

# Integrated Annual Report



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## GROWING TOGETHER WITH PURPOSE

### COVID-19

Our purpose at the heart  
of our response

### Creations

The fishless wave

Ensuring sustainability for  
the future of perfumery

### Nature

Putting our ingredients under the  
microscope as part of our climate action

### People

Caring for our people during the crisis

### Communities

15,852 employees as a force for good

Givaudan

2020

engage your senses

# Key figures

## SUSTAINABLE PERFORMANCE REVIEW

For the year ended 31 December In millions of Swiss francs, except for environment and social data	2020	2019	Percentage change
<b>Economic</b>			
Group sales	6,322	6,203	1.9%
Like-for-like sales growth	4.0%	5.8%	
Gross profit	2,659	2,530	5.1%
as % of sales	42.1%	40.8%	
EBITDA <sup>1</sup>	1,397	1,275	9.6%
as % of sales	22.1%	20.6%	
Operating income	996	920	8.3%
as % of sales	15.8%	14.8%	
Income <sup>2</sup>	743	702	5.9%
as % of sales	11.8%	11.3%	
Operating cash flow	1,133	1,136	(0.3%)
as % of sales	17.9%	18.3%	
Free cash flow	811	787	3.0%
as % of sales	12.8%	12.7%	
Total assets	10,658	10,396	2.5%
Net debt	4,040	3,679	9.8%
Leverage ratio	50%	47%	
Share price as of last trading day of December (CHF)	3,730	3,031	23.1%
Cash dividend <sup>3</sup> (CHF)	64	62	3.2%
Earnings per share – basic (CHF)	80.59	76.17	5.8%
<b>Environmental<sup>4</sup></b>			
Absolute GHG Emissions scope 1 + 2 <sup>6</sup>	(30%)	(19%) <sup>5</sup>	
Water efficiency <sup>7</sup>	(31%)	(28%)	
Waste efficiency <sup>8</sup>	(14%)	(8%)	
Renewable electricity	81%	75%	
<b>Social</b>			
Number of employees as at 31 December (FTE)	15,852	14,969	5.9%
Women in total work force	39%	39%	
Women in senior management	25%	26%	
Turnover rate	9%	10%	
Lost time injury rate	0.25	0.22	4.5%
Main direct suppliers assessed via SEDEX	82%	80%	

1. 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. The income is 100% attributable to equity holders of the parent.
3. 2020 dividend subject to shareholder approval at the AGM on 25 March 2021.
4. 2020 figures are for new 12-month reporting period: Q4 2019–Q3 2020.
5. Assured 2019 figures and restated in 2020.
6. Compared to baseline year 2015.
7. Municipal and groundwater (m<sup>3</sup>) per tonne of production, compared to baseline year 2009.
8. Tonnes of incinerated and landfill waste per tonne of production, compared to baseline year 2015.

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

# Highlights 2020

**2016-  
2020**  
Strategy  
SUCCESSFULLY  
DELIVERED

AVERAGE ORGANIC  
SALES GROWTH

**4.9%**

AVERAGE FREE CASH  
FLOW AS % OF SALES

**12.6%**

SALES

CHF  
million **6,322**

SALES GROWTH  
LFL<sup>1</sup>

**+4.0%**

EBITDA MARGIN  
AS % OF SALES

**22.1%**

**2020**  
performance

FREE CASH  
FLOW

CHF  
million **811**

FREE CASH FLOW  
AS % OF SALES

**12.8%**

PROPOSED DIVIDEND  
PER SHARE<sup>2</sup>

CHF **64.00**

WOMEN IN SENIOR  
MANAGEMENT

**25%**

RENEWABLE  
ELECTRICITY

**81%**

GHG EMISSIONS  
SCOPE 1 + 2<sup>3</sup>

**-30%**

SEDEX COMPLIANCE  
RATE OF AUDITED  
SUPPLIERS

**85%**

REDUCTION OF  
LOST TIME INJURIES  
SINCE 2009<sup>4</sup>

**-76%**

GHG EMISSIONS  
SCOPE 3<sup>3</sup>

**+11%**

During 2020, the impact of COVID-19 became global. The Givaudan purpose was at the heart of our response to the pandemic as we focused on supporting our employees and communities and on maintaining our operations and global supply chain.

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

2. Subject to shareholder approval at the AGM on 25 March 2021.

3. Compared to baseline year 2015.

4. The reduction in lost time injuries is estimated based on the Lost Time Incident Rate (LTIR).

# About Givaudan

## Growing together with purpose

Givaudan is a global industry leader creating game-changing innovations in food and beverage, and inspiring creations in the world of scent and beauty. We operate in the expanded market space of flavour & taste, functional & nutritional ingredients, and fragrance & beauty.

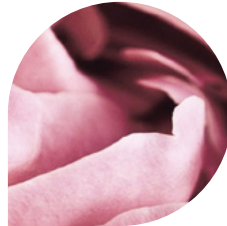
With our heritage stretching back over 250 years, we have a long history of creating and innovating scents and tastes. Our creations inspire every day emotions and delight millions of consumers the world over. We are committed to driving purpose-led, long-term growth with the intention of increasing our positive impact on the world by innovating sustainable solutions while showing our love for nature and leading the way to improve happiness and health for people.

The Company has two business activities, Taste & Wellbeing and Fragrance & Beauty, reflecting Givaudan's purpose of creating for happier, healthier lives, with love for nature. These names were evolved in 2020 and are aligned with the divisions' 2025 strategic ambitions to shape the future of food, fragrances and beauty by becoming the innovation and co-creation partner of choice to our customers.



### Taste & Wellbeing

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



### Fragrance & Beauty

Craftsmanship, creativity and passion to bring you inspiring creations in the world of scent and beauty.

## RECOGNITION

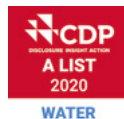
Givaudan is recognised by external organisations as a company acting as a force for good:



Committed to B Corp Certification, the gold standard for good business.



CDP double 'A' rating for climate action and water stewardship for the second consecutive year.



CDP leader board recognition for supplier engagement.



FTSE4Good

Inclusion in FTSE4Good Index Series, ranking us in top 1% performers among peers.



Awarded highest accolade, EcoVadis Platinum medal, with score of 75/100, ranking us in top 1%.

# About this report

## Integrated thinking and acting

This report marks the successful achievement of our 2020 ambitions. In delivering responsible growth and shared success for our stakeholders within and beyond the Company, we are strongly supported and sustained by our purpose: ‘Creating for happier, healthier lives with love for nature. Let’s imagine together.’ It is a compass to guide our choices and set strategic goals. In the following chapters our narrative and case studies outline the value creation in the focus areas of our purpose.



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

Gilles Andrier  
Chief Executive Officer

### 2020 REPORTING SUITE

- ▶ Integrated Annual Report
- ▶ Governance, Compliance and Financial Report
- ▶ Integrated Annual Report Highlights
- ▶ Online Integrated Report
- ▶ GRI Sustainability Report

### FRAMEWORKS APPLIED

- ▶ Integrated Reporting Framework from the IIRC
- ▶ GRI Standards
- ▶ IFRS
- ▶ SIX Directive Corporate Governance
- ▶ Swiss Code of Best Practice for Corporate Governance

### REFERENCES USED



References to other pages in this report, other reports, documents or our websites for more information



Indicates UN Sustainable Development Goals Givaudan contributes to



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## FINANCIALS

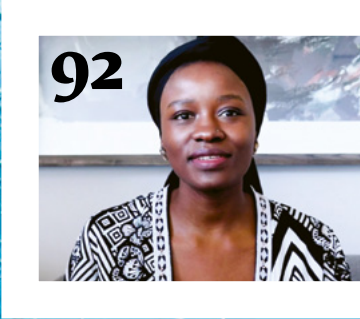
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# Navigating through an extraordinary year

Looking back on the events of 2020, I am struck by the resilience of Givaudan, keeping our employees safe and well whilst seamlessly serving our customers. I'm proud of everything we have accomplished over the last five years, delivering on all of the ambitions of our 2020 strategy, particularly when faced with the most difficult of circumstances in the last year.



The global pandemic brought much disruption to our business and the wider market, but we navigated through and I'd like to thank our employees, customers, partners and suppliers for their great collaboration and commitment in these testing times. I'd also like to thank you all for your commitment and investment in Givaudan.

For our 2020 strategy, we set out to achieve ambitious financial targets, creating shared value for all. In 2020 we delivered solid topline growth of 1.9% in Swiss Francs and free cash flow generation of CHF 811 million. On the basis of Givaudan's strong performance in 2020, and its continued solid financial position, the Board of Directors will propose an increase in the dividend to CHF 64.00 at the Annual General Meeting on 25 March 2021. This is the twentieth increase since our listing on the Swiss stock exchange.

2020 was also an important year as we announced our next five-year plan. 'Committed to growth, with purpose' is how we will deliver ambitious financial targets while also making progress in the areas of creations, nature, people and communities. Being a responsible business has always guided the way we act and behave, and the role we play in advancing on some of the key issues affecting society such as climate change and social inequality. This is reflected in our recently announced objective to become B Corp certified and be a business that acts as a force for a better world.



We noted with interest the recent referendum that took place in Switzerland called the 'Responsible Business Initiative', which called for Swiss companies to ensure that all their subsidiaries, as well as customers and supply chains worldwide, observe human rights and environmental standards. Givaudan's ambitions deployed in our purpose and strong adherence to ethics, human rights and environmental standards guarantee that we operate well within the current legal frameworks and international standards.

As a Board, we also had to adapt our ways of working for the circumstances encountered in 2020. Making use of virtual digital tools ensured we still met regularly and were able to deliberate and approve the new 2025 strategy. We continued to focus our efforts on succession planning. We welcomed two new Board members this year, who were virtually onboarded and have brought great expertise and value. At the next AGM in 2021, longstanding Board member Thomas Rufer will retire. I would like to thank him for his valuable contributions over the last 12 years as a Board Member and as Chairman of the Audit Committee. No further Board members are being announced, and aside Thomas, all other Board members will stand for re-election.

**I'd like to thank our employees, customers, partners and suppliers for their great collaboration and commitment in these testing times.**

Calvin Grieder, Chairman

Looking ahead, we anticipate ongoing disruption from the pandemic in 2021, but I have every confidence that Givaudan will successfully navigate through this. The Board has actively participated in designing the 2025 strategy and we all are confident it will ensure we continue to create sustainable value, while advancing towards a more sustainable business in the areas of creations, nature, people and communities. Many of the trends we identified for the 2025 strategy have grown in importance this year, particularly digitalisation, with the rise of e-commerce and the transformation of the ways we work. We will continue to advance our agenda in this space.

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 employees worldwide for their hard work and dedication, especially after such a testing year. It is their contribution and passion that makes Givaudan a unique place to work.

Finally, I would like to share my thanks to our shareholders for your trust and continuing support. It is with much disappointment that we will again not host an in-person AGM in March 2021 due to the continuing uncertainty around COVID-19. Instead, we have decided to donate a sum to the Givaudan Foundation to support a number of worthwhile projects in our communities.

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



**Calvin Grieder**  
Chairman

## COVID-19

# Our purpose at the heart of our response

Throughout the COVID-19 pandemic, Givaudan has played a critical role in sustaining the global supply chain in food and beverage as well as in

household, health and personal care products.

We take our role as a purpose-led company very seriously, as our purpose

provides a strong and unified reason for why we do what we do: 'Creating for happier, healthier lives with love for nature. Let's imagine together.'

[Continues on page 6 ►](#)

## CEO INTERVIEW

**In an unprecedented year which also completed our five-year strategy cycle, I'm very proud of how we managed to achieve all our 2020 ambitions, delivering 'Responsible growth, Shared success'.**

CEO Gilles Andrier is interviewed by Alice, Corporate Communications Manager at Givaudan. They discuss how the business managed through the COVID-19 pandemic and what's in store for the next strategy cycle.

**Alice Stevens** Gilles, what an extraordinary year. What are some of your reflections?

**Gilles Andrier** Yes, the word of the year was certainly 'unprecedented' and for all of us at Givaudan it was a very challenging period, but I feel very proud about how we managed the year.

Firstly, I want to express how grateful I am to all of our colleagues around the world. Overnight, we completely changed the way we worked and the organisation really showed its ability to be agile and adapt incredibly quickly. I'd especially like to highlight those colleagues who

remained working on-site to ensure production and laboratory continuity so we could play our role in providing critical products to our customers and so for consumers.

Secondly, it was also special as it was the final year of our 2020 strategy. I am delighted that we achieved the financial ambitions we had set, showing once again our ability to deliver industry leading purpose-led growth with a long-term perspective. Overall, it was a year none of us could have predicted but I take many great lessons and opportunities from it.

**AS** Overall, how did the business manage through the pandemic?

### From page 5 ▶

Ensuring we can still deliver these essential products while also protecting our people has guided our response to the crisis.

Our global crisis team worked around the clock to ensure we kept our employees safe, our customers served and the business running as normally as

possible in the circumstances. From the outset of the COVID-19 pandemic we have followed government advice and WHO guidelines and implemented comprehensive measures to protect our colleagues.

We completely and rapidly changed the way we worked. Our office-based employees moved to home working ▶





**GA** We really saw how resilient our business is. This is something that has been built over many years through having 'natural hedges'. We are in every single market in the world, in taste and wellbeing and in fragrance and beauty, with the widest diversity of product categories. And we service a wide variety of customers. These natural hedges result from the strategic growth choices we made as well as the 16 acquisitions we made over the recent past.

Our strong performance throughout the crisis demonstrated our market leadership and the responsible role we played in sustaining the global supply chain in food and beverage, as well as in household, health and personal care products. I am very

proud of our people throughout the Givaudan organisation for their dedication during this challenging period and for enabling us to continue to support our customers to keep critical products available to consumers throughout the COVID-19 crisis.

**AS** And what have been some of the key learnings?

**GA** While the pandemic is not over, we are already looking at some of the learnings we can take forward. We have a team reviewing a number of areas such as the future of travel, flexible working and how we use office space. These are all topics closely aligned to our 2025 strategic areas of excellence and simplicity in everything we do. We want to use the

► and we adopted key measures and practices to protect all our employees' health, safety and wellbeing. It required an extraordinary effort from our production and supply chain colleagues to ensure we could continue to meet the increasing demand for essential products.

As a responsible and purpose-led business, we also recognised the

enormous impact the pandemic had on vulnerable communities without the resources needed. We established our COVID-19 Communities Fund to enable our sites to support local communities that had been affected by the pandemic; at least CHF 1 million was distributed to over 130 communities worldwide. We also adapted our production to increase

the amount of hand sanitisers, not only for our employees but also for local health, community and front-line services who were in critical need of it.

We are proud that, through close collaboration with our customers and with the resilience that has been demonstrated across the supply chain, we have helped to ensure product

[Continues on page 8 ►](#)

learnings to continue to enhance working life at Givaudan and how we can even better serve our customers.

**AS** We launched our purpose almost a year ago. What role has that played?

**GA** I believe our purpose was really strengthened and became very much alive through the crisis. 'Creating for happier, healthier lives' is what kept us going every day, despite all the challenges, to ensure our customers – and so consumers – could get the products they needed on a daily basis. It also came through in the way we cared for our people and communities. Our number one priority was keeping employees safe and well as well as looking out for their wellbeing, given the huge impact of the pandemic.

We donated more than CHF 1 million to our COVID-19 Community Fund to enable our sites to support local communities affected by the crisis. We also adapted our production processes so we could provide hand sanitiser for our employees and also for local health, community and front-line services who were in critical need.

Finally, we've clearly linked our 2025 strategy with our purpose, showing that we want to deliver performance that is purpose led.

**AS** Despite the challenges of 2020, we were able to meet our 2020 ambitions. What are some of your highlights of the last five years?

**GA** There are many. Ambitious financial targets were a fundamental part of our 2020 strategy, and we were able to meet these even with the challenges of the COVID-19 crisis in 2020. Over the period 2016 to 2020, we increased the value of the Company from CHF 16 billion to CHF 34 billion, while also returning more than CHF 2 billion in dividends to shareholders. Since the launch of our last strategy cycle, we have grown from over 10,000 to close to 16,000 employees, while our culture has been strengthened and enriched through acquired companies.

**From page 7 ▶**

availability, even when demand soared.

And as the crisis evolves, we will continue to put employee wellbeing at the heart of everything we do. We are so grateful for all the hard work from team members around the world who continue to play their part in our collective response to this crisis.



We expanded our portfolio and capabilities through targeted acquisitions, bringing even greater value for our customers. Since 2014, we have made 16 acquisitions which represent an additional CHF 1.5 billion of annualised sales, with each one supporting our strategic priorities to expand our offerings in Naturals, Active Beauty and Integrated Solutions and our reach with local and regional customers. With each of these acquisitions we are not only combining our expertise and product portfolios, but also enriching and evolving our capabilities.

Our pioneering heritage and strong innovation culture have ensured we continue to deliver new sustainable solutions for our customers that also tackle the industry's most pressing challenges. We contribute to having a positive impact on people and the planet, from supporting the plant-based protein revolution with great tasting alternatives to animal products to pioneering a biotechnology approach for the most widely used biodegradable fragrance ingredient, Ambrofix.



**2020 was certainly very challenging for all of us at Givaudan, but I feel very proud about how we managed the year.**

Gilles Andrier, CEO

We also successfully implemented our Givaudan Business Solutions organisation, which integrates a range of core business solutions to improve our agility and reduce the complexity of our internal processes to focus entirely on delivering a superior customer experience.

Responsible growth has also guided the way we manage our impact through our creations, on our people, communities and nature. We've grown even bolder in our actions in the areas of the environment, sourcing and innovation, ensuring we meet today's needs while building a better tomorrow.

**AS** Looking at our 2025 strategy – Committed to growth, with purpose – can you explain more?

**GA** I am really excited about starting out on our next five-year cycle. Customers remain at the heart of our strategy, working in partnership with them to provide creative, innovative and sustainable solutions that are loved by

consumers. We aim for continued ambitious financial targets, while also calling out non-financial targets for the first time, aligned to our purpose ambitions in the areas of creations, nature, people and communities.

It really builds on all that we achieved over the last five years and reflects the continued global megatrends and rapidly changing consumer behaviours we've seen over the last few years.

Overall, this strategy is how we will deliver sustainable value creation for all stakeholders and allow us to act as a force for good in the world. This is supported by our ongoing journey to become a B Corp certified company, helping us to live up to the highest standards of being a responsible and sustainable business.

**AS** We've set some bold ambitions as part of our purpose. What will it take to get there?

**GA** Yes, we've been deliberate in setting out bold ambitions. The impact of COVID-19 has been to highlight global crises such as social inequalities and climate change, so we all need to go further, faster. It's about ensuring the business continues to thrive over the longer term. We have close to 16,000 passionate employees who are guided by our purpose in their day-to-day actions and they will be crucial to ensuring we can successfully advance on our ambitions. The Givaudan purpose includes a call to action 'let's imagine together', and this is an invitation to our customers, partners and suppliers to work together for mutual benefit.

We have also just started out on our journey to become a certified B Corp, which reinforces our commitment to be a force for good and demonstrates our purpose in action, every day. It's a really exciting journey for us, one that will provide the independently verified proof that we are working towards our purpose goals and successfully balancing people, planet and profit.

**AS** Finally, how do you see the year ahead?

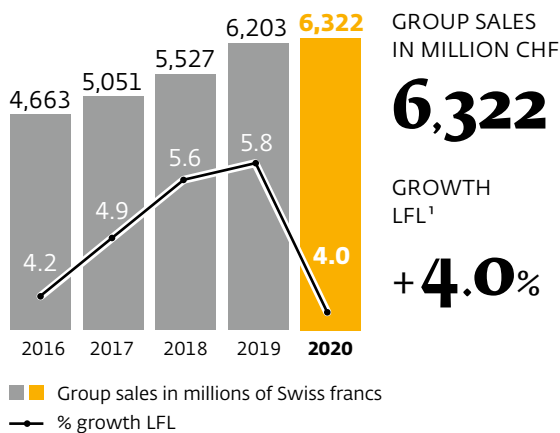
**GA** The impact of the pandemic will go on in the short term but we remain confident we have the right strategy in place for continued success over the longer term.

# Delivering on our 2020 ambitions

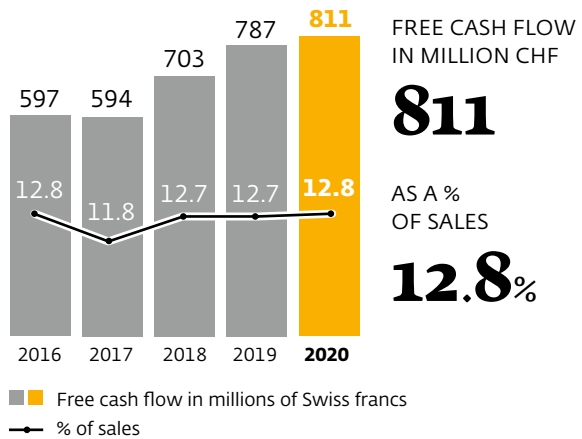
I'm proud of our performance over the last five years in successfully delivering responsible growth and shared success for all our stakeholders.

Gilles Andrier, CEO

## Group sales



## Free cash flow



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

## ACHIEVEMENTS FROM 2016 TO 2020

### MARKET CAP

From **16** to  
CHF billion **>34**

### NUMBER OF EMPLOYEES

From **10,476** to  
**15,852**

### SALES TURNOVER

From **4.7** to  
CHF billion **6.3**

**N°1**

POSITION IN FINE FRAGRANCE WITH A 2016 – 2020 SALES CAGR OF 4.7%

EXPANDED INTO NEW SPACES OF ACTIVE BEAUTY AND ALTERNATIVE PROTEINS, EACH

CHF million **100** in sales



IN HEALTH & WELLBEING ACHIEVED SALES OF CHF 1 BILLION AND A

CAGR of **11.4%**

WITH CHF 2 BILLION IN SALES, WE

**doubled our naturals business**

**OUR 2020 STRATEGY:**  
RESPONSIBLE GROWTH. SHARED SUCCESS.

<b>TARGET 2020</b>	<p><b>4-5%</b> AVERAGE ORGANIC SALES GROWTH<sup>1</sup></p>	<p><b>12-17%</b> AVERAGE FREE CASH FLOW AS % OF SALES<sup>1</sup></p>	<p><b>Partner of choice</b></p>	
<b>PERFORMANCE 2016-2020</b>	<p><b>4.9%</b> AVERAGE ORGANIC SALES GROWTH</p>	<p><b>12.6%</b> AVERAGE FREE CASH FLOW AS % OF SALES</p>	<ul style="list-style-type: none"> <li>➤ New innovative partnerships</li> <li>➤ Increased strategic networks</li> </ul>	
<p>Growing with our customers</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">               High growth markets         </div> <div style="text-align: center;">               Health and wellbeing         </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="text-align: center;">               Consumer preferred products         </div> <div style="text-align: center;">               Integrated solutions         </div> </div>		<p>Delivering with excellence</p> <div style="text-align: center;">               Excellence in execution         </div>	<p>Partnering for shared success</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">               Innovators         </div> <div style="text-align: center;">               Suppliers         </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="text-align: center;">               People         </div> <div style="text-align: center;">               Communities         </div> </div>	

**Strong operational achievements across all areas of the strategic pillars.  
This performance recognises the value we bring to our customers, the strength  
of our business, and the hard work and dedication of all our employees.**

**Creating additional value through acquisitions**  
**16 acquisitions since 2014, representing an additional**  
**CHF 1.5 billion of annualised sales.**

1. Over the five-year period 2016 – 2020.

# Achievements 2016–2020

## GROWING WITH OUR CUSTOMERS



### Highlights

Continued investments in high growth markets especially China and India

Investments in local & regional customer segment, both organically and via acquisitions, brings overall share to ~50% of Group sales

Expanding product and customer portfolio in key growth areas (eg. Naturals, health & wellbeing, Active Beauty, local & regional customers)

Attained No. 1 position in fine fragrance market

Sales growth of 4.9% CAGR (2016–2020)

Incremental sales contribution of CHF 1.5 billion through acquisitions

Developing further our integrated solutions business through existing and acquired capabilities

Over the past five years, we have expanded our product portfolio in a significant way, complementing our industry-leading flavour and taste capabilities with an outstanding offer of natural functional and nutritional solutions.

Louie D'Amico, President Taste & Wellbeing



Our market leadership in the fast growing segment of local and regional customers is greatly enhanced through the acquisitions that we have made.

Maurizio Volpi, President Fragrance & Beauty



## DELIVERING WITH EXCELLENCE



Our GBS organisation is an integral part of Givaudan, delivering high quality solutions across the value chain.

Anne Tayac, Head of Givaudan Business Solutions



### Highlights

Successful global implementation of Givaudan Business Solutions (GBS), with three delivery centres established in Budapest, Kuala Lumpur and Buenos Aires

Benefits fully achieved and further opportunities for scope extensions in the future identified

Automation and continuous improvement of our processes and in production sites, contributed strongly to sustain competitiveness

Significant investments in new production facilities in India and China to support business growth

Strong focus on integration of acquired companies to ensure high levels of service quality during transition

Highly dedicated supply chain effort to manage multiple crises, particularly impacting raw material supply

Earned key sustainability recognitions: CDP leadership scores for climate action and water security; a world leader for supplier engagement on climate change, EcoVadis Platinum status

Well-developed business continuity plans in both divisions to provide agility and flexibility in all situations

Strong improvement in safety performance and culture across the organisation

# Achievements 2016–2020

## PARTNERING FOR SHARED SUCCESS



We have significantly expanded our partnership networks in all areas of the business, delivering value for Givaudan and for the collaborators and communities that work with us.

Willem Mutsaerts, Head of Global Procurement and Sustainability

### Highlights

Strengthening the global innovation ecosystem by opening our new flagship Innovation Centre in Switzerland

Extended partnership network in innovation with academia, start-ups and established innovators

We have doubled sales from innovation linked to external collaboration

Established the Givaudan Digital Factory in Paris to drive our digital agenda

Improved employee engagement and strong focus on diversity and leadership development

Deeper engagement with suppliers on sustainability topics as well as extension of the responsible sourcing initiatives

Development of multiple joint ventures to secure access to key raw materials in both divisions

Launch of 'Connect to Win' programme to accelerate innovation in partnership with suppliers

Strengthened our commitment to enrich the communities that work with Givaudan



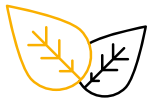
The ambition of our purpose is that Givaudan will be a place where we all love to be and grow. I am delighted we've improved our overall engagement level and we continue to build on this, focusing on our ambitious goals for inclusion and care for all of our people.

Simon Halle-Smith, Head of Global HR and EHS

# Value creation through acquisitions

We seek to create value through targeted acquisitions which complement existing capabilities in providing winning solutions for our customers.

## Aligned with market trends and our strategic priorities



### Naturals

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



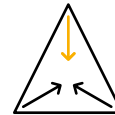
### Active Beauty

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



### Local and regional customers

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



### Integrated Solutions

- ▶ Spicetec
- ▶ Vika
- ▶ Activ International



### Ingredients

- ▶ Ungerer
- ▶ Albert Vieille

## EXPANDING OUR PORTFOLIO

INVESTED IN ACQUISITIONS

CHF billion **3.6**

INCREMENTAL REVENUES

CHF billion **~1.5**

ACQUISITIONS FROM 2014 TO 2020

**16**

# Creating future value through our 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. We hold ourselves accountable to our purpose through bold, measurable ambitions to ensure we live up to being a successful, sustainable business acting as a force for good.

What's more, our journey to being a B Corp certified company will ensure that we're reaching the highest standards as a responsible and sustainable business delivering sustainable value creation.

## OUR PURPOSE

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

### Creations

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

**BY 2030** We will double our business through creations that contribute to happier, healthier lives. (2018 baseline: CHF 5,527m sales)

### Nature

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

**BEFORE 2030** Our operations' carbon emissions will be cut by 70% and our supply chain emissions by 20%. (2015 baseline)

**BEFORE 2030** We will replace single-use plastics with eco-friendly alternatives across our sites and operations. (Baseline in process of setting)

**BEFORE 2040** Our operations' will be climate positive and our supply chain emissions will be cut by 50%. (Baseline 2015)

**BEFORE 2050** Our supply chain will be climate positive.

### People

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

**BEFORE 2025** Everyone on our sites will have access to mental and physical health initiatives, tools and training. (Baseline in progress of setting)

**BEFORE 2025** We will reduce our total recordable injuries cases by 50%. (2018 baseline)

**BEFORE 2025** We will be rated among the leading employers for inclusion globally. (Baseline is in progress of setting)

**BEFORE 2030** 50% of our senior leaders will be from high growth markets. (2018 baseline)

**BEFORE 2030** 50% of our senior leadership will be women. (2018 baseline)

### Communities

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

**BY 2030** We will source all materials and services in a way that protects people and the environment. (Baseline is in progress of setting)

**BY 2030** We will improve the lives of millions of people in communities where we source and operate. (Baseline is in progress of setting)

# Our 2025 strategy Committed to Growth, with Purpose

Over the next five years we will continue creating sustainable long-term value for all key stakeholders, with customers central to our strategy. Gilles Andrier, CEO

Our 2025 roadmap sets out how we will deliver profitable growth over the next five years while having a positive, sustainable impact through our creations, on people, nature and communities.

It is our intention to deliver growth through creating inspiring products for happier, healthier lives while achieving our ambitious financial targets and longer-term purpose ambitions.

At the core of our business is our relationship with our customers, and we will continue to work in close partnership with them to provide creative, innovative and sustainable solutions that are loved by consumers.



**Excellence, innovation, simplicity in everything we do**

**4 - 5% GROWTH**

**PURPOSED LINKED TARGETS**

**>12% FCF**



**READ MORE**

[www.givaudan.com](http://www.givaudan.com) ▶ Our Company ▶ Our 2025 strategy

# Creating and sharing sustainable value

## INPUTS

### FINANCIAL CAPITAL

Funds available to the Group

### INTELLECTUAL CAPITAL

Technology, patents, know-how, 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, innovative sourcing models

### 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 ACTIVITIES

#### Taste & Wellbeing

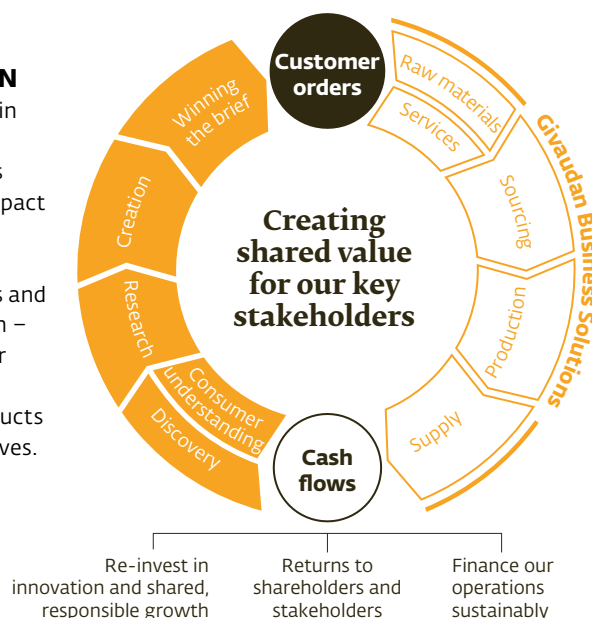
- ▶ Flavour & Taste
- ▶ Natural functional ingredients
- ▶ Natural nutritional ingredients
- ▶ Integrated Solutions

#### Fragrance & Beauty

- ▶ Consumer products
- ▶ Fine Fragrances
- ▶ Ingredients and Active 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 creating inspiring products for happier, healthier lives.



STRATEGY

GOVERNANCE

MANAGEMENT

EXTERNAL ENVIRONMENT / MEGATRENDS / RISKS AND OPPORTUNITIES

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

IMPACTS

**LEADING THE INDUSTRY**

Organic sales growth **4%**  
Free cash flow as % of sales **12.8%**

**BEING A PURPOSE-LED COMPANY**

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

**Creations**

**6,322**

SALES IN CHF MILLION



**> 122,865**

PRODUCTS SOLD



**Nature**

**-30%**

SCOPE 1+2 GHG EMISSIONS SINCE 2015



**+11%**

SCOPE 3 GHG EMISSIONS SINCE 2015

**People**

**25%**

WOMEN IN SENIOR MANAGEMENT

**0.25**

LTI RATE

**Communities**

**85%**

SUPPLIER COMPLIANCE RATE

**94,000**

BENEFICIARIES OF COVID-19 COMMUNITY FUND

**STAKEHOLDERS BENEFITED**

Customers / Suppliers / Employees / Owners and investors /  
Local communities / Public and regulatory agencies

**Our contribution to the United Nations Sustainable Development Goals**



# Trends, risks and opportunities

## Shaping our value creation

Understanding trends and risks helps us find new opportunities and shape our business model to find new places to win.

### Being successful in an ever-changing environment

Global megatrends and rapidly changing consumer behaviours over the last few years continue to bring new opportunities to our business. In the short and longer term, the COVID-19 crisis has brought the need for an even greater focus on organisational resilience and flexibility to adapt to a changing environment.

### 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 2015-2030, 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.

### Health and wellbeing priorities

Consumers are seeking products that support their physical and mental health and are demanding greater transparency of labels. In food and beverage, we see key health, nutrition and wellbeing trends driving consumer behaviour for food that supports longer and healthier lives and increases wellbeing and performance. For fragrances and beauty, consumers are looking for products that provide essential hygiene protection, support their wellbeing and allow them to look younger for longer.

