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**symrise** 

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**— Sustainability Record  
(GRI)**

# Sustainability Record 2021

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Symrise uses the international standards of the Global Reporting Initiative (GRI) for reporting on its non-financial and sustainability-related performance. The following sustainability record systematically presents all topics and disclosures deemed material by Symrise regarding its profile as well as its business, environmental and social performance for the 2021 fiscal year. Informational briefs on the individual GRI items are supplemented with interactive links. These links will take you to additional information, data and facts. This Sustainability Record complies with the standards (2016) of the Global Reporting Initiative as well as the standards on tax (207, 2019), water and effluents (303, 2018), waste (306, 2020) and occupational health and safety (403, 2018). The corresponding version of the standard is reported separately for each topic in the form of a respective annual figure.

The Sustainability Record was prepared in accordance with the GRI standards: Comprehensive option. It also contains our separate non-financial report in accordance with Section 289b (3) of the German Commercial Code (HGB). An overview of the related topics can be found on [page 4](#). Symrise also prominently highlights its climate-related reporting via a [TCFD index](#) that precedes the Sustainability Record – with references to detailed information about this topic as part of the [CDP Climate Change Questionnaire at Symrise](#). An additional index at the beginning of the Sustainability Record also refers to the reporting requirements covered by the Sustainability and Accounting Standards Board (SASB). All of the sustainability disclosures marked with ✓ were audited and verified by an external review pursuant to the AA1000 Assurance Standard. The review assesses all quantitative and qualitative disclosures. The corresponding certification can be found [here](#).

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**Reported topics in accordance with the law to strengthen companies' non-financial reporting in their management and group management reports (CSR Directive Implementation Act, CSR-RUG)**

Aspects according to CSR-RUG	Classification of central topics
Environmental concerns	<ul style="list-style-type: none"> <li>• <a href="#">Emissions</a></li> <li>• <a href="#">Energy</a></li> <li>• <a href="#">Environmental compliance</a></li> <li>• <a href="#">Supplier environmental assessment</a></li> <li>• <a href="#">Materials</a></li> <li>• <a href="#">Waste</a></li> <li>• <a href="#">Water and effluents</a></li> <li>• <a href="#">Biodiversity</a></li> </ul>
Employee aspects	<ul style="list-style-type: none"> <li>• <a href="#">Occupational health and safety</a></li> <li>• <a href="#">Diversity and equal opportunity</a></li> <li>• <a href="#">Non-discrimination</a></li> </ul>
Social aspects	<ul style="list-style-type: none"> <li>• <a href="#">Economic performance</a></li> <li>• <a href="#">Materials</a></li> <li>• <a href="#">Animal welfare</a></li> <li>• <a href="#">Local communities</a></li> </ul>
Respect for human rights	<ul style="list-style-type: none"> <li>• <a href="#">Procurement practices</a></li> <li>• <a href="#">Human rights assessment</a></li> <li>• <a href="#">Non-discrimination</a></li> <li>• <a href="#">Freedom of association and collective bargaining</a></li> <li>• <a href="#">Child labor</a></li> <li>• <a href="#">Forced or compulsory labor</a></li> <li>• <a href="#">Rights of indigenous peoples</a></li> <li>• <a href="#">Diversity and equal opportunity</a></li> </ul>
Combating corruption and bribery	<ul style="list-style-type: none"> <li>• <a href="#">Anti-corruption</a></li> <li>• <a href="#">Socioeconomic compliance</a></li> <li>• <a href="#">Anti-competitive behavior</a></li> <li>• <a href="#">Public policy</a></li> <li>• <a href="#">Tax</a></li> </ul>

## EU taxonomy

Examination of the rules on the EU Taxonomy Regulation has shown that Symrise has no taxonomy-eligible economic activities. This does not mean that the businesses of Symrise are less sustainable than the activities defined in the EU taxonomy. Rather, the EU taxonomy currently includes only those economic activities that are most relevant to reducing greenhouse gas emissions and improving climate resilience. This includes sectors with the highest contribution to greenhouse gas emissions (energy, manufacturing, transport, buildings) and activities that enable their transformation. Accordingly, the commission estimates that the taxonomy covers the economic activities of about 40 % of listed companies operating in sectors responsible for nearly 80 % of direct greenhouse emissions in Europe. Symrise is not one of these companies.

## Task Force on Climate-related Financial Disclosures (TCFD) Index

TCFD core elements	Summary of disclosure in accordance with TCFD recommendations	CDP Questionnaire 2021*	Additional references**
<b>Governance</b>	1. Executive Board responsible for climate-related risks and opportunities	C1.1b	For additional details see <a href="#">CR 2021, p. 104ff.</a> and <a href="#">GRI 201-2</a> in the Sustainability Record 2021
	2. Management's role in assessing and managing climate related risks and opportunities	C1.2, C1.2a	For additional details see <a href="#">CR 2021, p. 104ff.</a> and <a href="#">GRI 201-2</a> in the Sustainability Record 2021
<b>Strategy</b>	1. Description of climate related risks and opportunities	C2.1, C2.1a, C2.2, C2.3, C2.3a, C2.4, C2.4a,	
	2. Impact of climate-related risks on the company's business activities and strategic and financial planning	C2.3a, C2.4a, C3.1, C3.1b, C3.1d, C3.1e, C3.1f	
	3. Resilience of the organization's strategy	C3.1a, C3.1b	
<b>Risk Management</b>	1. The company's processes for identifying and assessing climate-related risks	C2.2, C2.2a	
	2. The company's processes for managing climate-related risks	C2.2	
	3. Integration of processes for identifying, assessing and managing climate-related risks into the company's general risk management system	C2.2	
<b>Key figures and goals</b>	1. Key figures with which the company assesses climate-related risks and opportunities	C4.2, C4.2a, C9.1	For additional key figures see <a href="#">CR 2021, p. 33 and 104ff.</a>
	2. Disclosure of scope-1, scope-2 and scope-3 greenhouse gas (GHG) emissions	C6.1, C6.3, C6.5	Key figures see <a href="#">GRI 305-3</a> in the Sustainability Record 2021
	3. Goals according to which the company manages climate-related opportunities and risks	C4.1a, C4.1b, C4.2, C4.2a	For additional goals see <a href="#">CR 2021, p. 33 and 104ff.</a>

\* All information from the CDP Questionnaire 2021 is based on the 2020 fiscal year. This is due to the CDP reporting cycle.

\*\* The references to the [Corporate Report 2021](#) and this Sustainability Record 2021 refer to information from the 2021 fiscal year.

The complete CDP Questionnaire 2021 from Symrise is available on our website. All [Symrise policies](#) and our [Code of Conduct](#) can also be downloaded there.

## Sustainability Accounting Standards Board (SASB) Index

Topic	Accounting Metric	Category	Code	Report Location
<b>Greenhouse Gas Emissions</b>	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Quantitative	RT-CH-110a.1	<a href="#">GRI 305-1</a>
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	RT-CH-110a.2	<a href="#">GRI 201-2</a> <a href="#">GRI 305</a>
<b>Air Quality</b>	Air emissions of the following pollutants: (1) NO <sub>x</sub> (excluding N <sub>2</sub> O), (2) SO <sub>x</sub> , (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	Quantitative	RT-CH-120a.1	<a href="#">GRI 305-7</a>
<b>Energy Management</b>	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	Quantitative	RT-CH-130a.1	<a href="#">GRI 302-1</a>
<b>Water Management</b>	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	RT-CH-140a.1	<a href="#">GRI 303-3</a> <a href="#">GRI 303-5</a>
	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Quantitative	RT-CH-140a.2	<a href="#">GRI 307-1</a>
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	RT-CH-140a.3	<a href="#">GRI 303</a>
<b>Hazardous Waste Management</b>	Amount of hazardous waste generated, percentage recycled	Quantitative	RT-CH-150a.1	<a href="#">GRI 306-2</a>
<b>Community Relations</b>	Discussion of engagement processes to manage risks and opportunities associated with community interests	Discussion and Analysis	RT-CH-210a.1	<a href="#">GRI 413</a>
<b>Workforce Health &amp; Safety</b>	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Quantitative	RT-CH-320a.1	<a href="#">GRI 403-9</a>
	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	Discussion and Analysis	RT-CH-320a.2	<a href="#">GRI 403</a>
<b>Product Design for Use-phase Efficiency</b>	Revenue from products designed for use- phase resource efficiency	Quantitative	RT-CH-410a.1	Not reported yet
<b>Safety &amp; Environmental Stewardship of Chemicals</b>	(1) Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products that have undergone a hazard assessment	Quantitative	RT-CH-410b.1	<a href="#">GRI 417-1</a> <a href="#">GRI FP5</a>
	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact	Discussion and Analysis	RT-CH-410b.2	<a href="#">GRI 416</a>
<b>Genetically Modified Organisms</b>	Percentage of products by revenue that contain genetically modified organisms (GMOs)	Quantitative	RT-CH-410c.1	<a href="#">GRI 301</a>
<b>Management of the Legal &amp; Regulatory Environment</b>	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Discussion and Analysis	RT-CH-530a.1	<a href="#">GRI 415</a>
<b>Operational Safety, Emergency Preparedness &amp; Response</b>	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	Quantitative	RT-CH-540a.1	Not reported yet
	Number of transport incidents	Quantitative	RT-CH-540a.2	<a href="#">GRI 403-9</a>
<b>Activity Metric</b>		<b>Category</b>	<b>Code</b>	<b>Report Location</b>
<b>Production by reportable segment</b>		Quantitative	RT-CH-000.A	Not reported yet



For the Materiality Disclosures Services, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report.

## GRI CONTENT INDEX

### GRI 101: FOUNDATION 2016

### GRI 102: GENERAL DISCLOSURES 2016

#### ORGANIZATIONAL PROFILE

##### **GRI 102-1: Name of the organization ✓**

Symrise Aktiengesellschaft

##### **GRI 102-2: Activities, brands, products, and services ✓**

Symrise develops, produces and sells fragrances and flavorings, cosmetic active ingredients and raw materials as well as functional ingredients and solutions that enhance the sensory properties and nutrition of various products. Our company's approximately 30,000 products are mainly produced on the basis of natural raw materials like vanilla, citrus fruits, onions, fish, meat, blossoms and plant materials. Our flavors, substances, perfume oils and sensory solutions are often central functional components for our customers' end products. These customers include manufacturers of perfumes, cosmetics and foods; the pharmaceutical industry and producers of nutritional supplements, pet food and baby food.

##### **GRI 102-3: Location of headquarters ✓**

Holzminden, Germany

##### **GRI 102-4: Location of operations ✓**

With sites in more than 40 countries, Symrise has a local presence in its most important sales markets. Symrise products are bought and sold in about 160 countries worldwide.

##### **GRI 102-5: Ownership and legal form ✓**

Symrise is a German stock corporation with a dual management structure consisting of an Executive Board and a Supervisory Board.

