



# Givaudan and ESG

PURPOSE & PERFORMANCE

Givaudan

engage your senses



# ESG at the centre of our business

## Committed to Growth, with Purpose

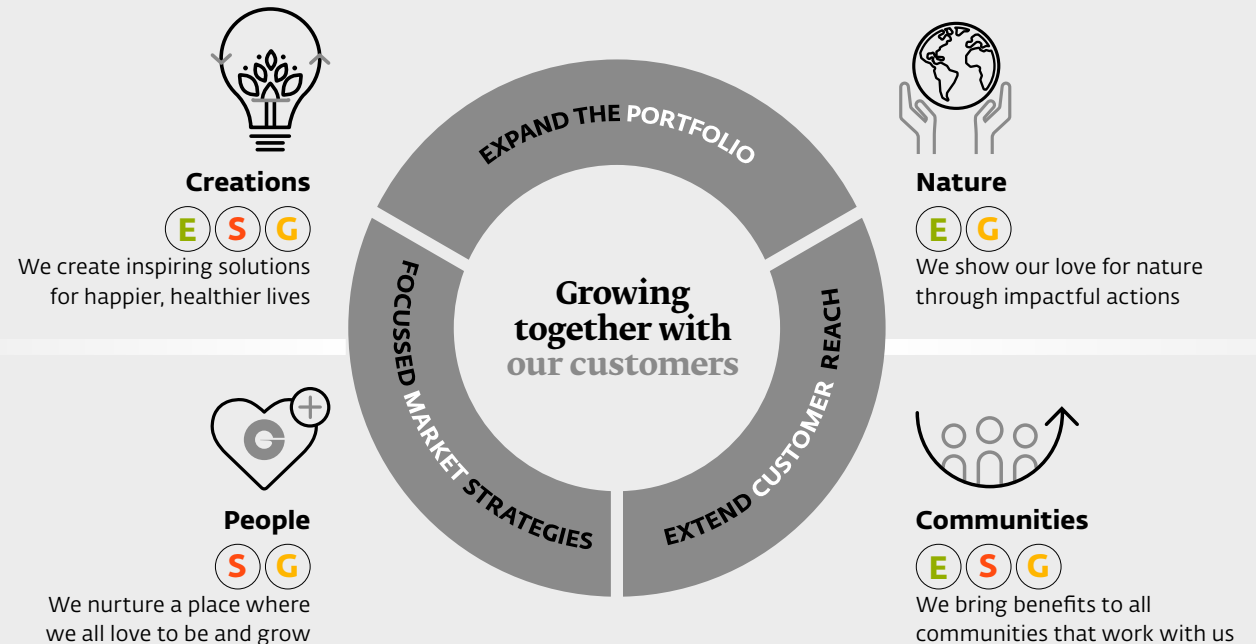
As a purpose-led company, we can go even further to make our world a happier and healthier place. Our purpose, a guiding star in our 2025 strategy, leads the way to increasing our positive impact on society and the planet in order to ensure our sustainable long-term performance. It is our intention to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



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

Gilles Andrier, CEO

## 2025 STRATEGY



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

4 – 5% GROWTH

PURPOSED LINKED TARGETS

>12% FCF

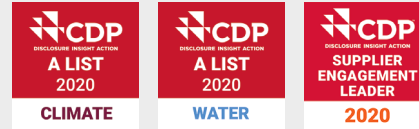
**E**nvironment

**S**ocial

**G**overnance

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

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



**DOUBLE 'A RATING'** for climate and water for two consecutive years

**CDP LEADER BOARD** recognition for supplier engagement



Awarded the **ECOVADIS PLATINUM** medal, the highest accolade, ranking us in the top 1%



Rated as 'low-risk' in 2020 with a score of 17 and an industry **RANKING 6 OUT OF 416**



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

## FTSE4Good

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



Included in **SXI SWISS SUSTAINABILITY 25 INDEX**



# ENVIRONMENT

## Reducing our environmental impact by showing our love for nature

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

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



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

Willem Mutsaerts, Head of Global Procurement and Sustainability.