### Responsible, engaged consumers

As the climate crisis looms and social inequalities rise, consumers are looking to 'vote with their feet' and 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.

## MEGATRENDS

### TRENDS

Consumer base is growing



#### IMPACT

- ▶ Asia and Africa leading the way

Living longer and more consciously



- ▶ Consumer behaviours are changing

Sustainability is of high concern



- ▶ Consumers will buy more consciously
- ▶ Responsible companies will act

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



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



## Risk management

Risk taking is core to our innovation capacity, our entrepreneurial success and ultimately our sustained value creation. In acting in the interest of both itself and its stakeholders Givaudan reduces the risks faced from multiple systemic crises through a holistic approach to risk management.

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, especially our publicly stated strategic objectives, or jeopardise long-term business success. We operate a structured system of identifying, assessing and deciding on responses to mitigate key risks. 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.

The Board of Directors is responsible for defining and approving the ERM approach. Execution of the overall process is delegated to the Executive Committee.

ERM applies across the business. It reviews all 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.

### Strategic risk refresh for the 2025 strategy cycle

In 2020, ERM was involved in the development of the 2025 strategy to ensure a review of the resilience of the strategy. It carried out specific risk assessments with regards to the risks posed by COVID-19, as well as a zero-based strategic risk refresh for the 2025 strategy cycle.

### Givaudan's principle-based approach to risk management:

- ▶ Pragmatic and tailored to the Company
- ▶ Aims at sustainable value creation and protection
- ▶ Integral part of processes and decision making
- ▶ Addresses uncertainty explicitly
- ▶ Structured, dynamic, iterative and responsive to change
- ▶ Based on the best available information

### Givaudan's ERM contributes to:

- ▶ Safeguarding Company value and assets and a protection of shareholder interests
- ▶ Exploiting strategic opportunities to further create Company value
- ▶ Improving awareness amongst all key internal stakeholders of the nature and magnitude of the Company's risks
- ▶ Providing risk-based management information for effective decision making
- ▶ Improving compliance with good corporate governance guidelines and practices as well as applicable laws and regulations

### The annual ERM process includes the following steps:

- ▶ A structured and comprehensive identification and compilation of essential threats and opportunities on the basis of an overall risk universe, which includes internal and external benchmarks
- ▶ Analysis and assessment of the threats and opportunities identified and determination of their likelihood of occurrence and corresponding impact to understand the underlying risk drivers
- ▶ Formulation of the appropriate measures to exploit an opportunity and/or respond to a threat, and
- ▶ Tracking and reporting of risks and risk response actions



READ MORE

[www.givaudan.com](http://www.givaudan.com) ▶ Our Company ▶ Corporate governance ▶ Risk management

## Managing risks and opportunities

We group risks in five main categories, and 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.



### STRATEGIC RISKS

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

- The risk that our business model might become obsolete, in particular through digitalisation.
- 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 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



### SUSTAINABILITY RISKS

#### Climate change / Water scarcity

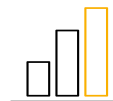
Climate change may lead to a number of effects which in turn impact our ability to operate. These may include water scarcity at one or more of our production sites or issues with our supply, in particular the availability of our key natural resources.

#### 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
- ▶ 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



### FINANCIAL RISKS

The Group's activities expose it to a variety of financial risks, including market risk (principally currency 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

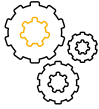
- ▶ High level of visibility around financial risks facilitates informed and timely decision making
- ▶ Investments in technology ensure efficient and well controlled processes in managing financial risks
- ▶ Centralised management of financial risks creates the opportunity to assign dedicated expertise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

 **READ MORE**

[www.givaudan.com](http://www.givaudan.com) ▶ Our Company ▶ Corporate governance ▶ Risk management

 **READ MORE**

2020 Governance, Compensation and Financial Report ▶ pages 54 – 63 ▶ Financial risk management



## OPERATIONAL RISKS

As a company with 77 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.

### 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 climate change or a breakdown at one or more of our suppliers.

### Environment, Health and 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.

### Information technology risk

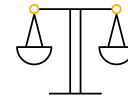
In a fast moving digital world, information and communication technologies are critical for Givaudan to address new consumer behaviours and to collaborate with its customers to give them the best experience. However, digitalisation also creates new threats and requires a permanent monitoring of information security risks and an extension of the risk assessment scope.

#### 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.

# Operational excellence

Despite the unprecedented challenges of the COVID-19 pandemic, our global operations were able to continue to supply our customers while ensuring our employees were safe.

We are immensely proud of the enormous efforts made by everyone in our Company in protecting our business and maintaining operations during the pandemic. We are also pleased that our business model was able to carry us through such difficult times.

Our global supply chain, complex and sophisticated at the best of times, went swiftly from being predictable to one that was threatened by the upset caused by the pandemic. Some countries even closed their borders. Overall, however, we were able to optimise the flexibility of our global production footprint to help minimise the impact.

Our established business continuity plan, which enables us to cope with fluctuations in demand or a crisis that arises in a country, factory or our supply chain, was hard put to the test. There was intense pressure on our operations because of the significant increase in demand for our products, particularly in hygiene but also in savoury and snacks. Overall, however, the pandemic showed that we are well prepared and equipped to face challenging environments and to respond to crises.

Indeed, we are proud that our products have been part of the solution to help people around the world cope with the pandemic. In short, Givaudan played an important part in the global response to the pandemic because our creations go into products that are critical to protecting health and containing the spread of the virus, including soaps, household cleaning products and disinfectants.

During the crisis, our priority was the safety and health of our employees while maintaining our business operational. And although many were asked to work from home, we still needed people to continue working in our production facilities and labs. Guidance and restrictions were put in place in these areas that not only helped contain COVID-19 but also helped employees know

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## Ensuring connectivity across the Company

Many employees moved to home working because of COVID-19, and it fell to our global IT teams to ensure the best tools were available to these home-workers while meeting IT demands in keeping the business operating as normally as possible.

The unique circumstances required enormous efforts by the IT teams, who stepped in quickly and ensured that the proper digital tools were in place so that working at home was as close as possible to being in the office. As well as having the right technologies for these

employees, cybersecurity was also a concern that needed to be addressed - for their own protection as well as the business itself. Good practices were reinforced so that our people understood the risks and could be fully cybersafe.

A large percentage of the 6,500 people working from home understandably said they felt a sense of isolation, so our IT teams sought the best collaborative digital tools that allowed employees to stay in touch, fostered teamwork and enabled managers to easily contact their team

members and help create a sense of unity and motivation.

This transition to a virtual company was achieved quickly and smoothly in challenging circumstances. 'Every cloud has a silver lining' and we know that opportunities will arise for ways we work and interact in Givaudan, making it a great place to work.



that everything possible was being done to provide a safe working environment and that their safety was of prime concern.

Similarly, Givaudan Business Solutions (GBS) was able to continue to deliver solutions while its teams worked from home to help those in operations continue their work. GBS worked as one team with the business to ensure our Company was able to respond to the crisis in the best possible way.

In our operations worldwide, in our global supply chains and in GBS, our people are to be warmly thanked for their courage and commitment, their dedication and discipline, during the difficult times presented by the COVID-19 pandemic.



**Our global supply chain teams faced incredible difficulties and complexities. In our production sites, everyone showed courage and discipline. Quite simply, they all enabled our business to continue operating.**

Rudy Niquille, Head of Operations  
Taste & Wellbeing

**I'm so proud of our people working in production and the whole supply chain to ensure we served customers. It was a great examples of the Givaudan DNA in action.**

John Vernieri, Head of Operations  
Fragrance & Beauty

**I was hugely impressed with how we came together to embrace new ways of connecting to keep the business running. Based on our solid performance and reliability, we embraced patience, understanding and solidarity to keep delivering.**

Anne Tayac, Head of Givaudan  
Business Solutions

# Stakeholder engagement and material topics

Our success as a company that acts as a force for good lies in inclusive stakeholder engagement.

In order to ensure we meet today's needs while building a better tomorrow, continued and inclusive engagement with our stakeholders is essential. This helps us understand external trends and market expectations and enables us to identify opportunities as well as risks for our business. It increases our transparency and helps build strong relationships.

We have identified six key stakeholder groups from a list of more than 200 organisations, customers, suppliers, owners and

investors, public and regulatory agencies, local communities and employees. Every year we regularly gather the views of these stakeholders by inviting them to discuss critical issues and strategic priorities, and we create dialogue groups to understand how our business affects these stakeholders and to determine the most material impacts to be managed.

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. Together we will build happier, healthier lives.

**READ MORE**  
 2020 GRI Sustainability Report ▶ pages 20 – 22 ▶ Stakeholder engagement  
 2020 GRI Sustainability Report ▶ pages 8 – 13 ▶ External initiatives

## Stakeholder dialogue

	WHY WE ENGAGE	HOW WE ENGAGE	KEY TOPICS & CONCERNS DISCUSSED
<b>CUSTOMERS</b>	<p>Strong engagement with our customers enables us to understand their needs and anticipate market trends. Through preference discovery platforms and consumer insight programmes we are able to understand and anticipate consumer preferences and adapt to cultural tastes.</p>	<ul style="list-style-type: none"> <li>▶ Customer sustainability requests</li> <li>▶ Audits</li> <li>▶ Customer innovation days</li> <li>▶ Customer and industry conferences and events</li> <li>▶ Key account manager relationships – ongoing dialogue</li> <li>▶ Use of consumer insight programmes for consumer understanding, cultural insights and sensorial decoding</li> <li>▶ Leveraging digital capabilities to enhance insights in consumer trends</li> </ul>	<ul style="list-style-type: none"> <li>▶ Climate change</li> <li>▶ Consumer health and wellbeing</li> <li>▶ Consumer behaviour</li> <li>▶ Human rights</li> <li>▶ Product environmental and social impact</li> <li>▶ Product quality and safety</li> <li>▶ Responsible sourcing</li> <li>▶ Transparency and reporting</li> <li>▶ Traceability</li> <li>▶ Co-creation and innovation</li> </ul>
<b>SUPPLIERS</b>	<p>Our suppliers are genuine partners and we work with them towards mutual value creation: open dialogue secures a pipeline of technological innovation through supplier enabled innovation; and supplier engagement and collaboration ensures our suppliers have high standards in business ethics and respect for people and the environment.</p>	<ul style="list-style-type: none"> <li>▶ Assessments</li> <li>▶ Supplier audits</li> <li>▶ Collaborations to improve performance</li> <li>▶ Multi-stakeholder groups</li> <li>▶ Supplier events: capacity building, discussing issues</li> <li>▶ Direct engagement with supplier relationship managers</li> </ul>	<ul style="list-style-type: none"> <li>▶ Responsible sourcing</li> <li>▶ Raw material availability</li> <li>▶ Innovation capabilities</li> <li>▶ Human rights</li> </ul>

	WHY WE ENGAGE	HOW WE ENGAGE	KEY TOPICS & CONCERNS DISCUSSED
<b>EMPLOYEES</b>	<p>We engage with our people to foster an environment of open dialogue to mutually resolve conflicts, to identify development initiatives and innovative ideas that will help drive our business. We cannot achieve our goals without a true sense of unity and a workplace where we all love to be and grow.</p>	<ul style="list-style-type: none"> <li>▶ Works Council consultations</li> <li>▶ Employee engagement surveys</li> <li>▶ Annual performance dialogue</li> <li>▶ Talent management processes</li> <li>▶ Learning and development opportunities</li> <li>▶ On-going dialogue with Givaudan Green Teams</li> </ul>	<ul style="list-style-type: none"> <li>▶ Employee health, safety and wellbeing</li> <li>▶ Diversity and inclusion</li> <li>▶ Talent management</li> <li>▶ Women's empowerment</li> <li>▶ Technology and digitalisation</li> <li>▶ Operational excellence</li> <li>▶ Innovation capabilities</li> </ul>
<b>OWNERS &amp; INVESTORS</b>	<p>Our active dialogue with the capital market ensures transparency and helps us improve our reporting practices. Our relationship with debt investors, banks, credit rating agencies ensures we have funding for investment opportunities.</p>	<ul style="list-style-type: none"> <li>▶ Annual General Meeting</li> <li>▶ Annual investor conferences and investor road shows</li> <li>▶ Briefings with analysts</li> <li>▶ Conferences with investors and other financial stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>▶ Economic performance</li> <li>▶ ESG&amp;D topics (Environmental, social and governance &amp; diversity)</li> <li>▶ Raw material availability</li> <li>▶ Talent management</li> <li>▶ Transparency and reporting</li> <li>▶ Technology and digitalisation</li> <li>▶ Operational excellence</li> <li>▶ Co-creation and innovation</li> <li>▶ Consumer behaviour</li> </ul>
<b>LOCAL COMMUNITIES</b>	<p>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.</p>	<ul style="list-style-type: none"> <li>▶ Community development programme surveys</li> <li>▶ Local site community engagement programmes</li> <li>▶ On-going dialogue with local authorities and community organisations</li> <li>▶ Employees engaged in social activities within the communities in which we operate</li> <li>▶ Givaudan Foundation</li> <li>▶ Local partners (NGOs or cooperatives) acting as Givaudan agents</li> </ul>	<ul style="list-style-type: none"> <li>▶ Environmental and social issues</li> <li>▶ Product environmental and social impact</li> <li>▶ Human rights</li> <li>▶ Diversity and inclusion</li> <li>▶ Transparency and reporting</li> <li>▶ Local community development</li> </ul>
<b>PUBLIC &amp; REGULATORY AGENCIES</b>	<p>Engagement and collective action with external partners is essential in order to inspire and lead by example as a responsible business. Only collective action can influence decisions. We engage with local governments and regulators to understand the changes, their concerns and find mutually beneficial solutions.</p>	<p>Selected partners we engage with:</p> <ul style="list-style-type: none"> <li>▶ United Nations Global Compact</li> <li>▶ International Fragrance Association</li> <li>▶ International Organization of the Flavor Industry</li> <li>▶ WBCSD</li> <li>▶ AIM-PROGRESS</li> <li>▶ B Corp and B Movement Builders</li> <li>▶ CDP</li> <li>▶ EcoVadis</li> <li>▶ SIX Swiss Exchange</li> </ul>	<ul style="list-style-type: none"> <li>▶ Environmental issues such as climate change</li> <li>▶ Product quality and safety</li> <li>▶ Responsible sourcing</li> <li>▶ Product development and social impact</li> <li>▶ Human rights</li> <li>▶ Transparency and reporting</li> </ul>

## 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.

As our activities have an impact that goes far beyond economic results, 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 goal, a deep understanding of the most relevant topics for the different groups of stakeholders is essential.

**Ultimately, we seek to identify and prioritise the issues of the greatest material importance to Givaudan and to focus our drive for greater sustainability in those areas that are most important to our key stakeholders.**

As we continue our efforts in integrated reporting, we conduct comprehensive surveys and interviews of our key stakeholders every four years, with the most recent being conducted in 2019 when our purpose was defined, and further reviewed in 2020 with the elaboration of our 2025 strategy. In addition, we

## STAKEHOLDER ENGAGEMENT AND COLLECTIVE ACTION

# A must if we want to accelerate change

We are committed to becoming a successful, sustainable business as we strive to be a force for good. As part of this commitment, we must engage with key stakeholders to inspire and lead by example as a responsible business.

In 2020, we signed the WBCSD CEO Guide to Human Rights and endorsed their call to action. In addition, following our announcement of our ambition to become a certified B Corporation, we became a founder member of the B Movement Builders initiative. B Movement Builders brings together a group of purpose-driven publicly traded businesses and, working alongside certified B Corporations, will drive a global movement of business as a force for good, helping to accelerate change in our global economic system and spearheading the changing role of business in society.

Also during the year, we further reinforced our ambitious commitments to nature and climate action by joining



forces with businesses all over the world and across all sectors to drive change. In February we endorsed the UN Global Compact's CEO Water Mandate; an initiative which mobilises action on water stewardship. In September we signed up to the Business for Nature call-to-action, which brings together more than 560 companies to urge governments to adopt policies that reverse nature loss in this decade. It is the first time that, collectively, so many companies have stepped forward with

the ambition of influencing discussions in the run-up to delivering a Post 2020 Global Biodiversity Framework. In September we also joined 150 business leaders and investors by signing an open letter urging the EU to raise its greenhouse gas emission reduction target for 2030 to 55% when compared to 1990 levels. The initiative is led by the European Corporate Leaders Group (CLG Europe), a cross-sectorial group of European businesses working towards delivering climate neutrality.

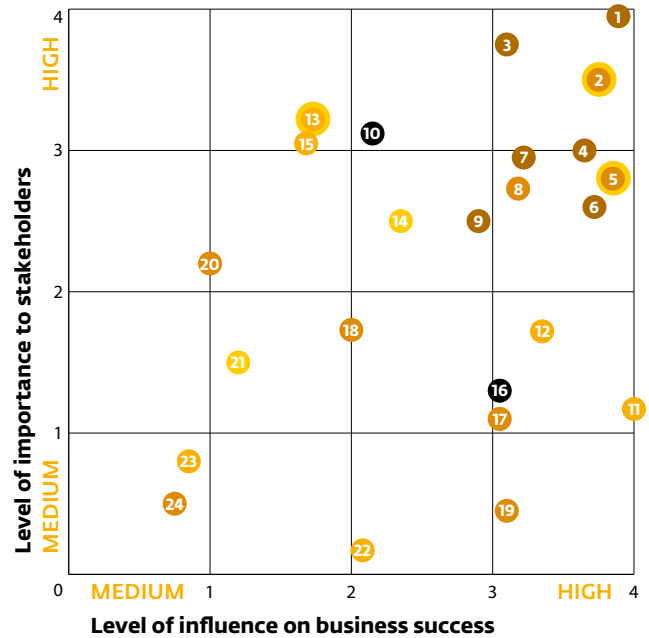


## MATERIALITY MATRIX 2020

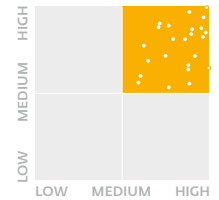
### General level of importance

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

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



- Creations
- Nature
- People
- Communities
- Governance



internally reviewed our list of material topics during the year to make sure it is consistent with the Givaudan purpose, our 2025 strategy, and our analysis of risk categories. From this review, existing topics remain relevant and three additional topics have been added. This ensures an integrated materiality matrix that takes both sustainability and business aspects into consideration.

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. As part of becoming B Corp certified, regular materiality assessments will be required.

### Adding to our material topics

After mapping the existing materiality matrix to our purpose focus areas and to the pillars and targets of our 2025 strategy, we added the following topics: consumer behaviour and customer success; innovation capabilities; and technology and digitalisation.

Our material topics and strategic priorities are thus fully aligned and represent topics relevant to our ability to create value for the Company and our stakeholders over time and are particularly material to our ambition of go even further in making our world a happier, healthier place.

[READ MORE](#)  
2020 GRI Sustainability Report ▶ page 23-28 ▶ Reporting practice

# Financials

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Creating growth for  
the Company and all  
our stakeholders.

## Material topics covered

- ▶ Economic performance
- ▶ Transparency and reporting





# Business performance – Group

## Excellent financial performance 2020 guidance delivered

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

From the onset of the COVID-19 crisis and in line with the Company's purpose, Givaudan continues to be strongly focused on:

- Protecting and supporting all of its employees, be it those on site or those who are still working from home;
- Meeting the demands of its customers, particularly for those products which support consumers throughout the pandemic around the world;
- Taking care of the communities in which it operates.

### Group sales

Givaudan Group full year sales were CHF 6,322 million, an increase of 4.0% on a like-for-like basis and 1.9% in Swiss francs when compared to 2019.

### Gross margin

The gross profit increased by 5.1% from CHF 2,530 million in 2019 to CHF 2,659 million in 2020. Due to continued productivity gains and strong cost discipline, the gross margin increased to 42.1% in 2020 compared to 40.8% in 2019.

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

The EBITDA increased by 9.6% to CHF 1,397 million in 2020 compared to CHF 1,275 million in 2019, whilst the EBITDA margin was 22.1% in 2020 compared to 20.6% in 2019. On a comparable basis, the EBITDA margin was 22.8% in 2020 compared to 21.5% in 2019.

### Operating income

The operating income was CHF 996 million compared to CHF 920 million, an increase of 8.3% versus 2019. The operating margin was 15.8% in 2020 compared to 14.8% in 2019.

### Financial performance

Financing costs in 2020 were CHF 86 million versus CHF 79 million in 2019, 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 34 million in 2020 compared with CHF 33 million in 2019.

The income tax expense as a percentage of income before taxes was 15%, compared to 13% in 2019.

### Net income

The net income was CHF 743 million in 2020 compared to CHF 702 million in 2019, an increase of 5.8%. This results in a net profit margin of 11.8%, versus 11.3% in 2019. Basic earnings per share were CHF 80.59 compared to CHF 76.17 for the same period in 2019.

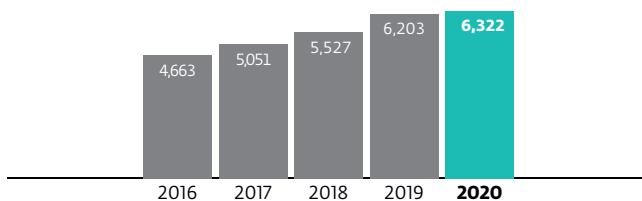
### Cash flow

Givaudan delivered an operating cash flow of CHF 1,133 million in 2020, compared to CHF 1,136 million in 2019.

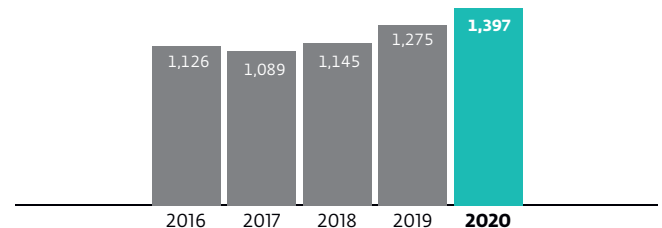
Net working capital as a percentage of sales was 24.4% of sales compared to 24.0% in 2019.

Total net investments in property, plant and equipment were CHF 180 million, compared to CHF 201 million in 2019, as the

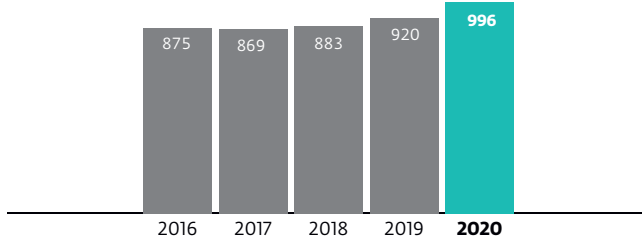
**Group – Sales**  
in millions of Swiss francs



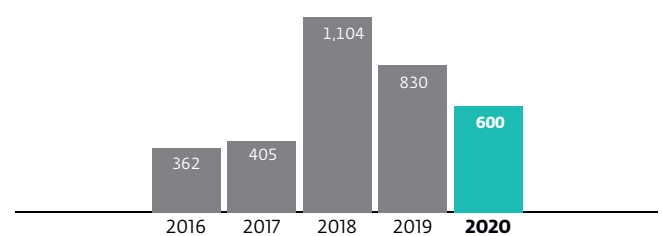
**Group – EBITDA**  
in millions of Swiss francs



**Group – Operating income**  
in millions of Swiss francs



**Group – Total gross investments**  
in millions of Swiss francs



**Our excellent financial results are a testament to the robustness of our business and are a demonstration of our strength in execution and the ability of our employees to adapt to challenging circumstances.**

Tom Hallam, CFO

Group continues to invest in expanding its capabilities in high growth markets. As a reminder, in 2018 the Group completed an agreement to sell and leaseback the Zurich Innovation Centre (ZIC) for a total consideration of CHF 173 million, of which CHF 60 million was received in the first six months of 2019.

Intangible asset additions were CHF 37 million in 2020, compared to CHF 45 million in 2019 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.

Total net investments in tangible and intangible assets were 3.4% of sales in 2020, compared to 4.0% in 2019. Excluding the impact of the ZIC transaction, total net investments in tangible and intangible assets in 2019 would have been 5.1% of sales.

Operating cash flow after net investments was CHF 916 million in 2020, versus CHF 890 million in 2019. Free cash flow, defined as operating cash flow after investments and interest paid, was CHF 811 million in 2020, versus CHF 787 million for the comparable period in 2019. As a percentage of sales, free cash flow in 2020 was 12.8%, compared to 12.7% in 2019.

## Sales performance

in millions of Swiss francs	2019 Sales as reported	like-for-like development	2020 Sales like-for-like	Change % on like-for- like basis	Acquisition impact (net)	Currency effects	2020 Sales as reported	Change % in Swiss francs
<b>Group</b>	<b>6,203</b>	<b>247</b>	<b>6,450</b>	<b>4.0%</b>	<b>306</b>	<b>(434)</b>	<b>6,322</b>	<b>1.9%</b>
- Fragrances & Beauty	2,799	151	2,950	5.4%	191	(217)	2,924	4.5%
- Taste & Wellbeing	3,404	96	3,500	2.8%	115	(217)	3,398	(0.2%)

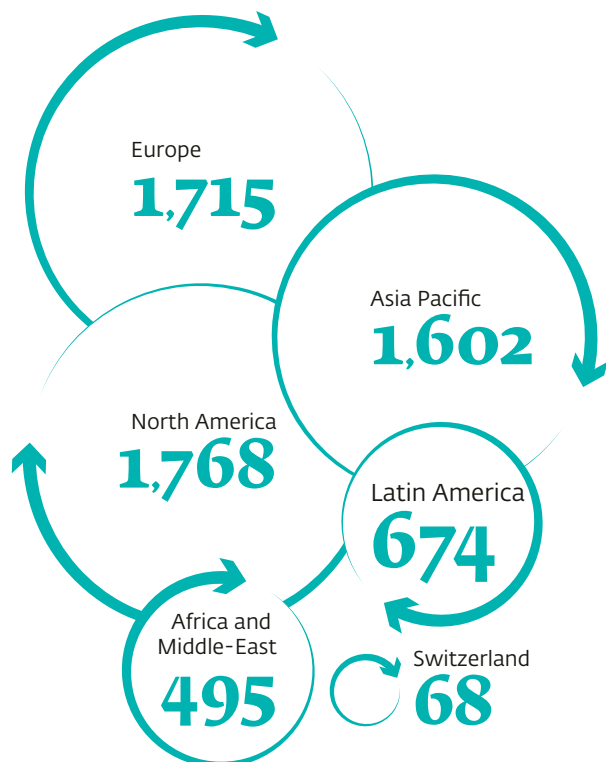
## Sales per region

in millions of Swiss francs	Fragrances & Beauty sales <sup>1</sup>		Taste & Wellbeing sales <sup>1</sup>		Group sales <sup>1</sup>	
	2020	2019	2020	2019	2020	2019
Switzerland	35	34	33	26	68	60
Europe	882	859	833	841	1,715	1,700
Africa and Middle-East	255	226	240	247	495	473
North America	618	559	1,150	1,082	1,768	1,641
Latin America	359	346	315	353	674	699
Asia Pacific	775	775	827	855	1,602	1,630
<b>Total geographical segments</b>	<b>2,924</b>	<b>2,799</b>	<b>3,398</b>	<b>3,404</b>	<b>6,322</b>	<b>6,203</b>

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

## Group sales per region

in millions of Swiss francs



## Financial position

Givaudan's financial position remained solid at the end of the year. Net debt at December 2020 was CHF 4,040 million, compared to CHF 3,679 million at December 2019, with the increase largely driven by the acquisition of Ungerer in the first quarter of 2020. At the end of December 2020 the leverage ratio was 50%, compared to 47% at the end of 2019.

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

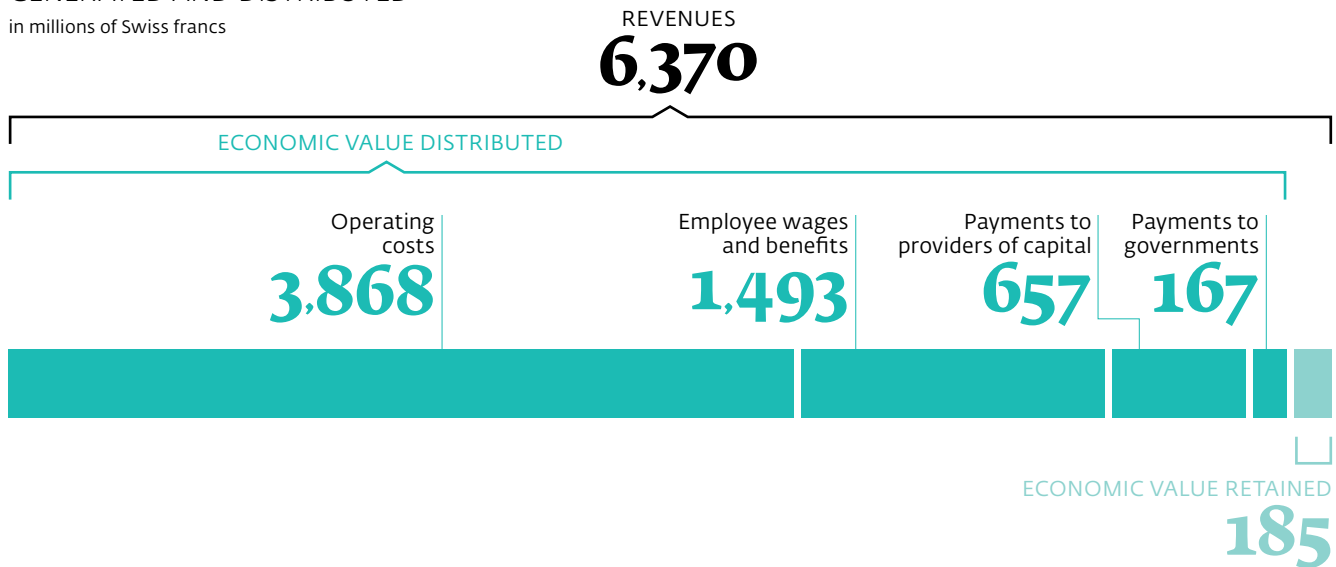
## 2020 Guidance – Responsible growth. Shared success.

The Company's 2020 ambition was to create further value through profitable, responsible growth. Givaudan's 2020 ambition was defined around the three strategic pillars of 'Growing with our customers', 'Delivering with excellence' and 'Partnering for shared success'.

As part of the Company's 2020 strategy, Givaudan also sought to create value through targeted acquisitions, which complemented existing capabilities in providing winning solutions for its customers. Since 2014, Givaudan has completed

## DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

in millions of Swiss francs



sixteen acquisitions, which are fully in line with the growth pillars within the Company's 2020 strategy.

Ambitious financial targets were also a fundamental part of Givaudan's 2020 strategy, with the Company targeting to outpace the market with 4–5% sales growth and a free cash flow of 12–17% of sales, both measured as an average over the five-year period of the strategy cycle. Givaudan has successfully achieved average sales growth of 4.9% on a like-for-like basis and an average free cash flow of 12.6% of sales for the five-year strategy period 2016-2020.

As part of its 2020 strategy, it was also Givaudan's intention to maintain its dividend practice and with a proposed increase in the dividend to CHF 64.00 per share for 2020, Givaudan has increased the dividend each year since its listing at the Swiss stock exchange in 2000.

### Givaudan's purpose

The Company's purpose, 'Creating for happier, healthier lives with love for nature. Let's imagine together', is at the heart of its strategy. Under the purpose, Givaudan has defined bold and ambitious goals in four domains, namely creations, nature, people and communities. These 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.

### 2025 guidance: Committed to Growth, with Purpose

The Company's 2025 ambition is to deliver sustainable value creation for all stakeholders. Givaudan's 2025 strategy is fully in line with its purpose and places customers at the heart of its business, supporting them to grow and create products that are loved by consumers.

The 2025 strategy is focused around three growth drivers, 'Expand the portfolio', 'Extend customer reach' and 'Focused market strategies' and is supported by four growth enablers, which are aligned with the Company's purpose domains, namely creations, nature, people and communities. These three growth drivers and four enablers are all underpinned by a commitment to 'Excellence, Innovation & Simplicity – in everything we do'.

Ambitious targets are an integral part of Givaudan's 2025 strategy, with the Company aiming to achieve organic sales growth of 4–5% on a like-for-like basis and free cash flow of at least 12%, both measured as an average over the five-year period strategy cycle. In addition the Company aims to deliver on key non-financial targets around sustainability, diversity and safety, linked to Givaudan's purpose.

# Business performance – Taste & Wellbeing

## Sales

Taste & Wellbeing sales were CHF 3,398 million, an increase of 2.8% on a like-for-like basis and a decline of 0.2% in Swiss francs.

The sales performance was impacted by the COVID-19 pandemic across all regions, particularly in relation to the lockdown restrictions which have been in place in many countries throughout the year. In this respect, Taste & Wellbeing experienced weaker demand in foodservice and out-of-home food consumption categories and an increased demand for existing products in categories such as immunity products, juice based beverages, culinary solutions, nutritional bars, savoury and snacks.

