biodiversity

Disclosure 304 - 3

Habitats protected or restored

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

Promoting good agricultural and collection practices

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

Domestication of wild resources to mitigate our impact

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

Addressing deforestation and ecosystem conversion

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

1. Forest conservation with tonka bean collectors

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

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

2. Palm oil position statement

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

3. Dairy Working Group

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

4. Preserving natural resources through efficient process

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

5. French Alliance pour la Préservation des Forêts

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

Supporting the conservation of diversity of species

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

A year in review

Environment

Environmental performance indicators

	Key performance indicators	2015 (restated in 2021)¹	2020 (restated in 2021)²	20213
Energy				
Energy (GJ)	Direct energy consumption primary sources⁴	1,710,865	2,444,093	2,511,855
	Indirect energy: purchased electricity & steam	977,021	1,307,527	1,299,385
	Total energy	2,687,886	3,751,620	3,811,240
Energy efficiency (GJ/tonne of production)	Direct energy efficiency	4.44	4.28	4.30
	Indirect energy efficiency	2.54	2.29	2.22
	Total energy	6.98	6.57	6.52
Emissions				
GHG emissions (tonnes)				
Scope 1	From direct energy sources ⁵	139,374	133,707	139,608
	From biogenic sources 6	4,700	3,925	3,574
Scope 2	From indirect energy sources 5	106,879	54,075	31,090
	From biogenic sources ⁶	0	1,333	397
	Total scope 1 + 2 GHG emissions direct and indirect	246,253	187,782	170,698
	Total scope 1 + 2 GHG emissions biogenic	4,700	5,257	3,971
Scope 3	Purchased good and services	1,917,037	1,901,374	1,902,794
	Raw materials	1,691,701	1,676,242	1,677,400
	Other Indirect materials & services categories (excluding existing categories) ⁷	146,856	132,686	133,055
	Packaging	78,480	92,446	92,339
	Capital goods ⁷	51,722	72,797	56,003
	Fuel- and energy-related activities	105,744	68,001	36,349
	Upstream transportation and distribution	29,674	42,320	39,990
	Waste generated in operations	19,321	22,644	24,084
	Business travel	24,461	12,587	1,794
	Employee commuting	21,516	20,454	13,277
	Downstream transportation and distribution	54,615	56,099	65,297
	Outbound product to customers	39,503	38,172	42,343
	Outbound intercompany deliveries	15,112	17,927	22,954
	Total scope 3 GHG emissions	2,224,090	2,196,276	2,139,587
Total GHG emissions (excluding biogenic emissions)		2,470,343	2,384,058	2,310,285
GHG emissions efficiency(tonnes of GHG/tonne of production) ⁸	Scope 1: from direct energy sources (excluding biogenic)	_	0.23	0.24
	Scope 2: from indirect energy sources (excluding biogenic)	-	0.09	0.05
	Total GHG emissions		0.33	0.29
<u>'</u>	<u>'</u>			

	Key performance indicators	2015 (restated in 2021)¹ (res	2020 stated in 2021) ²	2021³
Waste				
Hazardous waste (tonnes)	Preparation for reuse 9	-	-	12,495
	Recycling	_	-	9,150
	Other recovery operations 9	-	-	7,103
	Total hazardous waste diverted from disposal by recovery operation	15,152	20,969	28,748
	Incinerated without energy recovery offsite	4,412	5,853	5,917
	Incinerated with energy recovery	6,337	7,042	8,225
	Landfilled	318	221	137
	Total hazardous waste directed to disposal by disposal operation	11,067	13,116	14,279
	Total hazardous waste	26,219	34,085	43,026
Non-hazardous waste (tonnes)	Preparation for reuse ⁹	-	-	1,621
	Recycling	_	_	63,814
	Recycling	_	_	20,416
	Composted	_	-	16,420
	Biogas production	_	-	26,978
	Other recovery operations 9	_	_	487
	Total non-hazardous waste diverted from disposal by recovery operation	28,117	55,863	65,921
	Incinerated without energy recovery	1,153	1,318	1,256
	Incinerated with energy recovery	1,076	2,336	3,610.02
	Landfilled	6,412	9,635	10,233
	Total non-hazardous waste directed to disposal by disposal operation	8,642	13,289	15,099
	Total non-hazardous waste	36,758	69,152	81,021
Total incinerated and landfilled waste (HZ and NHZ, tonnes)		19,709	26,405	29,378
Waste efficiency (kg/tonne of production) ¹⁰		51.2	46.2	50
One-off waste (tonnes)"		2,219	2,509	2,354
Total waste (tonnes)		65,197	105,746	126,401

	Key performance indicators	2015 (restated in 2021)¹ (r	2020 estated in 2021)²	2021³
Water				
Water intake (m³)	Surface water	5,006,361	4,923,265	5,088,104
	Groundwater	1,390,267	1,561,661	1,390,612
	Seawater	-	-	547
	Third-party water - purchased water	2,359,818	3,205,348	3,495,105
	Rainwater collected directly and stored by the reporting organisation	13,249	13,200	14,099
	Third-party water - wastewater from another organisation	259,727	275,828	248,004
	Total water withdrawal ¹²	9,029,422	9,979,302	10,236,472
Water efficiency (m³/tonne of production) ¹³		9.74	8.35	8.36
Water discharge (m³)	To the environment w/o biological treatment	-	3,832,499	4,414,877.87
	To the environment after biological treatment	-	2,131,546	2,076,603.46
	To external treatment facility w/o pre-treatment	_	790,277	751,255.64
	To external treatment facility with pre-treatment	_	1,881,652	1,987,000.33
	Total water discharge	-	8,635,974	9,229,737.30
Water consumption (m³)	Water consumption	-	1,343,328	1,006,734.44
COD (tonnes)	COD load of water discharged to the environment	_	284.50	245.19
Other data Control of the Control of				
	Nitrogen oxides – NO _x (tonnes) ¹⁴	_	66.71	69.28
	Sulphur dioxide − SO ₂ (tonnes) ¹⁴	_	96.84	98.37
	Volatile organic compounds (tonnes)	_	1,018.46	1,069.22
	CFC inventory (kg)	_	7,639	3,881.41
	CFC" equivalent inventory (kg)	_	783	574.00
	CFC loss-replacement (kg)	_	765	525.62
	CFC ¹¹ equivalent loss/replacement (kg)	-	42	28.91
Production				
	Production quantities (tonnes)	385,189	571,141	584,154.76

- 1. Assured 2015 full-year figures.
 - For Scope 1, 2 and 3 these values include the acquisitions of Naturex, Vika and drom sites. See the "Restatements of information" section for restatements.
- For all other figures, these values exclude the acquisitions of Naturex, Vika and drom sites.

 2. Assured 12-month rolling figures (Q4 2019 to Q3 2020) for values excluding the acquisitions of Naturex, Vika and drom sites.

 These latter figures have been included in the reported values, but have not been assured by the third-party auditor.

 See the "Restatements of information" section for restatements.
- 3. Assured 12-month rolling figures (Q4 2020 to Q3 2021) for values including the acquisitions of Naturex, Vika and drom sites.
- For 2021 includes natural gas (0.0336 GJ/m³), light fuel (39.5904 GJ/m³), heavy fuel (40.1759 GJ/m³), Liquid Petroleum Gas (24.6719 GJ/m³), town gas (0.0254 GJ/m³), waste used as energy source (22.5000 GJ/m³), biofuel (33,1080 GJ/m³), biogas (0,0342 GJ/m³), biomass (0,0116 kg/GJ), geothermal energy (0.0036 GJ/kWh), deducting steam sold (3.0750 GH/tonnes).
- 5. Including emissions from CH₄ and N₂O from usage of biomass/biofuels.

- 6. Including emissions from CO₂ from usage of biomass/biofuels.
- 7. This two categories do not include data for the recent acquisitions of Naturex, Vika and drom.
- 8. Includes only scope 1 and scope 2.
- 9. This data was not collected in 2015. We started to include this category in our reporting in 2020. In the past this treatment was included in the recycling processes.
- 10. Includes incinerated with and without energy recovery and landfilled waste (HZ and NHZ).
- 11. This indicator measures the total quantity of waste which is not directly related to the daily operations, but is categorised as one-off waste.
 Examples of waste in this category are waste materials coming from demolition or remediation activities or waste or raw materials following an unusual incident, for instance a fire.
- 12. Includes sanitary, cooling and process water.
- 13. Includes third-party water (municipal supplies / purchased water) and groundwater.
- 14. Quantity is calculated by multiplying the annual fuel consumption by the corresponding emission factor for fuel type.

Disclosure 102-48

Restatements of information

Explanation

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

Baseline recalculation

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

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

Baseline years

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

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

Reasons for change

General

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

Business travel

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

Fuel- and energy-related activities

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

Employee commuting

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

Packaging & Upstream and downstream transportation

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

Waste treatment

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

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

Raw materials

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

Direct energy (from primary sources) and Direct energy efficiency

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

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

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

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

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

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

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

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

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

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

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

Hazardous waste, Total incinerated and landfilled waste and Waste efficiency

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

Non-hazardous waste (Recycling, Incinerated and Landfilled)

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

One-off waste

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

Water intake Third-party water

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

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

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

NO_x and SO₂

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

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

Volatile organic compounds

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

CFC inventory and CFC loss-replacement

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

Emission calculation methodologies

Scope 3 model evolution

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

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

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

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

Purchased goods and services Raw materials

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

Indirect material and services

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

Packaging

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

Capital goods

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

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

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

Upstream transportation and distribution

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

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

Downstream transportation and distribution

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

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

Waste generated in operations

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

Business travel

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

Employee commuting

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

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





Our ambitions

Our contribution to SDGs















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

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: Inclusive job ads Balanced slates for hiring and promotion			
Ŷ <mark></mark> ĈŶĈ <mark>Ĉ</mark>	50% of our senior leaders will be from high growth markets before 2030 (baseline 2018)	26%	Hiring Manager Training Fostering inclusive leadership development:			
	50% of our senior leaders will be women before 2030 (baseline 2018)	26%	Evolving our Leadership Development programmesBetter Balance ApproachManaging unconscious bias at work			
OUR AMBITION	Before 2025, we will improve how we care for	all of our pe	ople.			
Caring for employee safety, health and mental wellbeing	We will reduce our total recordable injury rate by 50% before 2025 (baseline 2018)	-22%	 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 • Employee assistance programme • Happier, healthier habits circles; health and wellbeing communities of practice			
OUR AMBITIONS	By 2030, we will source all materials and servi By 2030, we will improve the lives of millions					
Communities benefit by working	100% of materials and services will be sourced responsibly by 2030	In progress	Implementation of our Sourcing4Good programme, Responsible Sourcing policy			
with Givaudan	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 Respond to needs within communities Support activities ranging from health and education to enhancing environmental and			

agricultural practices

Social

Diversity, inclusion & people development

Material topic definition

Diversity, inclusion & people development

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

Purpose pillars











Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

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

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

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

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

Boundary

- Givaudan
- Suppliers

Disclosure 103 - 2, 103 - 3

MANAGEMENT APPROACH

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

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

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

Diversity and inclusion

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

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

Social

Diversity, inclusion & people development

Givaudan Mexico recognised as a 'super company for women'

RANKED 13TH OUT OF 100

- 44 I feel safe here. Gender equality is promoted as part of our culture. ** Daniela
- **Givaudan has been evolving to achieve** the diversity and inclusion that it has and to ensure that everyone has a voice that can be heard. " Enrique
- **44** This Company is unique because it inspires me; I can be who I am within a place that gives me infinite options to create, inspire and learn. ?? Paulina

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

Disclosure 102 - 8

Information on employees and other workers

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

Total Givaudan employees

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

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

Employees¹ by employment type

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

Employees1 by employment contract

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

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

Diversity, inclusion & people development

Disclosure 405-1

Diversity of governance bodies and employees

Composition of governance (Executive Committee and Board of Directors)

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

Employees¹ categories and composition of governance

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

^{1.} This is defined as the number of physical people and includes internal temporary and regular employees. In 2020, it included Activ International, but all other acquisitions were excluded. In 202,1 it includes Activ International and drom integrated entities; all other acquisitions are excluded.

Non-discrimination

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

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

Disclosure 406-1

Incidents of discrimination and corrective actions taken

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

Equal pay

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

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

Disclosure 202-1

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

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

Disclosure 405 – 2

Ratio of basic salary and remuneration of women to men

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

Equal pay certification

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



^{2.} Including the Executive Committee.

Social

Diversity, inclusion & people development

People development

Attracting and retaining talents

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

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

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

Disclosure 401-1

New employee hires and employee turnover

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

Staff¹ turnover by age group, gender and region

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

New employee1 hires by age group, gender and region

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

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

Social

Diversity, inclusion & people development

Disclosure 401-3

Parental leave

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

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

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

Disclosure 404 – 2

Training and education

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

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

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

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

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

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

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

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

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

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

Diversity, inclusion & people development

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

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

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

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

Disclosure 404 – 3
Percentage of employees receiving regular performance and career development reviews 1

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

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

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

Employee safety, health & wellbeing

Material topic definition

Employee safety, health & wellbeing

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

Purpose pillars









Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

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

Boundary

Givaudan

Disclosure 103 - 2. 103 - 3

MANAGEMENT APPROACH

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

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

Disclosure 403-1

Occupational health and safety management system

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

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

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

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

Disclosure 403 – 2

Hazard identification, risk assessment, and incident investigation

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

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

Employee safety, health & wellbeing

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

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

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

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

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

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

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

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

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

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

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

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

Employee safety, health & wellbeing

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

Disclosure 403-3

Occupational health services

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

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

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

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

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

Excelling in health and safety everywhere, every day

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

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

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



Employee safety, health & wellbeing

Disclosure 403-4

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

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

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

Communication

Social

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

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

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

Disclosure 403-5

Worker training on occupational health and safety

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

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

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

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

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

Employee safety, health & wellbeing

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

Our health and safety activities have focused exclusively on our production sites, but we are now expanding our scope to include non-production sites such as commercial offices and laboratories. It is important to educate and equip all our employees with appropriate safety information and access to support. This will mean the reporting of health and safety data from all recently acquired businesses and the subsequent public disclosure of performance. The programme, which included training EHS people at our non-production sites, continued in 2021, helping us meet our aim to provide EHS coverage for the whole organisation, including acquisition sites.