Our contribution to the United Nations Sustainable Development Goals





# ENVIRONMENT

## Key ambitions and progress

Focus area	Ambition	Status 2020	Actions and measures
<b>Emissions</b> 	<b>OPERATIONS</b> Our operations' carbon emissions (scope 1+2) will be cut by <b>70% before 2030</b> and will be <b>climate positive before 2040</b> (baseline 2015)	<b>-30%</b> →	<ul style="list-style-type: none"> <li>• Internal carbon price</li> <li>• Awareness</li> <li>• Site assessments</li> <li>• Site environmental targets</li> <li>• Continuous improvement</li> </ul>
	<b>SUPPLY CHAIN</b> Our supply chain emissions (scope 3) will be cut by <b>20% before 2030</b> and will be <b>climate positive before 2050</b> (baseline 2015)	<b>+11%</b> →	<ul style="list-style-type: none"> <li>• Supplier engagement</li> <li>• Transportation, less air travel</li> <li>• Packaging</li> <li>• Innovation and biotechnology</li> </ul>
<b>Electricity</b> 	Power <b>100%</b> of our sites with renewable electricity <b>by 2025</b>	<b>81%</b> →	<ul style="list-style-type: none"> <li>• Site renewable electricity target</li> </ul>
<b>Water</b> 	Reduce water use by <b>15%</b> per tonne of product (use of municipal and groundwater, baseline 2009)	<b>-23%</b> ✓	<ul style="list-style-type: none"> <li>• Water risk assessment</li> <li>• Water stress mitigation action plans</li> </ul>
<b>Waste</b> 	Reduce waste by <b>4%</b> per tonne of product (baseline 2015)	<b>-2.5%</b> ✗	<ul style="list-style-type: none"> <li>• We apply circular principles in product design, sourcing, manufacturing and packaging</li> </ul>
<b>Plastics</b> 	Replace <b>single-use plastics</b> with eco-friendly alternatives <b>before 2030</b>	→	<ul style="list-style-type: none"> <li>• Co-leading a WBCSD plastic and packaging workgroup defining a transition for B2B chemical products</li> </ul>




✓ achieved → in progress ✗ not achieved



# ENVIRONMENT

## Caring for biodiversity

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

Focus area	Actions and measures		
<b>Commitment to forest conservation</b>		<b>Preserving the forests, the flora and fauna</b> through the Conservation Stewards Program	<b>Empowering local communities</b> to conserve 150,000 hectares of forests in the Caura Basin  Received the <b>Conservation International's Hero award</b> for the Tonka Bean programme in Venezuela
<b>Supporting the conservation of diversity of species</b>		Collaborating with the <b>University of California, Riverside (UCR) on Citrus Variety Collection</b>	Supporting the <b>care and preservation</b> of the most <b>extensive, unique and diverse citrus collection</b> against threat of greening disease  The collection includes <b>1,000 varieties of citrus fruits</b> from around the globe
<b>Sustainable use of natural resources through best practices</b>		<b>Devil's Claw sustainable wild collect</b> programme in Namibia	<b>Securing the long term supply</b> of this major medicinal plant  <b>Organising wild collect</b> of roots and <b>training locals</b> to responsible practices

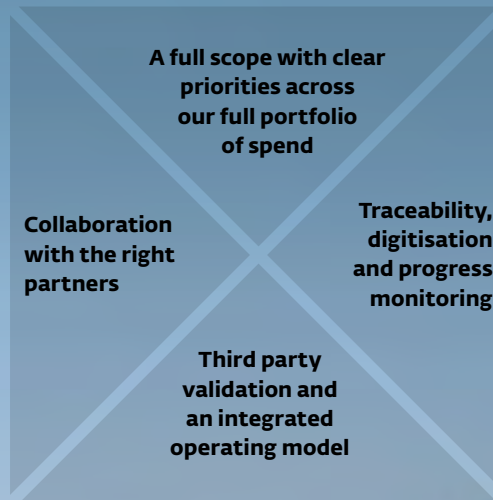


# SPOTLIGHT

## Sourcing4Good sits at the intersection of environmental and social action

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

The programme centres on four key building blocks



Sourcing4Good is a step change in our responsible sourcing journey



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



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



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



# SOCIAL

## Caring for people and communities

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

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



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

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




Our contribution to the United Nations Sustainable Development Goals





# SOCIAL

## Key ambitions and progress

Focus area	Ambition	Status 2020	Actions and measures
<b>Diversity and inclusion</b> 	We will be rated amongst the <b>leading employers for inclusion</b> globally <b>before 2025</b>	KPIs being determined	Building more inclusive hiring practices: <ul style="list-style-type: none"> <li>• Inclusive job ads</li> <li>• Balanced slates for hiring and promotion</li> <li>• Hiring Manager Training</li> </ul>
	<b>50%</b> of our senior leaders will be from <b>high growth markets</b> <b>before 2030</b> (baseline 2018)	<b>25%</b> →	Fostering inclusive leadership development: <ul style="list-style-type: none"> <li>• Evolving our Leadership Development programmes</li> <li>• Better Balance Approach</li> <li>• Managing unconscious bias at work</li> </ul>
	<b>50%</b> of our senior leaders will be <b>women</b> <b>before 2030</b> (baseline 2018)	<b>25%</b> →	
<b>Caring for employee safety, mental and physical health</b> 	We will reduce our total recordable injuries cases by <b>50% before 2025</b> (baseline 2018)	Measurement in progress →	<ul style="list-style-type: none"> <li>• Investing in our plant and technical equipment</li> <li>• Further developing our Responsible Care Management System</li> <li>• Conducting periodic assessment of risk and control on-site</li> <li>• Expanding our behavioural safety programme: advanced safety leadership training and comprehensive worker trainings on health and safety</li> </ul>
	Everyone on our sites will have <b>access to mental and physical health initiatives, tools and training</b> <b>before 2025</b>	KPIs being determined →	Providing access to mental and physical health initiatives, tools and training for all employees such as: <ul style="list-style-type: none"> <li>• Healthy, home working initiatives, Employee assistance programme</li> <li>• Happier, healthier habits campaign, health and wellbeing programme</li> </ul>
<b>All communities benefit by working with Givaudan</b> 	We will <b>improve the lives</b> of millions of people in communities where we source and operate <b>by 2030</b>	KPIs being determined →	<ul style="list-style-type: none"> <li>• Givaudan Foundation: focusing efforts on education, health and environment preservation</li> <li>• Green Teams: supporting local communities and improving the social and environmental performance of Givaudan local sites</li> <li>• Purpose Live! programme: offering our employees to be a force for good in their local community</li> </ul>