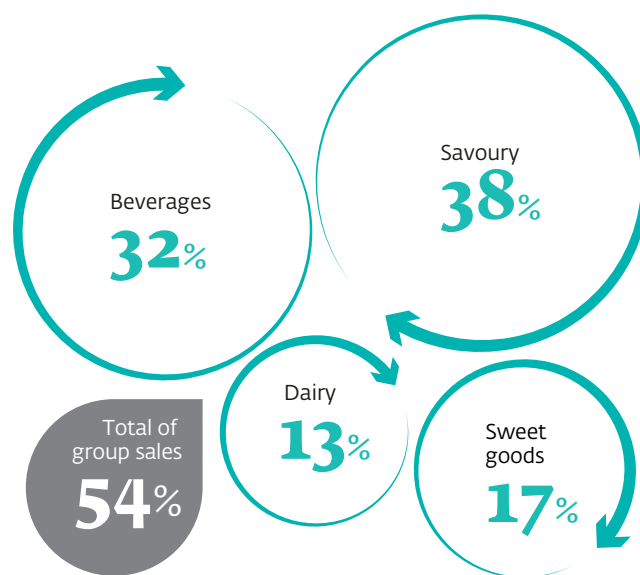
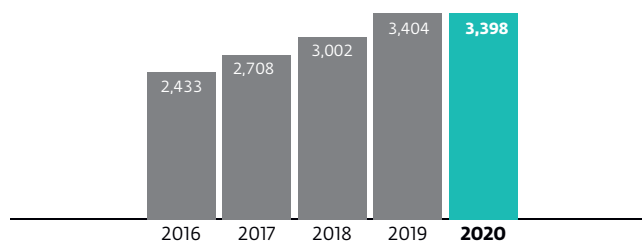
In the key strategic focus areas, sales increased double-digit in health & wellbeing, plant-based proteins and mid-single-digit in Naturals.

From a segment perspective Beverages, Dairy, Sweet Goods, Savoury and Snacks all contributed to the positive sales performance driven by increased demand for traditional centre of the store foods.

The EBITDA was CHF 720 million, flat compared to 2019. The EBITDA margin increased to 21.2% in 2020, from 21.1% in 2019. On a comparable basis the EBITDA margin of Taste & Wellbeing was 22.1% in 2020 compared to 21.6% in 2019.

The operating income decreased to CHF 460 million in 2020 from CHF 487 million in 2019, largely due to unfavourable exchange rate effects. The operating margin decreased to 13.5% in 2020 compared to 14.3% in 2019.

Taste & Wellbeing – Sales  
in millions of Swiss francs



SALES GROWTH  
LIKE-FOR-LIKE  
**2.8%**

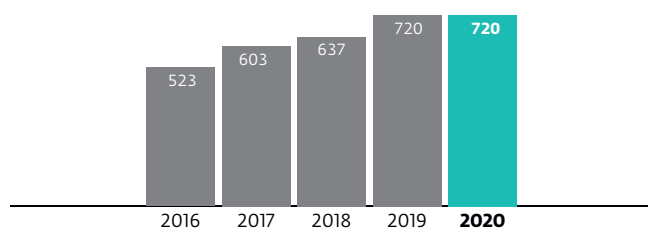
## Asia Pacific

Sales in Asia Pacific decreased by 1.0% on a like-for-like basis. In the high growth markets, China delivered strong double-digit performance, followed by solid single-digit growth in Thailand, whereas the markets in Indonesia, Malaysia, Philippines and India were strongly impacted by the COVID-19 crisis. From a segment perspective growth was achieved in Savoury and Snacks, however this was more than offset by weaker performance in Beverages, Dairy and Sweet Goods.



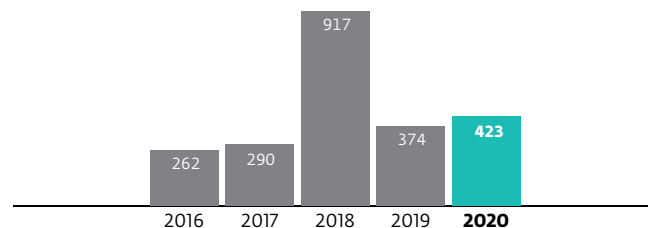
### Taste & Wellbeing – EBITDA

in millions of Swiss francs



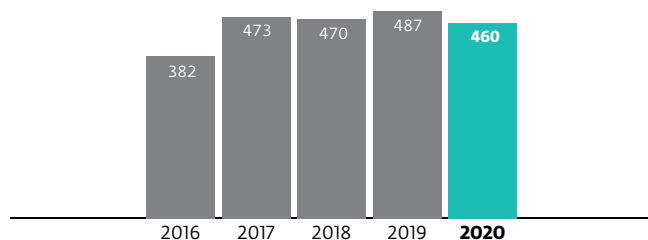
### Taste & Wellbeing – Total gross investments

in millions of Swiss francs



### Taste & Wellbeing – Operating income

in millions of Swiss francs



## Europe, Africa and Middle East

Sales in Europe, Africa and Middle East increased by 2.0% on a like-for-like basis. The mature markets of France, Germany, Benelux and Northern Europe achieved good single-digit growth, whilst in the high growth markets there was continued excellent business momentum driven by double-digit growth in Russia, Turkey, Maghreb and Egypt. The growth was mainly achieved in the segments of Dairy, Savoury and Snacks.

## North America

On a like-for-like basis, sales in North America increased by 4.3% across all customer segments and the performance was a result of new wins and the growth of existing business in Beverages, immunity products, Snacks, and Sweet Goods.

## Latin America

Sales in Latin America increased 10.7% on a like-for-like basis, led by strong double-digit growth in Brazil and Argentina and good single-digit growth in Mexico. The growth was driven by the segments of Beverages, Dairy, Sweet Goods and Savoury.

# Business performance – Fragrance & Beauty

## Sales

Fragrance & Beauty sales were CHF 2,924 million, an increase of 5.4% on a like-for-like basis and 4.5% in Swiss francs.

Sales growth was driven by the particularly strong volume growth of the Consumer Products business unit, despite the COVID-19 impact on Fine Fragrance and Active Beauty.

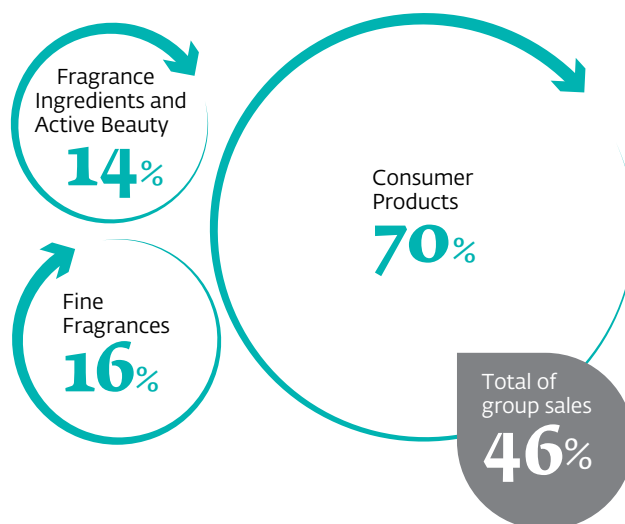
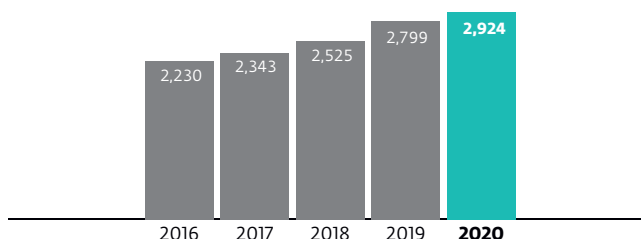
Total sales for Fragrance Compounds (Fine Fragrances and Consumer Products combined) increased by 5.9% on a like-for-like basis. In Swiss francs, sales of compounds increased to CHF 2,529 million from CHF 2,427 million in 2019.

Fine Fragrances sales decreased by 6.0% on a like-for-like basis with sales impacted by the global COVID-19 pandemic. Whilst the months of March through May experienced a strong reduction in demand due to restrictions in retail and travel retail channels in the major fine fragrance markets, performance improved gradually in the second half of the year, with growth of 4.2% compared to the same period in 2019.

Consumer Products sales increased by 9.2% on a like-for-like basis against a strong comparable growth of 7.8% in 2019, driven by strong performance of new wins and continuing strong demand for household, health and personal care products related to COVID-19. This excellent growth was delivered in both high growth and mature markets and across all customer groups and regions.

Sales of Fragrance Ingredients and Active Beauty increased by 2.5% on a like-for-like basis, with low single-digit growth both in Fragrance Ingredients and in Active Beauty despite the impact of COVID-19.

Fragrance & Beauty – Sales  
in millions of Swiss francs



The EBITDA of Givaudan Fragrance & Beauty was CHF 677 million in 2020 compared to CHF 555 million in 2019, an increase of 22.0%. The increase is mainly driven by higher sales, the contribution and synergies of the recent acquisitions and the result of actions taken to contain operating expenses.

The EBITDA margin was 23.2% in 2020 compared to 19.8% in 2019. On a comparable basis the EBITDA margin of Givaudan Fragrance & Beauty improved to 23.6% in 2020 compared to 21.3% in 2019.

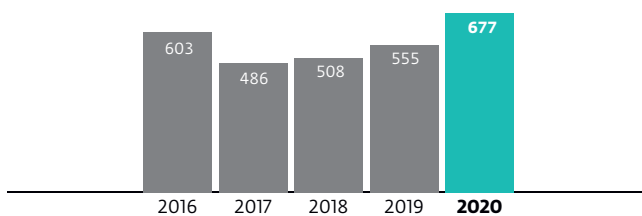
In 2020 Fragrance & Beauty incurred costs associated with the GBS project of CHF 6 million, compared to CHF 31 million in 2019.

SALES GROWTH  
LIKE-FOR-LIKE

5.4%

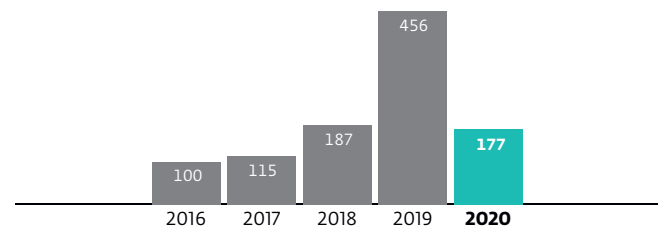
### Fragrance & Beauty – EBITDA

in millions of Swiss francs



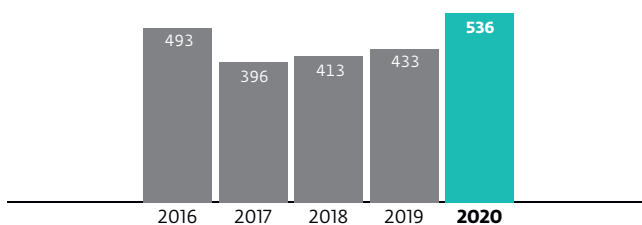
### Fragrance & Beauty – Total gross investments

in millions of Swiss francs



### Fragrance & Beauty – Operating income

in millions of Swiss francs



The operating income was CHF 536 million in 2020, versus CHF 433 million for the same period in 2019. The operating margin was 18.4% in 2020 compared to 15.5% in 2019.

### Fine Fragrances

Fine Fragrances sales decreased by 6.0% on a like-for-like basis with solid growth in the second half of the year not able to compensate for the significant impact of the COVID-19 pandemic related to restricted retail and travel retail activity throughout the year.

High growth markets delivered double-digit growth, driven by Latin America where consumer and customer demand remained strong. The mature markets recorded double-digit sales decreases driven by Western Europe which was heavily affected by the strong reduction in global prestige fine fragrance sales. North America recorded a low single-digit sales decline as certain customers and channels were able to partially compensate for weaker sales with retailers directly impacted by lockdowns.

### Consumer Products

Consumer Products sales increased by 9.2% on a like-for-like basis against a strong comparable growth of 7.8% in 2019, driven by strong underlying win rate performance and continuing strong demand for household, health and personal care products related to COVID-19. This excellent growth was delivered in both high growth and mature markets and across all customer groups and regions.

On a regional basis, Latin America reported double-digit growth across all customer groups and sub-regions. Asia modest sales increase was led by local and regional customers. Europe, Africa and the Middle East delivered high single-digit sales growth led by local and regional customers and strong double-digit growth in the African and Middle East sub-region. North America posted double-digit growth spread across all products segments and customer groups.

On a product segment basis, sales growth was led by double-digit increase in Home Care followed by high single-digit growth in Fabric Care and Personal Care.

### Fragrance Ingredients and Active Beauty

Sales of Fragrance Ingredients and Active Beauty increased by 2.5% on a like-for-like basis. Active Beauty performed well in the difficult market conditions and closed the year with low single-digit growth on like-for-like basis against strong comparables, most notably driven by double-digit performance of premium active ingredients. Fragrance Ingredients delivered low single-digit growth in 2020.

# Our natural hedges offer sustainable return on investment

Since our listing on the Swiss stock exchange in 2000 (GIVN), we have continuously created shareholder value through a year-on-year increase in the dividend paid to shareholders, as well as through positive share price development and share repurchase programmes.

This history of delivering with excellence is based on strong financial performance. We invest for future long-term growth and will continue creating value for shareholders, building on our heritage of success. As the COVID-19 pandemic continues to have an impact on a global level, Givaudan sustained strong business momentum whilst maintaining its operations and global supply chain with minimal disruption. This resilience is a clear demonstration of the efficiency of our natural hedges across geographies, customer types, and product categories.

## Sharing value with our shareholders

Since the Company's IPO in 2000, we have created over CHF 35 billion of total shareholder return, with an average annual yield of 13.3% compared with 4.1% for 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 2020, Givaudan had approximately 34,065 registered shareholders owning 63% of the capital. The top 20 registered and non-registered shareholders owned 61% of the capital. Swiss and US shareholders held approximately 57% of all shares.

Givaudan's free cash flow at the end of 2020 was CHF 811 million. At the Annual General Meeting on 25 March 2021, the Board of Directors will propose a cash dividend of CHF 64.00 per share for the financial year 2020, an increase of 3.2% compared to 2019. If

approved, this will be the 20<sup>th</sup> consecutive dividend increase following Givaudan's listing on the Swiss stock exchange.

## 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 our Executive Committee together with our Investor Relations team during the year. In the current context of the Covid-19 pandemic, our interactions with market players have remained very strong, whilst becoming virtual through videoconferences and webcasts.

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[www.givaudan.com](http://www.givaudan.com) ▶ Investors ▶ Investor events

## How the market views us

Currently 24 financial analysts report on Givaudan regularly. The latest forecast and recommendations can be found online at [www.givaudan.com](http://www.givaudan.com) – investors – analysts coverage and consensus. This information is reference only.

## Givaudan as a highly-rated sustainable investment

Givaudan's work in sustainability and ESG has been widely recognised externally. This includes recent confirmation of Givaudan's ESG risk rating by Sustainalytics which categorised the business as low-risk and amongst industry leaders: 6<sup>th</sup> out of 400. It also includes CDP double A rating for the second consecutive year for leadership in climate action and water stewardship, a platinum EcoVadis medal, inclusion in the SXI Swiss Sustainability 25 index, and inclusion in FTSE4Good Index Series ranking us in top 1% performers amongst peers.

## Our credit ratings

Our credit ratings confirm the Company's market leadership position and strong financial profile. In 2020 our ratings were:

**S&P global ratings:** A- credit rating, with a stable outlook.

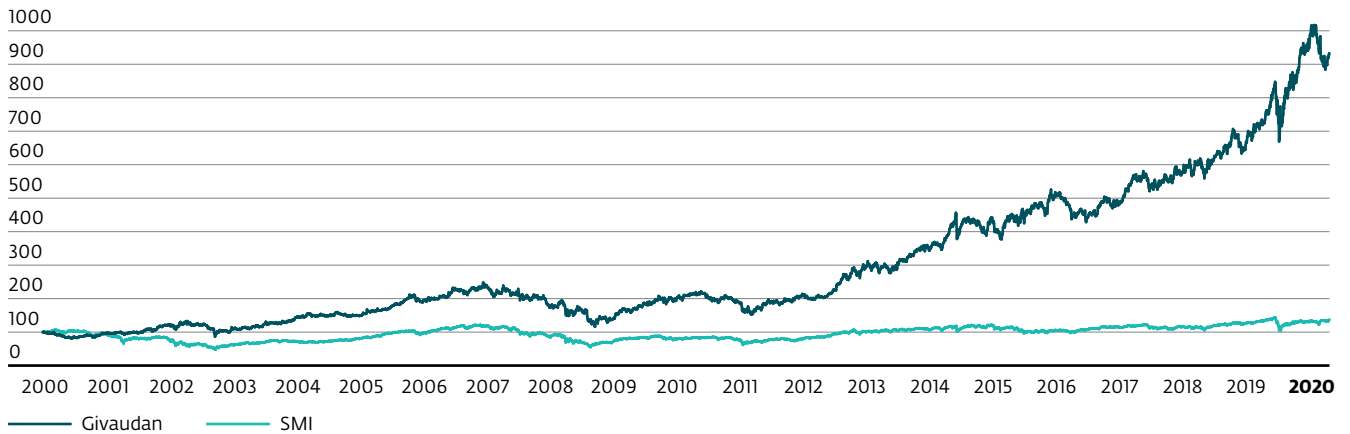
**Moody's investors Service:** Baa1 rating, with a negative outlook.

## Key share figures

For the year ended 31 December. In Swiss francs except for number of shares	2020	2019	2018	2017	2016
Market capitalisation (in millions)	34,441	27,987	21,016	20,794	17,230
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	3,730	3,031	2,276	2,252	1,866
Share price, highest	4,075	3,052	2,478	2,289	2,106
Share price, lowest	2,681	2,285	2,087	1,716	1,674
Earnings per share – basic (CHF)	80.59	76.17	71.92	78.18	69.95
Total shareholder return (in %)	25.11	35.81	3.64	23.69	7.86

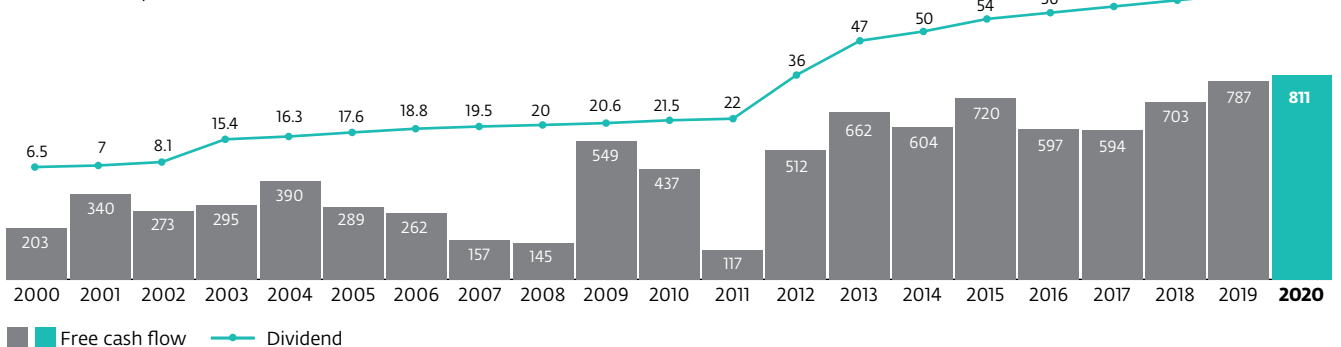
## Share price development

in %



## Dividend per share and free cash flow

in Swiss francs | in millions of Swiss francs



1. Subject to shareholder approval at the AGM on 25 March 2021.

# Consolidated financial statements

## Consolidated Income Statement

For the year ended 31 December

in millions of Swiss francs, except for earnings per share data	2020	2019
Sales	6,322	6,203
Cost of sales	(3,663)	(3,673)
<b>Gross profit</b>	<b>2,659</b>	<b>2,530</b>
as % of sales	42.1%	40.8%
Selling, marketing and distribution expenses	(848)	(791)
Research and product development expenses	(536)	(528)
Administration expenses	(218)	(221)
Share of results of joint ventures and associates	3	4
Other operating income	45	41
Other operating expense	(109)	(115)
<b>Operating income</b>	<b>996</b>	<b>920</b>
as % of sales	15.8%	14.8%
Financing costs	(86)	(79)
Other financial income (expense), net	(34)	(33)
<b>Income before taxes</b>	<b>876</b>	<b>808</b>
Income taxes	(133)	(106)
<b>Income for the period</b>	<b>743</b>	<b>702</b>
<b>Attribution</b>		
Income attributable to non-controlling interests	–	–
Income attributable to equity holders of the parent	743	702
as % of sales	11.8%	11.3%
<b>Earnings per share – basic (CHF)</b>	<b>80.59</b>	<b>76.17</b>
<b>Earnings per share – diluted (CHF)</b>	<b>79.96</b>	<b>75.59</b>

### READ MORE

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**Consolidated Statement of Comprehensive Income**

For the year ended 31 December

in millions of Swiss francs	2020	2019
<b>Income for the period</b>	<b>743</b>	<b>702</b>
<b>Items that may be reclassified to the income statement</b>		
<b>Cash flow hedges</b>		
Movement in fair value, net	(51)	(56)
Gains (losses) removed from equity and recognised in the consolidated income statement	6	6
Movement on income tax	4	4
<b>Exchange differences arising on translation of foreign operations</b>		
Movement in fair value arising on hedging instruments of the net assets in foreign operations	58	51
Change in currency translation	(385)	(99)
Movement on income tax	5	(6)
<b>Items that will not be reclassified to the income statement</b>		
<b>Defined benefit pension plans</b>		
Remeasurement gains (losses) of post employment benefit obligations	46	(91)
Movement on income tax	(5)	(3)
<b>Other comprehensive income for the period</b>	<b>(322)</b>	<b>(194)</b>
<b>Total comprehensive income for the period</b>	<b>421</b>	<b>508</b>
<b>Attribution</b>		
Total comprehensive income attributable to non-controlling interests	–	–
Total comprehensive income attributable to equity holders of the parent	421	508

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**Consolidated Statement of Financial Position**

As at 31 December

in millions of Swiss francs	<b>31 December 2020</b>	31 December 2019
Cash and cash equivalents	411	452
Derivative financial instruments	54	24
Financial assets at fair value through income statement	4	4
Accounts receivable - trade	1,359	1,365
Inventories	1,201	1,149
Current tax assets	66	50
Prepayments	50	35
Other current assets	154	163
<b>Current assets</b>	<b>3,299</b>	<b>3,242</b>
Derivative financial instruments	65	1
Property, plant and equipment	2,222	2,326
Intangible assets	4,543	4,286
Deferred tax assets	218	211
Post-employment benefit plan assets	20	32
Financial assets at fair value through income statement	180	177
Interests in joint ventures and investments in associates	35	34
Other long-term assets	76	87
<b>Non-current assets</b>	<b>7,359</b>	<b>7,154</b>
<b>Total assets</b>	<b>10,658</b>	<b>10,396</b>
Short-term debt	206	335
Derivative financial instruments	49	29
Accounts payable - trade and others	809	833
Accrued payroll & payroll taxes	211	189
Current tax liabilities	157	111
Financial liability - own equity instruments	108	108
Provisions	23	18
Other current liabilities	233	207
<b>Current liabilities</b>	<b>1,796</b>	<b>1,830</b>
Derivative financial instruments	103	79
Long-term debt	4,245	3,796
Provisions	71	69
Post-employment benefit plan liabilities	545	601
Deferred tax liabilities	310	280
Other non-current liabilities	80	82
<b>Non-current liabilities</b>	<b>5,354</b>	<b>4,907</b>
<b>Total liabilities</b>	<b>7,150</b>	<b>6,737</b>
Share capital	92	92
Retained earnings and reserves	6,133	5,961
Own equity instruments	(168)	(168)
Other components of equity	(2,567)	(2,245)
<b>Equity attributable to equity holders of the parent</b>	<b>3,490</b>	<b>3,640</b>
Non-controlling interests	18	19
<b>Total equity</b>	<b>3,508</b>	<b>3,659</b>
<b>Total liabilities and equity</b>	<b>10,658</b>	<b>10,396</b>

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### Consolidated Statement of Changes in Equity

For the year ended 31 December

2020 in millions of Swiss francs	Share Capital	Retained earnings and reserves	Own equity instruments	Cash flow hedges	Currency translation differences	Remeasure- ment of post employment benefit obligations	Equity attributable to equity holders of the parents	Non- controlling interests	Total equity
<b>Balance as at 1 January</b>	<b>92</b>	<b>5,961</b>	<b>(168)</b>	<b>(107)</b>	<b>(1,613)</b>	<b>(525)</b>	<b>3,640</b>	<b>19</b>	<b>3,659</b>
Income for the period		743					743	–	743
Other comprehensive income for the period				(41)	(322)	41	(322)		(322)
<b>Total comprehensive income for the period</b>		<b>743</b>		<b>(41)</b>	<b>(322)</b>	<b>41</b>	<b>421</b>	<b>–</b>	<b>421</b>
Dividends paid		(571)					(571)		(571)
Movement on own equity instruments, net									
Non-controlling interests								(1)	(1)
<b>Net change in other equity items</b>		<b>(571)</b>					<b>(571)</b>	<b>(1)</b>	<b>(572)</b>
<b>Balance as at 31 December</b>	<b>92</b>	<b>6,133</b>	<b>(168)</b>	<b>(148)</b>	<b>(1,935)</b>	<b>(484)</b>	<b>3,490</b>	<b>18</b>	<b>3,508</b>

2019 in millions of Swiss francs	Share Capital	Retained earnings and reserves	Own equity instruments	Cash flow hedges	Currency translation differences	Remeasure- ment of post employment benefit obligations	Equity attributable to equity holders of the parents	Non- controlling interests	Total equity
<b>Balance as at 1 January</b>	<b>92</b>	<b>5,811</b>	<b>(142)</b>	<b>(61)</b>	<b>(1,559)</b>	<b>(431)</b>	<b>3,710</b>	<b>22</b>	<b>3,732</b>
Income for the period		702					702	–	702
Other comprehensive income for the period				(46)	(54)	(94)	(194)		(194)
<b>Total comprehensive income for the period</b>		<b>702</b>		<b>(46)</b>	<b>(54)</b>	<b>(94)</b>	<b>508</b>	<b>–</b>	<b>508</b>
Dividends paid		(552)					(552)		(552)
Movement on own equity instruments, net			(26)				(26)		(26)
Non-controlling interests								–	–
<b>Net change in other equity items</b>		<b>(552)</b>	<b>(26)</b>				<b>(578)</b>	<b>(3)</b>	<b>(581)</b>
<b>Balance as at 31 December</b>	<b>92</b>	<b>5,961</b>	<b>(168)</b>	<b>(107)</b>	<b>(1,613)</b>	<b>(525)</b>	<b>3,640</b>	<b>19</b>	<b>3,659</b>

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**Consolidated Statement of Cash Flows**

For the year ended 31 December

in millions of Swiss francs	2020	2019
Income for the period	743	702
Income tax expense	133	106
Interest expense	80	68
Non-operating income and expense	40	44
<b>Operating income</b>	<b>996</b>	<b>920</b>
Depreciation of property, plant and equipment	201	193
Amortisation of intangible assets	187	161
Impairment of long-lived assets	13	1
<b>Other non-cash items</b>		
- share-based payments	56	41
- pension expense	49	38
- additional and unused provisions, net	20	12
- other non-cash items	(18)	-
<b>Adjustments for non-cash items</b>	<b>508</b>	<b>446</b>
(Increase) decrease in inventories	(68)	(28)
(Increase) decrease in accounts receivable	(76)	(101)
(Increase) decrease in other current assets	(19)	25
Increase (decrease) in accounts payable	27	108
Increase (decrease) in other current liabilities	2	(19)
<b>(Increase) decrease in working capital</b>	<b>(134)</b>	<b>(15)</b>
<b>Income taxes paid</b>	<b>(125)</b>	<b>(106)</b>
Pension contributions paid	(40)	(37)
Provisions used	(16)	(21)
Purchase and sale of own equity instruments, net	(56)	(51)
<b>Cash flows from (for) operating activities</b>	<b>1,133</b>	<b>1,136</b>

Table continued on page 47 ▶

► Table continued from page 46

in millions of Swiss francs	2020	2019
Increase in long-term debt	1,405	660
(Decrease) in long-term debt	(784)	(184)
Increase in short-term debt	3,044	2,904
(Decrease) in short-term debt	(3,300)	(2,919)
<b>Cash flows from debt, net</b>	<b>365</b>	<b>461</b>
Interest paid	(53)	(51)
Purchase and sale of derivative financial instruments, net	(19)	–
Lease payments	(52)	(52)
Transactions of non-controlling interest	(7)	(3)
Others, net	(9)	(7)
<b>Cash flows from financial liabilities</b>	<b>225</b>	<b>348</b>
Distribution to the shareholders paid	(571)	(552)
<b>Cash flows from (for) financing activities</b>	<b>(346)</b>	<b>(204)</b>
Acquisition of property, plant and equipment	(188)	(275)
Acquisition of intangible assets	(39)	(45)
Acquisition of subsidiary, net of cash acquired	(629)	(478)
Proceeds from the disposal of property, plant and equipment	8	74
Proceeds from sales of intangible assets	2	–
Proceeds from disposal of investment property		2
Interest received	3	6
Dividends received from jointly controlled entities	1	2
Purchase and sale of financial assets at fair value through income statement, net	(3)	(105)
Impact of financial transactions on investing, net	25	(29)
Others, net	1	(43)
<b>Cash flows from (for) investing activities</b>	<b>(819)</b>	<b>(891)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(32)</b>	<b>41</b>
Net effect of currency translation on cash and cash equivalents	(9)	(12)
Cash and cash equivalents at the beginning of the period	452	423
<b>Cash and cash equivalents at the end of the period</b>	<b>411</b>	<b>452</b>

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# Creations

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

## Material topics covered

- ▶ Consumer behaviour and customer success
- ▶ Consumer health and wellbeing
- ▶ Innovation capabilities
- ▶ Operational excellence
- ▶ Product quality and safety
- ▶ Product environmental and social impact
- ▶ Technology and digitalisation





Givaudan

Givaudan

Givaudan

# Creating value for our customers

The Givaudan purpose of creating for happier, healthier lives is a strategic guide so our creations and innovations can contribute to the overall wellbeing of the end-consumer, directly or indirectly.

Our 'creations' growth enabler aims to take us to a next level with the ambition of doubling our business by 2030 through creations that contribute to happier, healthier lives. In short, we aim to do good – benefitting people while also doing well, increasing profit and remaining the industry leader. This means creating meaningful, delightful moments for people while protecting the planet.

## Expanding our product offering to our customers

Over the last few years, we have expanded our portfolio in a significant way across flavours, taste, functional and nutritional solutions with a deep knowledge of the food ecosystem. This enables us to provide customers with a broader range of solutions that match consumer demands for clean label, organic and natural ingredients. In fragrances, we have built our ambitions with local and regional customers, health and wellbeing as well as increasing the amount of ingredients we make through vertical integrations. We expanded as well our portfolio of natural and bio-sourced products supported by a strong research and development biotechnology platform.

With this expanded portfolio, in 2020 we evolved the name of our divisions. Our Flavour Division is now Taste & Wellbeing, capturing the value we bring to customers by creating more complete future-facing food experiences. Our new value proposition is to go beyond great taste and create experiences that do good and feel good, for body, mind and planet. We do this through co-creation and collaboration, by leveraging our knowledge of the whole food ecosystem and developing the right solutions for a sustainable tomorrow. Our Fragrance Division is now Fragrance & Beauty, highlighting our leadership in fragrances while signalling the expansion into beauty to become the creative partner of choice not only in personal, fabric, hygiene and home care but also in fine fragrance and beauty overall.

## Accelerating our digital ambitions

In seeking ways of bringing value to our customers in all our business areas, we continue to invest in our digital capabilities throughout the value chain, including artificial intelligence, consumer and customer foresight, robotic process automation, Factory 2.0 and traceability. Of these, Factory 2.0 is how we identify the technologies that can improve our production environment via, for example: automation, including robots and processes; safety, through training and monitoring; decision-making, through forecasting and predictive maintenance; and sustainability, by greener processes.

Our Digital Factory continues to be an accelerator of our digital ambitions, immersing project teams in an innovative environment to be better and faster at experimenting transformative digital opportunities. Opened in 2019, it has had more than 65 visits and workshops and over 12 digital projects accelerated. And 'Carto', where human and machine meet in playful, multi-sensorial interaction for the creation of new flavours and fragrances for our customers, is a genuine creative experience that heralds the increasing role of artificial intelligence. There is more to this than just new and clever technology: Carto enables the harnessing of centuries of creation data, bringing it to the perfumer's and flavourist's fingertips.

We also use technology to learn more about consumer behaviours. Through advanced analysis of social media and other internal and external data, we can capture consumer insights and convert them into business foresights. By using technology in this way, we can offer customer-relevant innovations that promote collaboration and data exchange at much earlier stages of the creation process.

## We will double our business through creations that contribute to happier, healthier lives

AMBITION  
BY 2030

CHF 11 billion in sales

ACHIEVED  
IN 2020

CHF 6,3 billion in sales

# Co-creating with customers and partners

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

In broadening and expanding our offerings to customers, we are creating a global co-innovation network of accelerators and incubators to enable us to leverage the entrepreneurial and innovative ideas that start-ups have to offer. Examples of what we are doing in this area include a partnership with Bühler to open a unique Innovation Centre in Singapore dedicated to plant-based food. Based at our Woodlands site, this co-creation hub will be jointly run and supported by experts from both companies, bringing together extrusion and processing equipment from Bühler and our kitchen laboratory facilities and flavours expertise. This hub will accelerate the adoption of alternative protein technology in the region and help our customers get to market faster.