##### **GRI 102-6: Markets served ✓**

Symrise develops, produces and sells fragrances and flavorings, cosmetic active ingredients and raw materials as well as functional ingredients and solutions that enhance the sensory properties and nutrition of various products. Our company's approximately 30,000 products are mainly produced on the basis of natural raw materials like vanilla, citrus fruits, onions, fish, meat, blossoms and plant materials. Our flavors, substances, perfume oils and sensory solutions are often central functional components for our customers' end products. These customers include manufacturers of perfumes, cosmetics and foods, the pharmaceutical industry and producers of nutritional supplements, pet food and baby food.

With sites in more than 40 countries, Symrise has a local presence in its most important sales markets. Symrise products are bought and sold in approximately 160 countries worldwide.

**GRI 102-7: Scale of the organization ✓**

Symrise is a global supplier of fragrances and flavorings, cosmetic active ingredients and raw materials, functional ingredients and product solutions for food production based on natural base materials. Its clients include manufacturers of perfumes, cosmetics, food and beverages, the pharmaceutical industry and producers of nutritional supplements, pet food and baby food. With sales of € 3.8 billion in the 2021 fiscal year (2020: € 3.5 billion) and a market share of about 10 % (2020: 10 %), the company is one of the world's leading suppliers in the market for fragrances and flavors. Headquartered in Holzminden, Germany, the Group is represented by more than 100 locations in Europe, Africa, the Middle East, Asia, the United States and Latin America. The Symrise Group originally resulted from a merger between the German companies Haarmann & Reimer and Dragoco in 2003. The roots of Symrise date back to 1874 and 1919, when the two companies were founded. Since its initial public offering (IPO) in 2006, Symrise AG has been listed in the Prime Standards of the German Stock Exchange. During the expansion of the German benchmark index DAX from 30 to 40 companies, Symrise moved up from the MDAX to DAX in September 2021. At the end of the reporting year, the market capitalization was around € 18 billion and the share's free float was around 95 %.

Symrise AG's headquarters are located in Holzminden, Germany. At this site, the Group's largest, Symrise employs 2,585 people in the areas of research, development, production, marketing and sales as well as in the Corporate Center (2020: 2,513). The company has regional headquarters in the USA (Teterboro, New Jersey), Brazil (São Paulo), Singapore and France (Rennes, Brittany). Important production facilities and development centers are located in Germany, France, Brazil, Mexico, Singapore, China and the USA. Symrise has sales branches in more than 40 countries.

**WORLDWIDE LOCATIONS 2021**



- Global Headquarters
- Regional Headquarters
- Symrise Sites



**GRI 102-8: Information on employees and other workers ✓**

At the end of 2021, the Symrise Group had 10,745 employees worldwide, not including trainees and apprentices (2020: 10,531). A strong, stable workforce that supports and advances our company is very important to us. We place great value on the training of new employees and the continuing education of our existing staff. Therefore, we predominantly employ permanent employees (96.3 % of our workforce (2020: 96.7 %)). Only a small number of employees have fixed-term contracts (3.7 % of the workforce (2020: 3.3 %)).

Women account for approximately 33.9 % of permanent employees in Germany (2020: 34.3 %); of fixed-term employees, women account for 21.7 % (2020: 23.0 %). At our locations outside of Germany, employees work almost exclusively in full-time positions in accordance with the respective local labor laws. In Germany, there are 460 employees who work part-time (2020: 493). This amounts to around 15.1 % of our German workforce (2020: 16.6 %). All key activities at Symrise are performed by employees and thereby by supervised workers of the Symrise Group. In 2021, the percentage of temporary workers at Symrise was approximately 2.0 % of the workforce (2020: 1.9 %). At Symrise there are no noteworthy fluctuations throughout the year in the number of employees, such as seasonal workers. The following information is based on our global, monthly headcount reporting as well as our annual diversity data reporting, which comprises the following countries: Germany, France, USA, Singapore, China, India, Brazil and Mexico, thereby encompassing a total of at least 8,000 employees (2020: 7,615).

**GLOBAL EMPLOYEES (HEADCOUNT) BY CONTRACT TYPE AND WORKING HOURS\***

	2018	2019	2020	2021	Change in 2021
<b>Permanent contracts</b>					
Full time	8,721	9,308	9,449	9,860	+ 3.8 %
Part time	659	707	753	701	- 6.9 %
<b>Total</b>	<b>9,380</b>	<b>10,015</b>	<b>10,252</b>	<b>10,561</b>	<b>+ 3.0 %</b>
<b>Fixed-term contracts</b>					
Full time	283	298	330	386	+ 17.0 %
Part time	31	27	24	24	+ / - 0 %
<b>Total</b>	<b>314</b>	<b>325</b>	<b>354</b>	<b>410</b>	<b>+ 15.8 %</b>
<b>Total</b>					
Full time	9,004	9,606	9,829	10,246	+ 4.2 %
Part time	690	734	777	725	- 6.7 %
<b>Total</b>	<b>9,694</b>	<b>10,340</b>	<b>10,606</b>	<b>10,971</b>	<b>+ 3.4 %</b>

\* Basis: employee figures (headcount, not FTE), not including temporary workers, apprentices and trainees and without Probi, as of December 31 of the respective year. Small differences in the totals may be present due to rounding.

**EMPLOYEES (FTE) BY REGION\***

Region	2018	2019	2020	2021	Change in 2021
Germany	2,737	2,767	2,817	2,890	+ 2.6 %
EAME (not including Germany)	2,135	2,209	2,267	2,420	+ 6.7 %
North America	1,458	1,931	1,937	1,817	- 6.2 %
Asia/Pacific	1,476	1,498	1,547	1,582	+ 2.3 %
Latin America	1,841	1,859	1,963	2,037	+ 3.8 %
<b>Total (excluding apprentices and trainees)</b>	<b>9,647</b>	<b>10,264</b>	<b>10,531</b>	<b>10,745</b>	<b>+ 2.0 %</b>
Apprentices and trainees	140	137	134	125	- 11.2 %
<b>Total</b>	<b>9,787</b>	<b>10,401</b>	<b>10,665</b>	<b>10,870</b>	<b>+ 1.9 %</b>

\* Basis: full-time equivalents (FTE), not including temporary workers or Probi, as of December 31 of the respective year. Small differences in the totals may be present due to rounding.

### GRI 102-9: Supply chain ✓

We manufacture our products using approximately 10,000 natural and synthetic raw materials from over 100 countries. These materials find their way into around 30,000 products worldwide. Overall, Symrise works with approximately 5,000 suppliers around the world. The majority of our suppliers come from the EAME region (Europe, Africa, and the Middle East).

We are constantly adapting the organizational structure of our purchasing department to the changing conditions on the market. Procurement at Symrise is organized in a decentralized manner in the two segments Scent & Care and Taste, Nutrition & Health. This way we can manage purchasing processes in a more targeted manner and continually optimize the supply chain. An established scorecard system supports purchasers with relevant key figures. In keeping with our [sustainable sourcing policy](#), we rely on close and continuous cooperation with our suppliers, on social and ecological commitment locally, and on strategic partnerships with our key customers.

National and international standards and legal requirements on the protection of humans and the environment comprise a core component of Symrise's purchasing policy.

### GRI 102-10: Significant changes to the organization and its supply chain ✓

In the reporting year, the previously separated Flavor and Nutrition segments were restructured and merged into one segment: Taste, Nutrition & Health. The new segment comprises 68 production sites worldwide, pursues a uniform strategy and operates with a joint supply chain organization. With this step, Symrise aims, among other things, to utilize new scaling potential, optimize and harmonize processes, and improve operational performance and make it more sustainable.

In addition, the global supply chain organization of the Scent & Care segment was restructured to optimize processes and responsibilities. The Fragrance supply chain was also expanded to include the global Customer Service Scent & Care organizational unit.

Starting in 2023, Symrise will be affected by the German Supply Chain Due Diligence Act. To implement its own due diligence and improve responsible sourcing, Symrise formed the Responsible Sourcing Steering Committee (RSSC) in the reporting year. The RSSC is a decision-making body consisting of global purchasing managers, representatives of the Corporate Sustainability department and sustainability experts from the divisions. It defines the processes for supplier assessments and implementation of the resulting measures to ensure that assessment criteria are completely embedded in the business processes. Operational implementation takes place in the purchasing areas, as does monitoring of the defined measures with the suppliers. The RSSC reports on the progress of the initiated measures to the supply chain managers of the Scent & Care and Taste, Nutrition & Health segments and, in parallel, to the Symrise Sustainability Board. For more information on the RSSC see also Management approach to [GRI 204](#) and [GRI 412](#).

### GRI 102-11: Precautionary Principle or approach ✓

In guidelines and initiatives such as the UN Global Compact, the Precautionary Principle is cited as a guiding principle for risk prevention. The risk management system at Symrise is based on generally recognized standards (ISO 31000) and extends across all Group companies and business divisions. The Precautionary Principle is particularly important when it comes to managing the local impacts of our business activities. Our integrated management system is based on international standards in the area of quality management (ISO 9001), the environment (ISO 14001), occupational health and safety (ISO 45001), sustainability (ISO 26000), energy (ISO 50001), social responsibility (SA 8000), the generally accepted audit standards of the Global Food Safety Initiative (GFSI), and other recognized local standards that promote continuous improvement in performance.

Independent auditors have intensively examined the company's internal processes. Their findings: Research and development as well as production and sales are characterized by environmentally conscious operations. In this way, Symrise fulfills the international requirements of the Global Conformance Program for environmental management.

In the reporting year, Symrise also made an impressive showing across the board in the [CDP](#) (formerly Carbon Disclosure Project) rating: Once again, Symrise achieved the highest award of A in all three categories – climate, water and forest protection. This makes Symrise one of only 14 companies worldwide and the only one in Germany on what is known as the triple A list. The A rating was achieved for the sixth time in the climate category, and for the third time in the water protection category. For the second time, Symrise achieved an A rating in the forest protection category. Since 2016, Symrise takes the top position in the CDP rating in the area of climate change, protection of water and forests.

## GENERAL DISCLOSURES

We started the CDP Supply Chain Program in 2017 to work with our suppliers on a more sustainable value chain. Our suppliers with the highest risk status on climate, water and forests were again asked to follow the CDP Supply Chain Program in 2021. Strategic suppliers in particular are eligible for the program. As significantly more suppliers were defined as strategic in the reporting year, we invited almost twice as many suppliers to the CDP Supply Chain Program compared to the previous year. Due to the expansion of the suppliers considered, the response rate in all three areas – climate change, water and forest – decreased compared to the previous year (for more information on the results, see also Management approaches to [GRI 302](#), [GRI 303](#), [GRI 304](#) and [GRI 305](#)).