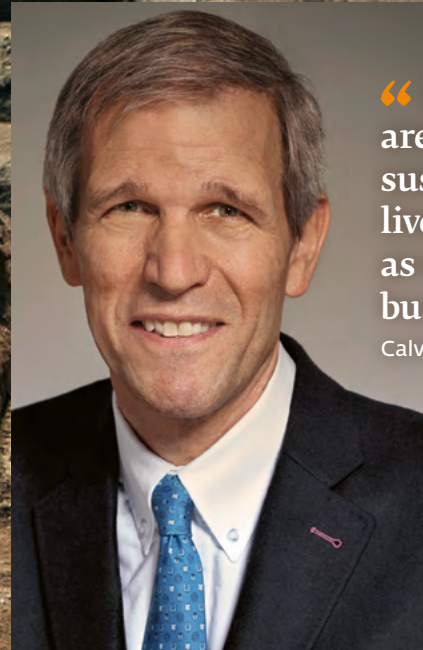
✓ achieved → in progress ✗ not achieved



# GOVERNANCE

## Stable and efficient corporate governance to ensure sustainable value creation

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



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

Calvin Grieder, Chairman of the Board

Our contribution to the United Nations Sustainable Development Goals





# GOVERNANCE

## Transparent and trusted governance

### BOARD OF DIRECTORS

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

### EXECUTIVE COMMITTEE

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

### COMPENSATION

- **Compensation** of Board of Directors and the Executive Committee is subject to **annual shareholder approval**

### SHARES

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

**8/8** Non-executive and independent board members

**4.7** Years average tenure

**5** Nationalities

**3** Women

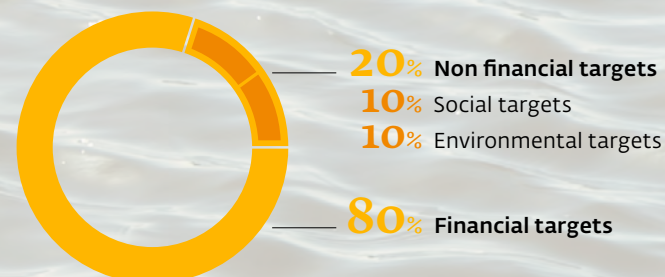
**7** Executive Committee members

**4-6** Years average tenure

**6** Nationalities

**1** Woman

### Performance Share Plan for top 500 employees





# GOVERNANCE

## Purpose/sustainability governance

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

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





# Collaboration and transparency

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

**Commitments / Calls to action**  
What we want to achieve



**Reporting**  
How we communicate about our progress

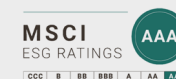
Working to become a



**Memberships and collaborations**  
With whom we partner to achieve our commitments



**Assessments / Ratings**  
External evaluation of our performance





# Further information

[givaudan.com/sustainability](https://givaudan.com/sustainability)

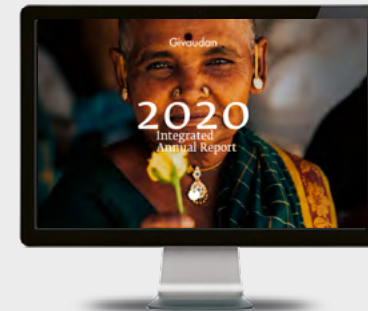


## Annual publications

**2020 Integrated Annual Report**  
AVAILABLE IN ENGLISH



**Online version**  
AVAILABLE IN ENGLISH



[givaudan.com/investors](https://givaudan.com/investors)



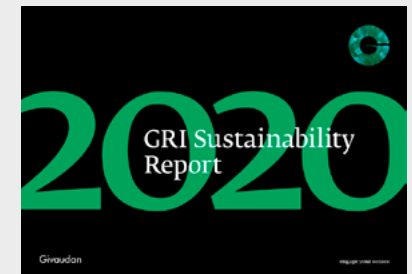
**2020 Integrated Annual Report Highlights**  
AVAILABLE IN ENGLISH, FRENCH AND GERMAN



**2020 Governance, Compensation and Financial Report**  
AVAILABLE IN ENGLISH



**2020 GRI Sustainability Report**  
AVAILABLE IN ENGLISH





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## Share information

Symbol: GIVN

Security number: 1064593

ISIN: CH0010645932

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