Through our partnership with MassChallenge in Switzerland, we announced six start-ups for acceleration – three internal and three external – whose innovative ideas and related technologies were identified as having potential for our Company as well as being in line with our strategic innovation pillars. Meanwhile MISTA, our innovation platform for the food industry based in San Francisco – for start-ups and as well as established organisations – expanded its network of members and continues to make significant innovation contributions. We also invest in fostering innovation in foods through our engagement with academia. We joined as founding members, together with Bühler, Nestlé, ETH and EPFL, the FutureFood initiative in Switzerland. The purpose is to drive innovation in food sponsoring fellowship programmes.

## Advancing innovation in plant-based proteins

We know that co-creation partnerships can expand and augment innovative thinking and we are partnering with many of the prominent players in plant-based proteins, a space which has

experienced significant growth in recent years. The strong shift towards plant-based meat alternatives and alternative protein sources is one of the greatest innovation opportunities in today's food industry. And we are pioneering food innovation solutions for plant-based foods which we see as intersecting sustainability and health – solutions that are better for the environment as well as being healthier for people.

For example, working closely with Redefine Meat, we are using our industry-leading capabilities in taste to ensure the new Alt-Steak™ offers the satisfying flavours, aromas and eating experience of real meat. Other partnerships include the Plant Meat Matters consortium, a global initiative led by Wageningen University & Research (WUR) of the Netherlands, which is working to produce plant substitutes for beef and potentially other meat types such as pork or chicken.

We are also exploring the protein space with University of California, Berkeley through the Product Development Program in the Department of Chemical and Biomolecular Engineering. The most recent collaboration has been a pioneering research project which identified the top six new up-and-coming sources of plant-based protein that could be game-changers for the food industry, in particular nutritional beverages.

## Innovative partnerships are crucial in driving business growth and ensuring a sustainable future.

In another co-creation project, we unveiled Ultimine™ Zinc in 2020, a new addition to our broad portfolio of clean label immunity solutions developed with Cura Global Health. Ultimine™ Zinc is the world's first fermented wholefood zinc supplement that can be used in a range of food and nutrition applications and addresses concerns around immunity as well as trends for ingredients perceived as natural.

Co-creation using our VAS (Virtual Aroma Synthesiser) technology offers numerous benefits for our customers and allows us to

improve our communication, better understand consumers and speed products to market. During the COVID-19 pandemic we were able to use VAS to successfully co-create remotely with our customers.

We also established a strategic research partnership with the biotech company Novozymes for the development of ingredients and technologies for customers. With Novozymes, we will be working on the research and development of innovative sustainable solutions in the areas of food and cleaning. The two companies will work on specific projects with the aim of bringing to their respective customers a differentiating solution offering. We have the potential to grow with our respective customers while increasing our positive impact on the world with products consumers feel good about and which preserve our planet.

### **Accelerating the pace and quality of ideation with key suppliers**

There is also a rich source of innovation among our suppliers and with them we can achieve a level of innovation that goes beyond what we can do on our own. While 'we know what we need', collaboration that is more focused and specific, can help us in 'what we don't know we need'.

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.

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## **Through supplier-enabled innovation we can increase our intellectual resources and innovation momentum.**

While COVID-19 has restricted the full expansion of this initiative, it also created an environment for shorter, more focused and more numerous contacts with our strategic partners. Before, our discussions with one of our strategic partners would typically involve multiple face-to-face conversations. The 'new norm' of virtual meetings intensifies these contacts, increasing intimate conversation which drives the dialogue.

By 2025, procurement, including 'Connect to Win' and the many other Supplier Enabled Innovation activities, is expected to be a significant contributor to the innovation agenda. All our collaborations with suppliers will ultimately feed and fuel our innovation activities in different ways, each contributing to our efforts of creating together a responsible and sustainable future.





A vertical photograph of an underwater scene, showing numerous bubbles of various sizes rising from the bottom towards the surface. The water is a clear, vibrant blue. The bubbles are in sharp focus, with some showing light refraction and shadows.

# The fishless wave

Plant-based fish and seafood are expected to become a top global trend, according to research conducted by Givaudan, in collaboration with the University of California, Berkeley.

**G**ivaudan is well known as a leader in plant-based proteins, formulating natural solutions for meat alternative products. With the trend towards meat-free products growing fast, a fishless wave is on the horizon, in which consumers will be able to enjoy the experience of eating plant-based fish and seafood. To fully explore the size and kinds of opportunity for plant-based fish and seafood, Givaudan is collaborating on research with the University of California, Berkeley, and is at the forefront of developing products that mimic a fresh-from-the-sea, holistic eating experience.

Plant-based foods are now mainstream and likely to remain so, as an increasing number of consumers adopt vegetarian or vegan diets, and many others choose a flexitarian or 'casual vegetarian' path. Plant proteins which mimic the full experience of eating fish and seafood, with authentic colour, taste and texture, are a niche in which there is a huge amount of interest from both consumers and the food industry.



At Givaudan, we are exploring the opportunities and innovations that will be game-changing for the industry and our business – and while we are at an early stage, there is a certain sense of urgency. Fish consumption is rising, with consumers eating an average of 20 kilograms of fish each year, while fish stocks are decreasing. Farm-raised fish, or aquaculture, has been seen as one answer and now accounts for about 50% of production, but is a major cause of pollution in water courses.

Sylvain, Givaudan Global Product Manager for Meat Substitutes, Fish and Seafood, explains: “Fish is as popular as ever, and a combination of factors is driving interest in plant-based alternatives. Consumers have a number of ethical, environmental and well-being concerns about fish. They are increasingly aware of how fish and seafood are affected by over-fishing, pollution, and climate change. They also have concerns over the health implications of microplastics and mercury levels in fish and seafood. We see a high level of enthusiasm from the food industry for fish and seafood alternatives, and at Givaudan we are able to bring our expertise in fish and seafood alternatives to bear to create more complete, future-facing food experiences for people around the world.”

The fishless wave may be only just beginning, but at Givaudan, work is advancing to create authentic dishes built around a holistic eating experience that takes into account many factors, including fibrosity, bite and mouthfeel, colour and taste. Whether the end product will be a fish stick, canned tuna, smoked salmon or another dish, the key is in first understanding the behaviour of the plant protein that will be used, an area in which Givaudan has tremendous expertise.

“By understanding the protein base, we can generate specific profiles depending on the protein itself, and work on all aspects of the product,” Sylvain adds. “The goal is to create fish and seafood that not only tastes good, but is a more complete, future-facing food experience. If you think about cooking meat,

## As a global leader in the alternative protein space, Givaudan collaborates with the brightest and best minds from across the industry to help tackle the complex challenges of these products.

we only need to add flavour, because the juiciness is already there. But for plant-based food we have to replicate all the characteristics, and each one is important. Take colour as an example: would you eat a salmon alternative if it was not pink?”

Protein sources can range from the more established soy, pea and wheat to emerging varieties, such as chickpea, faba, lentil, seaweed and algae. Givaudan's technology and expertise allows our experts to tackle the trickier challenges of adapting the protein. The flaky texture of white fish is not easy to mimic, but Givaudan is investigating how advanced texturisation technology can replicate it in an authentic way. Functional ingredients such as gels and starches are also being used to create the feel of fish in the mouth, from a creamy sensation on the tongue to an elastic bite when chewing. Givaudan is exploring a wide range of colours, as well as flavours and masking solutions to balance the taste of plant proteins and introduce a fresh-from-the-sea character. Umami, for example, can enhance the salivation that we would generally experience when eating fish and seafood. To add further complexity to the product, Givaudan experts are working on replicating different cooking cues – smoked, canned, boiled or raw. And a final touch to connect consumers to the idea of fresh fish and seafood is to add ingredients like citrus, herbs and vegetables.

Sylvain concludes: “As a result of the research we can recommend the food industry to target five species which have a positive image with consumers and which face sustainability challenges - salmon, tuna mainly as a canned product, shrimp, crab and white fish, in that order. At Givaudan, we are excited about the opportunities ahead and we see great potential for this niche in the plant protein market.”

### United Nations Sustainable Development Goals (SDGs)

Through our approach to plant-based fish and seafood we contribute to solving current sustainability challenges and directly promote SDGs 2, 9 and 12.





# Ensuring sustainability for the **future** of perfumery

More and more, consumers are demanding sustainable fragrances in the products they use every day. A strengthened approach allows us to help our customers bring joy to people around the globe with love for nature.

“People from all walks of life increasingly want to enjoy the delight of fragrances produced with care for nature and for the local communities who provide the ingredients,” says Maurizio Volpi, President of Givaudan’s Fragrance & Beauty. “Givaudan has always been driven by our love for nature. This is why we are leading the way in making the future of perfume more sustainable and ensuring that our customers can meet the expectations of people everywhere for responsibly produced fragrances.”

With this in mind, in 2020 we put in place solid foundations that improve the ways in which fragrances are designed so that sustainability is at the root of the entire process. Our pioneering Naturality Platform™ has matured and is our guiding star for fragrance design, transforming our ingredients palette and the way we formulate fragrances. In parallel, our Naturals at Origin strategic approach has been reinforced to not only source naturals directly in the country of origin, but also develop and innovate locally.

“The future of perfumery is very exciting as our industry finds new and delightful fragrances which enable more people to live happier, healthier lives without exacting a price from nature or communities involved in supply or production,” continues Maurizio. “With our new design platform and sourcing strategy, we can support our customers in meeting growing demand for sustainable products. This is a perfect fit with our ambition to grow with our customers, and with our purpose to enable more people to live happier, healthier lives.”

The Naturality Platform™ provides tools and information to enable our customers to make better decisions about their future product design, selecting ingredients from renewable sources and which are biodegradable and responsibly sourced. The platform brings about sustainable creation through three pillars: understanding consumers’ wishes, designing sustainably, and measuring the impact of formulas on nature.

The initial step is to help our customers gain deep insights into what consumers around the world expect. These insights come from the first pillar, Understanding: Consumer study programmes, and show how significant the trend towards care for nature is.

In the next step, our customers can gain a clear understanding of the market, so that creative teams can invent the right fragrance, and design it to be as sustainable as possible. This takes place under the second pillar, Designing: The Naturality Guide™.



The third pillar, Measuring: The Naturality Index™, helps perfumers to consider the environmental impact of the formula, depending on the ingredients they have chosen, looking at factors such as biodegradability, renewability, carbon footprint and sourcing.

Maurizio adds: “Many wonderful and unexpected solutions are already emerging from the platform, from fine fragrances to personal care fragrances and fabric care. Feedback from our customers is that it helps them to anticipate and exceed consumers’ wishes.”

Complementing the Naturality Platform™ is Naturals at Origin, the sourcing strategy supporting our label Orpur®. Building on our history of responsible sourcing, it limits environmental impact, brings progress to farmers, producers and the local communities they live in, and ensures a sustainable supply of precious natural ingredients.



**With our new design platform and sourcing strategy, we can support our customers in meeting the growing demand for sustainable products. This is a perfect fit with our ambition to grow with our customers, and with our purpose to enable more people to live happier, healthier lives.**

We now source 80% of the natural ingredients we use directly from the country of origin through our own network. This strategy comes after we have already added around 100 new natural ingredients into the perfumery palette in the past few years and will pave the way for many more.

As Maurizio concludes, our strategy helps to ensure the future of sustainable fragrance ingredients and perfumery itself: "Givaudan has always led the way in protecting and developing natural ingredients with the future of perfumery in mind. We are committed to being a force for good in the lives of the communities who produce our ingredients. Our approach brings us close to the fields, which means we can innovate to enrich the perfumers' palette in a responsible way. As a result, we can increase our capability to create nature-conscious fragrances – supporting our customers to meet the growing demand for sustainable products."

**United Nations Sustainable Development Goals (SDGs)**

Our Naturality Platform™ allows us to take into account various sustainability aspects when designing fragrance innovations, contributing specifically to SDGs 12, 13 and 15.



# 2020 key innovation achievements

## TASTE & WELLBEING

By delivering differentiating technologies for flavour, taste, natural functional and nutritional ingredients, and integrated solutions, our Science & Technology team brings long-term and sustainable success to our customers.



### TurmiPure Gold®

Award winning 100% natural\*, it is the world's first clinically proven bioequivalent turmeric extract at a low dose. (\* No artificial or synthetic ingredients.)

### Ultimine™ Zinc

The world's first wholefood fermented zinc for immune health support. Delivering an 11mg dose in a 200mg serving, it can be used in a wide range of food, beverages and health supplements.

### Flowens®

Named Ingredient of the Year – Healthy Ageing at the 2020 NutraIngredients Awards, this full spectrum cranberry ingredient has shown promising results in managing overactive bladder in women in a recently published study.

## Natural nutritional ingredients

## Sweet and savoury

### Meat substitutes

Fat encapsulation technology helps reduce up to 75% of the fat and 30% of the calorie in meat substitutes. Authentic and real meaty taste significantly bridges the taste gap between meat and plant proteins.

### Vegebrite® Veggies reds

Our natural maskers, texturisers and emulsifiers help our customers achieve the desired mouthfeel experience – with no compromise on performance.

## Natural functional ingredients

### New natural fermentation derived ingredients

Proprietary and differentiating processes to produce high impact ingredients, with low cost and decreased environmental footprint.

### Foodstuff orange colour

Natural colour pigment helping our customers achieve exact colour targets in food applications.

### Virtual TasteTrek® Citrus

A multi-sensorial virtual reality tool that transports customers from anywhere in the world to the California citrus groves, enabling flavour co-creation.

### XtraBlend® RN

Derived from spinach and rosemary, it offers a high-performance natural alternative to Ethylenediaminetetraacetic acid (EDTA) for mayonnaise, salad dressings and other lipid emulsions.

### Mouthfeel designed by nature

Our natural texturisers and emulsifiers help our customers achieve the desired mouthfeel experience – with no compromise on performance.



## FRAGRANCE & BEAUTY

By exploring unique and innovative ways which are sustainable and safe, the Science & Technology team in Fragrance & Beauty helps to bring amazing technology and innovative smelling solutions to delight consumers in new and different ways.



### Koffee'Up™

A sustainable beauty oil crafted from upcycled Arabica spent coffee grounds with remarkable skin care benefits from hydration to anti-ageing.

**From leftovers to luxury, pioneering upcycling in fragrances**

### Neosalyl™

Obtained from the natural essential oil of the Wintergreen plant. Brings all its benefits in dermo-purification for skin, and shininess and anti-dandruff for hair care.

### B-Lightyl™

Our new marine ingredient with the power to correct dark spots on all skin complexion types. Naturally sourced in Brittany, France.

**Tomorrow's ingredients made today: our commitment to a sustainable future**

### Ebelia®

Our new captive ingredient, standing out for its olfactory contribution, but also for our love for nature as it follows the principles of Green Chemistry.

### New Red 1805

Crafted by green fractionation and is the new vegan red pigment for make-up, the easy way to switch from synthetic to a sustainable alternative.

**Fragrance innovation enhancing wellbeing**

### MoodScenz™

Patented creative guidelines enabling our perfumers to design feel-good, mood-enhancing fragrances.

### Synchronight™

A cosmetic ingredient that fights the effects of digital stress. Activated by the skin microbiome, it protects skin melatonin production, improving sleep quality and preventing premature ageing.

### VivaScenz™

A ground-breaking fragrance technology that influences the way perfumes are created, helping us to bring consumers meaningful fragrance solutions to counterbalance negative stress.



# Nature

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

## Material topics covered

- ▶ Biodiversity
- ▶ Climate change
- ▶ Deforestation
- ▶ Product environmental and social impact
- ▶ Raw material availability
- ▶ Responsible sourcing
- ▶ Water stewardship
- ▶ Waste management







# Our journey to becoming a climate positive business

## The climate crisis highlights an urgent need to accelerate action.

We are proud to be on the journey towards being climate positive and to be working with our teams, customers, suppliers and partners to help realise this bold ambition.

Being climate positive means going beyond net-zero: removing more greenhouse gases (GHG) from the atmosphere than we put in. To achieve this, we need to tackle our GHG emissions throughout our supply chain:

- The ones we own or under our control, known as scope 1 emissions, come mainly from our factory processes and office use and are all fuels that we use on our sites.
- Indirect emissions fall under the category of scope 2 and come from the generation of energy that we purchase for our operations.
- Scope 3 emissions are all indirect emissions that occur in the value chain of the Company, in particular producing our raw materials. After all, the real footprint of a product includes every step in the supply chain that gets it to market. This is why we are also collaborating with our suppliers to reduce their own footprint, minimising the overall environmental impact of each product. This has a direct, positive impact on local producer communities and the supply of the natural ingredients we rely on.

As we move to becoming climate positive, we will accelerate action given the urgency of tackling climate change. These include:

- Moving from fossil fuels towards renewable sources such as solar, wind, geothermal and biofuels.
- Rethinking how we move around, from the way we transport materials and goods to the way we travel ourselves.

- Looking at how we formulate, how we continue to innovate and how we continuously improve our ingredients portfolio with the maximum respect for nature, for example with Naturality Platform™ our platform for nature-conscious fragrance creation.

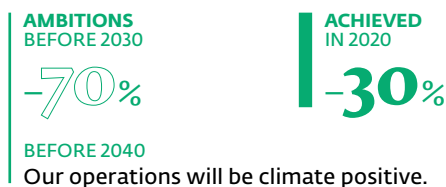
We will also be exploring ways to capture carbon through natural climate solutions including reforestation, ecosystem restoration and through technology solutions such as industrial processes. The first aim will always be to reduce our energy consumption through constantly seeking to innovate around new production infrastructure as well as through overcoming inefficiencies at plants.

Below are our important milestones we need to reach to become climate positive by 2050:

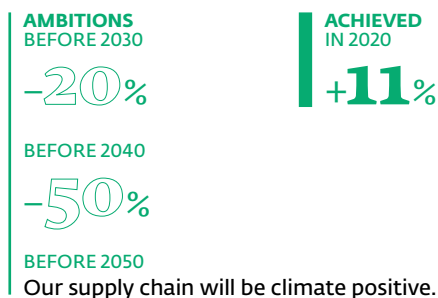
### Our RE100 commitment of 100% renewable electricity<sup>1</sup>



### Our operations carbon emissions

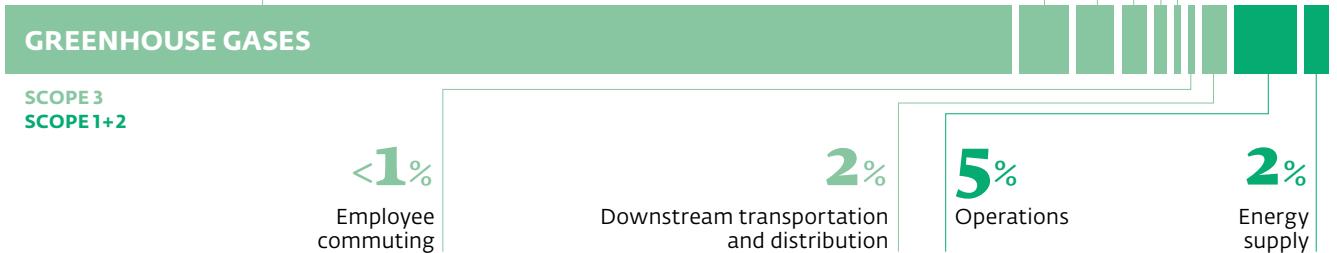
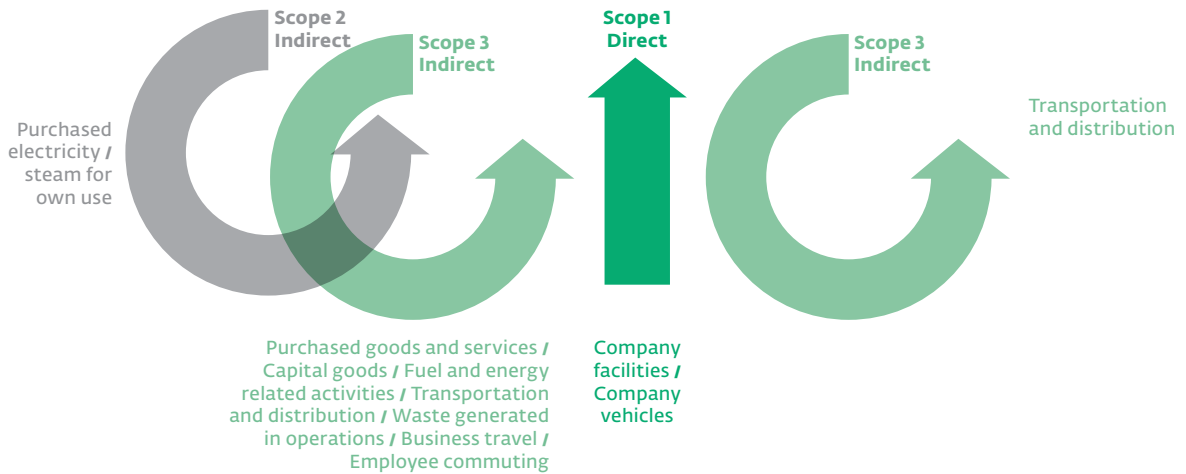
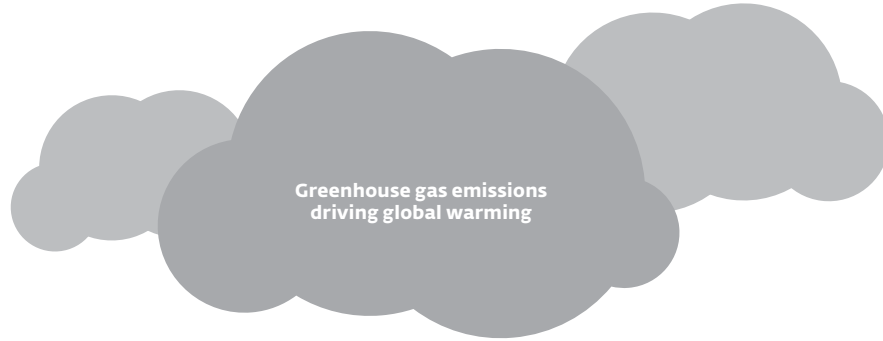


### Our supply chain carbon emissions



1. In 2020 we achieved 81% renewable electricity, of which 76% is in line with the most recent RE100 criteria.

**GIVAUDAN'S EMISSIONS FOOTPRINT**



## OUR ROADMAP TO BECOMING CLIMATE POSITIVE

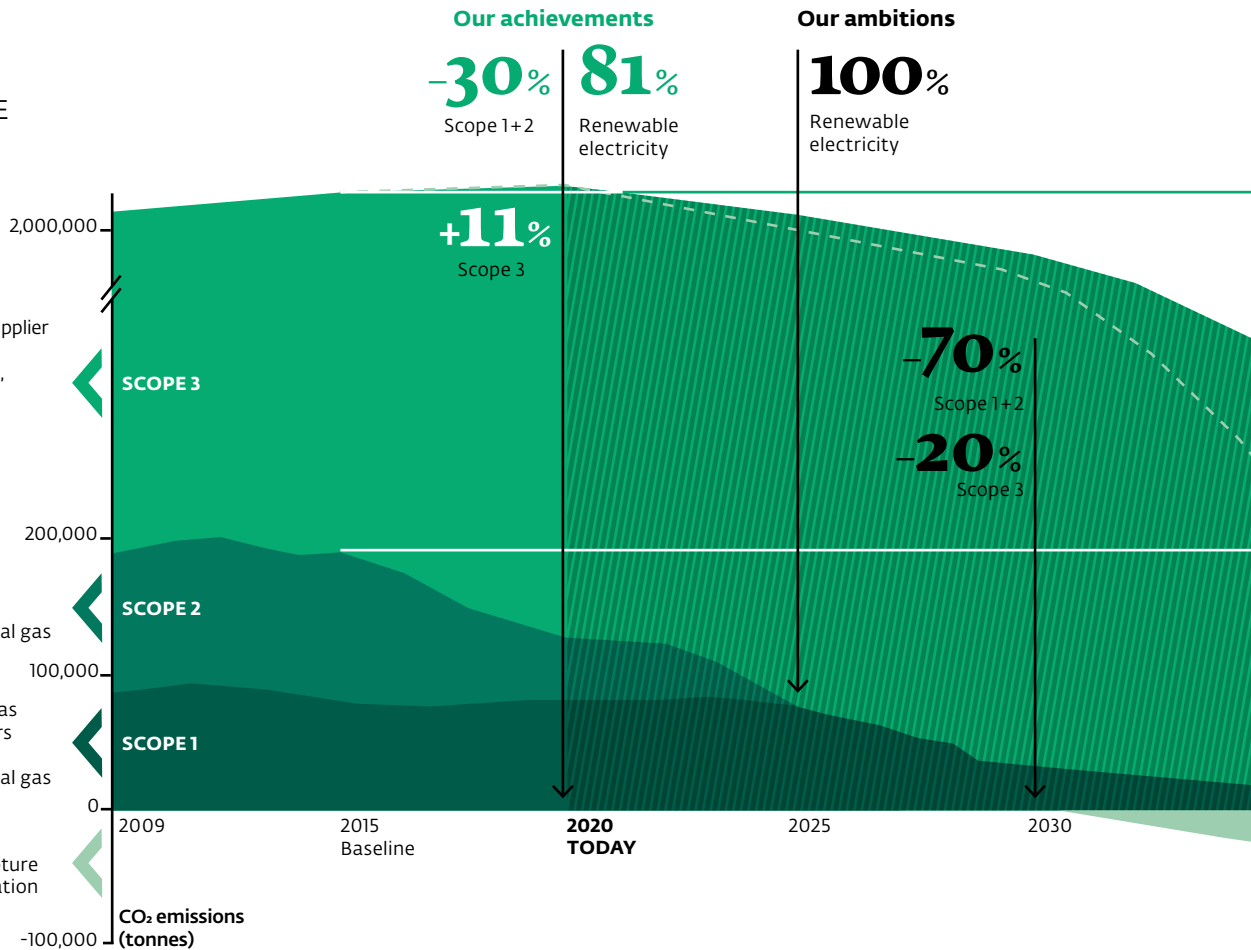
### Examples of actions

Formulation, innovation, supplier improvements, ingredient portfolio, mobility solutions, packaging, transportation, reducing air travel and air travel emissions offsetting

Renewable electricity: solar, wind, geothermal  
Eliminate: coal, fuel, natural gas

Renewable energy: Bio-Gas certificates, convert boilers to biomass, electrification  
Eliminate: coal, fuel, natural gas

Carbon storage solutions: planting trees, carbon capture in soils, ecosystem restoration



### What are we doing already?

#### Renewable electricity

We have made good progress on our renewable electricity commitments and are on track to meet our target of converting our entire electricity supply to fully renewable sources by 2025 as part of our RE100 commitment. In 2020 we achieved 81% renewable electricity. 28 of our production sites are now powered 100% by electricity from renewable sources.

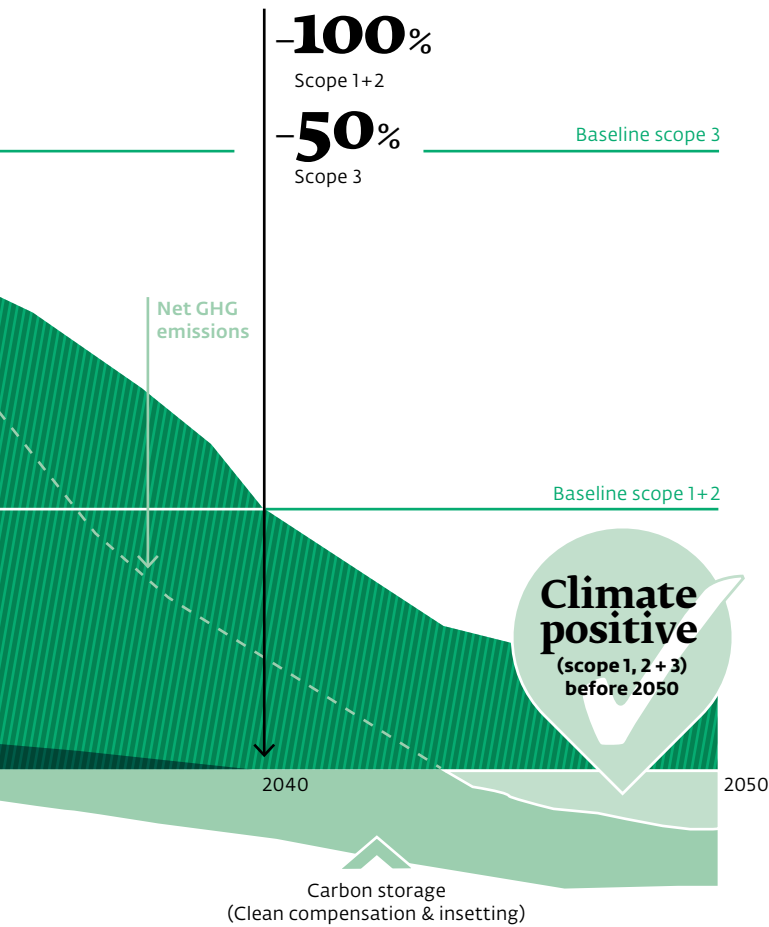
Our procurement team is also driving initiatives to help implement the renewable electricity strategy and support the sourcing of alternative energy solutions. Guidelines enable our purchasing teams to buy smarter and greener energy, moving away from electricity produced from traditional fossil fuels such as coal and oil to natural gas and renewable energy sources. Purchased electricity accounts for 35% of the total energy used across Givaudan but equates to 24% of our total CO<sub>2</sub> emissions.

#### GHG emissions scope 1 and 2

We have already strengthened our targets and aim to reduce absolute scope 1 and 2 GHG emissions by 70% between 2015 and 2030, up from a previous target of a 30% reduction. In 2020 we were well on our way to achieving our target with -30%.

We cannot achieve our ambitious GHG emission reduction target without evolving our own technology, so we partner with experts from diverse fields to find new ways of improving our environmental performance. We look in particular at the energy intensive activities of our processes and seek opportunities to use alternative technologies to achieve the same performance and reduce our GHG emissions.

Solar heat, for example, offers an energy-efficient way to help meet our cooling and refrigeration needs and in 2020 we set out a new renewable electricity strategy that prioritises on-site generation. At our flavours site at Pune in India, more than 2,000 solar panels have been installed on building rooftops and



elsewhere. Inaugurated in 2020, the installation means a 20% cut in the use of fossil fuels and a carbon footprint reduction of 806 tonnes in the site's operations – the equivalent of planting about 36,000 trees, supplying electricity to 735 houses per year, and taking 1,900 cars off the road per year.

### GHG emissions scope 3

To address scope 3 emissions, the CDP Supply Chain programme is one of the tools we have chosen to better understand the supply chain and engage with our suppliers on climate action. The level of engagement varies on the maturity of our suppliers and their own climate actions. For suppliers leading the management of climate-related issues, we seek to create partnerships for 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 their behaviour and provide support and guidance for improvements. This approach is aligned with – and contributes to – delivering on our science-based target for scope 3 emissions.

## Our targets are aligned with the Science Based Targets initiative and the UN's Business Ambition for 1.5°C.

### Joining others in calls for climate change action

We join other businesses in calling for climate change action as part of our ambition to be climate positive before 2050 for all three scopes, in line with our Company purpose.

For example, in 2019 we signed the pledge 'Business Ambition for 1.5°C' proposed by the United Nations to aim for net-zero value chain emissions by 2050. It calls on companies to commit to setting verifiable science-based targets at 1.5°C and achieve net-zero emissions economy by 2050.

In 2020, we signed up to the CLG Europe CEO letter to the EU on 2030 GHG emissions targets. The letter is designed as a clear signal to policymakers and other businesses at a critical policy moment that it is essential to ramp up climate ambition. We have also signed the Business for Nature's 'Nature is everyone's business' call to action. And our journey to become a B Corp certified company will be the independently verified proof that we are living our purpose every day, meeting the highest standards of environmental and social sustainability.

### Helping protect our precious environment

Showing our love for nature in everything we do also means protecting our precious natural environment. Deforestation, land use change and land degradation threaten the ecosystems and biodiversity that underpin the sources of natural ingredients that we buy for our products. It is, therefore, important that we take action to minimise deforestation and preserve biodiversity.

In 2020, we launched our updated palm position statement where among other things we re-emphasise our commitment to non-deforestation, including 'No Deforestation, No Peat, No Exploitation' (NDPE) principles. We are co-funding landscape projects that target sustainability issues at the beginning of our palm supply chains in Indonesia and Malaysia, in collaboration with the Earthworm Foundation and other companies.

These efforts to protect forests operate alongside those to promote good agricultural practices and we have a number of initiatives in place. Training in good agricultural practices is included in our patchouli and turmeric sourcing activities, for example, and the Givaudan Foundation is partnering with Des Enjeux et des Hommes and one of our jasmine suppliers in a project where close to 200 smallholder farmers were trained in good agricultural practices, including safe plant protection measures and compost management.

In addition, our clove leaf oil projects aim at lowering the use of firewood from natural forests for distillation. As part of a new partnership with the German development agency GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit), we will develop and promote improved distillation equipment with clove farmers. The joint project is aiming to reach 1,000 farmers and their families and, in addition to providing technical support on distillation, the clove leaf oil producers will benefit from training in financial management and entrepreneurship.