As of 2030, Symrise is committed to being climate-positive at all its global production sites based on the Scope 1+2 emissions of the GHG Protocol. Furthermore, we want to increase the eco-efficiency of GHG emissions by more than 60 % by 2025 compared with 2010 – this would mean that we would achieve our Science Based Target set in 2017 five years ahead of schedule. In the reporting year, we were able to increase the eco-efficiency of GHG emissions (Scope 1+2), based on added value, by 11.3 % (2020: 13 %) and thus achieved our interim target for 2021. Between 2016 and 2020, we were able to reduce Scope 3 emissions by 36 %. By 2025, we want to increase the eco-efficiency of Scope 3 emissions by 15 % compared to 2020. In 2021, Symrise developed a new Science Based Target aimed at a maximum global warming of 1.5°C, which meets the highest level of ambition currently possible. The target was approved by the Science Based Targets Initiative in February 2022. Symrise aims to reduce GHG emissions (Scope 1+2) by 80 % by 2028 compared to 2020. Scope 3 emissions from purchased goods and services are to be reduced by 30 % by 2030 compared to 2020.

We used various measures to achieve our climate targets: For example, since 2020 we have demonstrably fulfilled our global external electricity requirements from renewable sources. Furthermore, we continuously review power purchase agreements (PPAs) and thus promote the energy transformation. We continuously increase energy and process efficiency at all production sites and also support high-quality certified climate protection projects around the world.

Ongoing measures by our local Total Productive Maintenance teams are continuously replacing energy-intensive consumer equipment such as motors, ventilation or heating systems, compressed air systems and boilers for the production of steam and cooling with more efficient alternatives. In addition, we reduce our emissions from energy generation by around 20,000 metric tons of CO<sub>2</sub> equivalents annually, in particular through our cogeneration plant at the Holzminden site (for more examples of energy efficiency measures, see Management approaches to [GRI 302](#) and [GRI 305](#)).

In Germany, we also completely compensated for the gas used for the operation of the cogeneration plant by purchasing certified emission reduction certificates and thus support high-grade climate protection projects worldwide.

In the reporting year, for example, we co-financed a REDD+ project in Madagascar that protects forest areas particularly worthy of protection from slash-and-burn and combats poverty among the local population. Annually, the project thus reduces emissions by around one million metric tons of CO<sub>2</sub> equivalents.

In Brazil, our certificates support a forest conservation project in the Amazon region as part of REDD+. The project monitors the conservation of the rich biodiversity with over 150 endangered plant and animal species, implements measures to reduce deforestation risks and supports local communities. Annually, the project prevents emissions of approximately 115,000 metric tons of CO<sub>2</sub> equivalents.

In 2021, Symrise received the Sustainability Heroes Award (formerly the DQS German Excellence Award) for social commitment. This award recognized in particular our procurement model, which relies on close and long-term cooperation with local communities. As part of the Bridging the Gap initiative, which Symrise launched with other partners, we are committed, for example, to making agriculture more attractive by developing higher-yield harvesting methods and promoting learning sponsorships. Furthermore, the rating agency EcoVadis awarded Symrise with the Platin status in recognition of its corporate social responsibility in 2021 for the first time.

With its emission reduction targets and its involvement in numerous initiatives, Symrise takes a pioneering role in climate protection in the flavor and fragrance industry and acts according to the resolutions of past UN climate conferences and the recommendations of the current IPCC (see also [GRI 201-2](#)).

**GRI 102-12: External initiatives ✓**

Symrise wants to increase the value and sustainability of its business activities over the long term. For this reason, the managerial and supervisory bodies of Symrise AG align their activities with various principles of responsible management. The aims of the German Corporate Governance Code, for instance, serve as the standard for good management in both the Executive and Supervisory Boards. The ten principles of the Global Compact of the United Nations, which we signed in 2012, provide additional guidance for our entrepreneurial actions. With our GRI “comprehensive” reporting, which we implemented for the first time in 2014, we have further strengthened our commitment in this area by transparently and comprehensively disclosing our sustainability performance. In addition, we support the sustainable development goals of the United Nations, published in 2015. We reviewed the compatibility of our sustainability agenda and goals with the Sustainable Development Goals (SDGs) relevant to Symrise to identify how we can make the greatest possible contribution to achieving the SDGs. In doing so, we were able to identify additional potential for improvement.

Symrise participates in a number of external initiatives.

- **AIM-Progress:** This initiative consists of leading consumer goods manufacturers and their suppliers committed to sustainability and respect for human rights throughout the supply chain. This results in joint strategies to make supply chains faster, more efficient and more sustainable.
- **Alliance of CEO Climate Leaders:** Initiated by the World Economic Forum, the network consists of business leaders committed to accelerating the transition to a low-carbon and resilient economy. The Alliance also aims to bring together actions and initiatives from companies across all industry sectors to drive climate solutions and innovation in business and policy. The CEO of Symrise has been part of the initiative since 2020.
- **Development and Climate Alliance:** The multi-stakeholder partnership consists of several hundred companies, associations, public authorities and representatives of civil society. The alliance promotes the voluntary compensation of greenhouse gas (GHG) emissions and is led by the German Federal Ministry for Economic Cooperation and Development (BMZ).
- **Business Ambition for 1.5°C:** The campaign was launched by the UN Global Compact and the Science Based Targets Initiative, among others, to further promote the adoption of ambitious climate protection targets. Companies such as Symrise, which have set science based targets, act as role models.
- **IFRA-IOFI Sustainability Charter:** Signatory companies from the flavor and fragrance industry are committed to strengthening sustainability in the industry, for example through responsible procurement practices or reducing their environmental footprint.
- **RE100 Initiative:** The initiative advocates that companies source 100 % of their electricity from renewable sources by 2050. As a member, Symrise is required to set its own goals and comply with the initiative’s criteria when selecting renewable electricity sources. In the reporting year, we demonstrably sourced our external electricity needs worldwide from renewable sources, leading here by example.
- **Roundtable on Sustainable Palm Oil (RSPO):** We have used only palm and palm kernel oils from 100 % RSPO “Mass Balance” certified sources since 2016. In 2020, we achieved our goal of sourcing 100 % of certified primary and secondary palm oil derivatives from sustainable sources as well. Since we regularly source new primary and secondary palm oil derivatives and therefore eliminate existing certified palm oil derivatives, we work continuously to meet our demand. In addition, we have converted numerous recipes to palm oil-free quality in recent years.
- **Sustainable Agriculture Initiative (SAI) Platform:** The SAI Platform brings together companies committed to sustainable and resilient agriculture and strong supply chains.
- **Sustainable Spices Initiative (SSI):** Both for Symrise and the SSI, the focus is on the responsible sourcing and cultivation of raw materials. Together with customers, suppliers and non-governmental organizations, we want to actively cooperate with the SSI, sharing our knowledge while also gaining new experience.
- **Sustainable Vanilla Initiative:** Symrise is a founding member of the Sustainable Vanilla Initiative, which is committed to a long-term stable supply of high-quality natural vanilla produced in a socially, ecologically and economically sustainable manner.
- **The French Business Climate Pledge:** The initiative is based on the belief that large companies have a responsibility and play a role in meeting the Paris Climate Agreement. It focuses on investments in research and development in renewable energy, energy efficiency, the use of low-carbon technologies and sustainable agricultural practices.
- **Together with Nature:** Symrise is committed to the four principles for nature-based solutions of Together with Nature, an association of stakeholders from science, nature conservation, development and business: These principles require that the reduction of emissions, the protection of biodiversity, socially just behavior – especially with regard to local communities – and ecologically responsible action should always be taken into account in the development and application of nature-based solutions.
- **Union for Ethical BiTrade (UEBT):** As part of our membership, we are committed to ethical sourcing of our natural raw materials.

- **UN Race to Zero & Exponential Roadmap Initiative:** The Exponential Roadmap Initiative is the entry point to join the UN’s global campaign, Race to Zero. The mission is to cut emissions in half and move toward net zero by 2030 through exponential climate action and solutions. Participating companies are expected to go beyond reducing their own emissions and those of their value chain by deeply embedding climate protection in their corporate strategy.
- **World Business Council for Sustainable Development (WBCSD):** Symrise has been a member of the corporate initiative since 2017, which works on the transformation toward a climate-friendly, nature-compatible and fairer economy. The WBCSD has launched numerous projects in recent years - Symrise is also involved in some of them:
  - **Food Reform for Sustainability and Health (FRSH):** Symrise actively participates in the working groups of the project, which aims to develop solutions for a transformed food system that benefits people and nature.
  - **Nature Action:** The project supports the development of science-based targets for nature conservation (SBT for Nature), provides assistance for nature-based solutions and demonstrates business leadership to decision makers at nature and climate events. The goal of all these measures is to reduce biodiversity loss to zero from 2020 and to make only positive contributions to the full recovery of the natural environment from 2030 – in other words, to operate “Nature net positive.”
  - **One Planet Business for Biodiversity:** In 2019, Symrise established the One Planet Business for Biodiversity (OP2B) as a founding member in collaboration with 18 other companies and under the leadership of WBCSD. The focus of the alliance is on the conservation and sustainable use of biodiversity in agriculture. The partners are committed to jointly developing more environmentally friendly cultivation practices and changing their added value accordingly.
- **10x20x30 Food Loss and Waste Initiative:** As part of the initiative, ten of the world’s largest food retailers and suppliers joined together with 20 of their key suppliers each to reduce food losses in the supply chain by 2030. All participating companies aim to cut food losses and waste in half in their own operations by 2030. They also measure and publish their food loss and waste inventories and take measures to reduce their waste.

In addition, Symrise was involved as a supporter of various campaigns in the reporting year:

- In October 2021, the United Nations Human Rights Council recognized access to a clean and healthy environment as a fundamental human right. Symrise became a signatory member of the HR2EN initiative, in which leading business representatives called for universal recognition of the human right to a healthy environment.
- Symrise signed the We Mean Business Coalition’s open letter addressed to the participants of the 2021 G20 Summit, which demanded greater ambition in climate protection. Furthermore, Symrise supported the Business Letter on the upcoming EU Fit for 55 % Package. The letter called on the European Union to seize opportunities and show strong leadership at the UN Climate Change Conference in Glasgow in 2021 to achieve the European climate protection targets.
- In 2020, Symrise joined other companies and organizations in speaking out in favor of a German Supply Chain Due Diligence Act as part of the Initiative for Sustainable Agricultural Supply Chains (INA). We welcome the fact that the law was adopted in the reporting year and continue to support the ongoing legislative processes at the European level. Symrise will be affected by the Supply Chain Due Diligence Act starting in 2023 and formed the Responsible Sourcing Steering Committee in the reporting year to implement its own due diligence (see Management approach to [GRI 204](#) and [GRI 412](#)).