In terms of specific programmes, the EHS group this year continued its global fire safety campaign. Fire represents a threat to our people, assets and business and the campaign was launched to improve employee awareness of fire safety and to minimise risks. The aim is to build a proactive, preventative fire safety culture and to fill any technical gaps in fire prevention measures. This year's phase of the campaign, which focuses on the top three causes of fire in a workplace - waste, electrostatic charges and electric risk - centred on electrostatic charges, building awareness and competences through a train-the-trainer model. In 2021, we conducted 28 sessions, with more than 200 employees trained at our operations sites. We expect this third phase of the campaign to be completed in 2022.

We were able to carry out some in-person interactions such as site visits, site-specific demonstrations or face-to-face meetings as allowed by the evolution of the pandemic situation, though others were either postponed or organised as virtual meetings.

For contract work, both the contracted party and Givaudan must be fully aware of and prepared for associated hazards. Contractors are required to demonstrate a full understanding of the job/task/activities being performed and have a system to understand and control the risks in place. The contractor is inducted into site policies and procedures and mandatory Contractor Safety Orientation/Training is performed before the contractor is allowed on site. Refresher training is performed annually. Training content is tailored according to assessed risk level and can range from basic safety guidelines to topics such as hazardous energy isolation. Training is currently provided on a site-by-site basis.

Disclosure 403 - 6

Promotion of worker health

Overall, we review our employee benefits every year to see whether they are in line with the market. We first consider local social programmes and then build on them with specific company benefit plans. For instance, in many countries (U.S.,

Warwick-Edinburgh **Mental Wellbeing Scale PURPOSE** Ways of Leadership working behaviours MENTAL **PHYSICAL**

U.K., Singapore, France, Indonesia, Malaysia and Hungary, to give a few examples) we provide company health plans in addition to basic government health plans. This is our overall approach to facilitating access to medical services and care on a social and complementary health basis.

More specifically, our promotion of worker health and wellbeing is based on a framework inspired by the Warwick-Edinburgh Mental Wellbeing Scale, which was developed to aid in the measurement of mental wellbeing in the general population and with the evaluation of projects, programmes and policies that aim to improve mental wellbeing. Our approach is built on the three bases of physical and mental wellbeing, as well as a sense of purpose, supported by appropriate ways of working and leadership behaviours, to ensure that we can all take responsibility to care for our own health as well as that of our colleagues.

Physical health

With the term "physical health," we refer to the overall physical condition of the body. Key drivers of our physical wellbeing are sleep, recovery, nutrition and exercise. We are not always aware of the importance of recovery/relaxation and often find little time for recovery in the workplace, even though it is critical to maintaining good physical health. Tools for addressing physical health at Givaudan include our local occupational health and fitness programmes. Programmes offered vary by region, but include, for instance, employee-led fitness groups and running clubs in many of our sites as well as activities such as the voga courses. At some sites, we also offer the seasonal flu vaccine to active employees.

Employee safety, health & wellbeing

Our global Employee Assitance Programme offers a 24/7 online help-point in over 200 languages as well as telephone advice with local consultants.

Mental health

We use the term "mental health" in relation to our feelings and thought processes. It is about our ability to concentrate, make good judgments or remember details. If we are feeling stressed, anxious or depressed, we will find it harder to concentrate, or make a decision. At Givaudan, we support our employees in looking after their mental health through our global Health & Wellbeing programme, local mental wellbeing webinars, a global employee assistance programme hotline, local employee support groups as well as local mental health first aiders. While programmes vary by location, overall we look to make sure that people are aware of signs of feeling unwell and we place a big emphasis on prevention.

We launched our 'Happier, Healthier Habits' campaign in 2020 to foster connections between colleagues and offer guidance on physical and mental health. Mental wellbeing impacts all areas of life and influences how we think, feel, and behave in daily life. It also affects our ability to cope with stress, overcome challenges, build relationships, and recover from setbacks. This initiative was continued in 2021 through 'Happier Healthier Habits Circles'. A second series called 'Connecting for #climatepositivity' invited employees to explore how building connections with each other and nature can lead to positive outcomes such as better relationships, more positive conversations and the ability to find calm and build resilience.

This approach of building connections is also seen in our 'Health & Wellbeing Communities of Practice' programme, which was launched globally during the year as a forum for sharing common interest and best practice in health and wellbeing initiatives. Involving employees from North America, Latin America, the UK and Dubai, topics included strategies for better sleep, demonstrations of cooking to aid mental health, and the benefits of family activities. Many additional local initiatives focusing on physical and mental health and wellbeing took place: this included badminton tournaments in China, health coaching in North America, and a 'workout for good' challenge in Singapore.

In line with our purpose ambition, we are committed to ensuring that we continue to provide more tools that support our employees' mental and physical health. Employee Assistance Programmes are a commonly offered benefit designed to help employees deal with personal problems that might adversely impact their work performance, health and wellbeing. We have introduced a confidential tool to support the mental, physical, social and financial wellbeing of our employees.

Our EAP partner offers a 24/7 online help-point in over 200 languages as well as telephone advice with local consultants. It offers support on a variety of topics such as personal wellbeing, mental health, relationships, family matters and workplace challenges. All employees can access EAP including those from newly integrated companies. Family members of Givaudan employees can also use the EAP services. Employees can connect to services by phone, app or by web platform using country specific log-in details.

Sense of purpose

A sense of purpose, or motivation, is another significant element of wellbeing. It is important to have things in our lives that give us meaning – living without motivation or a sense of

purpose can have a negative impact on your overall wellbeing. Motivation can be increased by how much time you spend on activities that involve giving to others rather than receiving from them. We look to boost employee motivation through a number of actions including our continuing programme Imagine; a dedicated channel "Let's Imagine Together" on Ollie, our community-driven employee communications platform, where we share more about Givaudan's Purpose and why we do what we do; local Green Team activities as well as local charity committees.

Our continuing programme Imagine helps employees understand our purpose, and gives them space to personally connect to it. In 2021, we invited everyone to Imagine. This programme is an invitation for all colleagues at Givaudan to come together to explore our purpose. We took the opportunity of new, virtual ways of working to invite colleagues to co-create the programme. More than 150 employees took part in its development, suggesting stories, examples and different ways to bring our purpose to life. This approach also allowed us to cross language barriers, translating the content into the 18 most commonly spoken languages at Givaudan.

These three bases need to be supported by ways of working and by leadership behaviours. Being conscious of how we work is critical during this time. Pressures involving deadlines, responsibilities, task complexity, challenge, relationships and supervision can seriously reduce our wellbeing, especially if we fail to recognise and manage it well. At the same time, good leadership behaviours are key enablers to building and maintaining workplace wellbeing and resilience. By modelling wellbeing behaviours, demonstrating good work-life integration, strong working relationships and a healthy lifestyle, we can lead and champion wellbeing.

Employee safety, health & wellbeing

We approach and help employees with ways of working through our Spark your Senses Learning and Development Newsletter, our Humantech Office Ergonomics tool, our IT collaboration tool guides as well as local HR and EHS team support. We continued to provide support and resources for employees in 2021. Many regions held training sessions to help employees to be more effective with virtual working and a flex working toolkit is also being introduced locally to support employees and managers. This year we published three issues of the Spark your Senses Learning and Development newsletter to support colleagues during COVID-19. They focused on how listening is a great way to support each other and help each other during this time; finding balance and staying connected, with a focus on addressing Webex fatigue and, finally, an issue on embracing digital learning, where we celebrated a year as we transitioned to remote/virtual learning because of the pandemic. In addition, we continue to support our colleagues with the Humantech office ergonomics tool that works both at work and in the home office. We also provided IT collaboration tools for continuous development and tips and hints.

Disclosure 403-7

Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

We look to prevent and mitigate occupational health and safety impacts linked by business relationships through a number of approaches. We ask, for example, certain suppliers to carry out an audit – the Sedex Members Ethical Trade Audit, SMETA – as validation of their commitment to our key responsible sourcing pillar of Health & Safety. More information can be found in the chapter on Responsible Sourcing & Traceability.

We also continue to ensure the compliance of our classification and labelling for all products (raw materials, intermediates and finished products) that we sell, produce and ship. We harmonise and optimise packages and labels.

We review our labelling in relation with industry association standards annually. The labelling manual is a coordinated effort of the Fragrance and Flavour industry and results from a review of classification and labelling information for our ingredients, covering both synthetics and natural complex substances. Internal and external stakeholders impacted by changes were informed in advance and the new classification and labelling information was updated in June. We have seen very smooth and successful implementation.

The Product Stewardship Team also reviews Safety Data Sheets (SDS) and is continuously improving this documentation in relation with industry association standards, new regulations or additional information. The Safety Data Sheets (SDS) mainly provide information on chemical identity & physical/chemical properties; hazards for health, safety, environment; preventive and emergency response measures, disposal instructions as well as medical advice. SDS of raw materials are provided to our employees, while those of finished goods are supplied to our customers.

We look to prevent and mitigate occupational health and safety impacts linked by business relationships through a number of approaches. We continue, for instance, to ensure the compliance of our classification and labelling for all products (raw materials, intermediates and finished products) that we sell, produce and ship. We harmonise and optimise packages and labels.

Disclosure 403 - 9

Work-related injuries

In helping meet our ambition to reduce our total recordable injury rate (TRCR) by 50% by 2025 compared to the 2018 baseline, we are expanding our focus to take into account all medical cases as well as lost time injuries (LTIs). Our TRCR is the total of lost time injuries, restricted work cases and medical treatment cases per 200,000 hours worked. The number of actual cases increased relative to previous years because of the inclusion of cases from recently acquired companies, yet the reduction in our recordable injury rate points to our success in embedding a positive and long-term culture of health and safety. We are well on track to reaching our target.

In 2021, we have reduced our recordable injury rate by -22% since 2018.

Disclosure 403-10

Work-related ill health

We have a number of measures for helping our employees avoid work-related ill health. The exposure control programme helps find the limit of exposure for each chemical and facilitate the development of engineering or other techniques to lessen it.

We have been extending industrial and office ergonomics initiatives as described above. Such measures allow us to reduce incidents and improve the long-term health and wellbeing of all employees. Ergonomic assessment in operations is carried out by experts, while self-assessment in the office is carried out via digital training.

Employee safety, health & wellbeing

We also look to support the mental health and wellbeing of our employees. Our EAP partner offers support on topics such as personal wellbeing, mental health, relationships, family matters and workplace challenges. All employees can access EAP including those from newly integrated companies. Family members of Givaudan employees can also use the EAP services.

We continued to foster connections between colleagues and offer guidance on physical and mental health in 2021 through our 'Happier Healthier Habits Circles' programme. A second series called 'Connecting for #climatepositivity' invited employees to explore how building connections with each other and nature can lead to better relationships, more positive conversations and the ability to find calm and build resilience. Givaudan does not have an illness reporting system for occupational diseases that covers all group and external employees.

Health and safety indicators

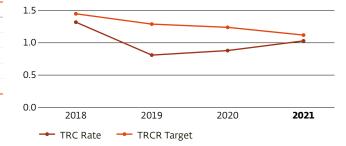
	2018	2020	2021
Number of Total Recordable Cases (TRC) ¹	130	115	180
Fatalities	0	0	0
Number of LTIs	24	32	59
Number of Restricted Work Cases (RWC)	56	46	63
Number of Medical Treatment Cases (MTC)	50	37	58
Total Recordable Case Rate	1.33	0.88	1.04
LTI rate	0.25	0.25	0.34
Number of lost days ²	645	998	855
Lost day rate ³	6.61	7.65	4.95
Number of hours worked⁴	19,503,663	26,094,174	34,544,283
Absenteeism ⁵	2.7%	2.9%	3.6%

- 1. TRC is according to the official OSHA definition. The 2021 figure increased with the inclusion of our acquisitions.
- 2. 2020 includes 73 days carried over from previous year. 2021 includes 21 days carried over from previous year.
- 3. Number of lost work days resulting from work-related accidents per 200,000 working hours. Calculation based on scheduled work days lost from the day after the accident.
- 4. 8.9% of these represent external contractors for whom the Company is liable.
- 5. Compared to the number of normal available working days, includes correction for employees working on a part-time basis. With regards to COVID-19, only absences due to positive tests are in scope.

Total recordable cases by region

Total	115	180
North America	43	82
Latin America	4	9
Europe, Middle-East & Africa	51	74
Asia Pacific	17	15
	2,020	2,021

2021 Safety performance - 'Everyone Home Safe everyday'





Consumer health & wellbeing

Material topic definition

Consumer health & wellbeing

Developing products that promote the health and wellbeing of people as they experience our ingredients and formulations in everyday consumer products.