We also continue to support reforestation efforts with a tree planting programme in Madagascar through the Givaudan Foundation, which by the end of 2020 had involved the planting of more than 680,000 trees to limit the deforestation impacts of clove leaf oil production.

### Driving change with 'Naturals at Origin'

In fragrance creation, our 'Naturals at Origin' is a further step to drive changes in our industry towards a more sustainable future in naturals and align our global commitments to our Company purpose. This strategic approach aims at limiting impact on the environment and bringing progress locally. It also fosters nature-conscious fragrance design and helps our customers to meet the growing demand for sustainable products.

Acquisitions such as Centroflora, Naturex and Albert Vieille have brought specialised expertise in natural ingredients, including agronomy, and has given us further direct access to local production sites and fresh raw materials. This helps us expand our expertise and innovate with naturals. About 100 new naturals have been entered into the perfumery palette over the last three years, allowing our perfumers to create new formulations for customers who are nature conscious.

Thanks to our presence in the field, in the country of origin, we are able to develop the most exquisite qualities of naturals to enhance our unique palette of ingredients and our exclusive label Orpur® in a sustainable way. This close collaboration with farmers and producers also enables us to improve supply chains and reduce our environmental impact by innovating directly on-site using fresh raw materials and introducing new techniques in agronomy.

**READ MORE**  
[www.givaudan.com](http://www.givaudan.com) ▶ Fragrance & Beauty ▶ Ingredients ▶ Naturals ▶  
**'Naturals at Origin' video**  
 2020 GRI Sustainability Report ▶ page 43 ▶ **GRI 302: Energy**  
 2020 GRI Sustainability Report ▶ page 48 ▶ **GRI 304: Biodiversity**  
 2020 GRI Sustainability Report ▶ page 51 ▶ **GRI 305: Emissions**

## Singapore chiller changes bring multiple benefits

At many of our sites around the world, employees are living the Givaudan purpose by acting to reduce the impact of their site's operations on the environment. In Singapore, a multi-function project at our Woodlands site has resulted in significant improvements in energy use and emissions as well as cost savings during 2020.

Low efficiency, high energy consumption

air-cooled chillers were replaced with water-cooled chillers for much improved efficiency. Previously, the air-cooled chillers had consumed 5,570 MWh/year – 54% of the total energy used for the plant and buildings; the new water-cooled chillers have reduced this energy load to 1,884 MWh/year. It has also brought a 66% energy reduction in the site's chiller footprint, resulting in



1,725 T/year in carbon savings.

The site is on track to achieve a total of CHF 400,000 in savings based on direct energy reduction and from running

and maintenance costs; 15% of these savings is planned for green energy conversions, helping to meet the Company's RE100 and scope 2 emissions commitments.

# Responsibly managing waste and water

Showing our love for nature in everything we do is a commitment to creating a positive impact on the environment. One way to do this is improving the way we manage our waste and water.

We work hard to reduce the amount of waste we produce through a process based on the concepts of 'reduce', 'reuse', 'recycle' and 'recover': we reduce the amount we create as a by-product of our processes, we then 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. During 2020, the amount of waste sent for incineration and landfill per tonne of product decreased by 14% compared to the 2015 figure. In total, we diverted from disposal 71% of all our waste in 2020. The absolute amount of waste diverted from disposal has increased by 20% since 2015.

The reduction of landfill is also a priority and 15 of our sites (36%) are without landfill waste. We are encouraged by our progress in some areas but are aware that work is needed in others before we can achieve our ambitious targets.

## AMBITION BEFORE 2030

We will replace single-use plastics with eco-friendly alternatives across our sites and operations.

## Rethinking plastics

Another important element of our approach is our commitment to replace all single-use plastics across sites and operations with eco-friendly alternatives before 2030. This requires us to redesign and

innovate the plastics system – in our business models, our materials, packaging design and reprocessing technologies. At the end of 2020, we completed a plastic circularity study at our Vernier site in Switzerland. We identified many improvement opportunities and engaged with the World Business Council for Sustainable Development (WBCSD) plastic and packaging project as co-leader of one work-stream. To strategically position and embed plastic circularity principles in our sustainability programmes we recruited a global expert who will guide the organisation on this journey.

Alongside this work, we will continue encouraging our employees to find initiatives in switching from plastic to more sustainable alternatives. For example, at our Edison site in Cincinnati, Ohio, USA, innovative and sustainable waste management processes are being implemented to gradually eliminate all food-related waste sent to landfill. This is accomplished by composting coffee pods (K-Cups) throughout the site and specific food waste streams in the cafeteria and application labs.

## Responsibly discharging waste water

We are also working to ensure that the wastewater from our operations is discharged responsibly, for example, we use on-site biological treatment of wastewater and subsequent reuse at our site in the Netherlands. We also monitor its quality especially through Chemical Oxygen Demand (COD) analysis. The total quantity of COD discharged was measured at 277 tonnes in 2020, a 57% decrease since last year.

Overall, we are working towards a continued reduction of water use through projects including reduced water withdrawal and water recycling and are investigating alternative sources such as rainwater. At our Sant Celoni site in Spain, employees have developed an innovative process to reduce the site's wastewater, in turn helping to achieve our goals around water, waste and energy/greenhouse gas emission reductions. By adapting the synthesis process for a specific product, the project achieved – as well as cutting water use and costs – a reduction of 4.8%/year in hazardous waste to external treatment facilities, and a 7.8%/year decrease in energy consumption.

### Upcycling by-products or waste materials

And finally, seeking ways to upcycle by-products or waste materials into new materials is an innovative solution to waste management. Upcycling, or creative reuse, concentrates efforts not on our operations but on the ingredients and solutions we create for our portfolio and creative palette. It guides us in continuing to innovate and improve our ingredients portfolio to reduce the impact of our products. For example, in 2020 we launched a new sustainable beauty oil crafted from upcycled Arabica coffee. Koffee'Up™ has been called the 'new argan oil' in the beauty industry because of its natural, eco-conscious and effective properties, bringing facial skin care benefits to consumers such as hydration, protection and anti-ageing. The product was developed in collaboration with Danish company Kaffe Bueno, a biotech start-up at MassChallenge Switzerland that focuses on upcycling spent coffee grounds/waste into active and functional ingredients for cosmetics to bring health and skin benefits to consumers.

### Protecting water, a precious resource

Water is essential to Givaudan's business. We impact water by withdrawing it to use in our operations, discharging it back into the environment, and through water consumption by farmers to grow the majority of the raw materials we buy.

Responsibility for our impacts on water is taken by our leadership: our Responsible Care® Management System (RCMS) is endorsed by our CEO and our Water Stewardship Programme guides our growth strategy with water impacts in mind, sets Company-wide targets and goals and allows us to mitigate water risks.

## Givaudan's water targets contribute to the United Nations Sustainable Development Goals (SDGs), specifically SDG 6 (Clean water and sanitation), and SDG 12 (Responsible consumption and production 12.2 and 12.4).

Furthermore, in 2020, we endorsed the CEO Water Mandate, a UN Global Compact initiative which brings together a critical mass of business leaders to address global water challenges. The endorsement of the mandate further reinforces our commitment to water stewardship, which earned a CDP A grade in December 2020, for the second consecutive year.

In 2020, Givaudan decreased water intensity (municipal and ground water / tonne of product) by 31% since the baseline year 2009. This corresponds to a 4% decrease in water intensity since 2019. We continue to show good progress after reaching our 2020 target for reducing global water consumption per tonne of production by 15%, against a 2009 baseline, three years ahead of schedule, and we are working to set new targets. Our targets aim for a continued reduction in water use, including projects to cut water withdrawal, water recycling, and investigating alternative sources such as rainwater.

To mitigate water risks, we carry out periodic corporate risk assessments of our operations and our supply chain. The assessments take account of both water- and climate-related risks, recognising the strong interconnectedness between them, and allow us to identify relevant exposures and undertake analyses specifically related to the watershed-level context.

## GIVAUDAN'S WATER FOOTPRINT

BASED ON 2018 CORPORATE WATER FOOTPRINT

**97%**  
RAW MATERIALS

**2%**  
ONSITE DIRECT WATER  
USE AND ENERGY

**1%**  
LOGISTICS &  
PACKAGING



### Engagement with suppliers

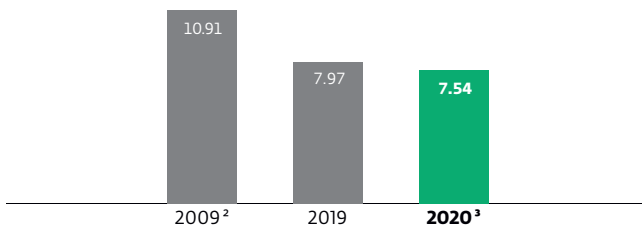
Outside our own operations, our supply chain faces water risks. We leverage our influence with business partners and suppliers to promote water management practices in the entire value chain. Using the CDP Supply Chain programme’s water security questionnaire, we ask our key (or priority) suppliers for information on risks and opportunities associated with water to feed into the supply chain water risk assessment. Information includes details of suppliers’ water accounting and water management strategies such as targets and actions to reduce impact. In 2020, 82% of our respondent suppliers reported active targets and goals and 81% reported risk assessment procedures.

We encourage our strategic suppliers to move beyond reporting water accounting information and into active management. We measure the success of our engagement in actions undertaken by suppliers, demonstrating improvement year on year – for instance, whether they report a structured target or goal as well as their CDP score.

**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.**

Willem Mutsaerts  
Head of Global Procurement and Sustainability

**Water efficiency<sup>1</sup>**  
in m<sup>3</sup> tonnes of production



1. Includes municipal and ground water.  
2. Baseline.  
3. New 12-month reporting period: Q4 2019 – Q3 2020.

### Action to protect communities

As part of our purpose to make a positive difference to the communities in which we operate, we strive to conserve water and protect their right to water and sanitation.

In terms of water conservation, our production sites worldwide use a variety of water-saving approaches. For example, to reduce the amount of municipal water needed for cooling, we switched processes from using municipal water to our existing cooling tower loop. In another case, we installed automatic valves to manage water needed for purging product dust from recirculating scrubber water, allowing the unit to stop adding water when product is not being dried. We have also introduced on-site biological treatment of wastewater and subsequent reuse as well as rainwater harvesting.

Among our actions within communities are educational campaigns, raising awareness about health risks related to water, and focusing attention on WASH (Water, sanitation and hygiene) in our workplaces.

**READ MORE**  
2020 GRI Sustainability Report ▶ page 44 ▶ **GRI 303: Water and effluents**  
2020 GRI Sustainability Report ▶ page 56 ▶ **GRI 306: Waste**

## Saving water

A water resource management project at our East Hanover site in New Jersey, USA, achieved significant water savings through a tweak in the equipment cleaning and sanitisation process. The local Green Team identified that the water flow rate was higher than necessary and could be reduced while still ensuring process quality, efficiency and food safety.

After pilots to optimise the processes, the water flow rate was reduced, saving five million gallons of water. The team was also able to optimise the soap cycle, reducing soap dosing time by 70%, resulting in a savings of more than 300 work-hours per year and 70% reduction in discharge to the chemical-to-wastewater treatment plant.

This method of saving water (and soap) has the potential to be replicated across our sites where water flow rates have not yet been optimised.

# Putting our ingredients under the microscope as part of our climate action

Achieving our ambitious climate target means identifying where we can make the most significant reductions in emissions. As our factories progressively become net zero emitters, we need to put a strong focus on scope 3 emissions in the value chain of our Company, including those generated by the ingredients we use.

In our journey to become climate positive, we look at both how to reduce emissions and increase carbon storage along our supply chain. In our natural raw materials supply chain, one important lever is the promotion of a more sustainable and efficient use of land, along with restoring ecosystems through regenerative agriculture practices.

### Understanding land use is key to climate action

Land use change and rapid intensification of agriculture have contributed to desertification, degradation of soil and deforestation, and ultimately helped to accelerate climate change. Increasingly, climate scientists are focusing on healthy land to combat climate change, as both fertile soil and natural ecosystems have the ability to store carbon, reducing the amount of greenhouse gases in the atmosphere.

Around the world, there is a growing focus on using land more wisely, balancing human needs and what nature can sustain, as well as on the interconnectedness of land and climate change. Givaudan sees the increase in sustainable land use as an indicator of our progress in reducing scope 3 emissions, which covers all indirect emissions that occur in the value chain of our Company.

## Using land more sustainably is one way we develop a more sustainable palette for our creations and is essential to responsible innovation.

Sandra, Global Head of Environmental Sustainability, explains: "Scope 3 accounts for more than 93% of our emissions, with around 46% from the natural raw materials we use in our creations. This is why we are constantly putting our ingredients under the microscope. Scope 3 emissions are a very complex area, so we work with internal experts and external partners to constantly refine our understanding of these emissions' sources and the best actions. We look at the full picture of our ingredients supply chain and identify optimal solutions and roadmaps for responsible innovation, making the best use of our learnings and discoveries."

### Understanding carbon is essential

Carbon atoms are the universal building blocks of life, and the vital role they play in our industry is at the centre of our FiveCarbon Path™ and biotechnology processes. Givaudan employs green chemistry methods 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.

Ambroxif, a long-lasting, amber-scented molecule and one of the most widely used biodegradable perfume ingredients, is an example of our breakthrough technology to meet the demands of our industry and consumers' expectations. The new biotechnology, starting by fermenting sustainably sourced sugar cane, allows us to make one kilogram of product using 100 times less land than the old method, which relied on an ingredient from the clary sage plant. Ambroxif is biodegradable and 100% naturally derived while maintaining 100% renewable carbon.

Laurent, Global Environment Sustainability Manager, says: "We knew the fundamental benefits of this new biotech route and that it would help ease pressure on land. Now we are also gaining a good understanding of how important a part it can play in cutting scope 3 emissions over the long term. Using 100 times less land is very significant for our climate positive journey, and we are now working to quantify the reduction in emissions and more importantly understand how this can inspire other innovations."

### Challenges and opportunities ahead

Work is under way to build an inventory of all the key drivers of our naturals value chain emissions, such as use of fossil fuel during extraction processes, use of mineral fertilisers, and land use change. Givaudan has also set up a dedicated working group to explore the breadth and depth of the challenges and the related opportunities and solutions in reducing these elements of our scope 3. Laurent adds: "While we know that the task ahead is a challenging one, it will also bring very diverse opportunities for Givaudan to leverage our innovation capabilities and expertise to reduce scope 3 emissions. Our goal is to innovate in ways that recognise land use as an opportunity to create an extraordinary carbon sink, which will help combat and mitigate climate change."

### United Nations Sustainable Development Goals (SDGs)

We put a strong focus on sustainable land use and sourcing of our natural ingredients in order to become climate positive across our value chain, so contributing significantly to SDGs 13 and 15.



# Environmental performance indicators

Key performance indicators		2009 (restated in 2020)	2015 (restated in 2020)	2019 <sup>1</sup> (restated in 2020)	2020 <sup>2</sup>
<b>Energy</b>					
<b>Energy (GJ)</b>	Direct energy consumption primary sources <sup>3</sup>		1,710,865	1,819,826	1,729,511
	Indirect energy: purchased electricity & steam		957,103	1,042,227	1,038,479
	<b>Total energy</b>		<b>2,667,968</b>	<b>2,862,053</b>	<b>2,767,990</b>
<b>Energy efficiency (GJ/tonne of production)</b>	Direct energy efficiency		4.44	3.80	3.58
	Indirect energy efficiency		2.48	2.18	2.15
	<b>Total energy</b>		<b>6.93</b>	<b>5.98</b>	<b>5.73</b>
<b>Emissions</b>					
<b>GHG emissions (tonnes)</b>					
Scope 1	From direct energy sources <sup>4</sup>		100,023	103,140	98,180
	From biogenic sources			7	22
Scope 2	From indirect energy sources		89,787	51,429	34,492
	<b>Total scope 1 + 2 GHG emissions</b>		<b>189,810</b>	<b>154,569</b>	<b>132,671</b>
Scope 3	Purchased good and services	–	1,443,720	1,535,966	1,622,390
	Raw materials	–	1,234,136	1,326,732	1,412,100
	Other Indirect materials & services categories (excluding existing categories)	–	146,856	135,249	132,686
	Packaging	–	62,728	73,985	77,604
	Capital goods <sup>5</sup>	–	51,722	107,548	72,797
	Fuel and energy related activities	–	79,385	50,261	52,375
	Upstream transportation and distribution	–	23,514	31,546	37,784
	Waste generated in operations	–	15,443	16,882	19,510
	Business travel	–	19,857	23,437	10,915
	Employee commuting	–	15,417	14,920	13,820
	Downstream transportation and distribution		43,277	47,407	47,750
	Outbound product to customers		31,302	32,757	32,133
	Outbound intercompany deliveries	–	11,975	14,650	15,617
	<b>Total scope 3 GHG emissions</b>		<b>1,692,335</b>	<b>1,827,968</b>	<b>1,877,341</b>
<b>Total GHG emissions</b>		<b>1,882,145</b>	<b>1,982,537</b>	<b>2,010,013</b>	
GHG emissions efficiency <sup>6</sup> (tonnes of GHG/tonne of production)	Scope 1: from direct energy sources	–	0.26	0.22	0.20
	Scope 2: from indirect energy sources	–	0.23	0.11	0.07
	<b>Total GHG emissions</b>	–	<b>0.49</b>	<b>0.32</b>	<b>0.27</b>
<b>Waste</b>					
<b>Hazardous waste (tonnes)</b>	Preparation for reuse <sup>7</sup>				1,079
	Recycling <sup>8</sup>		15,152	19,230	15,114
	Other recovery operations				4,677
	<b>Total hazardous waste recovered</b>		<b>15,152</b>	<b>19,230</b>	<b>20,869</b>
	Incinerated <sup>9</sup>		10,762	12,739	12,276
	Incinerated with energy recovery <sup>10</sup>		6,337	7,227	6,704
	Landfilled		318	130	167
	<b>Total hazardous waste disposed</b>		<b>11,080</b>	<b>12,869</b>	<b>12,443</b>
	<b>Total hazardous waste</b>		<b>26,232</b>	<b>32,100</b>	<b>33,312</b>

Key performance indicators		2009 (restated in 2020)	2015 (restated in 2020)	2019 <sup>1</sup> (restated in 2020)	2020 <sup>2</sup>
<b>Non-hazardous waste (tonnes)</b>	Preparation for reuse <sup>7</sup>				174
	Recycling <sup>8</sup>		27,826	30,716	29,342
	Other recovery operations <sup>11</sup>				1,085
	<b>Total non-hazardous waste recovered</b>		<b>27,826</b>	<b>30,716</b>	<b>30,600</b>
	Incinerated <sup>9</sup>		2,230	2,467	2,295
	Incinerated with energy recovery <sup>10</sup>		1,076	1,442	1,457
	Landfilled		6,412	7,163	6,586
	Other disposal operations <sup>11</sup>				
	<b>Total non-hazardous waste disposed</b>		<b>8,642</b>	<b>9,629</b>	<b>8,881</b>
	<b>Total non-hazardous waste</b>		<b>36,468</b>	<b>40,345</b>	<b>39,481</b>
<b>Total incinerated and landfilled waste (HZ and NHZ, tonnes)</b>		<b>19,722</b>	<b>22,498</b>	<b>21,323</b>	
<b>Waste efficiency<sup>12</sup> (kg/tonne of production)</b>		<b>51.2</b>	<b>47.0</b>	<b>44.1</b>	
<b>One-off waste (tonnes)<sup>13</sup></b>		<b>2,219</b>	<b>3,631</b>	<b>1,599</b>	
<b>Total waste (tonnes)</b>		<b>64,920</b>	<b>76,075</b>	<b>74,391</b>	
<b>Water</b>					
<b>Water intake (m<sup>3</sup>)</b>	Surface water	7,432,649	5,006,361	5,261,101	4,504,312
	Groundwater	1,074,035	1,390,267	1,329,357	1,252,495
	Seawater <sup>14</sup>				
	Third-party water	2,604,860	2,619,545	2,674,657	2,665,631
	<b>Total water<sup>15</sup></b>	<b>11,111,544</b>	<b>9,016,173</b>	<b>9,265,114</b>	<b>8,422,438</b>
<b>Water efficiency<sup>16</sup> (m<sup>3</sup>/tonne of production)</b>		<b>10.91</b>	<b>9.74</b>	<b>7.82</b>	<b>7.54</b>
<b>Water discharge (m<sup>3</sup>)</b>	To the environment w/o biological treatment			4,640,582	3,430,989
	To the environment after biological treatment			2,003,464	2,032,189
	To external treatment facility w/o pre-treatment			523,398	479,526
	To external treatment facility with pre-treatment			1,550,891	1,545,871
	<b>Total discharged water</b>			<b>8,718,334</b>	<b>7,488,576</b>
Water consumption (m <sup>3</sup> )	Water consumption			546,780	933,861
COD (tonnes)	COD load of water discharged to the environment	–	–	648	277
<b>Other data</b>					
	Nitrogen oxides – NO <sub>x</sub> (tonnes) <sup>17</sup>	–	–	69.92	67.25
	Sulphur dioxide – SO <sub>2</sub> (tonnes) <sup>17</sup>	–	–	0.09	0.07
	Volatile organic compounds (tonnes)	–	–	1,238	1,018
	CFC inventory (kg)	–	–	9,314	6,785
	CFC <sup>11</sup> equivalent inventory (kg)	–	–	743	378
	CFC loss-replacement (kg)	–	–	298	676
	CFC <sup>11</sup> equivalent loss/replacement (kg)	–	–	37.24	37.18
<b>Production</b>	Production quantities (tonnes)	308,060	385,189	478,707	483,094

1. Assured 2019 full year figures.

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

3. Includes natural gas (0.0345 GJ/m<sup>3</sup>), light fuel (36.12 GJ/m<sup>3</sup>), heavy fuel (39.77 GJ/m<sup>3</sup>), liquid petroleum gas (22.65 GJ/m<sup>3</sup>), town gas (0.0186 GJ/m<sup>3</sup>), waste used as energy source (22.5 GJ/m<sup>3</sup>), geothermal energy (0.0036 GJ/kWh), deducting steam sold (2.9 GJ/Tonnes).4. Excluding emissions from CH<sub>4</sub> and N<sub>2</sub>O from usage of biofuel in one production site.

5. Doesn't include Induchem data.

6. Includes only scope 1 and scope 2.

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

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

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

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

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

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

13. This indicator measures the total quantity of waste which is not directly related to the daily operations, but is categorized as one-off waste. Examples of waste in this category are waste materials coming from demolition or remediation activities or waste or raw materials following an unusual incident, for instance a fire.

14. We do not withdrawal seawater.

15. Includes sanitary, cooling and process water.

16. Includes municipal and groundwater.

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

# People

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

## Material topics covered

- ▶ Diversity and inclusion
- ▶ Employee health, safety and wellbeing
- ▶ Human rights
- ▶ Talent management
- ▶ Women's empowerment





# People for a better and more sustainable future

We are best equipped to achieve our business goals through a sense of unity and a workplace where all our employees love to be and grow.

We want our Company to be a place with purpose and we aim to do well and to do good. This means that a better and more sustainable future must incorporate decent work and economic growth, gender equality and good health and wellbeing for all. To reach these goals we have the ambition of making Givaudan:

- a place where we love to be and grow,
- an even more balanced and inclusive company, and
- a company that continues to improve how we care for our people.

To help us ensure that Givaudan is a place we all love to be and where our employees grow, we have a wide range of global and local programmes in place. Despite restrictions because of COVID-19 we were able to successfully continue to develop these programmes through virtual channels during the year. Our global learning courses which have been successfully running for the past six years were made available virtually. These courses were designed to simulate a similar style as if it was in a classroom setting. This year we have delivered 122 courses globally.

There were a large number of new employees from acquired companies, totalling about 900, whose onboarding to Givaudan had begun remotely. This approach presented challenges, but we have a dedicated workstream driving the integration of people processes, ensuring that colleagues joining through acquisitions fully understand and embrace our global processes, ways of working and culture at large.

Since the launch of our leadership programmes in 2015, a total of 1,837 of 2,300 targeted managers have been trained – of which 50% are in our leadership pool. In 2020, there were 85 participants

in our Discover programme (11 of these participated in a virtual pilot when COVID-19 hit) and 345 in our Begin, Grow and Evolve programmes – all done virtually. We launched a new learning programme during the year for managers, with 379 participants. This is a learning resource to help managers obtain information and build skills required to become an effective line manager. An easily accessible, online tool that can be managed at the learner's own pace, it is aimed at new or newly promoted managers and those from companies acquired in the past 12–36 months.

Despite the COVID-19 restrictions, we continued to recruit a significant number of new employees; the number of applications remained stable. Our digital channels allowed us to transition smoothly from on-site to video interviews, of which there was a total of 3,242 by the end of the year. In addition, with student career fairs being cancelled during 2020, we hosted a digital event with 90 students through a live-stream.

## Embracing diversity in all its forms

As a company with operations across the globe and a creative, professional pool of diverse cultures and nationalities, we need to ensure Givaudan reflects the diverse communities in which we operate. We have set ambitious objectives so we can accelerate our journey of being more balanced and inclusive, and progress in these objectives will be measured against the baseline of 2018.

### AMBITION BEFORE 2025

We will be rated among the leading employers for inclusion globally.

### Senior leaders to be women

#### AMBITION BEFORE 2030

50%

#### ACHIEVED IN 2020

25%

### Senior leaders from high growth markets

#### AMBITION BEFORE 2030

50%

#### ACHIEVED IN 2020

25%



### Givaudan employees

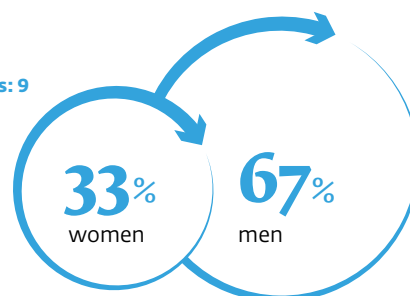
	2020	2019
<b>Total number of full-time employees<sup>1</sup></b>	<b>15,852</b>	<b>14,969</b>
<b>Total head count<sup>2</sup></b>	<b>12,807</b>	<b>12,218</b>
<b>Total number of employees (head count)</b>	<b>12,807</b>	<b>12,218</b>
Women	5,026	4,704
Men	7,781	7,514
<b>New employee hires</b>	<b>1,632</b>	<b>1,827</b>
Women	684	735
Men	948	1,092
<b>Turnover rate</b>	<b>9%</b>	<b>10%</b>
Women	8%	10%
Men	9%	10%

1. This is defined as the equivalent full-time regular employees and includes acquisitions (Activ International, Vika B.V., Centroflora Nutra, Expressions Parfumées, Naturex, Albert Vieille, drom, Fragrance Oils, Golden Frog, Ungerer and Alderys).

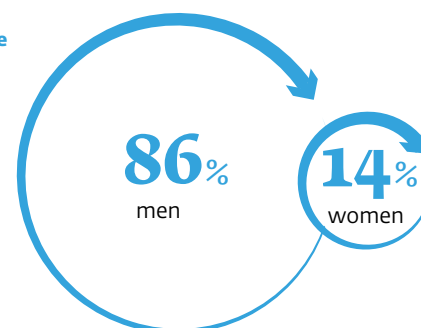
2. This is defined as the number of physical people and includes internal temporary & regular employees including Activ International. All other acquisitions excluded.

We have a lighthouse for inclusion and have started on our journey that will ensure we will be a more balanced and inclusive company and reach our targets. Our diversity and inclusion approach, Better Balance, is about how we will evolve our leadership mix to better reflect consumer and market demographics, while embracing diversity in all its forms. The specific sessions, called Better Balance dialogue, consist of two

### Board members: 9



### Executive Committee members: 7



discussions, each two hours in length, which provide an opportunity for senior leaders to connect with colleagues and enhance their understanding of our Better Balance approach. Unlike many of our programmes, the Better Balance dialogues are not meant to be 'skills' training; the aim is rather to create a forum for participants to express and share perspectives. In 2020, 255 people took part in these sessions.

### Employees' categories and composition of governance bodies

	Women	Men	Asia Pacific	Europe, Asia & Middle East	Latin America	North America	Total
Senior leaders <sup>2</sup>	45	134	21	108	18	32	179
-in %	25%	75%	12%	60%	10%	18%	100%
Middle managers	1,788	1,884	1,036	1,595	422	619	3,672
-in %	49%	51%	28%	43%	11%	17%	100%
Associates	3,193	5,763	2,190	3,803	1,328	1,635	8,956
-in %	36%	64%	24%	42%	15%	18%	100%
<b>Total 2020</b>	<b>5,026</b>	<b>7,781</b>	<b>3,247</b>	<b>5,506</b>	<b>1,768</b>	<b>2,286</b>	<b>12,807</b>

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

2. Including the Executive Committee.

Better Balance also means creating a mindset in the Givaudan workplace and in our recruitment tools. During the year we worked on a programme to reduce implicit bias that might exist in people's behaviour in the workplace. In the third quarter of 2020, we began introducing an unconscious bias training tool to a pilot group. The tool covers the fundamentals of unconscious bias and how it affects us at our work. We plan to implement a full roll-out in 2021. And as part of our recruitment efforts we have been working more with a talent acquisition innovation tool to make our job ads more inclusive and access a wider pool of talented people.

It is also important to look at remuneration. Decent work and gender equality will be positively impacted by ensuring equal pay for equal work and also remuneration for work done. Since the beginning of the COVID-19 crisis, our people have shown great resilience and commitment to ensure we continue to provide essential products to sustain the global supply chain in food and beverage as well as in household, health and personal care. In recognition of this, a gross bonus amount was granted to our employees and temporary staff who were required to work regularly on-site to ensure delivery to our customers.

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 according to the methodology of the Swiss Federal Office for Gender Equality. Results for the Company show the average base salary difference between men and women is 1.5% for equivalent roles and skill sets. For the Givaudan Group globally, our results show that the average base salary difference between men and women is 1.5% for equivalent roles and skills sets. For total cash compensation (fixed and variable pay) the difference is 1.5%. The results for our headquarters in Switzerland are similar, showing differences of 1.3% for base salary and total cash compensation.

One of the ways we can measure our progress in becoming an even more balanced and inclusive company is through our Employee Engagement Surveys, which we conduct every three years. The surveys allow all employees to give their views, anonymously, on what the Company does well and what can be improved, and we develop and implement initiatives as a result of the findings.

## Caring for our employees

If someone feels great and has the support they need, they are better able to engage, be productive and succeed, on and off the job. By taking care of our people through all aspects of their lives, we are helping them to have the physical energy, mental focus and emotional drive necessary to power our business as well as to take the same energy to their activities outside of work. That is why, before 2025, we will improve how we care for all of our people by offering everyone on our sites access to mental and physical health initiatives, tools and training, and by reducing our total recordable injury cases by 50%. This ambition is part of our 2025 strategy and we will begin tracking our achievement in 2021.

Enormous efforts were made during the year to protect and maintain our business in unfamiliar and difficult times due to the COVID-19 pandemic. Our first priority was to ensure the safety of those who needed to work at our production sites and labs, where we supplied not only face masks, gloves and hand sanitisers but also guidance. We made sure as many people as possible worked from home, and here our priority was to give guidance on how to stay physically and mentally healthy while working remotely. In addition, our IT teams worked quickly and efficiently to ensure that from one day to the next such a large number of people had the correct digital tools in place to work from home and that teamwork and collaboration could continue seamlessly.

COVID-19 protection measures inevitably took priority over other occupational safety and health programmes and we re-prioritised some of our safety improvement projects due to the high number of employees working from home. We did continue our focus on safety awareness programmes at newly acquired businesses and good progress was made here.

### AMBITION BEFORE 2025

We will reduce our total recordable injuries cases by 50%.

### AMBITION BEFORE 2025

We will improve how we care for all of our people by offering everyone on our sites access to mental and physical health initiatives, tools and training.

Our flagship EHS Facilitator programme was maintained, with facilitators continuing to support production sites and often acting as champions for COVID-19 protection. We started two new train-the-trainer programmes online, increasing the geographical scope to India and China as well as improving coverage in Europe, Africa and the Middle East, North America and Latin America.

Safety leadership training was also moved on-line with a successful pilot of the IOSH 'Managing Safely' course and a series of three Human and Organization Performance (HOP) sessions for Operations and Environment Health and Safety leaders in Europe, Africa and the Middle East.

We launched our global Employee Assistance Programme (EAP) during the year to support employees with personal problems that might adversely impact their work performance, health and wellbeing. Employees and family members, including those in newly integrated companies, can access EAP for support in areas such as personal wellbeing, mental health, relationships, and family and workplace challenges. EAP is offered in partnership with a global provider and is available through an online tool with additional services such as personal consulting available via phone and video.

We supported World Mental Health Day in October with a Happier, Healthier Habits campaign that included a 21-day challenge to support employees in making a focus on their mental health a fixture in their lives. With the help of external experts and internal leaders as well as campaign managers, the campaign aimed to inspire people to pay attention to their mental wellbeing and create engagement with the EAP. There was an added benefit of helping create a close-knit feeling of 'unity in adversity' – a feeling of being part of a real global community.

Caring for our people also includes our ambition to ensure each and every employee returns home safe every day, and we have a number of programmes already in place that are aimed at improving the long-term health of our people. In 2020 the focus shifted to how to protect our employees in their home. With so many employees working from home because of COVID-19, we introduced a global Healthy Home Working initiative. These one-hour webinars trained our people in how to reduce the mental and physical risks associated with the home office, offering advice on topics such as sitting posture, positioning a computer, time keeping and the need for breaks from the screen. We were able to provide these sessions in 8 languages, and we deployed 18 trainers and 7 in stand-by to host more sessions per request. As planned, the Healthy Home Working initiative ended in July, by which time more than 1,700 employees in 23 countries had undertaken the training.