### **GRI 102-13: Membership of associations ✓**

Beyond the numerous existing requirements for the fragrance and flavor industry, we have made further commitments to additional standards – and we work actively on their development. This occurs, for instance, through our involvement with associations like the International Fragrance Association (IFRA), the International Organization of the Flavor Industry (IOFI), the European Federation of Cosmetic Ingredients (EFFCI) and the Research Institute for Fragrance Materials (RIFM). Our managers in the areas of Sustainability, Regulatory Affairs and R&D represent Symrise in the world’s largest associations for the fragrance, flavor and cosmetics industries. Symrise is also a member of two organizations that promote alternatives to animal testing: the European Partnership for Alternative Approaches to Animal Testing (EPAA) and the Animal-Free Safety Assessment Collaboration (AFSA).

## GENERAL DISCLOSURES

Symrise is actively involved in association work. Symrise is currently involved in the following expert groups, among others:

### IFRA:

- Joint Advisory Group
- Inhalation Task Force
- Dermal Sensitization Task Force
- Chemical Control Legislation Task Force
- Analytical Working Group
- ETF
- NCS Task Force
- CITES Task Force
- CMR Working Group
- Furocoumarin Working Group

### IFRA EU:

- REACH Task Force
- GMES Working Group
- Fragrance Encapsulation Working Group
- AISE sub-group of biodegradability experts

### IFRA APAC:

- China Working Group
- Technical Committee
- Korea Working Group

### IFRA LATAM:

- CAFÉPA
- ABIFRA
- ACHISAF
- ANFPA
- ANDI

### IFRA-IOFI:

- Nagoya Protocol
- Sustainability Task Force

### IOFI:

- Regulatory Advisory and Advocacy Committee (RAAC)
- Science Board
- Communications Board
- Working Group on Methods of Analysis

### IOFI APAC:

- CAFFCI
- JFFMA
- FSSANZ
- THAI Flavor Association
- KFFA
- FFAS

### EFFA:

- DVAI
- SNIAA
- Federchimica
- A.E.F.A.A.
- UK Flavor Association
- Aromsa

In connection with the merger of the Flavor and Nutrition segments to form the Taste, Nutrition & Health segment, the memberships of the former Nutrition segment in the following organizations will remain:

- Marine Ingredients Organization (IFFO)
- Natural Food Colors Association (NATCOL)
- Fédération des Industries Avicoles (FIA)
- Syndicat National des Compléments Alimentaires (SYNADIET)
- Syndicat National des Ingrédients Aromatiques Alimentaires (SNIAA)
- Union National Interprofes Jus de Fruits (UNIJUS)
- Fédération Européenne des Fabricants d'Aliments pour la Nutrition Animale (FEFANA)
- Fédération des Fabricants d'Aliments pour Chiens, Chats, Oiseaux et autres animaux familiers (FACCO)
- Pet Food Association of Canada (PFAC) in Canada
- The Pet Food Industry Association of Australia (PFIAA)
- Entreprises Françaises de Charcuterie Traiteur (FICT)
- Chilealimentos
- Associação Brasileira da Indústria e Comércio de Ingredientes e Aditivos par Alimentos (ABIAM)
- Juice Product Association
- American Botanical Council

**STRATEGY**

**GRI 102-14: Statement from senior decision-maker ✓**

Dear readers and friends of Symrise,

Long-term thinking is one of the main pillars of the corporate strategy of Symrise. In a world that is changing rapidly and dramatically, we firmly see that as a decisive condition for a successful development of the company. Climate protection, the conservation of natural resources, and living and working responsibly are becoming more influential in determining the social agenda. This is how Symrise actively supports the principles of responsible management enshrined in the United Nations Global Compact. In addition, there is a stronger focus on meeting the basic needs of people – for example nutrition and health – in a reliable manner. And digitalization and innovation are also very advanced and directly influence everyone's life. Symrise strives to seize with determination the opportunities created by this transformation and to allow its customers, employees, shareholders and other stakeholders of the company to use them. Thinking beyond tomorrow.

Symrise stands out from its competitors through the breadth and depth of its business portfolio. Many years ago, we became the first company in the industry to begin moving into new business areas outside the traditional fragrance and flavor industry and tap into additional growth potential. A targeted backward integration for strategic raw materials guarantees a traceable, reliable and consistently high-quality supply. In order to harness the synergies of our portfolio to an even greater extent, we merged the Flavor and Nutrition business units into a new segment called Taste, Nutrition & Health in April, 2021. This way, we are better positioned to offer our customers integrated product solutions for taste, nutrition, well-being and health. A joint research pipeline, comprehensive customer support and synergies in the supply chain promote the growth and profitability of our activities.

The 2021 fiscal year was also full of success for Symrise. We reached strong organic sales growth of 9.6 % and the EBITDA margin reached 21.3 %. Because of our long-term growth momentum, the Symrise share rose in the leading German index DAX. Furthermore, we were recognized by the renowned international organization CDP for our commitment to protecting climate, water and forests with the triple highest score of "AAA" – the only company in Germany to achieve this and one of only 14 worldwide. The guidelines of our company – our corporate values, our purpose, our integrated corporate strategy – as well as the description of many large and small projects which form the foundation of our success may be found in our Corporate Report for 2021.

Best regards

The Executive Board of Symrise AG



### GRI 102-15: Key impacts, risks, and opportunities ✓

We are convinced that economic success, sustainability and social acceptance are interlinked. The corporate strategy of Symrise is based on the three pillars of growth, efficiency and portfolio. It incorporates aspects of sustainability at all levels in order to enhance the company's value over the long term and minimize risks.

With our business model, we help meet basic human needs for health, nutrition, care and well-being. At the same time, we consider the ways in which our company grows and is successful to be of vital importance. Many of the traditional production processes in the fragrance and flavor industry are energy-intensive, release potentially harmful emissions and consume precious natural resources. At the same time, if we want to deliver innovative and sustainable products, we are dependent on a new generation of well-educated employees as much as on rich biological diversity from which we can derive our inspiration and creative ideas.

We are convinced that only such an expanded view, which goes beyond narrow corporate limits, helps to secure our long-term growth and to increase our efficiency while also enabling us to further develop our innovative and sustainable product portfolio. That's why the four pillars of our sustainability agenda form the foundations of our integrated corporate strategy: footprint, innovation, sourcing and care. In these fields, we intend to make a concerted effort to reduce the negative impact of our business activities and to enhance our societal added value. In the process, we actively contribute to the achievement of the sustainable development goals. Using our materiality analysis, we have systematically assessed the impacts of our business activities in 2019 within the context of sustainability and our stakeholders' expectations (see also [102-46](#)). The Sustainability Board critically reviewed our materiality analysis in the reporting year.

A key topic for 2022 has already been determined: Symrise aims to develop a circular economy strategy for various divisions. This is intended to open up new markets, strengthen competitive advantages and enhance risk profiles. Conversely, Symrise wants to use this approach to utilize its sphere of influence on global challenges such as climate change, biodiversity loss or resource scarcity and reduce negative impacts. To make this work, the strategy will take an integrated account of these challenges and the opportunities presented by digitalization.

We have integrated the risks associated with climate change, their identification and minimization, and the realization of new opportunities for further growth and for strengthening of our competitiveness into our Group risk management, which is carried out twice a year. Especially with regard to climate change, water and forests, we carry out scenario analyses as part of CDP reporting in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). As part of CDP reporting, the Sustainability Board assesses opportunities and risks and thus the resilience of our business activities over a period of more than six years (see also Management approach to [GRI 201-2](#)). For further information on climate-related reporting at Symrise, please refer to the [TCFD Index](#) – with references to detailed information on the topic in the [CDP Climate Change Questionnaire](#) of Symrise.

### GROWTH

In addition, we view our sustainability efforts and transparent communications as a opportunity to inform our stakeholders, as well as to ensure the growth of Symrise and generate a competitive advantage. In addition to increasing regulatory developments (e.g. in the areas of climate or human rights), the key influencing factors are above all the increasing requirements of consumers and our customers to develop solutions for sustainable and healthier products, as well as investment decisions by the capital market, which are increasingly dependent on the sustainability performance of companies.

We regard the preservation of biodiversity as an important foundation for the growth of our business. Biological diversity is the basis for safe nutrition, while enabling and promoting good taste as well as health and well-being. As a result, it is at the core of our business model and is crucial to our growth opportunities (see also Management approach to [GRI 304](#)). Health is also an important growth factor, not least due to the coronavirus pandemic and customer and consumer needs for safety and health. This creates a trend toward increasing demand for national products, alternative proteins and natural foods – needs that Symrise is increasingly serving with its latest product innovations.

At the same time, our sustainability efforts help minimize risks that could jeopardize our growth. In particular, this involves risks that could arise from our globally networked supply chain. Specifically, a shortfall in the supply of important raw materials could occur as a result of the consequences of climate change or natural catastrophes. On the other hand, if risks to the reputation of our suppliers emerge from the potential disregard for environmental or social standards as well as human rights due diligence, this could have an impact on Symrise. Through our sustainable supplier management, we ensure that these risks are minimized (see also Management approach to [GRI 204](#), [GRI 412](#), [GRI 308](#) and [GRI 414](#)).



## GENERAL DISCLOSURES

### EFFICIENCY

In the further development of our sustainability management, we see significant opportunities to improve the efficiency of our business activities, while simultaneously reducing possible negative effects on humans and the environment. For example, energy costs have a material influence on our profitability and therefore our competitive position. Furthermore, we meet customer expectations and can create added value by helping our customers achieve their greenhouse gas (GHG) emissions reduction target (see also Management approach to [GRI 302](#) and [GRI 305](#)). The German sites in Holzminden and the Symotion site in Hamburg are certified to the ISO 50001 energy management system. Energy audits according to the regulations of the Energy Efficiency Directive (EED) were performed at almost all other European sites. Thanks to the support of our TPM teams, most of our other production sites have also been certified to environmental management system standards (ISO 14001). The teams regularly analyze manufacturing processes looking for opportunities to save energy or to increase process efficiency in a sustainable manner.

Increasing eco-efficiency in the area of waste and wastewater is another area in which we combine the reduction of our ecological footprint with efficiency gains for Symrise. With the continuous reduction in chemical oxygen demand in our wastewater, we not only mitigate the expense that arises with the cleaning of our wastewater in municipal sewage treatment plants, but also avoid process losses in production at Symrise (see also Management approach to [GRI 303](#) and [GRI 306](#)).

With regard to our employees, our efforts to ensure a safe and healthy workplace aim to reduce illness-related absences and to increase employee motivation. This contributes to preventing potential economic risks that may arise from a high accident and illness rate. We developed the SymSAFE project in 2021 with our subsidiary TESUM to improve occupational health and safety performance. The focus is on a sustainable safety culture. For more information on SymSAFE and on the goals, measures and key performance indicators in the area of occupational health and safety, see also Management approach to [GRI 403](#).

### PRODUCT PORTFOLIO

With the steadily growing demand for sustainable products, the growth opportunities Symrise seeks by focusing on innovative and sustainable products also improve.