Purpose pillars









Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

The creation of innovative, sustainable solutions is at the core of our company purpose. We strive to develop products and services that inspire emotions and touch millions of lives, improving our world and making it a happier, healthier place. As a key player in taste and wellbeing and fragrance and beauty, we are in an optimal position to influence both the health and wellbeing of consumers. For example, by developing great tasting plant-based foods and solutions for foods with lower levels of sugar, fat and salt we can encourage the uptake of healthier diets. Fragrance contributes to the sense of wellbeing and can be used around the world to drive consumers to choose products with desired health benefits.

Our product portfolio allows us to meet the needs and expectations of our customers and their consumers, while contributing to human health and wellbeing.

Boundary

- Givaudan
- · Customers and consumers

Disclosure 103 - 2, 103 - 3

MANAGEMENT APPROACH

Being a truly sustainable business includes developing products with health and wellness benefits. This is why we aim, by 2030, to double our business through creations that contribute to happier, healthier lives. We are committed to driving purpose-led, long-term growth with the intention of increasing our positive impact on the world by innovating sustainable solutions.

We are a business-to-business organisation and do not sell products directly to the end consumer. We do however work with customers in the food, beverage, consumer goods and fragrance industries to create products that are integrated into drinks and meals, fine perfumes and laundry care. As detailed in the chapter on Innovation capabilities & management, we look to integrate sustainability into all of our innovation, developing products that benefit society and the environment.

Taste & Wellbeing

Today, more than ever, consumers are seeking holistic food experiences. Going beyond great taste, they look to shift to more mindful diets. From reduced-sugar chocolate bars to functional foods and vitamin and mineral-rich nutritional beverages, they want their foods and beverages to be both delicious and nutritious. At Givaudan, we enable our customers to deliver unforgettable food experiences that empower consumers to make more nutritious choices.

With our Nutrition and Health pillars, part of the "Does Good" experience space, we provide solutions that enhance the nutritional value of food and support healthy living, bringing more of the natural wellbeing benefits that consumers want.

Our Nutri TasteSolutions® programmes enable the reduction of undesirable ingredients such as sugar, salt or fat. For example, Nutri TasteSolutions® Sugar provides nutritionally balanced alternatives that cut sugar but do not compromise on taste: the products are just as satisfying and complex as their full-sugar counterparts, helping consumers with their sugar reduction needs. The Nutri TasteSolutions® Sodium programme helps tackle the issue of 'hidden salt,' which is salt added in the manufacturing process as a taste enhancer to packaged foods: it accounts for more than 70% of our sodium intake. Products developed through this programme help our customers create food experiences that meet consumer demand for salt reduction while maintaining great flavour. Similarly, Nutri TasteSolutions® Fat and TasteSolutions® Mouthfeel can provide a rich and rounded taste sensation on the tongue while also addressing health and wellness concerns by reducing fat and calorie levels.

Our Nutri Essentials offering adds desirable nutrients, derived from natural ingredients. Our acerola is a highly standardised source of naturally sourced vitamin C derived from acerola cherries grown sustainably in Brazil. The cherries are harvested manually and processed carefully to preserve the fruit's naturally high vitamin C content. The resulting ingredient is so rich in vitamin C that a low dose is needed to achieve 100% of the recommended daily intake. Another example is our oat extract SWEOAT®. Rich in fibre and high in protein, it delivers an exceptional nutritional profile and a range of proven benefits, including lowered risk of cardiovascular diseases¹, reduced blood sugar increase after eating², good digestion³ and satiety⁴.

- 1. Ferguson et al, 2019, Clinical Nutrition, Volume 39, Issue 1.
- 2. Tosh SM, 2013, The European Journal of Nutrition, https://doi.org/10.1038/ejcn.2013.25.
- 3. Poeker et al, 2018, Scientific reports, https://doi.org/10.1038/s41598-018-22438-y.
- 4. Hlebowizc et al, 2008, Journal of the American College of Nutrition, Volume 27,

Consumer health & wellbeing

Our oat extract SWEOAT® is rich in fibre and high in protein, delivering an exceptional nutritional profile.

Our Wellness Essentials botanical ingredients and infusions are rooted in traditional uses that offer an authentic-tasting wellness experience while addressing growing consumer interest in supporting wellbeing through clean, natural functional food and beverages.

Amongst our Health Essentials offering, one example is our award-winning turmeric extract, TurmiPure Gold®. Results from a proprietary study indicate TurmiPure Gold® delivers superior curcuminoids bioavailability at a low dose¹. Across the 24-hour study period, a small dose of TurmiPure Gold® (300mg) was shown to deliver as many curcuminoids to the blood as 1,920mg of standard turmeric extract. Completely natural* and 100% organic, the product can be used in a wide range of nutraceutical applications, including new formats such as shots or gummies thanks to its instant water dispersibility.

Other examples include our Cereboost® American ginseng, a natural adaptogen that delivers scientifically substantiated cognitive health benefits. We have recently published a study that has demonstrated promising effects on cognitive function and mood, potentially via gut microbiome modulation².

Last but not least, Flowens®, produced from a full-spectrum cranberry blend, is an award-winning ingredient that meets growing consumer demand for natural solutions supporting urinary health. It has been clinically shown to improve lower urinary tract symptoms (LUTS) in men³ and overactive bladder (OAB) in women⁴. It is further supported by seven approved health claims related to lower urinary tract health – six from

Health Canada and one from the Colombia National Food and Drug Surveillance Institute (INVIMA).

With our Wellness Essentials and Health Essentials portfolios we are looking to provide intuitive wellbeing benefits designed to meet food & beverage expectations as well as clinically proven benefits through innovative bioactive ingredients specifically developed for the supplements market. They include a selection of natural solutions that address common health needs such as immune system support, relaxation and energy, cognitive performance, or digestion and gut health.

Plant-based diets are recognised as being 'planet friendly' diets as well as beneficial for human health. Through our Plant Attitude platform and an entire ecosystem of experts, we co-create diverse food choices and plant-based food experiences that meet consumer needs and contribute to lowering the environmental footprint of consumer diets. We have technologies and an integrated portfolio specifically designed for meat, fish or dairy alternatives. We offer a holistic portfolio of ingredients and solutions to deliver on taste, colour, nutrition and health. We have built a global community of innovators, including industry partners, academia, and start-ups to augment our world-class capabilities in alternative proteins.

- 1. Fanca-Berthon et al, 2021. The Journal of Nutrition, Volume 151, Issue 7.
- Bell et al, 2021. The European Journal of Nutrition, https://doi.org/10.1007/s00394-021-02654-5.
- Vidlar et al. 2016, World Journal of Urology, https://pubmed.ncbi.nlm.nih.gov/26049866.
- 4. Cho et al. 2021, Journal of Urology, https://doi.org/10.1097/JU.000000000001384
- * No artificial nor synthetic ingredients.

DISCLAIMER

This section is intended to provide business-to-business information on our solutions. As it can be accessible from many locations, the information provided might not be applicable, or is not intended to satisfy the requirements of all countries: the information and its uses must be checked for compliance under appropriate local regulations. Any communication to end consumers must be done according to the appropriate local regulations/guidance.

Fragrance & Beauty

Promoting health and wellbeing also means helping people feel better and lead happier, healthier lives. Consumers want to look good and feel good, and look for products that promote mental and bodily health and wellbeing. They seek, for example, fresh scents that can get rid of bad odours in clothing and the environment, boosting self-confidence and in turn improving social inclusivity. They want fragrances that positively influence how they feel as well as products that contribute to their sense of self-esteem and are good for the environment.

In Fragrance & Beauty, we aim to develop products that smell great, but also bring wellbeing benefits to consumers and are good for the planet. Wellbeing is a significant concern to customers and we carry out extensive scientific research at our Health and Wellbeing Centre of Excellence in Ashford, UK to help us understand it and how it relates to fragrance. This gives us deep insight into how fragrances are perceived and how they affect the way we think, feel and act.

We have, for example, used in-depth neuroscience research to develop our portfolios of Scentz technologies, which are designed to provide holistic or specific wellbeing benefits for consumers. Our patent-pending technology DreamScentz™ is now using our understanding of the link between fragrance, positive mood states and good sleep to explore how fragrances can be used to help people sleep better and longer. Our patented MoodScentz™ guidelines enable perfumers to harness the power of fragrances to evoke positive moods. MoodScentz™ is backed by solid scientific research, giving our perfumers confidence in the emotional impact of their compositions and making it possible for customers to create unique products that deliver genuine wellbeing benefits. VivaScentz™ is a revolutionary technology that measures consumer wellbeing holistically in the context of perfume or oral care. Rigorous testing involving 2,000 consumers showed that fragrances

Consumer health & wellbeing

created with VivaScentz™ enhanced the user's overall state of being, with consumers reporting that they felt more optimistic and better equipped to face their everyday lives.

We are also developing products that address malodour, which can have a negative effect on self-confidence, mood and wellbeing. Our Zap portfolio, the first ever patented malodour technologies platform for specific product categories, is designed to enhance the consumer experience and hygienic performance of our customers' products. This year, we launched a new addition to the portfolio, Natzap™, to address demand within differentiated naturality segments globally. Oral care is another important area in emotional wellbeing. From toothpaste to mouthwash, we look to develop solutions that smell and taste great, and contribute to freshness and confidence all day long.

Another key focus for our Fragrances team is creating products to enhance wellbeing and self-esteem, and to promote a positive mindset. We are already leading the industry in researching the effects of odours on emotion. Our studies have revealed how scents can increase positive emotions, decrease negative mood states, disrupt cravings and reduce physiological signs of stress such as inflammation.

Two examples of such innovative fragrance technologies are Phytogaia™ and Thalassogaia™, which allow perfumers to bring the natural benefits of forests and the oceans into perfumes. They were developed according to our Naturality Guide™ principles and Company purpose, and designed in a nature-conscious way to bring multiple health and wellbeing benefits to consumers in all fragrance categories.

Inspired by the Japanese art of forest bathing, Phytogaia™ captures the wellbeing benefits of molecules called phytoncides, which are emitted by forest trees and are proven to have a positive effect on people. The molecules provide wellbeing benefits when used in fragrances by improving consumers' moods and by reducing stress and fatigue. The success of this product led our Science and Technology team to study oceanic atmospheres and coastal environments, leading in turn to the creation of Thalassogaia™. Drawing from the inspiring surroundings of the beach, our scientists developed a collection of Thalassogaia™ perfumery accords that mimic the composition of the marine environment and are meant to trigger the calming feeling of being near or in water. They can be used in all fragrance categories.

Phytogaia[™] and Thalassogaia[™] allow perfumers to bring the natural benefits of forests and the oceans into perfumes.

Human rights

Material topic definition

Human rights

Ensuring that Givaudan respects human rights by acting with due diligence, as defined in the UN Guiding Principles for Business and Human Rights and International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

Purpose pillars









Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

Human rights are inherent to all human beings, regardless of race, sex, nationality, ethnicity, language, religion, or any other status. As expressed in the International Bill of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, they range from the very right to life and liberty to rights to education and work and cover a wide spectrum of human experience.

We believe that everyone is entitled to these rights and that upholding them, and, where applicable, promoting them, is the right thing to do. It is fundamental to the best way of doing business and living our company purpose.

A commitment to respect human rights, to act with due diligence to avoid causing or contributing to human rights abuses through our own activities, and to prevent and address abuses linked to our operations, products or services around the world enables us to be a responsible corporate citizen. Specifically, these efforts help us to live up to our commitments under the United Nations

Global Compact's Ten Principles and the WBCSD's CEO Guide to Human Rights, to which we are signatories. It also forms part of our contribution to realise the Sustainable Development Goals, especially Goals 2, 3, 5, 6, 8 and 17, and furthers our journey towards obtaining B Corp certification.

Beyond this general commitment to human rights, we have a number of focus areas that have been identified as particularly relevant for Givaudan through ongoing engagement with internal and external stakeholders. In this chapter, we address Freedom of Association and Collective Bargaining; No Child Labour, and No Forced Labour, Compulsory Labour or Human Trafficking. Good relations between management and employees are necessary, for example, to the operation of a sustainable and viable business. This is particularly critical to Givaudan, where our global workforce operates in an international market and must be capable of adapting to rapid change. Children have the right to an education and we are against all forms of child, forced and compulsory labour.

Five additional areas of Human Rights that are particularly relevant to Givaudan are: Right to Decent Work and Occupational Health and Safety; Consumer Health and Safety; Equality and Non-Discrimination; Free, Prior and Informed Consent (FPIC) and Land Rights and Rights of Communities Where We Operate. Our position and efforts in these areas are covered by our Human Rights and Responsible Sourcing Policies and are addressed in chapters on Diversity, Inclusion & Human capital development, Employee Health & Safety & Wellness.

Our human rights efforts are relevant to the whole organisation but we also look beyond to our partners throughout the supply chain. We aim to ensure that they adhere to our principles and, as explained in more detail in the chapter on Responsible Sourcing & Traceability, help them to do so. Givaudan strives to be a force for good in the world and looks to act with empathy and humility wherever we are present.

Boundary

- Givaudan
- Suppliers

Disclosure 103 - 2.103 - 3 MANAGEMENT APPROACH

We respect, protect, and fulfil human rights within our sphere of influence and contribute to eradicating inequality and unfair labour conditions wherever we do business. We strive to make a positive impact on the communities in which we are present. Our commitment is based on the International Bill of Human Rights, which consists of the Universal Declaration of Human Rights, and the International Labour Organization's Fundamental Conventions on Rights at Work.