We continue promoting ergonomic programmes to manage physical health risks. Through the use of the Humantech Industrial Ergonomics Software, sites can focus on assessing activities and identifying ergonomic risks with the aim of improving performance and reducing risk in the different workplaces. A total of 184 ergonomic assessments were completed at 32 production sites by the end of 2020. Examples of improvement implementation can be found at Makó in Hungary with the installation of pneumatic lifting equipment, at Dortmund in Germany where vacuum lifts have been installed for handling cans or cardboard boxes, and at Ashford in the UK where a lift device was installed to position drums on a pallet.

The implementation of the Humantech Office Ergonomics Software (formerly Ergopoint) provides all Givaudan employees with a training module and a platform to perform self-assessments of individual computer workstations, resulting in recommendations for correct workplace set-ups and office habits that help in the prevention of musculoskeletal disorders. About 1,846 employees have completed the e-learning course and more than 2,186 self-assessments were entered throughout 2020. The roll-out of the Office Ergonomics Software was affected by the COVID-19 pandemic, however it is planned to continue in 2021 and include Naturex and other acquisitions, as well as remaining Givaudan legacy sites. The roll-out is expected to be completed by December 2021.

# Reaching new heights: LTI-free sites set the pace

Our sites have come a long way from 1.03 LTIR in 2009 to 0.25 in 2020, and our achievements across our sites around the world reflect our success in having good behavioural safety.

There are many examples of achievements in this area in Givaudan, but here is a small selection of success stories from different regions of the world.



## LAKELAND, FLORIDA, USA

A behaviour-based safety programme has been central to lowering health and safety risks on site and achieving eight years without an LTI.



## NANTONG, CHINA

A positive safety culture has been promoted since production started in 2015, with over 1.2 million hours of work without an LTI.



## PEDRO ESCOBEDO, MEXICO

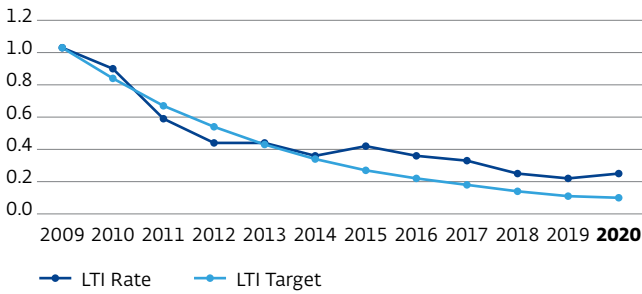
Consistent engagement by the leadership team has accelerated a good health and safety culture. This, together with empowering employees to act, has resulted in five years of work without an LTI.



## POMACLE, FRANCE

A real turnaround has been achieved through focused efforts to improve safety behaviour at the site. From eight LTIs in 2015 to four in 2016, three in 2018 and 0 in 2019 and 2020 – a success story indeed.

2020 Safety performance – ‘Everyone Home Safe everyday’



As a purpose-led company, we will be focusing on our safety culture and behaviour and looking more broadly to those cases when medical treatment is needed in recording injuries. This is why we are committed, as mentioned above, to reducing our total recordable injury rate by 50% before 2025, which should also result in a reduction in the number of lost time injuries. With a Lost Time Injury Rate (LTIR) of 0.25 in 2020, we regret that we did not achieve our ambitious LTIR target of under 0.1 before 2021. This target was challenging and should be seen in the context of the significant progress we have made over the past ten years. For example, in 2009 when the target was set our LTIR was 1.03, and the Total Recordable Case Rate has been reduced from 1.76 in 2009 to 0.88 in 2020. LTI-free sites have increased from 47% in 2009 to 84% in 2020. We will work hard to extend our safety culture to employees joining us with newly acquired businesses and include these in our focus on reducing total recordable injuries.

Ways of working: looking to the future

Our Company rapidly adapted to new and different ways of working during the year, and we now have a unique opportunity to take the time and learn from the experience. We are re-examining some fundamental ideas about our ways of working – starting with the introduction of Flexible Work Arrangements Framework across the Company. Our aim is to develop an agile programme which will be led and implemented locally.

READ MORE

- 2020 GRI Sustainability Report ▶ page 70 ▶ GRI 401: Employment
- 2020 GRI Sustainability Report ▶ page 73 ▶ GRI 403: Occupational health and safety
- 2020 GRI Sustainability Report ▶ page 79 ▶ GRI 404: Training and education
- 2020 GRI Sustainability Report ▶ page 80 ▶ GRI 405: Diversity and equal opportunity
- 2020 GRI Sustainability Report ▶ page 81 ▶ GRI 406: Non-discrimination

Health and safety indicators

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

1. 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.
2. TRC is according to the official OSHA definition.
3. 2019 includes 208 days carried over from previous year. 2020 includes 73 days carried over from previous year.
4. 9.2% 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.

Total recordable cases by region and gender

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

LTI rate, lost day rate, absenteeism – by region

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

REDUCTION OF LOST TIME INJURIES SINCE 2009<sup>1</sup>

**76%**

1. The reduction in lost time injuries is based on the Lost Time Incident Rate (LTIR).





# Caring for our people during the crisis

Caring for employees is a key pillar of our purpose. When the COVID pandemic hit in early 2020, this took on a new urgency, and we are committed to continuing to put our people first.

**O**ne fundamental part of our purpose is improving how we care for our people. From the beginning of the COVID-19 pandemic in China, we focused on making sure our people were safe and had the necessary guidance to help them adapt. As it spread, we set up a dedicated crisis team to care for people working in different situations.

A first priority was ensuring safety for those whose critical roles meant they needed to be on-site at our production sites and labs. Production employees not only fulfil our vital role in the food chain, they also produce ingredients for pandemic-critical hygiene products. Hygiene at sites was increased, and

ways of working were changed to do everything we could to prevent coronavirus transmission, such as splitting employees into smaller teams and minimising interaction through managing the flow of people. We also enabled as many people as possible to work from home and gave guidance on how to stay physically and mentally healthy while working remotely. Business travel was halted, and meetings with external partners were severely limited.

In April, we deepened our activities to help employees deal with the enormous stress, anxiety and uncertainty of the pandemic. Two corporate initiatives, Happier Healthier You and Happier, Healthier Habits, provided advice on all aspects of employees' wellbeing and fostered virtual connections between colleagues. Local campaigns sprung up across the world. Employees in the Netherlands were invited to join an outdoor walking challenge for charity in virtual teams, aiming for 10,000 steps a day. Barbra, Quality Lab Team Lead, appreciated connecting with others: "I enjoyed being part of a team with colleagues who I didn't know or had never spoken to," she says.

## The session really impressed me – I had never thought that 'happiness' could start with a small change.

Angela, Quality Control Manager

In China, the local team ran workshops to help employees develop a growth mindset, which brought both personal and business benefits. Seeing challenges in a different light was one helpful outcome. As Angela, Quality Control Manager, describes it: "I was able to see how to change the way I felt about 'failure' and reframe it as a way of learning and growing. The session really impressed me – I had never thought that 'happiness' could start with a small change."

A virtual yoga programme for employees and families at our sites in India recognised that relatives' wellbeing is equally important in helping employees keep positive and achieve better work-life balance. And virtual salsa dance classes were organised for those working in the application and creations labs in Punto Planco to create a good mood as people were anxious about returning to work after the pandemic hit Mexico City.

Many other employees became involved in the Company-wide conversation about health and wellbeing after senior leaders shared their own experiences. It was a reminder of our collective responsibilities and to make personal commitments to reach out to those who are struggling.



**TOP** A 'Happier, Healthier Habits' webinar with Mark Joseph from Mindful Revolution.

**BELOW** Yoga for physical and mental wellbeing.

More than 1,700 employees from 23 countries also joined Healthy Home Working, a webinar available in different languages. As John, Head of our Environment, Health and Safety Field Organisation, says: "Increasing the number of people working remotely has been the way to protect all of us, and so it's essential employees have a safe and comfortable home office and learn how to stay connected with colleagues. The Healthy Home Working training has been incredibly valuable and successful in helping us all adjust."

Throughout 2020, we continued running regular surveys to listen to our employees, enabling us to find ways to provide more support. With this sudden shift to remote work, stress from COVID-19 and extended isolation, it was critical to ask and understand people's needs. People were encouraged to





**LEFT** 'Happier, Healthier You' video series – in conversation with Simon Halle-Smith, Head of Global Human Resources and EHS, Anne Tayac, Head of Givaudan Business Solutions and Louie D'Amico, President of Taste & Wellbeing.

From a business perspective, this reduced stress and other illnesses, helping people stay more productive and take less time away from work.

Throughout 2020, our IT organisation made enormous efforts to support home working and to keep our entire business connected. They ensured that teams had the proper digital tools to stay in touch, fostering teamwork and enabling managers to easily reach out to team members and create a sense of unity and motivation.

Simon Halle-Smith, Head of Global HR, reflects: “When we launched our purpose in 2019, our goal was to nurture a place where we all love to be and grow. This unifying ambition in a year of unprecedented challenges drove us to care for our people in many different ways and our positive experiences will give us confidence as we face new uncertainties together in 2021 and beyond.”

take part in many types of virtual learning and development, with online courses on a wide range of business and personal development topics, including how to motivate teams and cultivate inclusion remotely.

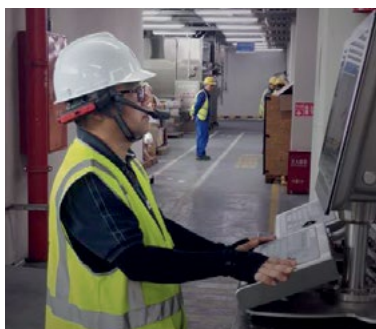
In October, we launched a global Employee Assistance Programme (EAP) to help employees get support confidentially with any problem that might affect their health, wellbeing and work. An online help point, in over 200 languages, was opened 24/7, along with telephone advice from local consultants.

**United Nations Sustainable Development Goals (SDGs)**

A top priority in our COVID-19 response has been protecting our employees, ensuring a safe working environment and promoting health and wellbeing, contributing specifically to SDGs 3 and 8.



# Innovation and technology help protect us all



The crisis has boosted our innovation, helping us to change ways of working, protect and care for our people, and improve our business. One good example was the installation of new equipment at our Changzhou site in China, our largest capital expenditure project of 2020.

Previously, European expert technicians would have travelled to carry out the complex work. During the pandemic, our teams faced the challenge of carrying it out

remotely – something we had never done.

Our engineering Centre of Expertise identified e-glasses as a technology solution. Worn by employees on site, the e-glasses fed back images to the experts who were able to guide the installation from afar. We're now looking at how we can harness the benefits of this technology more widely to work remotely, keep our people safe, improve ways of working and reduce environmental impact.

# Communities

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

## Material topics covered

- ▶ Human rights
- ▶ Local community development
- ▶ Product environmental and social impact
- ▶ Responsible sourcing
- ▶ Traceability





# Maximising value with our suppliers

As a global business, we seek to develop and maintain a strong network of suppliers to respond to increased consumer demand for more sustainable, healthier and differentiated products.

We want to source materials in ways that preserve the environment and stimulate the development and wellbeing of communities from where we source. We are also improving the ways that we assess, select and partner with our suppliers so they employ the right environmental and social practices.

Understanding the supply chain and tracing the raw materials we use allows us to assure customers about the provenance of raw materials and their production. It also shows that we adhere to responsible supply chain practices. Mapping our supply chains helps us to understand how they are organised and to collect data on the number of intermediary suppliers involved, their role, importance and geographical location.

We can leverage technology to enable source-to-consumer traceability of raw materials and track the impact on biodiversity, our carbon footprint and water use. To help in this we are using our

I-Source application for some of our raw materials. In 2020, we took a further step in traceability with an update of this app that offers an in-depth insight into our local producers in even the most remote rural areas of the world and into our collection networks for iconic raw materials. Through a detailed digital map which uses GPS data, we can see the exact locations from where we are sourcing as well as the journey of our products through our supply chain. This means we can follow materials all the way from the individual farm to the warehouse. The mobile version of the I-Source app, which can be used on any web browser in any country, enables our teams to literally walk through and map individual farms and sites on their devices to build a comprehensive picture of our supply chain, helping efficiency and allowing us to inform our customers more fully about where specific ingredients come from and how they are produced.

## Doing business with suppliers in a responsible way

Since 2008, Givaudan has been an active member of Sedex, a global platform enabling companies to manage their performance around labour rights, health and safety, the environment and business ethics. We continue to work with our main direct suppliers of raw materials for their sites to be audited according to Sedex Member Ethical Trade Audit (SMETA), and in 2020 a total of 334 key raw material suppliers were registered with Sedex; these suppliers represented more than 59% of our spend. We also worked to ensure that audited suppliers closed all open non-conformities; at the end of 2020, our supplier compliance rate was 85%.

Givaudan depends on natural resources and the people who produce them, and we seek to expand relevant initiatives to reduce our environmental and social impact. Working with our suppliers to help them meet our sourcing standards also helps us mitigate the risks inherent in our complex supply chains. Our

## Our I-Source application: leveraging technology for improved traceability.



## Working with our suppliers to help them meet our sourcing standards also helps us mitigate the risks inherent in our complex supply chains.

sourcing promotes stability for producers and the local environment, and our initiatives bring new value to those involved in the sourcing of natural raw materials.

Our programmes are based on ensuring we source responsibly, secure the long-term supply of natural ingredients, and initiate projects to ensure we bring benefits to the communities where we source:

- For Givaudan, to source responsibly means working with our suppliers to ensure they are aware of our expectations and that they are able to demonstrate adherence and compliance to our Responsible Sourcing Policy. Where deemed necessary this involves auditing suppliers and assessing their supply chains to work on driving compliance and continuous improvements against international norms in health and safety, social, environmental and business integrity practices. By the end of 2020 we had mapped 50 raw material categories and were sourcing 33 raw material categories as part of our responsible sourcing program.
- We focus on helping to organise direct collection networks and partnerships with farmers, distillers and producer groups. It secures the long-term and balanced supply of natural ingredients from fragile ecosystems while boosting the local economy

through knowledge transfer and more stable incomes. Our initiatives involve the direct sourcing of raw materials by working with local smallholder farmers, intermediate suppliers and partners to secure the long-term supply of these ingredients. The initiatives strengthen the fabric of the local economy by contributing to more stable incomes for thousands of farmers.

- Social and environmental projects help build more secure futures for the communities where we source and their environments.

### AMBITION BY 2030

We will source all materials and services in a way that protects people and the environment.

After several acquisitions in 2019–2020, we have been reviewing individual responsible sourcing programmes and are working on a common approach that will fit all. We have also been working in recent years to develop better awareness among our suppliers of the importance of increased traceability and good social and environmental practices. We have come to realise that the scope of 90% volume responsibly sourced was neither relevant nor a good measure of our progress to source responsibly. In 2020, we reviewed our evolving business and implemented a major project designed to strengthen our responsible sourcing programme to ensure it is able to cover the right materials and supply chains, at the right depth, with the right levels of traceability and compliance. This updated programme will be launched in 2021.

#### READ MORE

2020 GRI Sustainability Report ▶ page 36 ▶ **GRI 204: Procurement practices**

2020 GRI Sustainability Report ▶ page 59 ▶ **GRI 308: Supplier environmental assessment**

2020 GRI Sustainability Report ▶ page 87 ▶ **GRI 414: Supplier social assessment**

TOTAL NUMBER OF SIGNIFICANT SUPPLIERS IDENTIFIED

400

KEY RAW MATERIAL SUPPLIERS REGISTERED WITH SEDEX

334

TOTAL PERCENTAGE OF SUPPLIERS ASSESSED TO DATE

82%

SUPPLIER COMPLIANCE RATE

85%

# Communities where we source and operate

It is important that we have a positive impact on the communities from where we source our raw materials as well as on those around our factories and sites.

Our business affects surrounding communities and neighbourhoods and we take measures to operate safely and sustainably with these communities while also ensuring we generate economic, social and environmental opportunities for truly mutually beneficial relationships. We can do this through local community initiatives, by using the latest technologies to manage our environmental impact on communities' air, water, and noise and odour aspects, and by working with farmer communities to reduce their fuelwood consumption in, for example, patchouli and ylang ylang growing areas.

Employees also have the opportunity to play a part in making a positive impact on local communities. In the fight against COVID-19 during 2020, for example, at our Jigani site in India we responded proactively to community hygiene needs. We were able to partner in producing, packaging, labelling and donating nearly six tons of hand sanitiser to neighbouring communities in the Bangalore region. With a short turnaround time, our team acquired the necessary permits, identified local partners to produce the sanitiser, packaged and labelled the bottles in-house and delivered them to local hospitals, police stations and communities. Sanitiser stock was also provided to all our employees and their families, including contractors.

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**Employees have the opportunity to play a part in supporting local communities and our producer communities.**

In Australia, employees at our Norwest site in Sydney used an on-site kitchen-lab facility to provide healthy meals for communities affected by the pandemic. Using the site's savoury lab in between projects and other day-to-day tasks, volunteers prepared meals for delivery to a not-for-profit organisation, Giving Back Australia.

We also supported our producer communities, some of which were deeply affected by the COVID-19 crisis during the year. In Indonesia, for example, those in remote locations such as our patchouli partners in Sulawesi and our vetiver partners in Garut, West Java, also faced further challenges which included widespread road closures and travel restrictions. We worked to support them by encouraging good hygiene practices and providing soap and running water outside warehouses and asking those arriving on site to wash their hands before entering, providing face masks for every producer or driver entering the warehouse, and supporting our drivers during self-quarantine periods on their return home.

**AMBITION  
BY 2030**

**We will improve the lives of millions of people in communities where we source and operate.**

Support for local communities by our employees is often coordinated by our Green Teams, which are cross-functional groups of employees who find new ways of improving the environmental and social performance of their local sites. Around 500 active members today undertake diverse community projects that focus on the broad themes of blindness, health, nutrition, education, plastics and general local community engagement opportunities, aligned to our purpose. In 2020, over 25 projects were initiated by Green Teams.

All employees can work in association with the Givaudan Foundation in supporting local communities. In Colombia, our Bogotá site employees run a family welfare programme at a local care home to promote better alimentary and health practices in the daily lives of small children and their families in nearby communities. The Givaudan Foundation funds the programme and provides guidance, while it is run and managed

## The Givaudan Foundation is a non-profit organisation created in 2013 with the purpose of initiating and supporting projects as well as granting donations in the areas of education, health and environment preservation.

by the employees. The main focus of the project is about transmitting knowledge and promoting personal growth through workshops. In 2020, the Givaudan Foundation funded six employee-driven projects in Brazil, Colombia, Hungary, Lebanon, Nigeria and the UK, while eight existing projects in Brazil, Italy, Jordan, Switzerland, the United Arab Emirates and the United States were extended.

Our COVID-19 Communities Fund contributed more than CHF 1 million to enable Givaudan sites to support local communities affected by the pandemic. Across the Company, many projects were initiated and made a real impact on local communities, and in 2020 we created Purpose Live!, a social innovation programme that has the potential to enable every one of our 15,852 employees to work for good in their local community.

With a strong presence 'on the ground', we have a clear view of the different supply chains that not only helps efficiency but also allows us to inform our customers more fully about where our ingredients come from and how they are produced, as well as to foster local value creation.

Because we work in this way with the farmers and communities from whom we source, we can understand their needs and direct our actions to the benefit of local communities. In Brazil, together with our local partner Brazbio, we have developed a fully traceable supply chain for guarana, the seeds of which are known to fight tiredness and to boost physical and mental performance.

Native to the Amazonian basin, guarana is mostly used in energy drinks and sodas and has a high natural caffeine content. With a team of agronomists supervising this initiative, we are helping farmers improve the productivity and quality of guarana seeds. With Brazbio, we are training these farmers and cooperative workers in responsible practices, for example through teaching soil conservation and developing handbooks on good agricultural practices. This approach has benefits for the communities involved as well as for the environment. In addition, the Givaudan Foundation has started a community literacy programme which benefits more than 140 guarana farmers.

### Charitable giving

In addition to the community projects run by us and the Givaudan Foundation, our associated local communities benefit from charitable giving. We monitor this spend at every site and have had an annual budget allocation process for all our sites since 2012. Our internal policy on charitable giving and community support excludes any direct or indirect political donations or support and we do not fund any political party in any country.

In 2020, the total financial contribution from Givaudan to communities was CHF 3.15 million.



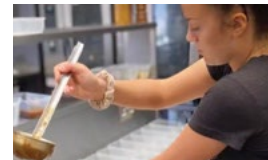
**READ MORE**

2020 GRI Sustainability Report ▶ page 86 ▶ **GRI 413: Local communities**

# 15,852 employees as a force for good



Supporting the communities in which we source and operate took on a new importance in 2020. Saulo, Head of Delivery Excellence, Givaudan Business Solutions, shares how the pandemic helped accelerate and extend our efforts.



"Our Company and our employees are passionate about the ambition of making sure that all communities benefit by working with us. Before the pandemic began, we had committed to improving millions of lives in the communities in which we source and operate. COVID-19 brought a new sense of urgency and focus to this purpose.

As countries went into lockdown, we responded swiftly to the pressing need for hand sanitiser for medical, community and front-line workers. We began production to contribute to the global effort, including opening a new, dedicated line at our site at Vernier in Switzerland.

Givaudan then quickly set up a COVID-19 Communities Fund, contributing over CHF 1 million. I have been fortunate enough to support the organisation in identifying urgent cases which would benefit from the fund, alongside my role of leading the Givaudan Business Solutions Delivery Centres. The idea was for employees who are on the ground in the community to take the

lead, identifying where vulnerable communities struggling to weather the storm needed help or protection, and then acting quickly. Through the fund, we have supported 137 communities in 69 locations, benefiting about 94,000 people.

The focus was on providing food, medical and other supplies or expertise. In Brazil, for example, employees were concerned about local people who were already living on low incomes before the pandemic, and how lockdown would impact them. They decided to provide regular deliveries of fresh and nutritious food to families in great need. In Vietnam, employees wanted to make sure disadvantaged children could continue in school and supported their families to make it possible.

Across the Company, many projects made a real impact on local communities. It inspired us to think about how we could build on the quick, targeted help and enable communities to bring about permanent and sustainable change themselves. This was the catalyst for Purpose Live!, a social innovation challenge.





**LEFT** The global Givaudan community is large and together we can improve millions of lives. This montage captures some of these efforts during 2020, and you can watch a video of employee testimonials at [www.givaudan.com/our-company/about-givaudan/our-purpose/our-covid-response](http://www.givaudan.com/our-company/about-givaudan/our-purpose/our-covid-response)

create a colour-changing soap which encourages children to wash their hands for longer. The technology, which will be piloted in Brazil, will not only improve hygiene long-term, but may well also offer a business opportunity.

What we also see is that a very large number of people working at Givaudan want to contribute to community needs. But often, they do not know where to begin or how much time they can give out of their working day. Our experience with Purpose Live! gives a strong signal of how we are empowered to identify causes and contribute where we can make a difference, and will help employees make our purpose part of their everyday working lives.

**Purpose Live! is a path to innovation with social responsibility which is good for employees, good for communities and good for our business.**

In 2021, we will scale up Purpose Live! through a global community network to foster connections between employees and give them the information they need to start. In this way, anyone who wants to contribute will be able to do so. We will explore how we can look more deeply into communities' needs and together create solutions aligned with our purpose goals and our strategy.

The first step was inviting 'intrapreneurs' to come up with ideas. We encouraged people to think big about using our core business expertise. It eventually involved 156 employees from 47 locations who have crafted sustainable business solutions to support communities in need in the areas of nutrition, sanitation and hygiene, mental health and income generation.

More than 400 ideas came out of the first meetings, with 15 tangible projects now under way. One employee group, for example, decided to repurpose used, one-tonne packaging containers to provide basic facilities for schoolchildren in India who had nowhere to wash their hands. The idea is to instil permanent hygiene habits and reduce waste long-term. Another team is working with partners on a sustainable technology to

The Givaudan community is large and together we are able to improve millions of lives. I personally find that Givaudan's purpose is strongly connected to my own purpose to take responsibility for – and make an impact on – the world's big problems, a feeling which is echoed across our business.

**United Nations Sustainable Development Goals (SDGs)**  
We support local communities through numerous employee initiatives that contribute to SDGs 2, 3, 6 and 8.



# Governance

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Our governance systems ensure the Company is a force for good for the business, society and the planet.

## Material topics covered

- ▶ Diversity and inclusion
- ▶ Good governance and business conduct
- ▶ Human rights
- ▶ Labour/management relations
- ▶ Transparency and reporting
- ▶ Women's empowerment





# Leading the way in regulatory compliance and product safety

Regulatory compliance of our products is essential, and we work with customers to help them understand changes in the regulatory environment and how these changes will impact consumer products.

Our experts, who range from scientists and toxicologists to specialists in regulatory affairs, are able to serve customers from our locations around the world. It is also important for us to lead efforts in shaping the landscape of our industry through advocacy and membership of industry organisations.

## **Taste & Wellbeing: extending our scope**

With our strong regulatory capabilities, we are ideally placed to anticipate and meet the regulatory needs of our customers.

The changing shape of our portfolio through recent acquisitions saw a corresponding expansion of product offerings – and, in turn, of regulatory activities – during 2020. While maintaining efforts in our traditional flavours arena, there were additional requirements in supporting customers in adjacent spaces such as botanicals, preservatives, colourings and naturals.

We increased the number of people in our teams to meet these new and different demands and reorganised our structure to release support for the broader range of categories as we expand into the wider area of taste and wellbeing such as natural functional and nutritional solutions. Dedicated expertise was needed across all the new categories and there was a corresponding need for increased support in product safety as well. We now have more than 200 people working in this expanded scope of our business, with more from around the Company helping align policies and data, for example in SAP integration.

In 2020, we achieved particular success in helping customers meet demands in product labelling: in Latin America with front-of-pack labels arising from healthy eating expectations, vitamin labelling in the USA and energy reduction in Europe.

In our continuing and expanding advocacy efforts, in India we led a local task force of IOFI (International Organization of the Flavor Industry) together with local industry associations during the year to establish a food ingredients reference list. These efforts were acknowledged by the authorities in India.

## **Fragrance & Beauty: helping ensure transparency**

In Fragrance & Beauty we 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. Our teams address a range of important issues for the industry and in 2020 we were particularly active in the US advocating for transparency in cosmetics. We supported the California Bill SB312 that was passed during the year and requires cosmetic producers to disclose the presence of certain ingredients of concern. This was a real 'win' for the industry in protecting formula intellectual property while enabling consumers to be aware of ingredients that may be of concern.

With continuing concerns raised by stakeholders about the potential safety of consumer products emitting fragrance materials into the air, we completed a ground-breaking study to examine the potential exposure of consumers to fragrance ingredients inhaled in the home. This was part of a study on the measurement of volatile organic chemicals in the home, and provides valuable conclusions showing very limited exposure at very low levels that do not pose any concern for consumer health. This research is part of Givaudan's commitments to research into new ways of supporting fragrance safety evaluation.

During the year we also continued our long track record of research into the safety of our raw materials for consumer use, in particular in the area of potential impacts concerning reproductive toxicity. Using non-animal test methods, our teams are showing that several key ingredients in the lily of the

valley muguet group do not pose concern for consumers. The most recent data have been accepted for publication in the respected journal Archives of Toxicology.

As part of our commitment and strategy to end the need for animal testing for raw material safety assessment, Givaudan will join the Animal Free Safety Assessment (AFSA) Collaboration coordinated by Humane Society International in 2021. The society has an international track record in advocating and supporting research and responsible legislation that will eliminate the need for animal testing.

We also made good progress in strengthening our support for the use of biodiversity ingredients through ongoing work in local countries to meet biodiversity law requirements. These countries included Brazil, India and Indonesia. As this area of law continues to evolve, we consider it critical that the use and supply of naturals support access and benefit-sharing laws.

### **Making sure our products are safe**

Product safety is of prime importance and in providing safe products to our customers we also want to ensure the health and safety of consumers when our products are used as intended.

## **More than 100 food safety experts in all regions are forming a global network aiming to bring food safety in Givaudan to the next level.**

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. We 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 evaluation of its raw materials and we develop critical data to support these

evaluations along with our suppliers. We are the industry leader in the development of novel non-animal test methodologies to support both human and environmental safety assessment of our materials, enabling us to comply with safety regulations around the world.

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. As part of our risk mitigation strategy, we have assessed the food safety compliance levels of newly acquired businesses and created improvement roadmaps.

During the year we strengthened sanitation protocols at our production sites and offices to combat the spread of the COVID-19 virus – a mandatory enhancement which not only kept our workforce safe but also reinforced good hygienic practices to further help protect our products. To increase people's risk awareness and our food safety culture, we launched two global communication campaigns – on Global Handwashing Day and the World Food Safety Day – to engage everyone in learning activities and drive the right behaviours to protect employees, their families and the consumers 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.

All these efforts are aimed at ensuring that the products we provide to our customers are safe, and we also know that managing and encouraging our people while protecting their health and safety is an essential part of being a responsible employer and critical to meeting our goals.

# 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 creations inspire emotions and touch millions of lives, and we have the potential to increase our positive impact on the world through sustainable solutions while showing our love for nature.

These purpose commitments guide us in our choices and in our way of doing things. We adhere 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.

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 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 a worldwide Compliance Helpline.

While our Principles of Conduct guide our employees in ethical standards, our Responsible Sourcing Policy is a code of conduct for our suppliers to ensure our partners' commitments are strong and ethical. Our Responsible Sourcing Policy includes a mechanism to report grievances.

## Givaudan's Principles of Conduct

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

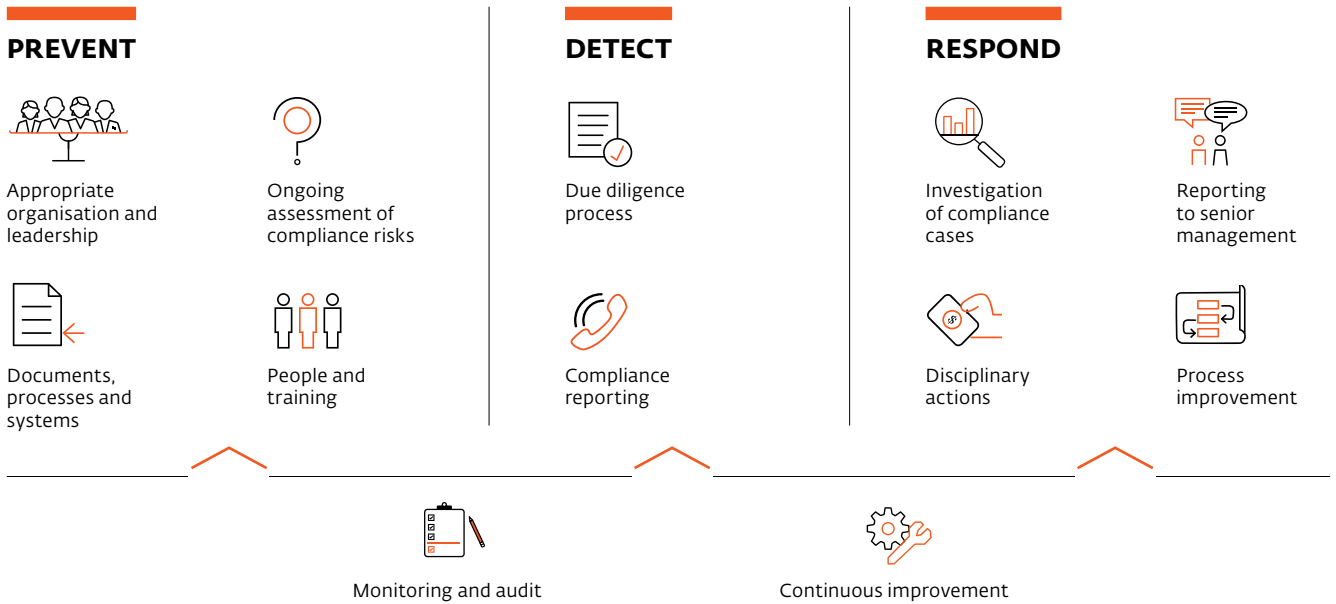
### READ MORE

[www.givaudan.com](http://www.givaudan.com) ▶ Our Company ▶ Corporate governance ▶ **Code of conduct**  
[www.givaudan.com](http://www.givaudan.com) ▶ Our Company ▶ Corporate governance ▶ Ethics and compliance ▶ **Responsible sourcing policy**

## Ethics and Compliance Programme: prevent – detect – respond

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 compliance team and 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. In 2020, we used external support to review the methodology for those compliance risk assessments and carry out the assessments to ensure new



anti-bribery guidance and regulations (including the French Loi Sapin 2 or the updated guidance on “Evaluation of Corporate Compliance Programs” of the US Department of Justice) were properly reflected.

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.

We also have a compliance incident investigation procedure and process in place for investigations of compliance allegations received through any channel. Depending on the nature of the allegations, these cases are handled either locally or centrally. Where required, external specialist support is sought.

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.

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

## Tackling corruption through 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 UK Bribery Act, the US Foreign Corrupt Practices Act, the French Loi Sapin 2 and anti-bribery laws and regulations of other countries where Givaudan either plans 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.
- We disclose charitable contributions and sponsorship.
- 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 integration of acquired companies into our Ethics and Compliance Programme system post-closing.