Sustainability is a strong driver of innovation: By complying with strict sustainability criteria in product development, we maximize the social and ecological added value of products and create value for customers and stakeholders. The Product Sustainability Scorecard System we have created makes an important contribution to the development of innovative and sustainable product solutions. The externally audited process makes it possible to recognize the environmental impacts of raw materials and products and to compile them in a scientifically sound analysis. The ten sustainability criteria include traceability, water consumption, the impact on biodiversity in the supply chain as well as the product's biodegradability. The Green Chemistry Principles and the Planetary Boundaries are taken into account. As a result, we can transparently present the respective sustainability advantages of the products relative to conventional alternatives for our customers.

We develop our products not only in Germany but also in the regions where they are sold. The different market requirements we address with this approach also present us with challenges. For example, key sustainability topics and consumer preferences differ from region to region. Therefore, our segments consistently set different priorities for each region in order to offer tailored product solutions.

We have set ourselves ambitious goals and enacted corresponding measures for the continual integration of business and sustainability. We will only achieve sustainable growth if we implement our economic efforts in a proactive and responsible way. Our economic ambitions are therefore supported with our integrated corporate strategy of goals and measures in keeping with the four pillars of our sustainability agenda.

### EXTERNAL EVALUATIONS

Our commitment to sustainability is paying off and is also being viewed positively by external bodies.

In its regular review of the sustainability performance of Symrise, the internationally rating agency ISS ESG confirmed our company's prime status. In the scope of our last valuation in 2020, Symrise achieved a C+, placing it among the top 10 % of companies in its sector. The ESG rating from ISS – E for environmental, S for social, G for governance – covers nearly 10,000 companies globally, the majority of which are listed.

## GENERAL DISCLOSURES

The US-based company MSCI is a leading sustainability rating agency and provider of highly respected sustainability share indices. Since 2015, MSCI has ranked Symrise in the A category, which attests to its above-average sustainability performance. MSCI highlights in its analysis that Symrise has developed and established above-average good strategies and practices, particularly for climate protection and corporate governance.





The international rating agency SUSTAINALYTICS continuously analyzes and evaluates companies' risks in the areas of ESG. A number of financial service providers and institutional investors across Europe use the services of the agency as a basis for decisions related to investment and credit. Symrise was last rated in 2020. The risk score of Symrise ranked 20th out of 133 in the chemical industry at the time of valuation: 19 companies have a lower ESG risk profile; 113 have a higher one.

Symrise is also still listed in the FTSE4Good sustainability index. The FTSE4Good includes the securities of companies that achieve outstanding results in the areas of the environment, social aspects and corporate governance.

For the first time, the rating agency EcoVadis awarded Symrise its coveted Platin status for proven sustainability. EcoVadis assesses companies worldwide in the four areas of environment, social aspects, ethics and sustainability in the supply chain. Symrise belongs to the top 1 % of all companies in the chemical sector.

Additionally, for the second time in 2021, Symrise received the highest A rating in the CDP (formerly Carbon Disclosure Project) rating in all three categories climate, water protection and forest protection. This makes Symrise one of only 14 companies worldwide and the only one in Germany on what is known as the triple A list.

Track record, goals and measures

	2021 TRACK RECORD	NOTES	GOALS 2025	NOTES
 <b>BUSINESS</b>	9.6% organic sales growth	We exceeded our goals and the forecast.	5 – 7% CAGR	We want to grow faster than the market overall. This allows us to gain market shares and increase the distance between us and smaller competitors.
	21.3% EBITDA margin	We achieved our goals and continue to be one of the most profitable companies in the industry.	20 – 23%	We improve our profitability by continually increasing efficiency and optimizing the product mix.
 <b>FOOTPRINT</b>	+11.3% increase in eco-efficiency of greenhouse gas emissions (Scope 1 + 2) <sup>1</sup>	We are fully on track to reach our 2025 and 2030 goals.	We were ahead of schedule in achieving our goal for 2020 of reducing greenhouse gas emissions by 33% compared with 2010. We have now set for ourselves the 2025 goal of increasing the eco-efficiency of emissions by more than 60% compared to 2016. <sup>1</sup>	We aim to be climate-positive by 2030, primarily by increasing energy and process efficiency at our production sites and by supporting high-quality and certified climate protection projects.
	+4.0% increase in eco-efficiency of greenhouse gas emissions (Scope 3) <sup>1</sup>		Between 2016 and 2020, we were able to reduce Scope 3 greenhouse gas emissions by 36%. By 2025, we want to increase the eco-efficiency of emissions by more than 15% compared to 2020. <sup>1</sup>	Through process optimization and with the help of our suppliers and customers, we want to reduce greenhouse gas emissions all along our value chain.
	+34.8% % increase in eco-efficiency of the chemical oxygen demand in wastewater <sup>1</sup>	We have almost halved COD at the Jacksonville site in the United States.	Increase the eco-efficiency of the chemical oxygen demand in wastewater by 4% annually by 2025 or by a total of 60% in relation to base year 2010. <sup>1</sup>	We are increasing the yield of our products by changing our processes to sustainable methods.
	+2.2% increase in eco-efficiency of sensitive waste <sup>1</sup>	The commissioning of an additional site in China caused us to just narrowly miss our goal.	Increase the eco-efficiency of sensitive waste by 4% annually by 2025 or by a total of 60% compared to base year 2010. <sup>1</sup>	We will use exclusively sustainable packaging materials by 2025 and recycle over 95% of the plastic we use wherever possible.
	+7.2% increase of water consumption in Egypt, India and Mexico	Due to a rise in production volumes of 13.7%, water consumption has increased in arid regions.	Reduction of water consumption by 15% at all production sites in arid regions (2018 – 2025).	We continually reduce our water consumption by using water-saving technology and raising awareness in our company of the importance of using less.
	16.7% of sales from new product developments <sup>2</sup>	We exceeded our target amount of >15% once again.	Each year we develop new products that are consistent with sustainability criteria, and these products account for a share of sales of more than 15% over the past three years.	Networking the highly diverse areas of expertise of Taste, Nutrition & Health and Scent & Care
 <b>SOURCING</b>	72.7% of our suppliers (90% of the procurement volume) are assessed according to sustainability criteria <sup>3</sup>		100% of our suppliers (90% of the procurement volume) are assessed according to sustainability criteria. <sup>3</sup>	In preparation for Germany's Supply Chain Due Diligence Act
	83.6% of strategic biological raw materials are derived from sustainable sources		100% sustainable sourcing of all strategic biological raw materials by 2025	We aim for sustainability in the supply chain by continuing to strengthen our backward integration, intensifying cooperation with suppliers and initiating joint supply chain projects and programs.
 <b>CARE</b>	20% women in the first management level	Temporary decrease due to the formation of the new Taste, Nutrition & Health segment, which reduced the absolute number of management positions.	Increase the percentage of women in the first management level to 30% by 2025.	We believe in strong, diverse leadership and offer good advancement opportunities for women.
	38% women in the second management level		Increase the percentage of women in the second management level to 45% by 2025.	We promote the career development of women and provide them with freedom so they can balance career and family.
	3.8 MAQ <sup>4</sup> accident frequency	The MAQ rate increased this year and the set target was missed.	Industry-leading occupational safety <1.5 MAQ	Continuous implementation of a zero-accident culture through company-wide initiatives and training. To help improve occupational safety, we launched the SymSafe project in 2021.

1 All figures relative to the value added  
2 Relative to market launch in the past three years

3 Environment, labor, human rights, health & safety, business integrity, ethics, sustainable procurement  
4 MAQ = work accidents (> 1 lost day) x 1 million/working hours

**ETHICS AND INTEGRITY**

**GRI 102-16: Values, principles, standards, and norms of behavior ✓**

Symrise developed its corporate purpose in the reporting year. It reads:

“We develop sustainable, safe and tailored products that ensure quality of life and provide beauty and well-being. We are aware of our responsibility for a future-oriented world – and we undertake this task with entrepreneurial spirit, innovative power and optimism.

Symrise – always inspiring more ...”

Our purpose is derived from the integrated corporate strategy and leads to our corporate values “Sharing Values.” See the [Corporate Report 2021 p. 24ff.](#), for derivation and background information.

**Sharing values, purpose, corporate strategy and track record at a glance**



Our [Code of Conduct](#) applies to all Symrise companies. The Executive Board, Supervisory Board and all national and international Symrise employees in Germany and abroad, i.e. all senior executive and all employees, whether full-time or part-time, as well as contractors, must comply with its provisions. Each employee receives the Code of Conduct on the first day of employment. With it, we have established a widely visible fundamental principle for uniform and exemplary action and behavior. Our Code of Conduct defines minimum standards and sets out behavior enabling all Symrise employees to cooperate in meeting these standards. The Code of Conduct helps in overcoming ethical and legal challenges in daily work. It provides concrete guidance for any conflict situations. In the interest of all employees and the Group, possible noncompliance with standards will be investigated and addressed, and the causes will be remedied. This means that misconduct will be consistently prosecuted in accordance with local laws.

Our Code of Conduct provides the framework for interactions with our key stakeholders: employees and colleagues, customers and suppliers, shareholders and investors, neighbors and society, and national and local governments as well as government agencies, the media and the public.

The Code of Conduct is based on our values and principles. By following it, we guarantee that every person is treated fairly and with respect, while ensuring that our behavior and business activities remain transparent, honest and consistent throughout the world.

Furthermore, Symrise is currently working on a Supplier Code of Conduct, which will go into effect starting in 2022 (see Management approach to [GRI 204](#)).

At the highest management level, the CEO of Symrise is responsible for ethical issues.

### **GRI 102-17: Mechanisms for advice and concerns about ethics ✓**

As described in our Code of Conduct, various points of contact are available for our employees on ethical and lawful conduct and integrity concerns. Employees can turn to their superiors in the first instance. If an employee cannot talk to their superior about their concern, for example, because this person is also affected, the employee can discuss the issue with an HR officer, the works council or the next highest superior. Our employees can also contact the responsible Compliance Officer at their site anonymously and confidentially. The Integrity Hotline set up by the Group Compliance Office ensures that Symrise employees can anonymously report violations of both legal regulations and internal company guidelines from anywhere in the world. The Group Compliance Office can be reached by all employees via a dedicated toll-free telephone number. An intermediary service operator ensures that employees can retain anonymity and communicate in their native language.

They receive a unique individual incident number that enables them to call the hotline back later and listen to the answer left for them by the Group Compliance office. This procedure can be repeated and continued as desired and in this way enables communication between the Group Compliance office and the person providing the information while preserving the latter's anonymity. At the same time, targeted queries can prevent abuses and denunciations by other employees and additional information can be requested. In addition, employees are able to contact Group Compliance office staff anonymously via the online Symrise Integrity Hotline service. There they can submit their messages in writing and upload any documents electronically.

As a result, it is not absolutely necessary to communicate with the Group Compliance office over the phone. Of course, all employees can also contact the Group Compliance office directly and personally at any time.