We fully endorse and support the UN Guiding Principles for Business and Human Rights, the OECD Guidelines for Multinational Enterprises of June 2011, the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy of March 2017 as well as WBCSD's CEO Guide to Human Rights. Where our own principles and practices are stricter than applicable legislation and in alignment with applicable human rights frameworks, we apply our higher internal standards.

Our explicit commitment to respect human rights, including labour rights, is outlined in our Group-wide Principles of Conduct. In January 2021, we also published a new Human Rights policy, which expands on this commitment. It applies to Givaudan's direct operations, the entities we own and the facilities we manage. We expect every employee to take personal accountability for upholding our principles in daily

Human rights

actions within their own sphere of influence and with business partners and stakeholders. Information on our efforts and commitments around social responsibility, human rights and ethical business aspects can also be found in our Commitment to Social Responsibility Position Statement, and in our annual UK Slavery Act and California Transparency Act statements.

Putting our policies into practice means working continuously to identify human rights impacts, avoiding and addressing them, continuously monitoring the effectiveness of our measures and periodically reporting on our performance. We are on a journey of continuous improvement and in a constantly changing operating environment we need to regularly review the way we respond. We are implementing a Group-wide human rights programme, which will also include human rights assessments and measures to identify and engage with vulnerable or marginalised groups as part of the stakeholder dialogue.

We also recognise that human rights is not a subject that we can address alone: we work with all relevant stakeholders. Suppliers are a particular focus and we help them adhere to our principles through our Responsible Sourcing Policy, as detailed in the chapter on Responsible Sourcing & Traceability.

We have zero tolerance for any form of human rights abuse and follow strict governance, grievance and remediation mechanisms to ensure compliance with our principles and commitments. We also provide various mechanisms for raising concerns. Employees can do this in confidence with a Local Compliance Officer, the Corporate Compliance Officer, the Legal Department or through our internal Compliance Helpline. Third-parties can raise issues in confidence to the Head of Group Ethics and Compliance by email to: global. compliance@givaudan.com.

All issues are handled confidentially, consistent with Givaudan's need to investigate, in compliance with legal requirements and in cooperation with law enforcement authorities, where required. Givaudan does not tolerate any form of retaliation against anyone who seeks advice or reports misconduct in good faith.

Beyond these general commitments, we have a number of focus areas within the topic of human rights. Some are discussed below and others can be found in additional chapters as detailed above.

Freedom of association

We respect every employee's right to freedom of association and collective bargaining and follow commonly recognised best practices with all of our employees globally. Our positions concerning freedom of association are highlighted in our Principles of Conduct, a document available on our website. We aim to provide and promote an environment where employer and employee can engage in open dialogue on all work-related aspects, allowing each to better understand the other's challenges and find ways of resolving them. This is done by establishing genuine dialogue with freely chosen employee representatives.

We regularly consult with employee representatives, looking to inform and consult about changes in the organisation and to report any feedback to the Executive Committee (EC). We pride ourselves on our history of constructive dialogue with employee representatives and support the freedom of individuals to join trade unions or other employee representative bodies. Givaudan does not discriminate based on employee membership of, or association with these bodies and seeks to enter into constructive discussions when issues arise

We continue to hold regular Union/Works Council consultations with a group of employees who represent Union/ Works Council members at all applicable sites around the world, including for all European Union member states where we have operations. The purpose is to inform and consult employees about significant changes in the organisation, ensure that the right to freedom of association and collective bargaining is not put at risk, and to report any feedback to the Executive Committee so that it may take suitable action if required.

Due to COVID-19, the European Works Council did not take place in 2021 and the meeting has been postponed until early Q2 2021.

We call on suppliers, including smallholders, to allow workers to exercise their rights to freedom of association and collective bargaining. We ask for their collaboration in supporting the policy and disclosing information that could help drive improvements. More details are available in the chapter on Responsible Sourcing & Traceability.

Disclosure 102 - 41

Collective bargaining agreements

29% of employees are covered by collective bargaining agreements.

Disclosure 402-1

Minimum notice periods regarding operational changes

We respect legal local notice periods prior to the implementation of changes that could affect our employees, either through direct communication to these employees or through their elected representatives, Union/Works Councils or other groups. In countries where there are collective agreements and where it is mandatory, minimum notice

Human rights

periods regarding operational changes are specified. These range from no notice to three months, depending on the country and based on local laws and practices.

No child labour, no forced labour, compulsory labour or human trafficking

Our positions on child labour, forced labour, compulsory labour and human trafficking are rooted in our Principles of Conduct and in our new Human Rights policy. These, in turn, reflect initiatives including the United Nations Global Compact, a framework that targets, among other goals, the elimination of forced, compulsory and child labour.

We are also committed to the Ethical Trade Initiative Base Code, which states that there shall be no recruitment of child labour; that companies shall develop or participate in and contribute to policies and programmes that provide for the transition of children from labour to quality education; and that people under 18 shall not be employed at night or in hazardous conditions.

We do not practice or tolerate any form of child exploitation, and we do not provide employment to children before they have completed their compulsory education and in any event not before they reach the age of 15. This applies to employment within Givaudan, and we expect the same from our partners and suppliers with whom we work. Where we observe young workers engaged in business activities, but not legally qualifying as child labour, we still work towards training and education with the aim of ensuring that young workers are always protected and that their right to education is not infringed. Similarly, we do not practice or tolerate any form of exploitation or forced or compulsory labour including prison labour, indentured labour, bonded labour, slave labour or any form of human trafficking.

We apply a combination of mechanisms within our business and in our supply chains as part of our due diligence review for these aspects. They are regularly assessed through various interventions related to our Social Responsibility, Sourcing4Good, Ethic & Compliance, Human Rights and Vendor Management programmes, among others.

We have also developed a dedicated training and vigilance module around Givaudan's expectations on child labour and work in our supply chains. It is aimed at better informing and equipping our own procurement colleagues and supply chain stakeholders. We started rolling this out in the second half of 2021 and have already covered some key raw material supply chains including, among others, thaumatococcus in the Ivory Coast, cistus in Spain and vanilla in Madagascar.

We expect the same standards from business partners and suppliers. Details on how we manage this are available in the chapter Responsible sourcing & traceability.

Disclosure 407-1, 408-1, 409-1, 412-1

Operations assessment

Human Rights Impact Assessment in our operations and supply chain, detailed in the following chapter, is managed through continuous engagement and diverse interventions embedded in many of our standard operating procedures and practices. The focus of these assessments ranges from highlevel due diligence to more salient aspects, in particular those relating to health, safety or child labour.

Givaudan is an active member of Sedex, a global platform that incorporates human rights risks in its assessments. Since 2010, all Givaudan production sites have been registered on Sedex and have completed Sedex self-assessment questionnaires (SAQ) aimed at continuous self-improvement and the sharing of information with customers. Givaudan annually reviews and

Training and vigilance module

In 2021, we developed a dedicated training and vigilance module on Givaudan's expectations on child labour and work in our supply chains. It is aimed at better informing and equipping our own procurement colleagues and supply chain stakeholders. We started rolling this out in the second half of 2021 and have already covered some key raw material supply chains including, among others, thaumatococcus in the Ivory Coast, cistus in Spain and vanilla in Madagascar.



Human rights

updates the SAQ for all of our registered sites and plans audits for sites due for inspection with recognised third-party auditors. At the end of 2021, 82% of our production sites were registered on Sedex and have completed Sedex self-assessment questionnaires. The remaining 18% are new acquisitions and we plan to integrate them onto the Sedex platform within two years of their acquisition.

In addition to manufacturing sites, the same standards are also applied internally for all other Givaudan locations, e.g., offices, R&D facilities, warehouses, etc. They are regularly assessed through programmes such as internal audits.

We also participate in EcoVadis Corporate Social Responsibility (CSR) assessments, disclosing detailed information on our business practices in Human Rights and Labour aspects in addition to those linked to the environment, ethics and responsible procurement. The EcoVadis methodology framework assesses companies' policies and actions in relation to these areas using a team of international sustainability experts that analyse and cross-check company data such as supporting documents, 360° Watch Findings, etc., to create reliable ratings. Each company's industry, size and geographic locations are also considered.

This year, Givaudan ranked in the top 5% of more than 75,000 companies participating in the 2021 EcoVadis CSR assessment. This result earned Givaudan the gold rating.

82% of our production sites have been registered on Sedex and have completed Sedex selfassessment questionnaires.

In 2021, there were no findings or notifications of any violation of the right to freedom of association and collective bargaining at any of our locations worldwide.

In 2021, we did not observe any cases of forced labour in our business and supply chains in our due diligence review.

Disclosure 412 – 2

Employee training on human rights policies or procedures

Today we already cover basic human rights aspects as part of our Principles of Conduct training, which is mandatory for all our employees worldwide.

Additionally, dedicated human rights and modern slavery training is conducted for employees in countries with specific regulations such as UK and Australia.

We have also developed a dedicated training and vigilance module around Givaudan's expectations on child labour and work in our supply chains. This aims to better inform and equip our own procurement colleagues and supply chain stakeholders. We started rolling this out in the second half of 2021 and have already covered some key raw material supply chains including thaumatococcus in Ivory Coast, cistus in Spain, and vanilla in Madagascar.

We are now in the process of developing dedicated human rights expectations and commitment training for all Givaudan employees. This training is being developed with support from external experts and we aim to release it in 2022.

Disclosure 412 - 3

Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening

Our Responsible Sourcing Policy outlines the principles and standards that we require all of our suppliers to meet.

READ MORE

For more information about our supplier assessments please read the next chapter on Responsible sourcing and traceability



Responsible sourcing & traceability

Social

Material topic definition

Responsible sourcing & traceability

Fostering compliance with high standards in health, safety, social, environmental and business integrity in the way we source. Understanding the supply chain and tracing the provenance of raw materials we use from their origin to the final formulation.

Purpose pillars







Disclosure 103 - 1, 102 - 9

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

Givaudan spends more than CHF 3.8 billion per year sourcing 11.000 different raw materials and indirect materials and services from across the globe. With over 3,000 raw material suppliers in more than 100 countries and 13,000 additional global partners supplying indirect materials and services, procurement and the supply chain are strategic to Givaudan's responsible and shared growth.

Responsibly managing supply chains at this scale is complex, but we are committed to working with our suppliers for greater transparency and to improve practices in the areas of health and safety, environmental, social and business integrity. Responsible sourcing is an active and conscious commitment by Givaudan to consider social and environmental aspects when managing the relationships with, and performance of, suppliers. This means that we will ensure our business practices - both within our business and across our supply chain, from farm to our Company - do not have a negative impact but foster positive impacts on people and the environment. Traceability is also a critical concern. We must gather and

convey information about the raw materials and services we source, as well as their transformation throughout the value chain. This helps to ensure good practices and respect for people and the environment in supply chains.

Beyond these considerations, and as detailed in the previous chapter, we are committed to respecting human rights wherever we do business. We strive to make a positive impact on the communities in which we are present and we recognise that we have an important obligation to contribute to preserving the environment and the planet's biodiversity for future generations.

A strong network of responsible suppliers allows us to both mitigate the risks inherent in our supply chain and respond to increased consumer demand for more sustainable, healthier, differentiated products. Sourcing materials in ways that preserve the environment and stimulate the development and wellbeing of the communities that provide them is a critical element of our business. These activities permit us to assure customers about the provenance of raw materials and their production. It also shows that we adhere to responsible supply chain practices, allowing us to reduce our environmental and social impact.

Boundary

- Givaudan
- Suppliers

Disclosure 103 - 2, 103 - 3 MANAGEMENT APPROACH

Givaudan is a purpose-driven company and our approach to the topic of sourcing is embedded in these guiding principles. Sourcing is an integral part of our purpose: indeed, one of our purpose ambitions is to source all materials and services in a way that protects people and planet by 2030. Moreover, Givaudan has set an ambition to become a certified B Corporation (B Corp), a designation reflecting the highest standards of responsible sourcing.

The first in the flavours and fragrances industry to publish a specific policy in 2016, Givaudan has always been a leader in responsible sourcing, traceability and transparency, helping us to meet customer, consumer and environmental needs and expectations. Our Responsible Sourcing Policy, available on our website, details the principles and standards that we require all 16,000 suppliers to meet. Suppliers are defined as anyone, individual or company, who supplies us with any goods or services. It includes any primary producers of raw materials.

Raw materials

We source >11.000 different raw materials in >100 countries

Supplier management

3.000 raw material suppliers

indirect Materials & Services suppliers

Responsible sourcing & traceability

suppliers of raw materials, intermediate materials, intermediary suppliers and service providers. The policy is applicable to all sites and workers and employees of any supplier (including permanent, temporary, contract agency and migrant workers), as well as subcontractors, agents and subsidiaries.

The policy contains overarching requirements that apply to all areas of the supply chain, as well as some specific requirements pertaining to Naturals, Synthetics and Indirect Materials & Services Suppliers, which provide more depth and clarity on certain topics.

This year, we have further strengthened and expanded our Responsible Sourcing programme into an umbrella programme called Sourcing4Good, our approach to implementing our Responsible Sourcing Policy. It reflects our ambition to become B Corp certified and our desire to source all materials and services in a way that protects people and the environment by 2030.

Sourcing4Good

Sourcing4Good is based on collaboration and knowledgesharing, experience and expert input from suppliers, customers and partners. It is based on industry criteria ranging from environmental and social benchmarks to improved supply chain security, greater transparency, and more relevant supply chain information. It offers suppliers more visibility and partnership opportunities and gives customers increased access to safe, high-quality products sourced in a responsible way, as well as greater oversight and detailed knowledge of their supply chains.