We have training and monitoring programmes in place to ensure our social responsibility. Mandatory compliance training on the updated Principles of Conduct was launched in 2017 to all employees. The training material is available as online training in all major Company languages and includes material on anti-bribery, corruption and corporate social responsibility. The completion rate for Givaudan employees, including Naturex employees, currently stands at 87%.

Specific anti-bribery training continues, with 6,979 senior managers of Givaudan having been invited to complete this training since the launch in 2013. This group includes all members of the Executive Committee and other employees whose work involves regular and direct contact with external stakeholders. At the end of October 2020, the completion rate was 97%. In Q4 2020, we started the roll-out of a new anti-bribery training to all managerial employees.

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.

 **READ MORE & DOWNLOAD**  
[www.givaudan.com](http://www.givaudan.com) ▶ Our Company ▶ About Givaudan ▶ Our position statements ▶ **UK slavery act, Social responsibility position statement, California Transparency Act**  
 2020 GRI Sustainability Report ▶ page 38 ▶ **GRI 205: Anti-corruption**

## Givaudan, a business acting as a force for good

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. Issues such as respect for human rights and child labour become part of our internal and external behaviours. In this way we can make a positive impact on all stakeholders we work with and the communities in which we are present, helping to make our world a happier, healthier place.

Social responsibility and human rights are deeply ingrained in our culture; we consider them as a part of a basic licence to operate our business. 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 Labour 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.

The basis of our ethical standards, specifically Responsible Corporate Citizenship, can be found in our Principles of Conduct, which is supported by policies and guidelines. We expect every employee to be accountable for upholding our Principles in daily actions within their own sphere of influence and with business partners and stakeholders.



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 & safety, the environment and business ethics. Since 2010, we are committed to register all our production sites on the Sedex platform and undergo associated due diligence process. At the end of 2020, 55 of our production sites were registered on Sedex, have completed Sedex self-assessment questionnaires and are being assessed as per their set standard, i.e. Sedex Members Ethical Trade Audit (SMETA). As we acquire companies, we integrate them into our processes and platforms including under Sedex SMETA programme.

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 2020 assessment, we received an overall score of 75/100, earning us the new Platinum medal and placing us in the top 1% of all companies assessed.

All forms of child or forced labour are against our principles. Our Principles of Conduct stipulate we do not practice or tolerate any form of child exploitation or forced labour and that we do not provide employment to children before they have completed their compulsory education.

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.



#### READ MORE

[www.givaudan.com](http://www.givaudan.com) ▶ Our Company ▶ Corporate governance ▶ Ethics and compliance ▶ **Responsible sourcing policy**  
 2020 GRI Sustainability Report ▶ page 36 ▶ **GRI 204: Procurement practices**  
 2020 GRI Sustainability Report ▶ page 83 ▶ **GRI 408: Child labour**  
 2020 GRI Sustainability Report ▶ page 84 ▶ **GRI 409: Forced or compulsory labour**  
 2020 GRI Sustainability Report ▶ page 85 ▶ **GRI 412: Human rights assessment**

## Establishing leading labour relations practices

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. In this matter, we respect all legal local notice periods prior to the implementation of changes that could affect our employees, either through direct communication to affected employees or through their elected representatives, unions / works councils or other groups. In countries where there are collective agreements and where it is mandatory, minimum notice periods regarding operational changes are specified. These range from no notice to three months, depending on the country and based on local laws and practices.

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.

Our position around fair employment practices, respectful work environments, freedom of association and fair wages concerning our workforce are all highlighted in our Principles of Conduct.



#### READ MORE

2020 GRI Sustainability Report ▶ page 72 ▶ **GRI 402: Labour/management relations safety**  
 2020 GRI Sustainability Report ▶ page 82 ▶ **GRI 407: Freedom of association and collective bargaining**

# Effective and transparent corporate governance

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

## Assuring value creation through good corporate governance

At Givaudan 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 as well as nature, in line with our Purpose. They include internal and external controls and monitoring systems.

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

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 its

responsibility. Each of our nine Board members has an in-depth knowledge of his or her relevant areas of expertise and contributes to the Board competencies. The Board of Directors has delegated the day-to-day operational management of the Company to the Executive Committee. The Executive Committee, under the leadership of the Chief Executive Officer, is responsible for areas of operational management of the Company that are not specifically reserved to the Board of Directors such as the ethical operation of the Company.

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. One element of this is the governance for our sustainability efforts, which are led by the Head of Global Procurement and Sustainability, who is a member of the Executive Committee. He ensures the Board is kept up to date on our efforts and actions on bringing shared value to our stakeholders and on matters pertaining to sustainability in general. He is supported by a dedicated sustainability leadership team made up of internal specialists and deals with dedicated business partners to ensure the implementation of our sustainable business approach. 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 discussions during the development of the 2025 corporate strategy.

BOARD MEMBERS

9

AVERAGE TENURE  
IN YEARS

5.6

NATIONALITIES  
REPRESENTED ON  
THE BOARD

5


WOMEN ON  
THE BOARD

3

**Assuring stable governance during unprecedented times**

The COVID-19 pandemic has shown the resilience of the Company and its governance and leadership. Existing crisis management and business continuity procedures allowed the Company to institute crisis management teams very quickly on local and on global levels. The global crisis management team was made up of members of the Executive Committee and functions with special expertise in dealing with crises and worked together with the business continuity teams in both divisions. Thanks to the governance established, the Company was able to keep production open and to ensure that our own people and supporting communities were protected and customer and consumer demand for essential products met. The Company is prepared for the longer-term impact, especially in the areas of digitalisation and employee health and wellbeing. Everybody whose presence was not essential on site was sent to work from home, meetings changed to virtual at all levels of the Company and strict travel and visiting rules enforced. The team kept the Board of Directors and in particular the Chairman fully updated.

The strong leadership and governance even enabled the Company to develop and announce its new five-year strategy as planned despite the COVID-19 pandemic. The strategy development process had started before the pandemic and was able to be completed in a series of virtual meetings of the Board of Directors. During the process, the impacts of the pandemic and its projected aftermath, in terms of threats as well as opportunities, were assessed with the help of the Enterprise Risk Management function, which was part of the strategy development team.

 **READ MORE**  
 2020 Governance, Compensation and Financial Report ▶ page 4 - 21 ▶  
**Governance Report**

**The Company is prepared for the longer-term impact, especially in the areas of digitalisation and employee health and wellbeing.**

<p>EXECUTIVE COMMITTEE MEMBERS</p> <p><b>7</b></p>	<p>AVERAGE TENURE IN YEARS</p> <p><b>4.6</b></p>	<p>NATIONALITIES REPRESENTED ON EXECUTIVE COMMITTEE</p> <p><b>6</b></p>	<p>WOMEN ON THE EXECUTIVE COMMITTEE</p> <p><b>1</b></p>
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## BOARD COMMITTEES<sup>1</sup>

### AC

#### Audit Committee

**Thomas Rufer (Chairman) / Lilian Biner / Victor Balli / 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

#### Calvin Grieder

##### CHAIRMAN

Engineer / Swiss national, born in 1955 in the USA / Non-executive / First elected in 2014 / Chairman since 2017

**NGC, IC**

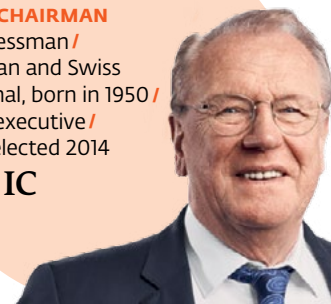


#### Prof. Dr-Ing. Werner Bauer

##### VICE-CHAIRMAN

Businessman / German and Swiss national, born in 1950 / Non-executive / First elected 2014

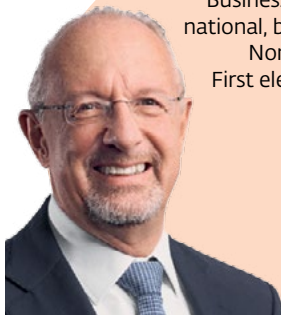
**CC, IC**



#### Victor Balli

Businessman / Swiss national, born in 1957 / Non-executive / First elected in 2016

**AC, CC**



#### Lilian Biner

Businesswoman / Swedish national, born in 1962 / Non-executive / First elected in 2011

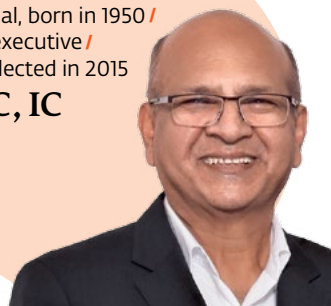
**AC**



#### Michael Carlos

Businessman / French national, born in 1950 / Non-executive / First elected in 2015

**NGC, IC**



#### Ingrid Deltenre

Businesswoman / Dutch and Swiss national, born in 1960 / Non-executive / First elected 2015

**CC, NGC**



1. All committee members were part of their respective committee(s) for the entire year of 2020, except the new members: Olivier Filliol from 25 March 2020, and Sophie Gaperment from 1 September 2020.

**Olivier Filliol**

Businessman /  
Swiss national,  
born in 1967 /  
Non-executive /  
First elected 2020

**AC, IC****Sophie Gasperment**

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

**NGC****Thomas Rufer**

Certified Public  
Accountant /  
Swiss national,  
born in 1952 /  
Non-executive /  
First elected 2009

**AC****Board of Directors**

The Board of Directors consists of nine Board members, headed by our Chairman Calvin Grieder and currently comprises six 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. In general, Board members are elected each year at the Annual General Meeting for a mandate of one year. In 2020, one exception was made for governance reasons to allow Sophie Gasperment, who joined the Board in September 2020, to step off another board beforehand and avoid being over-boarded.

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 has formed four Board committees to support the preparation of discussions and decisions in certain areas in accordance with Swiss law.

**Each of the 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.**

**Board expertise**

Given the Company's business and its current 2020 strategy of 'Responsible growth. Shared success.', the most relevant and important required competencies include:

- in-depth knowledge of the flavour and fragrance industry
- international senior business leadership
- strategy setting and implementation and risk management
- financial expertise
- innovation and technology (including digital)
- sales and marketing
- regulatory affairs.

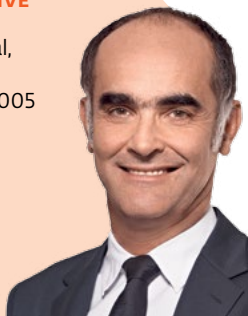
The Board's knowledge and diversity of experience are important assets in leading a company of Givaudan's size in a complex and fast-changing environment.

The Board regularly reviews the list of competencies, including with the help of external expert advisors, and uses existing and required competencies as a basis for its succession planning.

## EXECUTIVE COMMITTEE

**Gilles Andrier**  
**CHIEF EXECUTIVE OFFICER**

French national,  
born in 1961 /  
Appointed in 2005



**Tom Hallam**  
**CHIEF FINANCIAL OFFICER**

British and Swiss  
national, born in  
1966 / Appointed  
in 2017



**Louie D'Amico**

**PRESIDENT  
TASTE &  
WELLBEING**

US national,  
born in 1961 /  
Appointed in 2018



**Maurizio Volpi**

**PRESIDENT  
FRAGRANCE &  
BEAUTY**

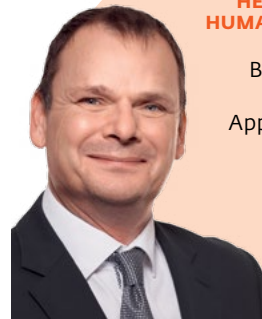
Italian national,  
born in 1969 /  
Appointed in 2015



**Simon Halle-Smith**

**HEAD OF GLOBAL  
HUMAN RESOURCES  
AND EHS**

British national,  
born in 1966 /  
Appointed in 2015



**Willem Mutsaerts**

**HEAD OF GLOBAL  
PROCUREMENT AND  
SUSTAINABILITY**

Dutch national,  
born in 1962 /  
Appointed in 2015



**Anne Tayac**

**HEAD OF  
GIVAUDAN  
BUSINESS  
SOLUTIONS**

French national,  
born in 1968 /  
Appointed in 2016



### 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. Dedicated to the overall day-to-day management of Givaudan, each Executive Committee member capitalises on an average of 20 years' experience in the Company to bring a wealth of industry knowledge and have all been promoted to the Executive Committee from inside the Company. Gilles Andrier is one of the longest-standing CEOs in the industry, being in office since 2005.

# Setting incentives to create value

Our compensation programmes reflect the performance of the business and of individuals and are aligned to our strategy of ensuring that Givaudan is a place where everyone feels welcome, valued and inspired.

It is our aim 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. We have rigorous governance policies and processes to ensure that our compensation practices are aligned with our principles of integrity, fairness and transparency. Benchmarking studies are conducted regularly and salaries are reviewed taking into account macroeconomic data such as cost of living and market evolution.

Our Compensation Committee supports the Board of Directors 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 share-based long-term incentives, while the applicable performance criteria are set by the Board.

For executives and all employees, our competitive compensation policy 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.

The impact of the COVID-19 pandemic on all aspects of the Givaudan business was reviewed, and the Compensation Committee determined that compensation decisions made at the beginning of 2020 would not be modified. In particular:

- the 2020 salary review for employees and executives took place according to the pre-established budgets and no reduction in salary took place; and
- no adjustments to pre-defined incentive targets or achievements were made for the performance year 2020.

In addition, a special bonus was paid to workers required to come on site during the lockdown period in recognition of their outstanding commitment and efforts in ensuring the continuity of Givaudan operations. An amount was set for each country according to respective economic environments.

In 2019, Givaudan defined its purpose to articulate its sustained contribution to people, nature and communities, and set the foundation for all strategic choices and business decisions. In relation to this exercise, the Compensation Committee reviewed the Company compensation plans during 2020. Accordingly, certain aspects of the Performance Share Plan (PSP) will change with effect from 1 January 2021. The financial metrics traditionally used to calculate the PSP will be retained but will be complemented by non-financial criteria linked to the focus areas of the Givaudan purpose.



**READ MORE**

2020 Governance, Compensation and Financial Report ▶ pages 23 – 37 ▶  
**Compensation Report**

## 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 compensation paid to the Board members for the period between the 2019 and 2020 Annual General Meetings (CHF 2,817,450) is again within the amount approved by shareholders at the 2019 Annual General Meeting (CHF 2,950,000). Amounts approved at the 2020 Annual General Meeting (CHF 3,400,000) will be paid by the end of the year in office and validated in the 2021 Compensation Report. Such approved and paid amounts may differ from those shown in the Board compensation summary table which, according to the Ordinance against Excessive Compensation at Listed Stock Companies (OaEC), must include compensation paid in the reporting year.

### Board of Directors compensation summary

2020 in Swiss francs	Calvin Grieder Chairman <sup>5</sup>	Victor Balli <sup>5</sup>	Prof. Dr.-Ing. Werner Bauer <sup>5</sup>	Lilian Biner <sup>5</sup>	Michael Carlos <sup>5</sup>	Ingrid Deltenre <sup>5</sup>	Thomas Rufer <sup>5</sup>	Olivier Filliol <sup>5,6</sup>	Sophie Gasper- ment <sup>5,7</sup>	Total 2020 <sup>1</sup>
Director fees <sup>2</sup>	400,000	100,000	100,000	100,000	100,000	100,000	100,000	75,000	33,333	1,108,333
Committee fees <sup>2</sup>	65,000	50,000	65,000	25,000	65,000	50,000	55,000	37,500	8,333	420,833
Total fixed (cash)	465,000	150,000	165,000	125,000	165,000	150,000	155,000	112,500	41,666	1,529,166
Number of RSUs granted <sup>3</sup>	208	52	52	52	52	52	52	39	17	576
Value at grant <sup>4</sup>	581,256	145,314	145,314	145,314	145,314	145,314	145,314	108,986	47,507	1,609,633
<b>Total compensation</b>	<b>1,046,256</b>	<b>295,314</b>	<b>310,314</b>	<b>270,314</b>	<b>310,314</b>	<b>295,314</b>	<b>300,314</b>	<b>221,486</b>	<b>89,173</b>	<b>3,138,799</b>

1. Represents total compensation for the Board of Director paid in respect of the reporting year, reported in accordance with the accrual principle.
2. Represents Director and Committee fees paid in respect of the reporting year, reported in accordance with the accrual principle.
3. RSUs blocking period ends on 15 April 2023.
4. Economic value at grant according to IFRS methodology, with no discount applied for the blocking period.
5. The function of each member of the Board of Directors is indicated on pages 7–9 in the 2020 Governance report.
6. Represents compensation from April to December 2020.
7. Represents compensation from September to December 2020.

2019 in Swiss francs	Calvin Grieder Chairman <sup>5</sup>	Victor Balli <sup>5</sup>	Prof. Dr.-Ing. Werner Bauer <sup>5</sup>	Lilian Biner <sup>5</sup>	Michael Carlos <sup>5</sup>	Ingrid Deltenre <sup>5</sup>	Thomas Rufer <sup>5</sup>	Total 2019 <sup>1</sup>
Director fees <sup>2</sup>	400,000	100,000	100,000	100,000	100,000	100,000	100,000	1,000,000
Committee fees <sup>2</sup>	65,000	50,000	65,000	25,000	65,000	50,000	55,000	375,000
Total fixed (cash)	465,000	150,000	165,000	125,000	165,000	150,000	155,000	1,375,000
Number of RSUs granted <sup>3</sup>	252	63	63	63	63	63	63	630
Value at grant <sup>4</sup>	576,980	144,245	144,245	144,245	144,245	144,245	144,245	1,442,450
<b>Total compensation</b>	<b>1,041,980</b>	<b>294,245</b>	<b>309,245</b>	<b>269,245</b>	<b>309,245</b>	<b>294,245</b>	<b>299,245</b>	<b>2,817,450</b>

1. Represents total compensation for the Board of Director paid in respect of the reporting year, reported in accordance with the accrual principle.
2. Represents Director and Committee fees paid in respect of the reporting year, reported in accordance with the accrual principle.
3. RSUs blocking period ends on 15 April 2022.
4. Economic value at grant according to IFRS methodology, with no discount applied for the blocking period.
5. The function of each member of the Board of Directors is indicated on pages 5–6 in the 2019 Governance report.

Estimated social security charges based on 2020 compensation amounted to CHF 259,230 (2019: CHF 233,000).



## Compensation of the Executive Committee

Total Executive Committee compensation reported in 2020 remained stable compared to 2019, representing full year compensation for seven members (including the CEO). 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 2020 was CHF 15,300,000 (2019: CHF 15,000,000). The annual incentive, short term variable compensation amount for 2020 was CHF 4,812,783 and will be submitted for approval at the 2020 Annual General Meeting (2019: CHF 4,269,632).

### Executive Committee compensation summary

in Swiss francs	Gilles Andrier CEO 2020	Gilles Andrier CEO 2019	Executive Committee members (excluding CEO) <sup>1</sup> 2020	Executive Committee members (excluding CEO) <sup>1</sup> 2019	Total 2020	Total 2019
- Base salary	1,211,084	1,167,910	3,336,973	3,191,433	4,548,057	4,359,343
- Pension benefits <sup>2</sup>	574,237	577,527	1,036,769	1,005,412	1,611,006	1,582,939
- Other benefits <sup>3</sup>	145,344	141,730	433,184	562,795	578,528	704,525
<b>Total fixed compensation</b>	<b>1,930,665</b>	<b>1,887,167</b>	<b>4,806,926</b>	<b>4,759,640</b>	<b>6,737,591</b>	<b>6,646,807</b>
- Annual incentive <sup>4</sup>	1,636,536	1,438,925	3,176,247	2,830,707	4,812,783	4,269,632
- Number of performance shares granted <sup>5</sup>	895	1,092	2,077	2,448	2,972	3,540
- Value at grant <sup>6</sup>	2,501,078	2,500,243	5,804,177	5,604,941	8,305,255	8,105,184
<b>Total variable compensation</b>	<b>4,137,614</b>	<b>3,939,168</b>	<b>8,980,424</b>	<b>8,435,648</b>	<b>13,118,038</b>	<b>12,374,816</b>
<b>Total compensation</b>	<b>6,068,279</b>	<b>5,826,335</b>	<b>13,787,350</b>	<b>13,195,288</b>	<b>19,855,629</b>	<b>19,021,623</b>
Employer social security <sup>7</sup>	504,728	471,214	1,029,178	989,482	1,533,906	1,460,696

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. 2020 Performance shares vest on 15 April 2023, 2019 Performance Shares vest on 15 April 2022.

6. Value at grant calculated according to IFRS methodology and based on 100% achievement of performance targets.

7. 2020 estimated social security charges based on 2020 compensation; 2019 estimated social security charges based on 2019 compensation.

## Ownership of Givaudan securities

As per 31 December 2020, the Chairman and other Board members, including persons closely connected to them held 6,501 Givaudan shares in total, the Chief Executive Officer and other members of the Executive Committee, including persons closely connected to them, held 6,312 Givaudan shares.

### Board of Directors: ownership of Givaudan securities

2020 in numbers	Shares	Blocked RSUs
Calvin Grieder, Chairman	655	752
Victor Balli	175	188
Prof. Dr-Ing. Werner Bauer	1,355	188
Lilian Biner	662	188
Michael Carlos	1,187	188
Ingrid Deltenre	292	188
Thomas Rufer	975	188
Olivier Filliol	1,200	52
Sophie Gasperment	-	30
<b>Total 2020</b>	<b>6,501</b>	<b>1,962</b>
Total 2019	4,501	2,260

### Executive Committee: ownership of Givaudan securities

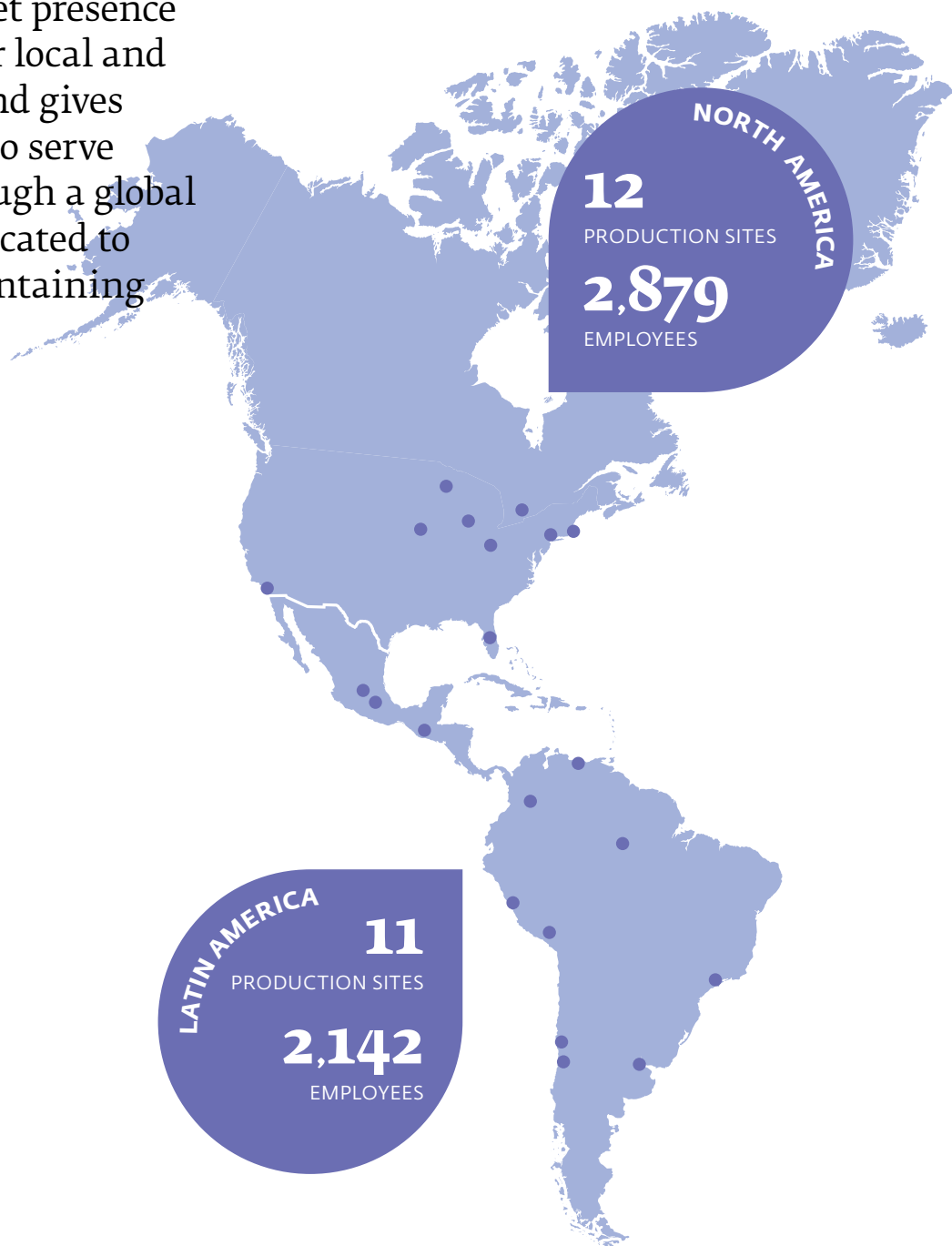
2020 in numbers	Shares	Unvested Performance Shares
Gilles Andrier, CEO	3,900	3,433
Tom Hallam	584	1,362
Louie D'Amico	431	1,358
Maurizio Volpi	350	1,715
Simon Halle-Smith	452	1,023
Willem Mutsaerts	269	1,023
Anne Tayac	326	1,023
<b>Total 2020</b>	<b>6,312</b>	<b>10,937</b>
Total 2019	5,265	13,073

# Appendix



# Our global presence

Our expanding market presence brings us closer to our local and regional customers and gives us greater capability to serve these customers through a global workforce that is dedicated to establishing and maintaining true partnerships.



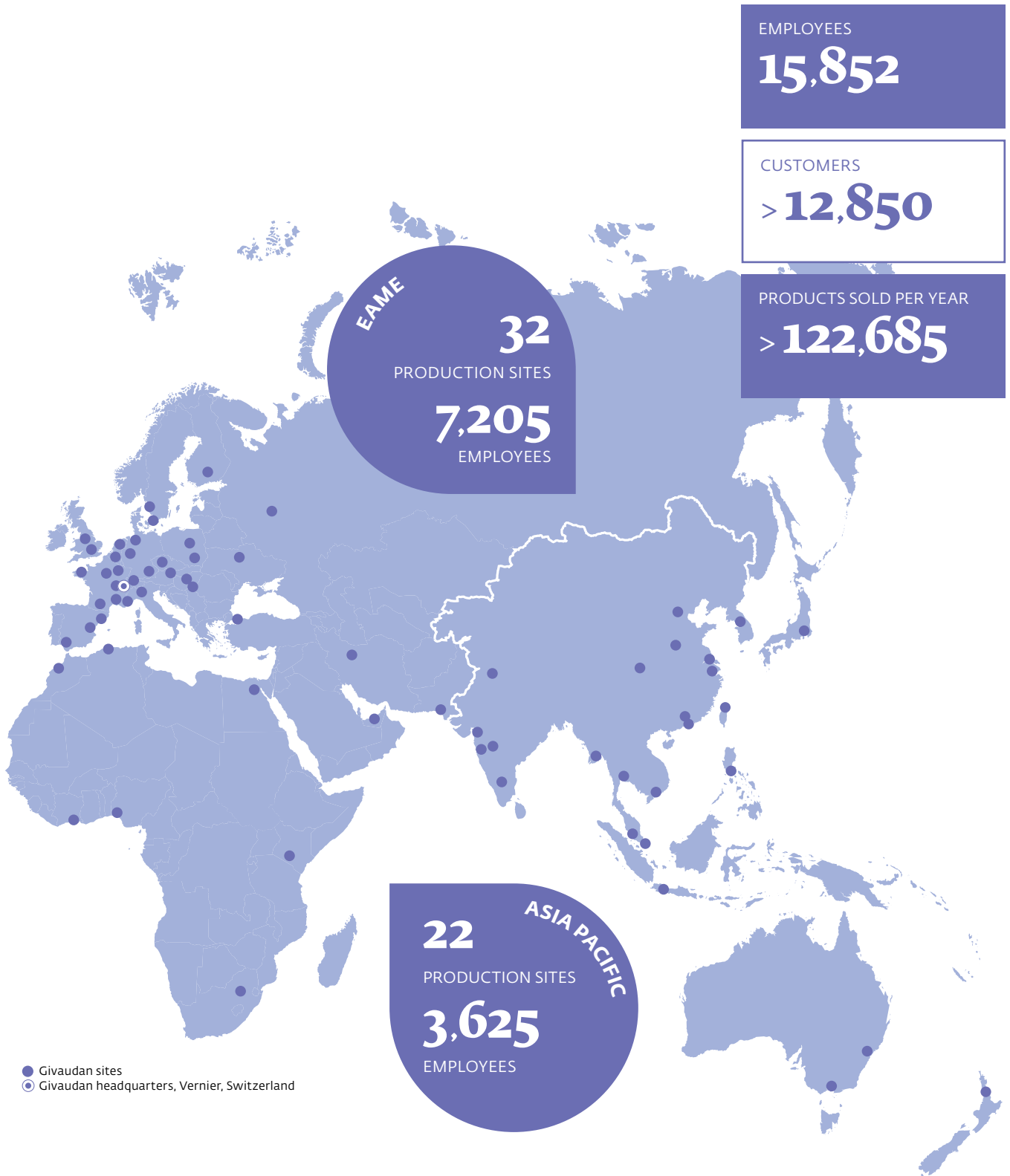
GIVAUDAN SITES  
WORLDWIDE  
**181**

PRODUCTION SITES  
**77**

CREATION &  
APPLICATION SITES  
**69**

LATIN AMERICA  
**11**  
PRODUCTION SITES  
**2,142**  
EMPLOYEES



























NORTH AMERICA  
**12**  
PRODUCTION SITES  
**2,879**  
EMPLOYEES





















# Givaudan sites worldwide

 Taste & Wellbeing    Fragrance & Beauty

1. Locations taken into account for GRI scope:  health & safety performance or  environment, health & safety indicators.  
2. GBS centre.