External informants who wish to report violations of our Code of Conduct by a Symrise employee or our business partners do not have to fear reprisals. Rather, we actively encourage dialogue. Informants can contact the police, the public prosecutor's office, the media and the relevant supervisory authorities, or they can write to the Executive Board or the Supervisory Board of Symrise.

## **GOVERNANCE**

### **GRI 102-18: Governance structure ✓**

See [Financial Report, page 6ff.](#) The Declaration of Compliance pursuant to Section 161 of the German Stock Corporation Act (AktG) is available on an ongoing basis on our website [www.symrise.com](http://www.symrise.com).

### **GRI 102-19: Delegating authority ✓**

Symrise AG's Supervisory Board has twelve members. It oversees and advises the Executive Board in the management of the company and regularly discusses business development, planning, strategy and risks with the Executive Board. In compliance with the German Codetermination Act, Symrise AG's Supervisory Board has an equal number of shareholder and employee representatives. The Supervisory Board has formed four committees to increase the efficiency of its work. Details on cooperation between the Executive and Supervisory Boards as well as on corporate governance at Symrise can be found in the Report of the Supervisory Board and in the Corporate Governance Statement.

### **GRI 102-20: Executive-level responsibility for economic, environmental, and social topics ✓**

In 2009, Symrise founded its Corporate Sustainability Board, a global and cross-segment body to integrate sustainability even more fully in its core processes. Several times a year, representatives of the Taste, Nutrition & Health and Scent & Care segments and one representative each from Human Resources, Investor Relations and Corporate Communications meet to ensure that sustainability-related topics and concerns of important stakeholders are considered along the entire value chain.

A Chief Sustainability Officer (CSO) drives sustainable development on a broad front in the overall group of undertakings. The CSO reports directly to the CEO and functions as the Director of the Sustainability Board.

The Sustainability Board sets sustainability objectives and supports measures, which are directly implemented in the respective divisions. Special attention is paid to realizing synergies among the operating segments and implementing uniform, strategic principles through coordinated approaches and cooperation. The direct responsibility for strategy lies with the Chief Executive Officer of Symrise AG, who receives regular reports on the progress of all sustainability activities. The company's sustainability objectives also flow into individual performance goals and thereby into executive remuneration.

A global network of more than 150 Sustainability Ambassadors also draws the attention of Symrise employees to the sustainability agenda and, in addition to implementing the strategic, Group-wide goals, drives forward targeted initiatives at the company sites. Regional coordinators contribute to networking among the ambassadors, including through workshops and surveys.

### **GRI 102-21: Consulting stakeholders on economic, environmental, and social topics ✓**

Symrise AG shareholders exercise their codetermination and control rights at the Annual General Meeting, which takes place at least once each year. We regularly inform our shareholders, analysts, shareholder associations and the public of all important dates through a financial calendar. Corporate communication is undertaken with the objective of guaranteeing the greatest possible transparency and equality of opportunities through timely and equal information to all target groups (see [GRI 102-43](#)).

### **GRI 102-22: Composition of the highest governance body and its committees ✓**

The Supervisory Board of Symrise AG is made up of twelve individuals. Symrise ensures that more than half of the shareholder representatives should as a rule be independent of the company and the Executive Board. This goal is currently being met. The independent members are: Ursula Buck, Horst-Otto Gerberding, Bernd Hirsch, Michael König, Jeannette Kurtgil, Prof. Dr. Andrea Pfeifer and Peter Vanacker. Currently four women are part of the Supervisory Board, including Ms. Buck, Ms. Chiarlitti, Prof. Dr. Pfeifer and Ms. Püttcher.

Furthermore, the Supervisory Board strives to ensure that the share of Supervisory Board members from other nations does not fall below one-third. However, this does not mean that nationality is the only focus. Rather, the decisive factor is that at least one-third of the members of the Supervisory Board have gained substantial experience in globally active groups in Germany and abroad. This goal is also currently being met.

The term of office for a Supervisory Board member must end at the conclusion of the Annual General Meeting following the member's 70th birthday. The maximum limit for membership in the Supervisory Board is four terms of office. These two goals are currently being met. Concerning future nominations, it will be ensured that the goals defined by the Supervisory Board continue to be fulfilled.

## GENERAL DISCLOSURES

In accordance with Section 125 (1) sentence 5 of the German Stock Corporation Act (AktG), of the twelve members of the Supervisory Board two hold memberships in other statutory supervisory boards and memberships in comparable domestic and international supervisory bodies of commercial enterprises:

### Prof. Dr. Andrea Pfeifer:

- Bio MedInvest AG, Basel, Switzerland, Chairperson of the Board of Directors
- AB2 Bio SA, Lausanne, Switzerland, Chairperson of the Board of Directors

### Peter Winkelmann:

- amedes Holding GmbH, Hamburg, Vice Chairperson of the Supervisory Board
- Apollo 5 GmbH, Starnberg, Vice Chairperson of the Supervisory Board
- Weserwerk Alfeld GmbH, Alfeld, Chairperson of the Supervisory Board

The current number of Symrise shares is 139,722,054.

### **GRI 102-23: Chair of the highest governance body ✓**

Bernd Hirsch, who joined the Supervisory Board on May 16, 2018, is the first member to have previously been a member of the Executive Board. There was a period of two years, four months and 15 calendar days between the end of Mr. Hirsch's activity on the Executive Board and his election to the Supervisory Board. This satisfied the conditions of Section 100 (2) number 4 of the German Stock Corporation Act (AktG) (the "cooling-off" period).

Neutral and independent consulting and monitoring of the Executive Board continues to be ensured without restriction. With Mr. Hirsch and Mr. König, at least two independent members of the Supervisory Board and Auditing Committee also have expertise in the fields of auditing and/or accounting.

### **GRI 102-24: Nominating and selecting the highest governance body ✓**

Pursuant to Section 8 (1) of the company's articles of incorporation in conjunction with Section 96 (1) of the German Stock Corporation Act and Section 7 (1) sentence 1 number 1 of the German Codetermination Act 1976 ("MitbestG"), the Supervisory Board consists of twelve members. Six members are elected by the Annual General Meeting and six by the company's employees in accordance with the provisions of the Codetermination Act.

The following employee representatives were elected to the Supervisory Board for the period lasting until the end of the Annual General Meeting that will decide on discharges for the 2024 fiscal year: Ursula Buck, Managing Director at BuckConsult, Posenhofen; Bernd Hirsch, Chief Financial Officer at COFRA Holding AG, Neuler; Michael König, Chief Executive Officer at Nobian Industrial Chemicals B.V., Iserlohn, Prof. Dr. Andrea Pfeifer, Chief Executive Officer at AC Immune S. A., St. Léger, Switzerland and Peter Vanacker, President and Chief Executive Officer at Neste Corp., Espoo, Finland. Horst-Otto Gerberding, Owner and Chairman of the Advisory Board of Gottfried Friedrichs GmbH & Co. KG, Holzminden, was elected to the Supervisory Board for a term that runs until the end of the Annual General Meeting that will decide on discharges for the 2022 fiscal year.

The following six employee representatives were chosen from among the German staff, in compliance with the legally prescribed election process, until the end of the Annual General Meeting that will decide on discharges for the 2025 fiscal year: Harald Feist, Chairman of the Works Council and Chairman of the General Works Council of Symrise AG, Holzminden; Jeannette Chiarlitti, Vice Chairperson. Regional Director of IG BCE Northern District, Burgdorf; André Kirchoff, Independent Works Council Member of Symrise AG, Bevern; Dr. Jakob Ley, Director Research Biobased Ingredients Taste, Nutrition & Health of Symrise AG, Holzminden; Andrea Püttcher, Vice Chairperson of the Works Council and Vice Chairperson of the General Works Council of Symrise AG, Bevern and Peter Winkelmann, Regional Head of the IG BCE district South Lower Saxony, Alfeld.

## GENERAL DISCLOSURES

By supporting appropriate election proposals for the election of shareholder representatives by the Annual General Meeting and the election of employee representatives by the staff, the Supervisory Board will continue to work toward implementing the requirements of the law ("FüPoG I") insofar as they relate to the composition of the Supervisory Board.

In accordance with Recommendation C 1 of the German Corporate Governance Code 2020, the Supervisory Board should specify concrete goals for its composition and develop a competence profile for the entire Board. In doing so, the Supervisory Board should pay attention to diversity. Taking into account the specific company situation, diversity is defined by internationality, age, gender and education or professional background, among other things. The Supervisory Board of a listed company to which, among other things, the Codetermination Act (MitbestG) applies must be composed of at least 30 % women and at least 30 % men. The Supervisory Board of Symrise AG complies with this legal requirement. As a result of this requirement, the Supervisory Board is no longer obligated to set further targets and implementation deadlines for its composition.

As in the past, the Supervisory Board formed a total of four committees to fulfill its responsibilities more efficiently. These committees draft the Supervisory Board's resolutions and prepare the agenda items to be addressed in the full meetings. To the extent that this is legally admissible, in individual cases the Supervisory Board delegates decision-making to its committees. The Supervisory Board established an Auditing Committee, an Arbitration Committee pursuant to Section 27 (3) of the Codetermination Act (MitbestG), a Personnel Committee and a Nominations Committee as permanent committees. The task of the latter is to recommend suitable candidates to represent the shareholders when new Supervisory Board elections are coming up. The Chairman of the Supervisory Board chairs all of the committees with the exception of the Auditing Committee. In the full meetings, the chairmen of the committees report regularly and comprehensively on the content and results of the committee meetings.

The Personnel Committee is responsible for matters pertaining to the Executive Board. These matters particularly include making resolution recommendations at the full Supervisory Board meetings regarding the appointment of Executive Board members or regarding components of Executive Board members' employment contracts. This also includes succession planning at the Executive Board level in accordance with Recommendation B 2 of the German Corporate Governance Code 2020. The Personnel Committee addresses succession planning for members of the Executive Board at least once a year. In particular, the term of existing employment contracts and the age structure of the Executive Board are taken into account. The Supervisory Board and Executive Board are committed to ensuring internal talent development for employees at levels below the Executive Board for all Executive Board positions. Skill sets and diversity criteria are taken into account here. Evaluation for these is carried out by means of internal assessments as well as external assessments. In this process, candidates who have the potential to take over a position on the Executive Board undergo an assessment that leads directly from an individual analysis to an individual development plan. The aim is to be able to fill the majority of positions on the Executive Board internally. The Personnel Committee deals with the development of the Executive Board remuneration system – specifying the amount of remuneration and the related target agreements and making corresponding recommendations at the full Supervisory Board meetings. In doing so, the Personnel Committee also takes into account the requirements of FüPoG II, which came into force on August 12, 2021. For this reason, when appointing new members to the Executive Board in the future, we will not only strive for diversity criteria, but also for appropriate consideration of women. The Personnel Committee currently has six members, of whom three members are chosen by the shareholder representatives and three are chosen by the employee representatives in the Supervisory Board. The members are: Michael König (Chairman), Harald Feist, Horst-Otto Gerberding, Dr. Jakob Ley, Prof. Dr. Andrea Pfeifer and Peter Winkelmann.