Created in partnership with multidisciplinary teams of experts, Sourcing4Good covers all 16,000 of our active suppliers and applies to all natural and synthetic materials as well as indirect materials and services. The programme will be powered by cutting-edge internal technology, providing increased supply chain transparency and information access and will be delivered



through an integrated operating model. The ultimate aim is to ensure that our full portfolio of ingredients, materials and services is sourced responsibly.

We expect suppliers to share our commitment to clean and safe working conditions, good agricultural and collection practices, animal welfare and environmental stewardship. To

this end, Sourcing4Good includes the status of our suppliers and materials and the levels of rigour and partnerships in place. There are four levels of supplier status, ranging from those just starting on their responsible sourcing journey to those involved in in-depth, transformational partnerships. This is meant to increase transparency, reduce risk and generate greater traceability and data. The four levels help us define the right



Responsible sourcing & traceability

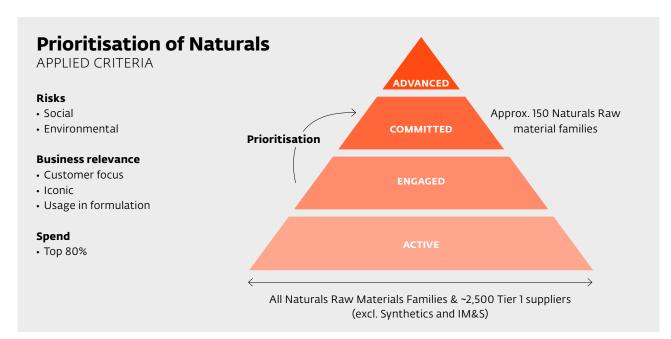
level of supplier engagement, activities and efforts across our full portfolio of spend in Naturals, Synthetics and Indirect Materials & Services (IM&S)

Materials begin their 'sourced responsibly' journey at the Active level. Here, the supplier is made aware of our responsible sourcing practices and expectations.

Further along, suppliers may enter the Engaged level, which implies involvement in our due diligence process and risk & impact assessment. At the Committed level, suppliers are committed to our responsible sourcing practices. We work with them to secure the essential materials and services we need. Finally, at the Advanced level, we implement collaborative and transformative activities with our suppliers and customers, developing flagship projects together.

The launch of the Sourcing4Good programme gave us the opportunity to review our key responsible sourcing targets and KPIs. We will pursue them based on focused efforts that are targeted to the different levels of Sourcing4Good activity: it is a progressive approach based on prioritised action.

The Sourcing4Good levels are assigned through an integrated operating model that embeds responsible sourcing processes within the day-to-day work of Procurement. Our ambition for 2021 was to begin the process of transitioning certain tasks and responsibilities to allow the Naturals Procurement team to better manage the trust and supplier compliance element of the Sourcing4Good programme. To this end, we have implemented Standard Operating Procedures (SOPs), developed tools, and built capability through various training sessions: to date, we have carried out 5 training modules spread over 8 sessions for 52 colleagues, representing 48% of the Naturals team. We will continue this work next year and beyond to include the synthetics and IM&S procurement teams.



With Naturals, prioritisation is indispensable. We source a large number of natural ingredients derived from hundreds of raw materials, and the work is already well underway. We applied six criteria in the prioritisation process, consulting various departments and using data from both an external database and SAP. This resulted in a list of 158 natural materials warranting prioritised action: our aim is for them to reach, at a minimum, the Sourcing4Good Committed level in the coming years. Though all raw materials of a natural origin are in scope for our 2030 target, the 158 raw materials families will receive accelerated and deeper-level activity between now and 2025. This is a significant increase from the 51 materials families that formed the basis of our 2021 targets.

In 2021, we joined the Together for Sustainability (TfS) organisation to collaborate with other members to drive and accelerate our integration of responsible sourcing to the categories of global synthetics and indirect Materials & Services (IM&S) suppliers. Following a thorough onboarding process, we have set initial targets for audits and assessments for some global synthetics and IM&S suppliers for 2022, and will begin the implementation of the programme to cover these categories in Q1 2022.

Responsible sourcing & traceability

Making our policy more accessible

We know that our Responsible Sourcing Policy and process will have to evolve to be increasingly inclusive and adapted to the context of the supply chain. To this end, we have introduced a practical guide targeted to a specific supply chain in order to make the policy more accessible to producers. This helps our team explain the policy and makes it easier for suppliers to understand our requirements. We expect to use the tool in additional strategic supply chains after completion of this pilot project.

Disclosure 308 - 1, 407 - 1, 408 - 1, 409 - 1, 414 - 1

2021 Progress

Active Level

All Active suppliers, that is, even those at the start of their 'sourced responsibly' journey, are required to acknowledge and adhere to the Responsible Sourcing Policy.

Givaudan expects its suppliers to use this policy as a guidance tool to help them demonstrate compliance to it through their continuous improvement activity. Givaudan also expects all suppliers at the Active level to implement management systems that allow compliance with this Responsible Sourcing Policy. This includes at least mechanisms to identify, assess and manage risks in all areas addressed by this policy; adequate

documentation, which may be reviewed by Givaudan upon reasonable notice; communication of the policy to all relevant employees; deployment of the principles in their facilities and throughout their supply chains, working with their suppliers to the source of the material or service. Where possible, Givaudan will aim to provide support to suppliers in this journey.

Our previous Responsible Sourcing (RS) Policy has been sent to more than 14.000 of our raw material and indirect materials & services (IM&S) suppliers. Since the update of the policy with the 2021 launch of the Sourcing4Good programme, we have sent this document to more than 2170 of raw material suppliers. representing 96% of the spend. We aim to reach our remaining active suppliers with the updated RS Policy in 2022. We will continue this action in the years to come so that each new active supplier is included in this process.

Engaged level

For suppliers at the Sourcing4Good level Engaged and above, Givaudan will also use a range of due diligence and verification tools to ensure they meet both our expectations and the principles laid out in the Responsible Sourcing Policy. These include sending our Due Diligence Questionnaire (DDQ) to selected suppliers and requesting it to be completed.

This year, we aimed to complete our Due Diligence Questionnaire on 53 of the 158 prioritised Naturals materials families. Our 2021 target was to engage the suppliers included in the top 80% of spend and/or defined as strategic by the Procurement Team on each of these 53 material families. We reached all suppliers in scope for this year and had an 89% response rate as of December 31, 2021. Our new Due Diligence Questionnaire digital tool played a central role in allowing us to engage ~226 suppliers defined as strategic by the procurement team.

The Due Diligence Questionnaire

Due Diligence Questionnaire is our in-house questionnaire that allows us to obtain primary traceability and risk information on the supply chain; to sharpen our implementation strategy, and support our suppliers as part of a continuous improvement approach. We have developed an IT interface that is accessible to our suppliers and our Procurement teams to make the questionnaire easy to use.

Committed Level

At the Committed Level of the Sourcing4Good programme, we request a supplier third-party audit at factory and/or farm level. Givaudan also retains the right to recognise certain supply chain certification standards that will be accepted in lieu of a third-party audit.

At factory level, the sites of direct suppliers are audited according to Sedex Members Ethical Trade Audit (SMETA). Incorporating labour practices, social, environmental and human rights aspects into its assessments, SMETA is one of the most widespread ethical audit formats in the world. Auditing suppliers accordingly allows them to benefit from a mutual recognition agreement among the members of the AIM-PROGRESS platform: they can avoid audit duplication because suppliers are encouraged to share audit reports with the largest number of customers.

At farm level, we ask our suppliers to seek verification through the Farm Sustainability Assessment (FSA) from the SAI Platform for cultivated raw materials, and through the Union for Ethical BioTrade (UEBT) for wildcrafted raw materials. These standards are recognised in the industry and cover all our ethical, social and environmental requirements.

Responsible sourcing & traceability

This year, we aimed to cover 53 of the 158 prioritised Naturals materials families for further verification by the end of 2021. We approach this through factory- and farm-level third-party audits in supply chains selected in collaboration with Procurement. For now, we have reached 38% of this target. Some audits had to be postponed, either because certain harvest periods had already passed before the launch of Sourcing4Good in April 2021 or because of the continued COVID-19 situation. Due to business needs, we also added two additional raw materials families to the list in 2021. This year should be seen as a transition year: a period of acclimatisation is needed for our teams and suppliers to implement this new approach. Audits that could not be carried out have been postponed and integrated into the 2022 roadmap.

Givaudan reserves the right to periodically request and undertake social and environmental audits at any supplier's facilities, in any part of their extended supply chain, including at farm level. This may be through the use of an internal protocol or a third-party ethical audit. Suppliers are expected to pay when third-party audits are requested as this allows them to own the data and share reports with other customers without having to undergo further similar audits within the same or similar timeframe. Givaudan expects to discuss the results of such audits with the supplier: areas for improvement will be clearly identified and a corrective action plan agreed.

Givaudan expects any supplier who has been audited to resolve any major or critical non-conformities within a timescale agreed with the supplier and to provide supporting documentation as requested. Any audits conducted, whether through internal or third-party means, will normally need to be repeated within a three-year timeline. Givaudan will work with their suppliers to ensure this process is maintained. We know that some challenges can take time to overcome and this will be considered where applicable. We monitor and measure

progress of this through our regular supplier review process and through specific assessment and audit activity. Where Givaudan sees that a supplier cannot, or will not, take the necessary actions to demonstrate compliance, over an agreed timeline, then Givaudan may take the necessary steps to seek alternative supply of a particular material or service.

Advanced Level

At the Advanced level, we select a small number of key supply chains from our prioritised list for a deeper level of activity. Within this context, we develop flagship and transformational projects through collaboration with external stakeholders. We currently have 24 projects ongoing in our Naturals supply chains. Our goal is to increase this number by starting new projects in collaboration with our customers and suppliers in the years to come.

Palm oil - Earthworm Foundation

Aceh, Indonesia's northernmost province, had lost 300,000 hectares of its forest since 2001, with the primary drivers being the expansion of palm oil plantations and other

cropland. Through the Earthworm Foundation landscape programme in Aceh, Givaudan's support contributes to developing alternative livelihoods for palm oil



farmers, improving their resilience, and at the same time protecting the forest from destructive agricultural practices.

Following a feasibility study in June 2021, Earthworm identified nutmeg, corn, and chilies as potential crops for intercropping in palm oil plantations. As an initial step in piloting the alternative livelihood programme, the participatory land-use planning (PLUP) process was completed in Bawan village, Subulussalam district. Based on PLUP, the community agreed to allocate 675 hectares for livelihood and 650 hectares for conservation. Corn will be the first crop to be intercropped on 30 hectares of palm oil plantations starting in 2022.

Local community development

Material topic definition

Local community development

Recognising and supporting the broader development goals of local communities where Givaudan operates and sources from. We especially strive to improve the quality of life in vulnerable communities

Purpose pillars







© CREATIONS NATURE PEOPLE COMMUNITIES

Disclosure 103-1

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

The communities and neighbourhoods in which we operate and source our materials are critical to our long-term success. Our business can affect these communities, and local stakeholders can in turn have an impact on our activities. Recognising and supporting the broader development goals of these local communities is essential to acknowledging their important contributions and we are committed to supporting them to build stable lives.

The close working relationships we establish with the very people who grow, collect and distil our raw materials are key to our continued success in securing the long-term supply of the ingredients we rely on for our flavours and fragrances. Maintaining a good reputation in communities where we have a manufacturing or commercial presence is also essential as it helps attract the right talent and personnel to the Company.

Overall, good relations allow us to work together on projects and causes that benefit the community, help to protect local ecosystems and support livelihoods. This translates into

economic or social benefits such as improving access to education or mental or physical health for the local communities as well as sustainable success for Givaudan.

Boundary

- Givaudan
- Local communities

Disclosure 103 - 2, 103 - 3, 413 - 1 MANAGEMENT APPROACH

Responding to the needs within communities and using our business expertise as a force for good allows us to improve lives through projects that support everything from health and education to enhancing environmental and agricultural practices. This, in turn, aids us in realising our ambition to improve the lives of millions of people in the communities where we source and operate by sourcing all materials and services - naturals, synthetics and indirect materials and services (IM&S) - in a way that protects people and the environment by 2030. This is one of the focus areas of our company purpose and central to our strategy.

Overall, we actively develop and sustain relationships with communities and listen to their representatives and understand their needs, allowing us to take their points of view into account and integrate their feedback into our activities. We have also supported local producer communities for more than a decade through a variety of social and environmental projects. Our field teams, for instance, travel to remote sourcing regions all over the world, cultivating relationships with producers. This enables us to build trust and work together to ensure the long-term future of raw materials. Our work also contributes to more stable incomes to help improve the lives of these communities.

This year, we introduced our new sustainable sourcing approach, Sourcing4Good. Created in partnership with expert multidisciplinary teams, Sourcing4Good encompasses all 16,000 of our active suppliers and applies to all materials, both natural and synthetic as well as indirect materials and services. The progress and success of the programme will be measured in terms of four goals, two of which are particularly relevant to local community development: we aim to improve working conditions in factories, farms and at the collector level and will strive to improve the lives of the communities where we source. More information on our programme and relevant policies can be found in the chapter on Responsible Sourcing & Traceability.

We believe too that each and every employee has the potential to make a change for the wellbeing of the communities in which we work and live. This opportunity is available through our Green Teams, which are active at the majority of our sites. Members of these teams are involved in voluntary sustainability projects in local communities as well as in internal programmes. The projects empower and encourage groups of employees to identify local opportunities to support our sustainability and purpose ambitions. They also raise awareness of existing sustainable operations across Givaudan and deliver results.