Country	Address	Legal Entity name	Business activity	Production	GRI Scope <sup>1</sup>	Creation & application
<b>Algeria</b>	Tour A – 4 <sup>ème</sup> étage, Business Centre Dar El Madina, Micro Zone d'activité Hydra Lot No. 20, 16035 Algiers	Givaudan International SA (Suisse) Bureau de Liaison Algérie			<input checked="" type="checkbox"/>	
<b>Argentina</b>	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		✓	✓	✓
	Tronador 4890, 8° piso, Buenos Aires C 1430 DNN CABA	Givaudan Argentina Servicios SA <sup>2</sup>			<input checked="" type="checkbox"/>	
<b>Australia</b>	12 – 14 Britton Street, Smithfield, Sydney NSW 2164	Givaudan Australia Pty Ltd		✓	✓	
	Unit 36, 5 Inglewood Place, Baulkham Hills, Sydney NSW 2153	Givaudan Australia Pty Ltd	 		<input checked="" type="checkbox"/>	✓
	Suite West 11A, ground fl., 215 Bell Street, Preston VIC 3072	Givaudan Australia Pty Ltd			<input checked="" type="checkbox"/>	
	9 Garling Road, Kings Park, NSW2148, 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.				
	P.O. Box 2143, Taren Point NSW 22229	Ungerer Australia Pty. Ltd	 	✓		
<b>Austria</b>	Twin Tower Vienna, Wienerbergstrasse 11, 1109 Vienna	Givaudan Austria GmbH			<input checked="" type="checkbox"/>	✓
<b>Belgium</b>	Lausbedstraat 4, 3630 Maasmechelen	Naska Ingredients NV		✓		
	Val d'Or, Gulledele, 96 BE-1200 Woluwe Saint Lambert, Brussels	Naturex SPRL				
<b>Brazil</b>	Avenida Engenheiro Billings 2185, Jaguaré, São Paulo, 05321-010	Givaudan do Brasil Ltda	 	✓	✓	✓
	Avenida Engenheiro Billings 1653 & 1729, Jaguaré, São Paulo, 05321-010	Givaudan do Brasil Ltda			✓	✓
	Rodovia Eduardo Zuccari, Km 21,5, Chácara Recreio Vista Alegre, Botucatu, São Paulo, 18603-970	G Nutra (Givaudan)		✓		
	Av. Burity, no. 5391, Distrito Industrial, CEP: 69.075-000, Manaus	Naturex Ingredientes Naturais Ltda		✓		
	Rua George Ohm, 230, Conj. 22 (Torre B), 04576-020 Brooklin Novo, São Paulo	Naturex Ingredientes Naturais Ltda				
	Via Natalino Verdi 120, 13515-000 Charqueada, São Paulo	drom internacional Fragrâncias ind. e com. Ltda.		✓		
<b>Canada</b>	Maj. Gustavo Adolfo Storch 125, 13209-080 Vila Virginia, undiaí, São Paulo	drom internacional Fragrâncias ind. e com. Ltda.				
<b>Canada</b>	2400 Matheson Blvd. East, Mississauga, Ontario L4W 5G9	Givaudan Canada Co.			<input checked="" type="checkbox"/>	
<b>Chile</b>	Avda Del Valle 869, oficina 202, Ciudad Empresarial, Comuna de Huechuraba, Santiago de Chile	Givaudan Chile Ltda			<input checked="" type="checkbox"/>	✓
	Avenida Suecia 0142 – oficina 303, Providencia, Santiago de Chile	Chile Botanics SA				
	Panamericana sur Kilometro 297, Linares	Naturex Chile SPA		✓		






































Country	Address	Legal Entity name	Business activity	Production	GRI Scope <sup>1</sup>	Creation & application
China	15F, Tower 2, Kun Sha Center, no. 16 Xin Yuan Li Road, Chao Yang District, 100027 Beijing	Givaudan Flavors (Shanghai) Ltd Beijing Branch			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	15F, Tower 2, Kun Sha Center, no. 16 Xin Yuan Li Road, Chao Yang District, 100027 Beijing	Givaudan Fragrances (Shanghai) Ltd Beijing Branch			<input checked="" type="checkbox"/>	
	668 Jing Ye Road, Jin Qiao Export Area, Pu Dong New Area, 201201 Shanghai	Givaudan Flavors (Shanghai) Ltd		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	298 Li Shi Zhen Road, Zhangjiang High-Tech Park, Pudong New Area, 201203 Shanghai	Givaudan Fragrances (Shanghai) Ltd		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	222, Jiang Tian East Road, Songjiang Development Zone, 201600 Shanghai	Givaudan Specialty Products (Shanghai) Ltd	 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	No. 7 Jianghai Road, Nantong Economic and Technological Development Area, 226017 Nantong, Jiangsu Province	Givaudan Flavours (Nantong) Ltd		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	Unit 5, 15F Shuion Center, no. 374 – 2 Beijing Road, Yue Xiu District, 510030 Guangzhou	Givaudan Flavors (Shanghai) Ltd Guangzhou Branch			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Unit 6 – 7, 15F Shuion Center, no. 374 – 2 Beijing Road, Yue Xiu District, 510030 Guangzhou	Givaudan Fragrances (Shanghai) Ltd Guangzhou Branch			<input checked="" type="checkbox"/>	
	Room 2001, 20F Funian Plaza-2, no. 666 Jitai Road, Gaoxin District, 610041 Chengdu, Sichuan Province	Givaudan Flavors (Shanghai) Ltd Chengdu Branch			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Room A1301, Bldg 2, no. 80 Jin Shui Road (East), New Green City, Zhengzhou, He Nan Province	Givaudan Flavors (Shanghai) Ltd Zhengzhou Branch			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Shanghai Juke Biotech Park, 6 <sup>th</sup> Floor, Bdg 4, no.333 Guiping Road, Xuhui District, 200233 Shanghai	Naturex Trading Shanghai Co, Ltd				
	Unit 1001, 10 F Miramar Tower, 132 Nathan Road, Tsim Sha Tsui	Givaudan Hong Kong Ltd	 		<input checked="" type="checkbox"/>	
	8 Sham Shing Road, Cheung Sha Wan, new Kowloon	drom Hong Kong				
	Room.237, building 7, Zhong Tian Hi-Tech Park, 787 Kangqiao road, Pudong New Area, 201315 Shanghai	drom Shanghai				<input checked="" type="checkbox"/>
	no. 66, Hongjing Road, 510760 Guangdong	drom fragrances international (Guangzhou) Ltd.		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
#1-2 Building No. 508, Lane 2655 Fengzhe Road, Fengxian, Shanghai 201407	Ungerer Fragrance & Flavor (Shanghai) Co. Ltd.	 	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
<b>Colombia</b>	Carrera 98 no. 25 G – 40, 151196 Bogotá D.C.	Givaudan Colombia SAS	 		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Czech Republic</b>	Klimentská 10, Praha 110 00	Givaudan CR, s.r.o.			<input checked="" type="checkbox"/>	
<b>Egypt</b>	Piece 37, Industrial Zone 3, 6 <sup>th</sup> of October City	Givaudan Egypt SAE		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	46 El Thawra st., 3 <sup>rd</sup> floor, Appt 304, Heliopolis	Givaudan Egypt Fragrances LLC			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Finland</b>	Niemenkatu 73, 15140 Lahti	Givaudan International SA, Branch in Finland			<input checked="" type="checkbox"/>	

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1. Locations taken into account for GRI scope:  health & safety performance or  environment, health & safety indicators.  
2. GBS centre.































Country	Address	Legal Entity name	Business activity	Production	GRI Scope <sup>1</sup>	Creation & application
France	46 avenue Kléber, 75116 Paris	Givaudan France SAS			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	4 rue Lord Byron, 75008 Paris	Expressions Parfumées				
	4 Rue Lord Byron, 75008 Paris	Expressions Parfumées				
	4 et 6 rue Curie, 92150 Suresnes, Paris	drom international S.A.R.L.				<input checked="" type="checkbox"/>
	55 rue de la Voie des Bans, 95102 Argenteuil Cedex	Givaudan France SAS			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	19 – 23 rue de la Voie des Bans, 95102 Argenteuil Cedex	Givaudan France SAS			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	16 rue Henri Becquerel, BP 525 – ZI Mitry Compans, 77295 Mitry Mory	Activ International SAS		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	Route de Bazancourt, 51110 Pomacle	Givaudan France SAS		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	Anse du Pors Gelin, 22560 Pleumeur Bodou	Givaudan France SAS		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	3 Rue des Satellites, 31400 Toulouse	Givaudan France SAS			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	136 Chemin de Saint-Marc, 06130 Grasse	Expressions Parfumées		<input checked="" type="checkbox"/>		
	250 rue Pierre Bayle – BP 81218 – 84911 Avignon Cedex 9	Naturex SA		<input checked="" type="checkbox"/>		
	Actiparc de Pont de Vaux /Les Chapelles Sud – 01190 Reyssouze	Naturex SA		<input checked="" type="checkbox"/>		
	St Jean Baptiste 629 Route de Grasse, 6220 Vallauris	Albert Vieille SAS				
Bâtiment Méléze, 86 rue de Paris, 91400 Orsay	Alderys	 				
Germany	Giselherstrasse 11, 44319 Dortmund	Givaudan Deutschland GmbH		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Lehmweg 17, 20251 Hamburg	Givaudan Deutschland GmbH			<input checked="" type="checkbox"/>	
	Im Zollhafen 24, Kranhaus Süd, 50678 Köln	Naturex GmbH				
	Oberdiller str. 18, 82065 Baierbrunn	drom fragrances GmbH & Co. KG		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Guatemala	Boulevard Los Proceres 18, Calle 24 – 69 Zona 10, Empresarial Zona Pradera, Torre 1, Oficiana 1201-01010	Givaudan Guatemala SA	 		<input checked="" type="checkbox"/>	
Hungary	Királyhegyesi út 3, 6900 Makó	Givaudan Hungary Kft		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	Bence utca 1. , Váci Greens B, 1138 Budapest	Givaudan Business Solutions Kft <sup>2</sup>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>






























Country	Address	Legal Entity name	Business activity	Production	GRI Scope <sup>1</sup>	Creation & application
India	Plot No. 30, Survey no. 168, Dabhel Industrial Estate, Daman 396210	Givaudan (India) Pvt Ltd		✓	✓	
	Survey no. 57/3 (2) & 3, Village Dunetha, Daman 396 210	Givaudan (India) Pvt Ltd		✓		
	Plot no. 26, 2nd Cross Jigani Industrial Area, Anekal Taluk, Jigani, Bangalore, Karnataka 560 105	Givaudan (India) Pvt Ltd		✓	✓	
	13 <sup>th</sup> Floor Prestige Meridian 1, 29 MG Road, Bangalore, 560001	Givaudan (India) Pvt Ltd			<input checked="" type="checkbox"/>	
	401 Akruti Centre Point, 4 <sup>th</sup> Floor, MIDC Central Road, MIDC, Andheri (East), Mumbai 400093	Givaudan (India) Pvt Ltd			<input checked="" type="checkbox"/>	✓
	406 – 410, 4 <sup>th</sup> Floor, JMD Pacific Square, Sector 15, Part II, Gurgaon 122001, Haryana	Givaudan (India) Pvt Ltd			<input checked="" type="checkbox"/>	
	H-2 Ranjangaon Industrial Area Phase II, Pune 412209	Givaudan (India) Pvt Ltd			✓	✓
	Star Hub, Building no. 02, 3 <sup>rd</sup> Floor, 302, Sahar Airport Road, Near ITC Grand Maratha, Andheri (E), 400 059 Mumbai	Naturex India Pty Ltd				
	Plot no. 15/2, DhataV, Roha, District, Raigad, 402116 Mumbai	Naturex SA		✓		
Plot No. F-366, Phase - Viii-B, Ind. Focal Point, Mohali, Punjab	Ungerer Flavours India Private Limited		✓			
Indonesia	Jl. Raya Jakarta-Bogor Km 35, Cimanggis Depok, 16951 West Java	PT. Givaudan Indonesia			✓	✓
	Capital Place, 9 <sup>th</sup> floor, Jl. Jend. Gatot Subroto Kav. 18, 12710 Jakarta	PT. Givaudan Indonesia			<input checked="" type="checkbox"/>	✓
	Rukan Permata Senayan blok B-22. Jalan Tentara Pelajar, Senayan, 12210 Jakarta	PT Fragrance Oils Indonesia				
	German Center Building, 6th floor, suites 6120-6130, jl. kapt. subijanto dj., 15321 South Tangerang City, Banten	PT drom fragrances Indonesia				✓
Iran	P.O. Box 15175/534 – no.202 – 204, Gol Blvd., Gol Alley, After Park Saei, Vali Asr, Tehran	Givaudan International SA, Iran Branch			<input checked="" type="checkbox"/>	
Italy	Via XI Febbraio 99, 20090 Vimodrone (MI)	Givaudan Italia SpA			<input checked="" type="checkbox"/>	✓
	Via Valassina 24, 2015 Milan	drom international Italia S.R.L.				
	Via Varesina 162, 20156 Milan	Expressions Parfumées				
	Via Galileo Ferraris, 44, 21042 Caronno Pertusella (VA)	Naturex SpA		✓		
Ivory Coast	Immeuble RMO, 5 <sup>ème</sup> étage, rue du Docteur Blanchard Zone 4C, Abidjan	Givaudan International. SA Côte d'Ivoire			<input checked="" type="checkbox"/>	
	Abidjan Yopougon, Chaumière du Banco, 04 BP 1682, Abidjan	ITRAD				
Japan	3014 – 1 Shinohara-cho, Yokohama-shi, Kanagawa 222-0026	Givaudan Japan K.K.			<input checked="" type="checkbox"/>	✓
	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.			<input checked="" type="checkbox"/>	✓
	NBC MITA Building 7F, 5 – 29 – 18, Shiba, Minato-ku, Tokyo 108-0014	Naturex KK				
Kenya	Vienna Court, Ground floor, West Wing Building, State House Crescent Road, P.O. Box 44168-00100 Nairobi	Givaudan MEA FZE - Kenya			<input checked="" type="checkbox"/>	
Korea (Republic of)	11/F Trust Tower Bldg, 60 Mabang-ro, Seocho-Gu, Seoul 06775	Givaudan Korea Ltd			<input checked="" type="checkbox"/>	✓
	12/F Trust Tower Bldg, 60 Mabang-ro, Seocho-Gu, Seoul 06775	Givaudan Korea Ltd			<input checked="" type="checkbox"/>	✓
	Room 503, 14, Hwangsaoul-ro 311beon-gil, Bundang-gu, Seongnam-si, Gyeonggi-do 13590	Naturex (Korea)				

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1. Locations taken into account for GRI scope:  health & safety performance or  environment, health & safety indicators.  
2. GBS centre.

Country	Address	Legal Entity name	Business activity	Production	GRI Scope <sup>1</sup>	Creation & application
<b>Malaysia</b>	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	 		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	No. 121, Jalan Usaha 10, Kawasan Perindustrian Ayer Keroh, 75450 Malacca	Givaudan Flavours & Fragrances Malaysia Sdn. Bhd		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	1 First Avenue, Banda Utama, level 12, Bandar Utama, PJU 6, 47800 Petaling Jaya, Selangor	Givaudan Business Solutions Asia Pacific Sdn Bhd <sup>2</sup>			<input checked="" type="checkbox"/>	
	Suite 733, Block B2, Level 7, Leisure Commerce Square 9, Jalan PJS 8/9, 46150 Petaling Jaya, Selangor	Fragrance Oils (Malaysia) Sdn Bhd				
<b>Mexico</b>	Av. Eje Norte-Sur No. 11 Civac, 62578 Jiutepec Morelos	Givaudan de México SA de CV		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Lago Alberto 319, Piso 12, Col. Granada, 11520 Del. M. Hidalgo, Ciudad de México	Givaudan de México SA de CV		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Av. San Jerónimo 369 P-9, Tizapán San Ángel, 01090 Álvaro Obregón, CDMX	Givaudan de México SA de CV			<input checked="" type="checkbox"/>	
	Corredor Industrial Quetzalcoatl, No. 6, San Baltazar Temascalac, 74126 Puebla	Oxiqumica, Sapi de CV	 	<input checked="" type="checkbox"/>		
	Carr. Costera del Pacifico Km. 63, Villa de Tututepec de Melchor Ocampo, 71803 Tututepec, Oaxaca	Ungerer Mexico S. de R. L. de C.V.		<input checked="" type="checkbox"/>		
<b>Morocco</b>	8 rue Ibnou Binna Aladdadi, Bourgogne, 20053 Casablanca	Givaudan MEA FZE Morocco Branch	 		<input checked="" type="checkbox"/>	
	Technopole ONDA – BP 42 – 20240 Nouasser – Casablanca	Naturex Maroc SA		<input checked="" type="checkbox"/>		
<b>Myanmar</b>	46A – 2C Excellent Condo, Pantra Street, Dagon Township, Yangon	Givaudan Singapore Pte Ltd (Myanmar Branch)	 		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Netherlands</b>	Huizerstraatweg 28, 1411 GP Naarden	Givaudan Nederland B.V.		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Nijverheidsweg 60, 3771 ME Barneveld	Givaudan Nederland B.V.		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	Nizolaan 4, 6718 ZC Ede	Vika B.V.		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
<b>New Zealand</b>	Level 1, The Lane, Botany Town Center, Te Irirangi Drive, Botany 2010	Givaudan NZ Ltd			<input checked="" type="checkbox"/>	
<b>Nigeria</b>	Plot 2 and 4, Block D, Amuwo Odofin Industrial scheme, Apapa/ Oshodi Expressway, Lagos	Givaudan (Nigeria) Limited	 		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Suite 4, 7th floor, Nestoil tower, 41-42 Akin Adesola Street, Victoria Island, Lagos	Givaudan (Nigeria) Limited			<input checked="" type="checkbox"/>	
	A2 Billings Way, Oregun, Lagos	Fragrance Oils (West Africa) Limited				
<b>Pakistan</b>	25 <sup>th</sup> floor, Ocean Tower, Block 9, Clifton, Karachi - 75600	Givaudan International SA Pakistan			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Peru</b>	Av. Victor Andrés Belaúnde 147, Centro Empresarial Real, Torre Real 1 Piso 11, San Isidro 27, Lima	Givaudan Peru SAC	 		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Philippines</b>	37/F Robinsons Equitable Tower, ADB Avenue corner Poveda Street, Ortigas Center, Pasig City 1605	Givaudan Singapore Pte Ltd, Regional Operating Headquarter	 		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Poland</b>	Ul. Puławska 182, IO-1 Building, 02-670 Warszawa	Givaudan Polska Sp. z o.o.			<input checked="" type="checkbox"/>	
	Ul. Postępu 17A, 06-676 Warszawa	Naturex Polska Sp. z o.o Biuro Handlowe				

Country	Address	Legal Entity name	Business activity	Production	GRI Scope <sup>1</sup>	Creation & application
<b>Russian Federation</b>	Riverside Towers Business Centre, Kosmodamianskaya Naberezhnaya 52/5, 115054 Moscow	Givaudan Rus LLC			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Delovoy dom B-5, floor 9, Botanicheskiy pereulok 5, 129090 Moscow	Givaudan Rus LLC			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Shuhova Str, 14, building 9, Office 201, 115162 Moscow	Naturex LLC				
	Korpus 2, office 201, Dmitriya Ulianova str. 16, 117292 Moscow	drom fragrances GmbH & Co. KG				
<b>Singapore</b>	1 Woodlands Avenue 8, Singapore 738972	Givaudan Singapore Pte Ltd	 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	1 Pioneer Turn, Singapore 627576	Givaudan Singapore Pte Ltd		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	19 Chin Bee Road, Singapore 619833	Givaudan Singapore Pte Ltd		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	510 Thomson Rd, #04-01 SLF Building, Singapore 198135	Fragrance Oils (Far East) Pte.Ltd				
<b>South Africa</b>	9 – 11 Brunel Road, Tulisa Park, Johannesburg 2197	Givaudan South Africa (Pty) Ltd		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	51A Galaxy Avenue, Linbro Business Park, Frankenwald, Sandton 2065	Givaudan South Africa (Pty) Ltd			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Spain</b>	Pla d'en Batllé s/n, 8470 Sant Celoni, Barcelona	Givaudan Ibérica, SA	 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	Edificio Géminis, Bloque B 1º 2a, Parque de Negocios Mas Blau, 8820 El Prat de Llobregat, Barcelona	Givaudan Ibérica, SA			<input checked="" type="checkbox"/>	
	Sant Cugat Bbusiness Park, Planta 5a, office 15; av. via Augusta, 15-25, 8174 Sant cugat del vallès, Barcelona	drom spain S.L.				
	Plaça Europa 9-11; Plta 17, Torre Inbisa, 8908 L'hospitalet de Llobregat	Expressions Parfumées Iberica				
	Autovía A3, salida 343. Camino de Torrent s/n – 46930 Quart de Poblet	Naturex Iberian Partners, S.L.U		<input checked="" type="checkbox"/>		
	Carretera Santa Olalla, KM 1; 41240 Almaden de la Plata, Seville	Aromasur		<input checked="" type="checkbox"/>		
<b>Sweden</b>	Hyllie Vattenparksgata 12, 215 32 Malmö	Givaudan North Europe AB		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	Båtafjordsvägen 12, 432 63 Bua	Swedish Oat Fiber AB		<input checked="" type="checkbox"/>		
<b>Switzerland</b>	c/o Python, Baarerstrasse 21, 6300 Zug	Givaudan SA	 			
	Zweigniederlassung Dübendorf 138, Neugutstrasse 46 , 8600 Dübendorf	Givaudan Schweiz AG		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	Zweigniederlassung Dübendorf 138, Neugutstrasse 46 , 8600 Dübendorf	Givaudan International AG			<input checked="" type="checkbox"/>	
	Kemptpark 50, 8310 Kemptthal	Givaudan Schweiz AG		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Kemptpark 50, 8310 Kemptthal	Givaudan International AG			<input checked="" type="checkbox"/>	
	Chemin de la Parfumerie 5, 1214 Vernier	Givaudan Suisse SA		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
	Chemin de la Parfumerie 5, 1214 Vernier	Givaudan International SA			<input checked="" type="checkbox"/>	
	Industriestrasse 8A, 8604 Volketswil	Givaudan Suisse AG		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Kirchbergstrasse 211, 3400 Burgdorf	Naturex AG		<input checked="" type="checkbox"/>		
	Industriestrasse 8, 9220 Bischofszell	Naturex AG		<input checked="" type="checkbox"/>		
<b>Taiwan, PR China</b>	7/F, no. 303, Hsin Yi Road, Sec 4, Taipei City, Taiwan 106	Givaudan Singapore Pte Ltd, Taiwan Branch			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

 Taste & Wellbeing     Fragrance & Beauty

1. Locations taken into account for  health & safety performance or  environment, health & safety indicators.

Country	Address	Legal Entity name	Business activity	Production	GRI Scope <sup>1</sup>	Creation & application
<b>Thailand</b>	719 KPN Tower, floor 16 & 25, Rama 9 Road, Bangkok Huaykwang, Bangkok 10310	Givaudan (Thailand) Ltd			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Bangkok Business Centre Building, 19 <sup>th</sup> floor, Unit 1903, 29 Sukhumvit 63 Road, Klongton Nua, Wattana, Bangkok 10110	Naturex AG				
	25 Bangkok Insurance Building, 23rd Floor, Sathon Tai Road, Kwang Thung Maha Mek, Khet Sathon, Bangkok 10120	Expressions Parfumées				
<b>Turkey</b>	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			<input checked="" type="checkbox"/>	
	Büyükdere Cad. Telpa Plaza., no. 195 K.3, Levent, Istanbul 34394	Givaudan Aroma ve Esans Sanayi ve Ticaret Ltd. Sirketi			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	ms. cise osmanoglu, Istanbul	drom fragrances GmbH & Co. KG				
	Edin&Suner Plaza, Meydan sok n°14/2B, 34335 Akatlar Istanbul	Expressions Parfumées, Turkey Liason Office				
<b>UAE</b>	Concord Tower, floor 20 & 36, Media City, Dubai	Givaudan Gulf Trading LLC			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Jafza Views 18, Office NO LB180502, PO Box 33170, Jebel Ali, Dubai	Givaudan Middle East & Africa FZE			<input checked="" type="checkbox"/>	
	Building P6 – 132, Post Box – 121873, SAIF Zone, Sharjah	Naturex S.A (Middle East)				
	Hamsa-A Bldg, Office 210, Khalid Bin Al Waleed St., Dubai	Expressions Parfumées				
<b>United Kingdom</b>	Magna House, 76 – 80 Church Street, Staines, Middx. TW18 4XR	Givaudan UK Ltd			<input checked="" type="checkbox"/>	
	Chippenham Drive, Kingston, Milton Keynes MK10 OAE	Givaudan UK Ltd			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Kennington Road, Ashford, Kent TN24 0LT	Givaudan UK Ltd		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Eton Hill Industrial Estate, Eton Hill Road, Radcliffe, Greater Manchester M26 2FR	Fragrance Oils (International) Ltd		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
	Higham Business Park, Bury Close, Higham Ferrers, Rushden NN10 8HQ	Major International Limited		<input checked="" type="checkbox"/>		
	Park Road, Overseal, Swadlincote, Derbyshire DE12 6JX	Naturex Ltd		<input checked="" type="checkbox"/>		
	Sealand Road, Sealand Industrial Estate, Chester, England CH1 4LP	Ungerer Ltd		<input checked="" type="checkbox"/>		
<b>Ukraine</b>	Pimonenko Str. 13 6B/18, 04050 Kiev	Givaudan International SA, Representative Office			<input checked="" type="checkbox"/>	

Country	Address	Legal Entity name	Business activity	Production	GRI Scope <sup>1</sup>	Creation & application
United States of America	880 West Thorndale Avenue, Itasca, IL 60143	Givaudan Flavors Corporation		✓	✓	
	580 Tollgate Road, Suite A, Elgin, IL 60123	Givaudan Flavors Corporation			✓	✓
	1199 Edison Drive 1 – 2, Cincinnati, OH 45216	Givaudan Flavors Corporation			✓	✓
	245 Merry Lane, East Hanover, NJ 07936	Givaudan Flavors Corporation		✓	✓	✓
	9500 Sam Neace Drive, Florence, KY 41042	Givaudan Flavors Corporation		✓	✓	
	4705 U.S. Highway 92 East, Lakeland, FL 33801-3255	Givaudan Flavors Corporation		✓	✓	
	100 East 69 <sup>th</sup> Street, Cincinnati, OH 45216	Givaudan Flavors Corporation		✓	✓	
	195 Alexandra Way, Carol Stream, IL 60188	Givaudan Flavors Corporation		✓	✓	
	6 Santa Fe Way, Cranbury, NJ 08512	Givaudan Flavors Corporation		✓	✓	
	256 Lackland Drive East, Middlesex, NJ 08846	Givaudan Flavors Corporation		✓	✓	
	808 ConAgra Drive, Omaha, NE 68102	Givaudan Flavors Corporation			✓	
	895 Dove Street, Newport Beach, CA 92660	Naturex USA California				
	39 Pleasant Street – Sagamore, MA 02561	Naturex DBS				
	375 Huyler Street, South Hackensack, NJ 07606	Naturex Inc.		✓		
	7400 S Narragansett Ave, Bedford Park, IL 60638	Vegetable Juices Inc		✓		
	10000 Highway 55, Minneapolis, MN 55441	Activ International				✓
	International Trade Center, 300 Waterloo Valley Road, Mount Olive, NJ 07828	Givaudan Fragrances Corporation		✓	✓	
	40 West 57 <sup>th</sup> St. 11 <sup>th</sup> and 17 <sup>th</sup> floors, New York, NY 10019	Givaudan Fragrances Corporation			✓	✓
	717 Ridgedale Avenue, East Hanover, NJ 07936	Givaudan Fragrances Corporation			✓	✓
	5 Jacksonville Road, Towaco, New Jersey 7082	Fine Fragrance Studio - drom fragrances, Inc. USA		✓		✓
144 Duane Street, NewYork, New York 10013	drom fragrances, Inc. USA				✓	
110 North Commerce Way, Bethlehem, PA 18017	Ungerer & Company		✓			
4 Ungerer Way, Lincoln Park, New Jersey 07035	Ungerer & Company					
Vietnam	Léman Luxury Building, 6th Floor, 117 Nguyen Dinh Chieu St., Dist. 3,, Ho Chi Minh City	Givaudan Singapore Pte Ltd, Vietnam Representative Office			✓	✓
	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		✓		
	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				
	Tan Hoa Hamlet , Tan Hoi Dong Commune Chau Thanh District, Tien Giang Province	Branch of Golden Frog Flavor-Fragrance Manufacture Corporation		✓		

# Partnerships

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 is essential; the more we do together, the quicker we drive sustainable solutions.

## Key partnerships

### COMMITMENTS

What we want to achieve



### MEMBERSHIPS AND COLLABORATIONS

With whom we partner to achieve our commitments



### REPORTING

How we communicate about our progress



### ASSESSMENTS AND RATINGS

External evaluation of our performance



# Reporting frameworks

## Global Reporting Initiative (GRI)

Givaudan prepares its sustainability reporting in accordance with the GRI Standards, Core option. For the 2020 reporting period we have transitioned to the newly required 2018 standards version for GRI 303 Water and effluents and GRI 403 Occupational health and safety, and voluntarily as an early-adopter already to the 2020 standards version of GRI 306 Waste. All other standards versions used date from 2016.

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 selected GRI disclosures, the GRI Content Index and the external assurance statement can be found in the 2020 GRI Sustainability Report. The reporting period for our environmental data is from Q4 2019 to Q3 2020. Our different reports and the website are closely connected and reference between each other. All are published at the same time end of January 2021.



**READ MORE**

[www.givaudan.com](http://www.givaudan.com) ▶ Publications ▶ 2020 GRI Sustainability Report

## International Integrated Reporting Framework (<IR>)

Givaudan bases its integrated reporting on the framework published by the International Integrated Reporting Council (IIRC) and takes the following guiding principles and content elements into account.

Guiding principles	Location / information
Strategic focus and future orientation	Integrated Annual Report pages 4 – 29
Connectivity of information	Throughout the Integrated Annual Report, especially pages 18 – 19
Stakeholder relationships	Integrated Annual Report pages 26 – 27, GRI Sustainability Report pages 21 – 23
Materiality	Integrated Annual Report pages 28 – 29, GRI Sustainability Report pages 24 – 29
Conciseness	The Integrated Annual Report outlines the key information for the Company's value creation. Additional details can be found in the complementary reports. A Highlights report summarizes 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	Integrated Annual Report pages cover flap, 10 – 25, 112 – 113; GRI Sustainability Report pages 6 – 14
Governance	Integrated Annual Report pages 102–106; Governance, Compensation and Financial Report pages 4 – 21
Business model	Integrated Annual Report pages 18 – 19
Risks and opportunities	Integrated Annual Report pages 20 – 23; <a href="http://www.givaudan.com/our-company/corporate-governance/risk-management">www.givaudan.com/our-company/corporate-governance/ risk management</a> Governance, Compensation and Financial Report pages 54 – 63
Strategy and resource allocation	Integrated Annual Report pages 10 – 17
Performance	Integrated Annual Report pages cover flap, 10–17, 32–93
Outlook	Integrated Annual Report pages 6 – 9, 16 – 17, 34 – 35, 50, 62 – 67, 76 – 78, 88 – 91
Basis of presentation	Integrated Annual Report pages 26 – 29, GRI Sustainability Report pages 21 – 29

### Sustainable Development Goals (SDGs)

Givaudan embraces its role as a corporate leader in global efforts to safeguard the future of the planet, meeting today's needs without compromising the interests of future generations. The SDGs designed by the UN guide us in making positive impacts on the environment and wider society, helping us secure our business future.

	<p><b>Goal 2:</b> End hunger, achieve food security and improved nutrition and promote sustainable agriculture</p>
	<p><b>Goal 3:</b> Ensure healthy lives and promote well-being for all at all ages</p>
	<p><b>Goal 5:</b> Achieve gender equality and empower all women and girls</p>
	<p><b>Goal 6:</b> Ensure access to water and sanitation for all</p>
	<p><b>Goal 8:</b> Promote inclusive and sustainable economic growth, employment and decent work for all</p>

We actively support the delivery of those SDGs where we believe can make the greatest impact and so focus on 10 of the 17 global goals.

	<p><b>Goal 9:</b> Ensure sustainable consumption and production pattern</p>
	<p><b>Goal 12:</b> Build resilient infrastructure, promote sustainable industrialization and foster innovation</p>
	<p><b>Goal 13:</b> Take urgent action to combat climate change and its impacts</p>
	<p><b>Goal 15:</b> Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss</p>
	<p><b>Goal 17:</b> Revitalize the global partnership for sustainable development</p>

### United Nations Global Compact (UNGC)

Givaudan adheres to the 10 principles of the 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



# Glossary

## Business model

Givaudan's chosen system of transforming inputs, through its business activities, into outputs and outcomes that aims to fulfil the Company's strategic purpose and create value over the short-, medium- and long-term.

## Capitals

Capitals are stocks of value that are increased, decreased or transformed by the activities and outputs of an organisation. Givaudan has identified six kinds of capitals that feed its value chain: Financial capital, Our innovation capabilities (intellectual capital), Our people & culture (Human capital), Sourcing (Natural capital), Operations (Manufactured capital) and Good governance (Social and relationship capital).

## 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.

## Convention on Biological Diversity (CBD)

The Convention on Biological Diversity is a multilateral treaty with three main goals: the conservation of biological diversity (or biodiversity); the sustainable use of its components; and the fair and equitable sharing of benefits arising from genetic resources.

## Delivering with excellence

Second pillar of Givaudan's 2020 strategy 'Responsible growth. Shared success.' Embracing a mindset of excellence in execution and incorporate it into all processes, services and business processes to deliver a superior customer experience.

## 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. See page 113 in the 2019 Financial report.

## 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.

## Free Cash Flow (FCF)

FCF refers to operating cash flow after net investments, interest paid and lease payments. Free cash flow allows companies to pay dividends or buy back shares.

## 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.

**Growing with our customers**

First pillar of Givaudan's 2020 strategy 'Responsible growth. Shared success.' It consists of focusing resources in further building the Company's presence in high growth markets, capturing growth from consumer preferred products, targeting demands for health and well-being, and looking beyond its core flavours and fragrances to integrated solutions that enhance the Company's value proposition to its customers and create new avenues for growth.

**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 Integrated Reporting Framework is proposed by the International Integrated Reporting Council (IIRC).

**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.

**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.

**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.

**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.

**Partnering for shared success**

Third pillar of Givaudan's 2020 strategy 'Responsible growth. Shared success.' It comprises continuing its industry-leading investment and strategic partnerships as innovators, fostering a great place to work for its people, strengthening the collaboration with suppliers by optimally managing supply risks and costs and enhancing responsible sourcing practices, and taking responsibility for its impact on the environment and the communities in which it operates.

**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 growth. Shared success.**

Givaudan's five-year 2020 strategy announced in 2015. Its three pillars are 'Growing with our customers', 'Delivering with excellence' and 'Partnering for shared success'. Ambitious targets to be achieved over the five-year period are related to them: an average organic sales growth of 4–5%, an average free cash flow as % of sales of 12–17% and the ambition to be the partner of choice.

**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.

**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 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.

**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 Creation**

Fundamental concept of Integrated Reporting. Value created by a company over time manifests itself in increases, decreases or transformations of the capitals caused by the company's business activities and outputs. Value is created both for the organisation itself and other stakeholders.

# Our reporting suite

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

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.

**To order publications:**  
[www.givaudan.com](http://www.givaudan.com) ▶ Media ▶ **Publications**

The full Governance, Compensation and Financial reports are available in one PDF. The GRI Sustainability Report features disclosures on a wide range of topics such as energy use,

**The full suite can be found on:**  
[www.givaudan.com](http://www.givaudan.com) ▶ Investors ▶ Online integrated annual report ▶ **Download centre**

**Online version**  
**AVAILABLE IN ENGLISH**  
from 29 January 2021



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



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



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



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



# Givaudan SA

Chemin de la Parfumerie 5  
1214 Vernier, Switzerland

## General information

T + 41 22 780 91 11

## Media and investor relations

T + 41 22 780 90 53

## Share registry

Computershare Schweiz AG  
Postfach  
4601 Olten, Switzerland  
T + 41 62 205 77 00

## Share information

Symbol: GIVN  
Security number: 1064593  
ISIN: CH0010645932

Concept, design, consulting and realisation:  
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[www.PETRANIX.com](http://www.PETRANIX.com)

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