The Auditing Committee mainly focuses on matters relating to the annual financial statements and consolidated financial statements, which includes monitoring the accounting process, the effectiveness of the internal controlling system, the risk management system, the internal auditing system, the audit of annual accounts and the compliance management system. The Auditing Committee also regularly deals with issues relating to Group financing, liquidity planning and securing liquidity. It also monitors the independence and qualifications of the auditor as well as additional services provided by the auditor. Furthermore, the Auditing Committee discusses the interim reports in detail and approves them before they are published. The Auditing Committee prepares the Supervisory Board's decision on the approval of the annual financial statements and its approval of the consolidated financial statements. To this end, it is responsible for pre-auditing the annual financial statements, the consolidated financial statements, the management report and the proposal regarding appropriation of earnings. The regular agenda items also include the receipt of the reports from Internal Auditing and the Group Compliance office as well as the risk report.



## GENERAL DISCLOSURES

The Auditing Committee prepares the Supervisory Board's proposal to the Annual General Meeting to appoint an auditor for the new fiscal year. The Auditing Committee also obtains the relevant declarations of independence from the auditor and commissions the auditor to perform the audit. The Auditing Committee is also responsible for preparing the decision of the Supervisory Board regarding auditing fees. The Auditing Committee currently has six members. Three members are commissioned by the shareholder representatives of the Supervisory Board and three members are commissioned by the employee representatives of the Supervisory Board. The Chairperson of the Auditing Committee must be independent and may not be the Chairperson of the Supervisory Board. One member must have expertise in the field of accounting. Another member must have expertise in the field of auditing. The members are: Bernd Hirsch (Chairman), Ursula Buck, Jeannette Chiarlitti, Harald Feist, Michael König and Andrea Püttcher.

Shareholders and employees are equally represented on the Arbitration Committee pursuant to Section 27 (3) of the Codetermination Act. In the event that the appointment of a member of the Executive Board is not approved by the two-thirds majority required by law, it is responsible for submitting an alternative proposal to the Supervisory Board. The Arbitration Committee has four members. The current members are: Michael König (Chairman), Ursula Buck, Harald Feist and André Kirchhoff.

The Nominations Committee consists exclusively of shareholder representatives from the Supervisory Board in accordance with Recommendation D 5 of the German Corporate Governance Code 2020. Its task is to recommend shareholder representatives to the Annual General Meeting who would be suitable Supervisory Board members for upcoming Supervisory Board elections. The Nominations Committee consists of three members. The current members are: Michael König (Chairman), Horst-Otto Gerberding and Prof. Dr. Andrea Pfeifer.

### **GRI 102-25: Conflicts of interest ✓**

As in the previous year, conflicts of interest involving members of the Executive Board, which have to be disclosed to the Supervisory Board without delay, did not occur in fiscal year 2021. There were no consultant or service agreements or other exchange contracts between members of the Supervisory Board and the company in the 2021 fiscal year.

### **GRI 102-26: Role of highest governance body in setting purpose, values, and strategy ✓**

The Executive Board develops the strategic direction of the Company, coordinates it with the Supervisory Board and ensures its implementation. The Supervisory Board advises and oversees the Executive Board in the management of the company. It is involved in strategy and planning as well as all other decisions of fundamental significance to the company. The chairman of the Supervisory Board coordinates the work in the Supervisory Board, chairs its meetings and externally represents the concerns of the body.

The Corporate Sustainability department coordinates our global sustainability management. Together with the business divisions involved, it develops guidelines and procedural instructions based on the global principles defined by the Executive Board and assesses compliance with legal requirements and obligations set by Symrise. Direct responsibility for the sustainability agenda lies with the Chief Executive Officer (CEO), who receives regular reports on the progress of all sustainability activities. The Chief Sustainability Officer (CSO) is responsible for developing and implementing the sustainability agenda and jointly with the Executive Board defines the objectives for the areas of footprint, innovation, sourcing and care, which apply throughout the Group. The comprehensive Sustainability Board sets sustainability objectives, which are directly implemented in the respective divisions. The Sustainability Organization is supported by a global network of around 150 Sustainability Ambassadors that locally implement initiatives.

### **GRI 102-27: Collective knowledge of highest governance body ✓**

When nominating candidates for election to the Supervisory Board, particular attention was paid to the knowledge, skills and professional experience required for the duties to be performed, as well as to the principle of diversity among the Supervisory Board's members. This ensures that the members of the Supervisory Board as a whole have knowledge, skills and professional experience required to properly perform their duties.

**GRI 102-28: Evaluating the highest governance body's performance ✓**

The Supervisory Board advises and oversees the Executive Board in the management of the company. It is involved in strategy and planning as well as all other decisions of fundamental significance to the company. The chairman of the Supervisory Board coordinates the work in the Supervisory Board, chairs its meetings and externally represents the concerns of the body.

As in the past, the Supervisory Board formed a total of four committees to fulfill its responsibilities more efficiently. These committees draft the Supervisory Board's resolutions and prepare the agenda items to be addressed in the full meetings.

Bernd Hirsch, who joined the Supervisory Board on May 16, 2018, is the first member to have previously been a member of the Executive Board. There was a period of two years, four months and 15 calendar days between the end of Mr. Hirsch's activity on the Executive Board and his election to the Supervisory Board. This satisfied the conditions of Section 100 (2) number 4 of the German Stock Corporation Act (AktG) (the "cooling-off" period). Neutral and independent consulting and monitoring of the Executive Board continues to be ensured without restriction. One member must have expertise in accounting and one in auditing.

**GRI 102-29: Identifying and managing economic, environmental, and social impacts ✓**

The Auditing Committee established by the Supervisory Board mainly focuses on matters relating to the annual financial statements and consolidated financial statements, which includes monitoring the accounting process, the effectiveness of the internal controlling system, the risk management system, the internal auditing system, the audit of annual accounts and the compliance management system.

It also monitors the independence and qualifications of the auditor as well as additional services provided by the auditor. The regular agenda items also include the receipt of the reports from Internal Auditing and the Group Compliance office as well as the risk report.

For information on managing sustainability-related opportunities and risks, see also [GRI 102-15](#) and [GRI 102-31](#).

**GRI 102-30: Effectiveness of risk management processes ✓**

Internal Auditing performs regular and ad hoc audits of units in the Symrise Group. Specific measures are proposed in the audit reports to help mitigate the identified risks. Internal Auditing also reviews how these measures to mitigate risk are implemented. Specific staff members are assigned responsibility for this and held accountable in their performance review.

**GRI 102-31: Review of economic, environmental, and social topics ✓**

The risk management system at Symrise is based on a framework of generally recognized standards and extends across the Symrise Group's companies and business units. Risk assessment is coordinated at the Group level. A Group risk report is passed on to the Executive Board and Supervisory Board twice a year. There, potential risks and rewards are identified and classified according to their effect on profit (net method) as well as the probability of their occurrence. An efficacy test of the risk report is performed during internal corporate audits. Further information for sustainability-related opportunities and risks can be found under [GRI 102-15](#).

**GRI 102-32: Highest governance body's role in sustainability reporting ✓**

This report is reviewed by the Executive Board, all non-financial report points are audited by DQS and then the report is presented to the Supervisory Board for approval.

**GRI 102-33: Communicating critical concerns ✓**

Compliance topics, insofar as they exist, are initially reported to the Executive Board and then to the Supervisory Board via the Auditing Committee.

If the Executive Board itself is subject to any compliance investigation, then reporting goes directly to the Chairperson of the Auditing Committee.

**GRI 102-34: Nature and total number of critical concerns ✓**

The Group Compliance Officer and Internal Auditing report to the Auditing Committee of the Supervisory Board regularly at each of the committee's meetings. During the reporting period, the Group Compliance office reported no substantial findings to the Supervisory Board.

**GRI 102-35: Remuneration policies ✓**

In accordance with Section 87 (1) of the German Stock Corporation Act (AktG), the Supervisory Board decides on the remuneration system for the Executive Board and sets the remuneration of the individual Executive Board members. It aligns remuneration to the sustainable and long-term development of the company. The Supervisory Board decided on a remuneration system for Executive Board members on March 8, 2021.

Please see the [2021 Remuneration Report](#) for detailed information about our remuneration system.

The objectives of the Symrise remuneration system are the

- promotion of the implementation of the long-term strategy including the sustainability objectives
- orientation of remuneration along the guidelines of the “pay for performance” principle
- orientation along the needs of the shareholders and other stakeholders of the company
- transparent and clearly comprehensible presentation of the remuneration system

At around 65 % of total remuneration, the performance-related, variable component significantly exceeds the weight of the non-performance-related, fixed remuneration components. As the performance criteria for the respective fiscal year are derived from the rolling medium-term plan, the short-term incentive (STI) also supports the pursuit of long-term, multi-year corporate goals. This is how we ensure that the pursuit of operational goals is in line with the long-term orientation of our business goals. In contrast, the long-term incentive (LTIP) oriented along the share price plus dividends (“total shareholder return”) reflects how the company is viewed by the capital market and aligns the remuneration of the Executive Board members and the interests of the shareholders.

The remuneration of the Executive Board members of Symrise AG consists of non-performance-related and performance-related components. The non-performance related remuneration comprises the fixed remuneration, which is paid out in twelve equal monthly amounts as a fixed annual remuneration, and fringe benefits in the form of non-cash benefits such as the provision of a company car and other benefits – including insurance benefits in the form of group accident insurance. The performance-based remuneration components comprise the short-term, one-year remuneration (STI) and the long-term, multi-year remuneration, the long-term incentive plan (LTIP). For both the STI and the LTIP, a cash bonus is agreed as a benefit in the event of 100 % target achievement.

The fixed annual remuneration plus the cash bonus in the STI and the cash bonus in the LTIP (each based on 100 % target achievement) result in the target total remuneration of the individual Executive Board member. At Symrise, the objective for the 2021 Executive Board remuneration system is that 35 % of the total target remuneration is accounted for by the fixed remuneration, 30 % by the one-year variable remuneration and 35 % by the multi-year variable remuneration. Individual remuneration adjustments may result in minor deviations from the target. The actual payment, based on one year, depends on the actual achievement of the performance-related remuneration components.