This year, achievements included our GBS site in Buenos Aires winning the bronze certification "Certified Conscious Office space" from Eco House, a non-profit organisation specialising in education, politics, economics and volunteering for sustainability. The designation came after two years of preparation, implementation of actions, training sessions and awareness-raising amongst all employees. It included the introduction of an onsite waste separation and treatment system as well as updated signage indicating sustainable behaviour and additional measures. At our Smithfield, Australia site, employees worked with customer and supplier partners in the fight against COVID-19 to promptly supply sanitisers to

Local community development

Western Australia's local indigenous aboriginal communities, who are considered high risk and more prone to health issues. The team, supported by Australian Government's COVID-19 Remote Indigenous Community Task Force, subsequently delivered nearly 250,000 sanitiser products during 2020 and 2021, impacting the lives of thousands of community members.

At our Cuernavaca and Mexico City sites, where the local teams are working on 'single use plastics' and 'community care' agendas as part of a project with a local NGO partner, the recycling of more than four tons of their single use plastic waste in the form of bottle caps both helped Givaudan meet its global waste target. A partnership with the Mexican NGO Banco de Tapitas AC, which uses the proceeds from its bottle cap collection and recycling to help children and young adults suffering from cancer, means that the efforts also contributed significantly towards building happier and healthier communities through the provision of medical and food support.

A related programme, Imagin8, is meant to encourage our people to explore their personal connection to the company purpose. It contributes to the scale-up of our efforts in social innovation by prompting employees to see themselves as changemakers. With a focus on small, simple ideas that can accelerate improvements in, for example, social conditions, positive climate action, mental health or access to affordable, healthy products for more communities, the programme has generated hundreds of ideas.

In keeping with the mindset of 'think small with a big impact,' one very simple but effective idea was to promote hand-washing among children. At the height of the COVID-19 pandemic in 2020, our employees saw the need to improve hygiene among children in poorer countries. Colleagues in Brazil, Malaysia, Nigeria, Singapore, UK and the USA collaborated and by 2021 we were able to pilot a sustainable, colour-changing bar

soap to encourage children to learn how to wash their hands through play. The team also worked with a digital agency to create an online game, Challenge 20, teaching the key steps of hand-washing routines. Players have 20 seconds to kill as many 'germs' on the hands as possible to progress to the next level.

Our employees also contribute through our work with the Givaudan Foundation, a not-for-profit organisation that has funded projects to help build more secure futures for communities and their environments since 2014. A full half of the foundation's projects are directly proposed and designed by employees who wish to make a change in communities where Givaudan sources natural ingredients and communities where our employees work. The foundation also works with local organisations to identify and respond to local needs and then carry out projects in three main areas: education, health, and preservation of the environment. The foundation works closely with and relies on resources provided by Givaudan to conduct and monitor its projects. Such initiatives encompass 27 ongoing projects in 12 countries, touching more than 40,000 beneficiaries as well as their families and communities.

In certain supply chains, we develop targeted action plans in cooperation with the producers, suppliers and/or other organisations such as NGOs. This allows us to support projects in education and health as well as good practices in agriculture and processing. We also assist in safeguarding the environment and natural resources, and encourage investment in sustainable development and innovation. More information can be found in the chapter on Responsible Sourcing & Traceability.

We additionally support local communities with charitable giving. We work with producers, suppliers and/or other organisations to bolster projects in education, health and nutrition as well as good practices in agriculture and production. We help communities safeguard their environment

Community development in Madagascar

Our work in Madagascar helps mitigate our environmental impact and support community development. In the Analanjirofo region, we help small-scale producers of clove leaf oil establish sustainable sources of firewood and improve distillation equipment. This year, we planted more than 117,000 trees and continued developing and promoting environmentally friendly agricultural skills. In the vanilla supply chain, we built and equipped a new health centre offering vanilla farmers from eight villages health care access. We also started construction of a new school. Our efforts have had an impact on more than 11.000 beneficiaries.



Local community development

and natural resources. Every precaution is taken to operate safely in these communities, all while providing social and economic value and reducing our environmental footprint.

This spending, governed by an annual budget allocation process for charitable giving that has been in place at all of our sites since 2012, is controlled and consolidated by a sustainability controller and closely monitored. Each site manager is responsible for how the relevant budget is spent and has some freedom to allocate funding to local organisations, providing they comply with Givaudan guidelines and local laws on non-profit organisations. The spending is reviewed annually as part of our financial assurance, and information is disclosed as part of the P&L statement.

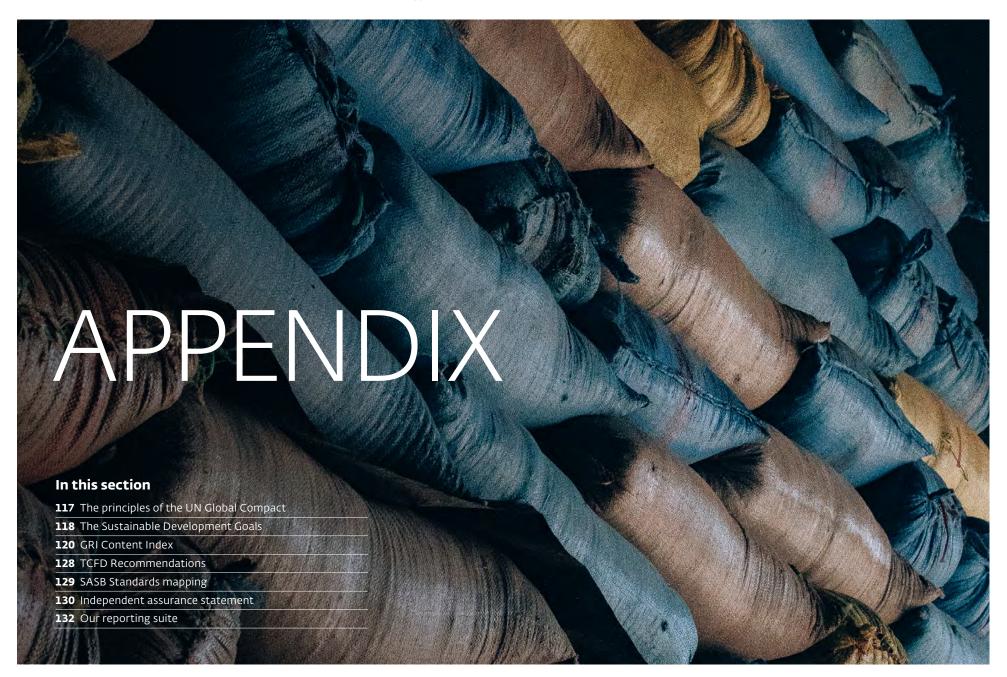
In March 2020, we established a COVID-19 community fund to enable our sites to support local communities that had been affected by the pandemic. By the end of 2021, we were able to help almost 100,000 people in 137 communities around the world. We also adapted our production to increase the amount of hand sanitiser for our employees, but also for local health, community and front line services who were in critical need of it.

In 2021, the total financial contribution from Givaudan to communities was more than CHF 2 million

Disclosure 203 - 1

Infrastructure investments and services supported

The island of Haiti, where we grow vetiver, a scented, golden oil highly prized in the fragrance industry for its intensity and natural synergy with other raw materials, is an example of a challenging environment where we support the island's producer communities and safeguard supply of the ingredient. Since 2012, Givaudan has been collaborating with a local supplier to support a cooperative of 250 vetiver root producers from three villages. The cooperative and our local supplier have achieved the Ecocert Fair for Life Certification. which ensures minimum prices, improved working conditions for everybody in the local supply chain, and validates the social and environmental responsibility of vetiver production. The certification also ensures full traceability of the raw material. The cooperative benefits from a premium on the price of its vetiver roots, feeding a development fund used to support community projects and the local supply chain. The fund has paid for repairs to a road linking producer villages and the vetiver distillery. The new road makes it much easier to transport the roots and has also opened up better access to healthcare and other essential amenities. The fund has also brought electricity to the villages, and cooperative members receive training on good agricultural practices as well as health and safety measures to consider in the field.





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.





Human rights

Principle 1

Social

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

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

Social

Sustainable development calls for concerted efforts towards building an inclusive and sustainable future for people and the planet.

The Sustainable Development Goals (SDGs), adopted by the United Nations and entered into force on 1 January 2016, build on the success of the Millennium Development Goals (MDGs). The ambitious goals shall be achieved by 2030 through effective action taken through both the public and private sector in all countries.

www.un.org/sustainabledevelopment

























Zero hunger

Givaudan is committed to helping end hunger, achieving food security and improved nutrition, and promoting sustainable agriculture. We believe

that through game-changing innovation in food and beverages we can encourage an uptake of healthier dietary choices, contributing to addressing global food challenges. By enabling access to plant-based protein ingredients, for example, our innovations are possible steps towards sustainably nourishing the growing global population. Givaudan relies on thriving local communities to source many natural ingredients and we work closely with our supply chains to encourage better nutrition among local producers.



Good health and well-being

One of the key ambitions of our purpose is that by 2030, we will double our business through creations that contribute to happier, healthier

lives. We are working hard to achieve this. For example, by developing solutions for food and beverage products with less sugar, fat or salt, we enable people to make healthier food choices. Our focus on good health and wellbeing is also supported by our people goals. We strive to improve how we care for our people by 2025 through access for everyone on our sites to mental and physical health initiatives, tools and training. We aim to reduce our total recordable injury rate by 50%. Through our Responsible Sourcing Policy, we set high standards for health, safety, social and environmental practices for both our Company and our suppliers. Through all of this, we are building a culture in which safety, health and environmental commitments are the personal responsibility of every employee.



Gender equality

We are a leading employer in the industry, with a global staff of around 16,000, including more than 90 nationalities. We reflect the societies and

cultures in which we operate by providing opportunities for people of all backgrounds, gender and location. Driven by our purpose, before 2030 we aim to be a more balanced and inclusive company. For example, before 2025, we will be rated among the leading employers for inclusion globally, and before 2030, 50% of our senior leaders will be women. Our policies and programmes keep us on track with these important commitments.



Clean water and sanitation

Water is an essential element in our operations and supply chain, and is managed within the framework of our Responsible Care Management

System. For Givaudan, water stewardship means optimising the use of intake water through reuse and efficiency, and ensuring the quality of discharged water through analysis and treatment. In the workplace, we ensure the availability of clean water, sanitation and hygiene. By 2021, we had reduced our water intensity by 31% (vs. 2009). In 2020, we endorsed the UN'S CEO Water Mandate. This UN Global Compact initiative brings together business leaders to address global water challenges and in 2021 we were awarded the CDP A rating for our actions on water preservation.

The Sustainable Development Goals



Decent work and economic growth

Our 2025 strategy, derived from our purpose of 'creating for happier, healthier lives with love for nature' is our five-year roadmap for how we will

deliver sustainable value creation for all our stakeholders. Nurturing a place where our people love to be and grow is an important driver of this strategy. We value our employees and provide them with opportunities for growth and career development through training programmes, and we promote a multi-generational and diverse workforce that operates in an agile and collaborative way. Through our human rights policy, we commit to respect human rights, to act with due diligence to avoid causing or contributing to human rights abuses through our own activities, and to prevent and address human rights abuses that are linked to our operations, products or services around the world.



Industry, innovation and infrastructure

In line with our strategy to deliver profitable growth while having a positive, sustainable impact through our creations on people, nature and

communities, our approach to innovation considers the potential impact of our processes and products on the environment. Our research into new solutions utilises green chemistry and opportunities derived from traditional and novel forms of biotransformation, biodegradability and upcycling. We identify novel technologies such as automation or greener processes that can improve our production environment. We continue investments in high growth markets, especially China and India. We are also developing infrastructure in remote areas such as the Amazonian basin in Brazil where, for example, we have a joint venture in a programme to train farmers and cooperative workers in responsible practices for guarana.



Social

Responsible consumption and production

As our purpose guides us to show our love for nature in everything we do, we have set clear

ambitions to help reduce our own environmental impact and that of our products. Our goal to become climate positive before 2050 and our bold ambitions on water and waste are two examples. As we grow together with our customers, we continue to work towards reducing waste and water consumption across our operations, and we have set stringent science-based targets for absolute greenhouse gas reduction. We innovate responsibly to offer sustainable new solutions based on green chemistry, to provide alternatives to animal testing, and to leverage biotechnical techniques and advanced fermentation methods to create new and existing molecules. Our new Sourcing4Good programme guides us in our approach to sourcing responsibly and is linked to our goal to source all materials and services in a way that protects people and planet by 2030.



Climate action

Givaudan is working towards an ambition to become climate positive before 2050. This means reducing our absolute scope 1 and 2 GHG emissions

by 70% before 2030 and becoming climate positive in our operations by 2040. Our scope 3 GHG emissions will be cut by 20% before 2030 and our supply chain will be climate positive before 2050. Givaudan's climate action targets have been approved by the independent Science Based Targets initiative in alignment with the global effort to keep a temperature increase below the two-degree threshold, a key goal of the 2015 Paris Agreement. We assess every aspect of our activities and those of our suppliers to find opportunities to limit our environmental impact, including our target for 100% renewable electricity by 2025. Our Responsible Sourcing Policy highlights our commitment to removing commodity-driven deforestation from our supply chains.



Life on land

Givaudan is committed to sourcing all materials and services in a way that protects people and the environment by 2030. As an industry leader with

250 years of heritage, we work in partnership with producers and suppliers to transform the way we source and create new value to be shared by all as part of our Sourcing4Good programme. We recognise that we have an important obligation to contribute to preserving the environment and the planet's biodiversity for future generations. Through our Responsible Sourcing Policy we request that suppliers comply with all applicable environmental regulations and always aim to reduce their impacts on nature and landscapes. Suppliers must implement environmental management principles that avoid any pollution of air, soils and water and, in parallel, conserve biodiversity and nurture biodiversity.



Partnerships for the goals

Collaboration is essential in delivering on our bold ambitions. The more we do together, the quicker we drive sustainable solutions and the faster

we meet our targets. Our collaborations with an ecosystem of partners, from UN Global Compact to the World Business Council for Sustainable Development, RE100 and The Earthworm Foundation, help to inform and support our work on our most material sustainability issues. We have strategic relationships with suppliers, start-ups and partners allowing for even greater collaboration and co-creation to develop innovative solutions for the future. Examples of this include our Connect to Win programme for supplier-enabled innovation, our strategic collaboration to increase opportunities in biotechnology and our co-creation partnerships with many prominent players in plant-based proteins that caters to the strong shift towards plant-based meat alternatives and alternative protein sources.



GRI Content Index

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102 – 40 to 102 – 49 align with appropriate sections in the body of the report.



AR = 2021 Integrated Annual Report

GCFR = 2021 Governance, Compensation and Financial Report

www.givaudan.com > Media > Publications

GRI Standard and Disclosure	Publication year	Page/Information	SASB Code	UNGC Principles	SDG Goals
GRI 101: Foundation	2016	1			
GRI 102: General Disclosures	2016				
Organizational profile					
Disclosure 102 – 1 Name of the organisation		Givaudan SA			
Disclosure 102 – 2 Activities, brands, products, and services		AR p l			
Disclosure 102 – 3 Location of headquarters		Vernier, Switzerland			
Disclosure 102 – 4 Location of operations		AR pp 152–159			
Disclosure 102 – 5 Ownership and legal form		GCFR pp 4, 5			
Disclosure 102 – 6 Markets served		AR pp 150, 151			
		etal number of sites: 185; Total number of employees: > 16,800 (FTE); Group sales:			
Disclosure 102 – 7 Scale of the organisation		lion; Total assets: CHF 11.4 billion; Equity 34.5%; Products sold per year: > 126,460.			
Disclosure 102 – 8 Information on employees and other workers	radio.	88		6	8
Disclosure 102 – 9 Supply chain		108		Ü	
		changes in the share capital structure significant changes in our supply chain			
Disclosure 102 – 10 Significant changes to the organisation and its supply chain	in 2021	. For new site openings see AR pp 8–9.			
Disclosure 102 – 11 Precautionary Principle or approach		33			12,13
Disclosure 102 – 12 External initiatives		18		1	
Disclosure 102 – 13 Membership of associations		22			
Strategy					
Disclosure 102 – 14 Statement from senior decision-maker		4			
Disclosure 102 – 15 Key impacts, risks and opportunities		6			



GRI Standard and Disclosure	Publication year	Page/Information	SASB Code	UNGC Principles	SDG Goals
Ethics and integrity					
Disclosure 102 – 16 Values, principles, standards, and norms of behaviour		31		10	5
Disclosure 102 – 17 Mechanisms for advice and concerns about ethics		32			
Governance					
Disclosure 102 – 18 Governance structure		34			
Disclosure 102 – 19 Delegating authority		GCFR pp 14-16			
Disclosure 102 – 20 Executive-level responsibility for economic, environmental, and social topics		35			
Disclosure 102 – 22 Composition of the highest governance body and its committees		GCFR pp 7-16			
Disclosure 102 – 23 Chair of the highest governance body		Non-executive			
Disclosure 102 – 24 Nominating and selecting the highest governance body		GCFR pp 7, 10			
Disclosure 102 – 25 Conflicts of interest		GCFR pp 7−9			
Disclosure 102 – 26 Role of highest governance body in setting purpose, values, and strategy		35, GCFR p 14			
Disclosure 102 – 27 Collective knowledge of highest governance body		GCFR p 7			
Disclosure 102 – 31 Review of economic, environmental, and social topics		35			
Disclosure 102 – 35 Remuneration policies		36, GCFR pp 22-36			
Disclosure 102 – 37 Stakeholders' involvement in remuneration		GCFR pp 33, 36			
Stakeholder engagement Stakeholder engagement					
Disclosure 102 – 40 List of stakeholder groups		11			
Disclosure 102 – 41 Collective bargaining agreements		105		3	8, 17
Disclosure 102 – 42 Identifying and selecting stakeholders		13			
Disclosure 102 – 43 Approach to stakeholder engagement		13			
Disclosure 102 – 44 Key topics and concerns raised		11			
Reporting practice					
Disclosure 102 – 45 Entities included in the consolidated financial statements	This report co	overs the whole scope of consolidation,			
		herwise stated. The list of consolidated			
		companies can be found in GCFR p 95.			
Disclosure 102 – 46 Defining report content and topic boundaries		14			
Disclosure 102 – 47 List of material topics		15			
Disclosure 102 – 48 Restatements of information		81			
Disclosure 102 – 49 Changes in reporting		17			
Disclosure 102 – 50 Reporting period		17			
Disclosure 102 – 51 Date of most recent report		January 2021			
Disclosure 102 – 52 Reporting cycle		Annually			
Disclosure 102 – 53 Contact point for questions regarding the report		global.sustainability@givaudan.com			



GRI Standard and Disclosure	Publication year	Page/Information	SASB Code	UNGC Principles	SDG Goals
Disclosure 102 – 54 Claims of reporting in accordance with the GRI Standards		This report has been prepared in accordance			12
		with the GRI Standards: Core option.			
Disclosure 102 – 55 GRI content index		120			12
Disclosure 102 – 56 External assurance		130			12
Topic-specific disclosures					
Economic performance					8, 9, 13
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		28			
Disclosure 103 – 2 The management approach and its components		28			
Disclosure 103 – 3 Evaluation of the management approach		28			
GRI 201: Economic performance	2016				
Disclosure 201 – 1 Direct economic value generated and distributed		29			
Disclosure 201 – 2 Financial implications and other risks and opportunities due to climate change		30			
Disclosure 201 – 3 Defined benefit plan obligations and other retirement plans		30			
GRI 204: Procurement Practices	2016				
Disclosure 204 – 1 Proportion of spending on local suppliers		29			
Governance & business conduct / ethics / transparency				10	12,17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		31			
Disclosure 103 – 2 The management approach and its components		31			
Disclosure 103 – 3 Evaluation of the management approach		31			
GRI 205: Anti-corruption	2016				
Disclosure 205 – 2 Communication and training about anti-corruption policies and procedures		32			
Product / Ingredients environmental & social performance				7, 8, 9	2, 3, 9, 12, 13
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		38			
Disclosure 103 – 2 The management approach and its components		39 RT-CF	H-410b.2		
Disclosure 103 – 3 Evaluation of the management approach		39			



GRI Standard and Disclosure	Publication year	Page/Information	SASB Code	UNGC Principles	SDC Goals
Product quality & safety and ingredient disclosure				•	3, 9, 12
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		40			
Disclosure 103 – 2 The management approach and its components		40 RT-0	CH-410b.2		
Disclosure 103 – 3 Evaluation of the management approach		40			
GRI 416: Customer Health and Safety	2016				
Disclosure 416 – 1 Assessment of the health and safety impacts of product and service categories	;	41 RT-C	CH-410b.2		
Disclosure 416 – 2 Incidents of non-compliance concerning the health and safety impacts of					
products and services		41 RT-0	CH-410b.2		
GRI 417: Marketing and Labeling	2016				
Disclosure 417 – 1 Requirements for product and service information and labeling		41			
Innovation capabilities & management				8,9	8, 9, 12, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		42			
Disclosure 103 – 2 The management approach and its components		42 RT-0	CH-410b.2		
Disclosure 103 – 3 Evaluation of the management approach		42			
Climate change				7, 8, 9	12, 13, 15
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		51			
Disclosure 103 – 2 The management approach and its components		51 RT-0	CH-110a.2		
Disclosure 103 – 3 Evaluation of the management approach		51			
GRI 302: Energy	2016				
Disclosure 302 – 1 Energy consumption within the organisation		54 RT-0	CH-130a.1		
Disclosure 302 – 3 Energy intensity		54 RT-0	CH-130a.1		
Disclosure 302 – 4 Reduction of energy consumption		54 RT-0	CH-130a.1		
GRI 305: Emissions	2016				
Disclosure 305 – 1 Direct (Scope 1) GHG emissions		55 RT-0	CH-110a.1		
Disclosure 305 – 2 Energy indirect (Scope 2) GHG emissions		55			
Disclosure 305 – 3 Other indirect (Scope 3) GHG emissions		60			
Disclosure 305 – 4 GHG emissions intensity		55			
Disclosure 305 – 5 Reduction of GHG emissions		55			
Disclosure 305 – 6 Emissions of ozone-depleting substances (ODS)		60			
Disclosure 305 – 7 Nitrogen oxides (NOX), sulphur oxides (SO2), and other significant air emissions	5	60 T-0	CH-120a.1		



GRI Standard and Disclosure	Publication year	SASE Page/Information Code		SDG Goals
Waste management & circular principles / Raw materials availability	, ,		8	2, 9, 12, 15, 17
GRI 103: Management Approach	2016			
Disclosure 103 – 1 Explanation of the material topic and its boundary		63		
Disclosure 103 – 2 The management approach and its components		63		
Disclosure 103 – 3 Evaluation of the management approach		63		
GRI 301: Materials	2016			
Disclosure 301 – 1 Materials used by weight or volume		66		
GRI 306: Waste	2020			
Disclosure 306 – 1 Waste generation and significant waste-related impacts		63		
Disclosure 306 – 2 Management of significant waste-related impacts		63		
Disclosure 306 – 3 Waste generated		66 RT-CH-150a.1		
Disclosure 306 – 4 Waste diverted from disposal		67 RT-CH-150a.1		
Disclosure 306 – 5 Waste directed to disposal		67		
Water stewardship			8	6, 8, 12, 17
GRI 103: Management Approach	2016			
Disclosure 103 – 1 Explanation of the material topic and its boundary		68		
Disclosure 103 – 2 The management approach and its components		68 RT-CH-140a.3		
Disclosure 103 – 3 Evaluation of the management approach		68		
GRI 303: Water and Effluents	2018			
Disclosure 303 – 1 Interactions with water as a shared resource		68 RT-CH-140a.3		
Disclosure 303 – 2 Management of water discharge-related impacts		68 RT-CH-140a.3		
Disclosure 303 – 3 Water withdrawal		73 RT-CH-140a.1		
Disclosure 303 – 4 Water discharge		73 RT-CH-140a.1		
Disclosure 303 – 5 Water consumption		73 RT-CH-140a.1		
Biodiversity			8	2,15,17
GRI 103: Management Approach	2016			
Disclosure 103 – 1 Explanation of the material topic and its boundary		75		
Disclosure 103 – 2 The management approach and its components		75		
Disclosure 103 – 3 Evaluation of the management approach		75		
GRI 304: Biodiversity	2016			
Disclosure 304 – 1 Operational sites owned, leased, managed in, or adjacent to, protected areas areas of high biodiversity value outside protected areas	sand	76		
Disclosure 304 – 2 Significant impacts of activities, products, and services on biodiversity		76		
Disclosure 304 – 3 Habitats protected or restored		77		



GRI Standard and Disclosure	Publication year	Page/Information	SASB Code	UNGC Principles	SDG Goals
Diversity, inclusion & people development				6	5, 8, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		87			
Disclosure 103 – 2 The management approach and its components		87			
Disclosure 103 – 3 Evaluation of the management approach		87			
GRI 202: Market Presence	2016				
Disclosure 202 – 1 Ratios of standard entry level wage by gender compared to local	al minimum wage	89			
GRI 401: Employment	2016				
Disclosure 401 – 1 New employee hires and employee turnover		90			
Disclosure 401 – 3 Parental leave		91			
GRI 404: Training and Education	2016				
Disclosure 404 – 2 Programs for upgrading employee skills and transition assistan	nce programs	91			
Disclosure 404 – 3 Percentage of employees receiving regular performance and ca	areer development reviews	92			
GRI 405: Diversity and Equal Opportunity	2016				
Disclosure 405 – 1 Diversity of governance bodies and employees		89			
Disclosure 405 – 2 Ratio of basic salary and remuneration of women to men		89			
GRI 406: Non-discrimination	2016				
Disclosure 406 – 1 Incidents of discrimination and corrective actions taken		89			
Employee safety, health & wellbeing					3,8
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		93			
Disclosure 103 – 2 The management approach and its components		93 RT-C	:H-320a.2		
Disclosure 103 – 3 Evaluation of the management approach		93			
GRI 403: Occupational Health and Safety	2018				
Disclosure 403 – 1 Occupational health and safety management system		93 RT-C	:H-320a.2		
$Disclosure\ 403-2\ Hazard\ identification, risk\ assessment, and\ incident\ investigation$	on	93 RT-C	:H-320a.2		
Disclosure 403 – 3 Occupational health services		95 RT-C	:H-320a.2		
Disclosure 403 – 4 Worker participation, consultation, and communication on occupa	ational health and safety	96 RT-C	:H-320a.2		
Disclosure 403 – 5 Worker training on occupational health and safety		96 RT-C	:H-320a.2		
Disclosure 403 – 6 Promotion of worker health		97 RT-C	:H-320a.2		
Disclosure 403 – 7 Prevention and mitigation of occupational health and safety imp	pacts directly linked by				
business relationships		99 RT-C	:H-320a.2		
Disclosure 403 – 9 Work-related injuries		99 RT-C	:H-320a.1		
Disclosure 403 – 10 Work-related ill health		99			



GRI Standard and Disclosure	Publication year	Page/Information	SASB Code	UNGC Principles	SDG Goals
Consumer health & wellbeing					2, 3, 9, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		101			
Disclosure 103 – 2 The management approach and its components		101			
Disclosure 103 – 3 Evaluation of the management approach		101			
Human rights				1, 2, 3, 4, 5	2, 5, 8, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		104			
Disclosure 103 – 2 The management approach and its components		104			
Disclosure 103 – 3 Evaluation of the management approach		104			
GRI 402: Labor/Management Relations	2016				
Disclosure 402 – 1 Minimum notice periods regarding operational changes		105			
GRI 407: Freedom of Association and Collective Bargaining	2016				
Disclosure 407 – 1 Operations and suppliers in which the right to freedom of association					
and collective bargaining may be at risk		106			
GRI 408: Child Labor	2016				
Disclosure 408 – 1 Operations and suppliers at significant risk for incidents of child labor		106			
GRI 409: Forced or Compulsory Labor	2016				
Disclosure 409 – 1 Operations and suppliers at significant risk for incidents of forced or compulsory	labor	106			
GRI 412: Human Rights Assessment	2016				
Disclosure 412 – 1 Operations that have been subject to human rights reviews or impact assessme	nts	106			
Disclosure 412 – 2 Employee training on human rights policies or procedures		107			
Disclosure 412 – 3 Significant investment agreements and contracts that include human rights					
clauses or that underwent human rights screening		107			



GRI Standard and Disclosure	Publication year	Page/Information	SASB Code	UNGC Principles	SDC Goals
Responsible sourcing & traceability				1, 2, 4, 8, 10	2, 8, 12, 15, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		108			
Disclosure 103 – 2 The management approach and its components		108			
Disclosure 103 – 3 Evaluation of the management approach		108			
GRI 308: Supplier Environmental Assessment	2016				
Disclosure 308 – 1 New suppliers screened using environmental criteria		111			
GRI 407: Freedom of Association and Collective Bargaining	2016				
Disclosure 407 – 1 Operations and suppliers in which the right to freedom of association					
and collective bargaining may be at risk		111			
GRI 408: Child Labor	2016				
Disclosure 408 – 1 Operations and suppliers at significant risk for incidents of child labor		111			
GRI 409: Forced or Compulsory Labor	2016				
$Disclosure409-1\ \ Operations and suppliers at significant risk for incidents of forced or complex and suppliers at significant risk for incidents of forced or complex and suppliers at significant risk for incidents of forced or complex and suppliers at significant risk for incidents of forced or complex and suppliers at significant risk for incidents of forced or complex and suppliers at significant risk for incidents of forced or complex and suppliers at significant risk for incidents of forced or complex and suppliers at significant risk for incidents of forced or complex and suppliers at significant risk for incidents of forced or complex and suppliers at significant risk for incidents of suppliers at significant risk for incidents of suppliers at sup$	ulsory labor	111			
GRI 414: Supplier Social Assessment	2016				
Disclosure 414 – 1 New suppliers that were screened using social criteria		111			
Local community development				1	2, 8, 9, 17
GRI 103: Management Approach	2016				
Disclosure 103 – 1 Explanation of the material topic and its boundary		113 RT-C	H-210a.1		
Disclosure 103 – 2 The management approach and its components		113 RT-C	H-210a.1		
Disclosure 103 – 3 Evaluation of the management approach		113 RT-C	H-210a.1		
GRI 203: Indirect Economic Impacts	2016				
Disclosure 203 – 1 Infrastructure investments and services supported		115 RT-C	H-210a.1		
GRI 413: Local Communities	2016				
Disclosure 413 – 1 Operations with local community engagement, impact assessments,					
and development programmes		113 RT-C	H-210a.1		



TCFD Recommendations

We have been carefully considering and managing - with increasing scrutiny since the 2015 Paris Agreement - many of the topics addressed by the Task Force on Climate-related Financial Disclosures (TCFD). Through our comprehensive reporting, including our Integrated Annual Report and our GRI Sustainability

Report, we are already addressing many of the recommended disclosures by TCFD. Alignment is also achieved through our yearly submissions of the CDP questionnaire on Climate Change, as shown in the table below. We are increasing our efforts to further enhance the quality and robustness of our analysis and reporting.

□ DOWNLOAD

Our CDP questionnaires are found on givaudan.com > investors > ESG > CDP report on climate change and CDP report on water security

Thematic area	Description	Recommended disclosures	CDP questionnaire references 2021
Governance	Disclose the organization's governance around climate-related risks and opportunities.	a. Describe the board's oversight of climate-related risks and opportunities.b. Management's role in assessing and managing climate related risks and opportunities	Climate change: C1.1a, C1.1b, C1.2, C1.2a, C1.3a
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	 a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term. b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. 	Climate change: C2.1a, C2.2a, C2.3, C2.3a, C2.4, C2.4a, C3.1, C3.1b, C3.1d, C3.1e, C3.1f, C3.2, C3.2a, C3.3, C3.4 Water security: section W4
Risk Management	Disclose how the organization identifies, assesses, and manages climate-related risks.	 a. Describe the organization's processes for identifying and assessing climate-related risks. b. Describe the organization's processes for managing climate-related risks. c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management. 	Climate change: C2.1, C2.1a, C2.2, C2.2a Water security: section W3.3, W3.3a, W3.3b, W3.3c, W3.3d
Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate related risks and opportunities where such information is material.	 a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks. c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets. 	Climate change: C2.1a, C2.1b, C2.3a, C2.4a, C4.1, C4.1a, C4.2, C4.2a, C6.1, C6.3, C6.5, C9.1 Water security: section W4.1a, W8



SASB Standards mapping

The following Sustainability Accounting Standards Board (SASB) Standards mapping table, is especially tailored to the information needs of investors and other capital market players related to sustainability issues. The table maps the relevant metrics pertaining to the SASB Chemicals Standard to our sources of information. The SASB accounting metrics are highly aligned with our GRI reporting.

Торіс	Accounting Metric	Code	Location / Information
Greenhouse Gas Emission	- Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	- RT-CH-110a.1	Pages 51-55
	 Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets 	- RT-CH-110a.2	
Air Quality	Air emissions of the following pollutants: (1) NOX (excluding N_2O), (2) SOX, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	- RT-CH-120a.1	Page 60
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	- RT-CH-130a.1	Pages 52–54
Water Management	- (1) Total water withdrawn, (2) total water consumed, percentage of each in regions with high or extremely high	- RT-CH-140a.1	Pages 68-74
	baseline water stress	- RT-CH-140a.3	
	- Description of water management risks and discussion of strategies and practices to mitigate those risks		
Hazardous Waste Management	Amount of hazardous waste generated, percentage recycled	- RT-CH-150a.1	Pages 66-67
Community Relations	Discussion of engagement processes to manage risks and opportunities associated with community interests	- RT-CH-210a.1	Pages 113-115
Workforce Health & Safety	- (1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	- RT-CH-320a.1	Pages 93-100
	– Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	- RT-CH-320a.2	
Safety & Environmental Stewardship of Chemicals	Discussion of strategy to (1) manage chemicals of concern and Discussion & analysis (2) develop alternatives with reduced human and/or environmental impact	- RT-CH-410b.2	Pages 38–47
Activity Metric	- Production by reportable segment	- RT-CH-000.A	- 584,155 tonnes of production
	- Percentage of production as: (1) paper/wood, (2) glass, (3) metal, and (4) plastic	- RT-CP-000.B	- Materials see page 66
	- Number of employees	- RT-CP-000.C	- 14,128 employees (headcount



Independent Assurance Statement

Social



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ev.com

Ernst & Young Associates LLP (EY) has been engaged by Givaudan International S. A. (the 'Company') to provide independent assurance to its GRI Sustainability Report 2021 (the 'Report') covering the Company's sustainability performance during the period 1st October 2020 to 31st December 2021.

The development of the Report, based on GRI Sustainability Reporting Standards (GRI Standards) of the Global Reporting Initiative, its content and presentation are sole responsibility of the management of the Company. EY's responsibility, as agreed with the management of the Company, is to provide independent assurance on the report content as described in the scope of assurance. Our responsibility in performing our assurance activities is to the management of the Company only and in accordance with the terms of reference agreed with the Company. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any dependence that any such third party may place on the Report is entirely at its own risk. The assurance statement should not be taken as a basis for interpreting the Company's overall performance, except for the aspects mentioned in the scope below.

Assurance standard

Our assurance is in accordance with International Federation of Accountants' International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000), and our conclusions are for 'limited' assurance as set out in ISAE 3000.

Scope of assurance and methodology

The scope of our work for this engagement was limited to review of information pertaining to environmental performance for the period 1st October 2020 to 30th September 2021 and social performance (human resources and safety parameters) for the period 1st January 2021 to 31st December 2021. The scope of reporting boundary was limited to the operations indicated on page 150-157 of Integrated Annual Report 2021. We conducted review and verification of data collection/ estimation methodology and general review of the logic of inclusion/ omission of necessary relevant information / data and this was limited to:

- Review of the standard disclosures regarding the company's material sustainability aspects contained in the report;
- Review of consistency of data / information within the report:
- Carry out assurance review remotely including verification of the sample data and information reported at the following manufacturing units and corporate headquarter at Vernier, Switzerland.
- 1 Naturex Bischofszell Switzerland 2. Naturex Casablanca, Morocco
- 3. Naturex Milano, Italy
- 4. Naturex South Hackensack, USA
- 5. Naturex Valencia, Spain

- 6. Vika. UK
- 7. 6TH OF OCTOBER, Egypt
- 8. Carol Stream, USA
- 9. Cuernavaca. Mexico
- 10. Devon, USA
- 11. Fukuroi, Japan
- 12. Jaguare, Brazil
- 13. Johannesburg, South Africa

- 14. Mako, Hungary
- 15. Malvinas, Argentina
- 16. Munro, Argentina
- 17. Dortmund. Germany
- 18. Cimanggis, Indonesia
- 19. Ashford, UK
- 20.Sant Celoni, Spain
- Review and execution of audit trail of selected claims and data streams to determine the level of accuracy in collection, transcription and aggregation processes followed;
- Interview of select representatives of Company's management to understand the current processes in place for capturing sustainability performance data as per GRI Standards, the Company's sustainability vision and the progress made during the reporting period;



Independent Assurance Statement

- Review of Company's plans, policies and practices, so as to be able to make comments on the completeness of the reporting and degree to which EY believes the report provides a fair and honest representation of the Company's activities.

Limitations of our engagement

The assurance scope excludes:

- Data and information outside the defined reporting period (environmental performance for the period 1st October 2020 to 30th September 2021 and social performance (HR and Safety parameters) for the period 1st January 2021 to 31st December 2021);
- Data and information outside the defined GRI reporting boundary defined on page 150-157 of Integrated Annual Report 2021;
- Review of the 'economic performance indicators' included in the Report which, we have been informed by the Company, are derived from the Company's audited financial records;
- The Company's statements that describe expression of opinion, belief, inference, aspiration, expectation, aim or future intention;
- Data, statements and claims already available in the public domain through Annual Report, Corporate Social Responsibility Reports, or other sources available in the public domain;
- Review of the Company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters.

Our assurance team and independence

Our assurance team, comprising of multidisciplinary professionals, has been drawn from our Climate Change and Sustainability network, and undertakes similar engagements with various multi-national companies. As an assurance provider, EY is required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. EY's independence policies and procedures ensure compliance with the Code.

Observations and opportunities for improvement

During the review process, we observed that:

- Our assurance team, comprising of multidisciplinary professionals, has been drawn from our Climate Change and Sustainability network, and undertakes similar engagements with various multi-national companies. As an assurance provider, EY is required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. EY's independence policies and procedures ensure compliance with the Code.
- The Company has been working towards enhancing robustness of data management systems reporting sustainability performance. The Company may further strengthen its system for improving the accuracy of data pertaining to overall GHG emissions, water, and human resources indicators.

Conclusion

On the basis of our procedures for this limited assurance, nothing has come to our attention that causes us to believe that the Company has not reported on material sustainability disclosures significant to its business and its stakeholders.

Ernst & Young Associates LLP

Chaitanya Kalia

Partner

24th January 2022, Mumbai India



Our reporting suite

The 2021 Integrated Annual Report is the primary report to shareholders offering a holistic explanation of our value creation, financial and non-financial capitals and performance.

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

The full suite can be found on:

www.givaudan.com ▶ Investors ▶ Online annual report ▶ **Download centre**



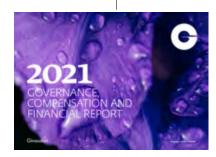
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Available in English from 28 January 2022



2021 Integrated **Annual Report**

Available in English PDF from 28 January 2022 Print from 24 March 2022



2021 Governance, Compensation and Financial Report

Available in English PDF from 28 January 2022



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Available in English, French and German PDF in English from 28 January 2022 Print and language versions from 24 March 2022



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Available in English PDF from 28 January 2022



▶ GRI Content Index

> SASB Standards

> TCFD Recommendations

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