**Relative proportion of fixed remuneration, short-term variable remuneration and long-term variable remuneration**



For the one-year variable remuneration, financial and thus quantitative performance criteria are financial performance indicators from the annual business planning of Symrise. Specifically, these are exchange rate-adjusted EBITDA and exchange rate-adjusted net sales in absolute terms. The annual targets recognized here are taken from the rolling medium-term plan presented to and approved by the Supervisory Board. In addition to the absolute financial indicators, operating ratio indicators (known as margin targets) are agreed with the Executive Board members, in order to properly assess operating management performance. Specifically, these are the currency-adjusted EBITDA margin (EBITDA / net sales) and the exchange rate-adjusted business free cash flow margin (BFCF as a percentage of net sales). Finally, in order to include the shareholder perspective in the remuneration of the Executive Board members, the exchange rate-adjusted earnings per share are included in the performance-related remuneration of the Executive Board members. Each of these financial indicators relates to a specific fiscal year, meaning that the attainment of annual targets and the fixed annual bonus are in line with each other. For each financial indicator, a numerical target that corresponds to 100 % target achievement is determined. At least 80 % of the individual annual bonus is based on these financial performance criteria. The remaining 20 % (maximum) of the annual bonus is derived from non-financial and, therefore, qualitative performance criteria. Topics from the area of the sustainability agenda that are important for the long-term and sustainable development of Symrise are used as non-financial targets. These can be topics from the area of environmental and climate protection (greenhouse gas (GHG) emissions, water consumption, electricity from renewable energies), occupational safety or employee development and promotion (see also [2021 Remuneration Report p. 6](#)). Alternatively, the Supervisory Board may also specify strategically important targets as qualitative, non-financial targets if it is certain that these are better-suited as a control variable to promote the long-term development of Symrise.

Members of the Supervisory Board and the Executive Board do not receive Symrise stock as part of their remuneration.

**Overview (non-)financial goals in total-target achievement**

80 %	Financial goals	Absolute goals, i.e., sales, EBITDA and earnings per share	Minimum 85 %, maximum 150 %
		Margin goals, i.e., EBITDA margin, business free cash flow	Minimum 96 %, maximum 105 %
+	Non-financial goals	Qualitative goals, i.e., sustainability projects	Minimum 50 %, maximum 100 %
20 %			
=	Total goal attainment	Target annual bonus (STI)	Below 85 % no bonus (threshold) Above 150 % no bonus relevance (cap)
100 %			

In 2021, we continued to focus on optimizing our working capital. In addition, certain items are also incentivized, such as the reduction of our direct and energy-indirect (Scope 1+2) GHG emissions, the sustainable orientation of our innovation process or the sourcing of raw material from sustainable sources.

The Symrise LTIP is a multi-year, performance-based variable remuneration component as part of the target total remuneration of Symrise Executive Board members. It is granted in the form of annual tranches. Each tranche covers a performance period of three consecutive years. The LTIP thus supports the pursuit of a sustainable and long-term strategy of profitable growth over the performance period. The only indicator for the multi-year, performance-based variable remuneration is the development of the Symrise share price plus dividends. The Symrise LTIP is based on the indexed share price development. For this purpose, the development of the Symrise share price is compared with the development of the share price of a predefined peer group.

## GENERAL DISCLOSURES

By resolution of the Supervisory Board in the 2020 fiscal year, a malus and clawback provision was established for the first time for new Executive Board employment contracts due to be concluded (see also [2021 Remuneration Report, p. 14](#)). Accordingly, in the event of gross misconduct (known as a “compliance clawback”) and misrepresentation in the financial reporting of Symrise AG (known as a “performance clawback”), the Supervisory Board has the option to withhold the one-year and multi-year variable remuneration (cash bonus) – known as a “malus” – or, if the bonus has already been paid out, to also reclaim it (known as a “clawback”):

- In the event of violations pertaining to material duties of care under stock corporation law, or of material principles of action under the Symrise Code of Conduct or the Symrise Compliance Policy, the Supervisory Board may, at its due discretion, reduce the variable remuneration not yet paid out in part, or in full to zero.
- Furthermore, it may, at its due discretion, demand the partial (or full) repayment of the gross amount of any variable remuneration already paid out.
- In addition, Executive Board members are obligated to repay any variable remuneration already paid out if it transpires subsequent to the payment that the annual financial statements certified by the auditors and adopted by the Supervisory Board were incorrect and the incorrect disclosures were used as a basis for calculating the annual bonus. Individual fault on the part of an Executive Board member is not relevant in this case.
- Irrespective thereof, in the event of damaging conduct by Executive Board members deemed to be in breach of their duties, the law provides for the possibility of a reduction in payments or pursuit of recourse.

The current Executive Board contracts do not contain any provision that would allow variable compensation components to be withheld or reclaimed in justified cases. As we do not wish to interfere with current Executive Board contracts, this provision will be applied to new Executive Board contracts.

In 2021, there were no clawback claims against any Executive Board member, neither for performance-related reasons (performance clawback), nor for behavior-related reasons (compliance clawback).

When an Executive Board member’s contract expires, we offer no termination benefits. If a change-of-control situation happens to arise, then the Executive Board member’s contract provides for termination benefits that comply with the German Corporate Governance Code. We offer a company pension in the form of deferred compensation. This applies to the Executive Board as well as to the entire management. We provide our remaining employees with either a retirement benefit plan in the form of a membership in a retirement fund (today’s standard) or a suitable retirement plan (old cases).

For our managers and employees who are not governed by collective bargaining agreements, remuneration is determined worldwide by means of a job grade model. This model rates the functional contribution of each individual to the success of the company (strategy, responsibility for sales and expenses, manager-to-staff ratio, etc.) and assigns a corresponding job grade to the function. Our managers receive a regular fixed monthly or annual income.

All employees who are not governed by collective bargaining agreements additionally receive variable remuneration between 10 % and 40 % according to the job grade. We have established a separate global performance bonus plan for our approximately 120 managers who have global or regional responsibilities (senior management). With this, we align the organization and thereby managers with the achievement of agreed company targets by means of a variable remuneration geared toward results and performance. Depending upon level of seniority, the variable remuneration of our senior management amounts to 30 % to 50 % of the fixed annual remuneration. A cap is set at 150 % of the 100 % target annual bonus, the same as with the Executive Board.

### **GRI 102-36: Process for determining remuneration ✓**

In accordance with Section 87 (1) of the German Stock Corporation Act (AktG), the Supervisory Board decides on the remuneration system for the Executive Board and sets the remuneration of the individual Executive Board members. In accordance with German codetermination, employee representatives in the Supervisory Board participate as stakeholders in determining remuneration. The Supervisory Board aligns remuneration to the sustainable and long-term development of the company. In accordance with its articles of association, the Supervisory Board is supported in this by a personnel committee formed from among its members. This committee may call in external consultants on remuneration issues, in particular to prepare benchmark studies or to align and adjust our remuneration concept.

The personnel committee meets at least twice a year. At its meetings, it reviews the system for the remuneration of Executive Board members and makes appropriate proposals to the Supervisory Board as required. In the event of material changes, but at least every four years starting in 2021, the system of Executive Board remuneration is presented to the shareholders for approval at the Annual General Meeting. If the Annual General Meeting does not approve the remuneration system, which is put to the vote, it will be presented again for resolution in an adjusted form at the following Annual General Meeting. At its Supervisory Board meeting on March 8, 2021, the Supervisory Board of Symrise AG adopted a clear and comprehensible remuneration system for Executive Board members in accordance with the requirements of the Second Shareholders' Rights Directive Implementation Act ("ARUG II") (the "Executive Board 2021 Remuneration System"). The 2021 Annual General Meeting on May 5, 2021 approved the 2021 Remuneration System with a majority of 83.4 % of the votes cast.

The personnel committee evaluates the individual performance of the Executive Board members once a year based on the approved remuneration system, determining the target achievement of the respective Executive Board member. The last review occurred in March 2021. The personnel committee also annually reviews the performance-related variable remuneration based on individual target achievement and ensures that the maximum remuneration specified in the system (the cap) is not exceeded. Variable remuneration and monthly fixed remuneration therefore combine to form the total compensation of the individual Executive Board members. If there is a need to adjust the Executive Board remuneration system, the personnel committee makes a corresponding recommendation to the Supervisory Board. In the event of material changes to the system of Executive Board remuneration, this will be submitted (again) to the Annual General Meeting for resolution.

If necessary, the personnel committee prepares a proposal to adjust Executive Board remuneration for resolution by the Supervisory Board. To do this, the personnel committee may call in external advice to review its appropriateness in relation to comparable companies in Germany. The goal is to ensure that the total remuneration of the Executive Board is in line with the median of comparable companies. A Symrise-specific peer group of MDAX and selected DAX companies excluding real estate and financial services companies that roughly correspond to the size of Symrise in terms of sales, market capitalization and number of employees is used as a benchmark for determining the level of remuneration.

There is no personal relationship between Symrise and the professional consulting company. Commissioning is done in each individual case by the Supervisory Board.

### **GRI 102-37: Stakeholders' involvement in remuneration ✓**

See [GRI 102-36](#).

### **GRI 102-38: Annual total compensation ratio ✓**

The remuneration of our employees, including our managers, is based on a standardized job grade concept specific to Symrise. This keeps remuneration oriented toward the value contribution of the position that employees have and not their hierarchical placement. It ensures that remuneration within the company is perceived as transparent, fair and in line with the market, and that it is not bound to hierarchical structures. The job grade concept includes a manager track and a specialist track for experts. It consists of wide salary ranges that facilitate the individual development of employees within the band by means of "job enrichment," projects or augmented expertise. By using this approach, we align professional development with salary development. Depending on the form of the wage agreement in the individual countries, the job grades include 5 to 10 steps for the classification of functions according to a set catalog of criteria (for example, qualification, know-how, functional responsibility, strategic impact).

In Germany, by far our largest location, the average annual total remuneration of the regional presidents EAME (level below the Executive Board) comes to between around € 400,000 to 450,000. On average, the annual income of all our employees in Germany amounts to € 66,800 (2020: € 66,800). As such, our employees with the highest remuneration earn 6.0 to 6.7 times more than our average employee.

At our Singapore location, the average annual total remuneration of the regional presidents APAC comes to between around € 500,000 to 550,000. On average, the annual income of all our employees in Singapore amounts to € 70,730 (2020: € 70,730). As such, our employees with the highest remuneration earn 7.0 to 7.8 times more than our average employee.

At our USA/New Jersey location, the average annual total remuneration of the regional presidents comes to between around € 450,000 to 585,000. On average, the annual income of all our employees in the United States amounts to € 105,260 (2020: € 105,260). As such, our employees with the highest remuneration earn 4.3 to 5.5 times more than our average employee.

## GENERAL DISCLOSURES

At our Brazil location, the average annual total remuneration of the regional presidents comes to between around € 200,000 to 252,000. On average, the annual income of all our employees in Brazil amounts to € 34,760 (2020: € 34,760). As such, our employees with the highest remuneration earn 6.6 to 8.4 times more than our average employee. The annual incomes expressed in euros are computationally lower due to the decline of the Brazilian real compared to the euro. In fact, the salaries of our employees in Brazil were increased by 2.55% in November 2019 in line with the collective wage agreement for Brazil.

When calculating the figures for Germany, we did not factor in the remuneration of the Executive Board. At Symrise, the average remuneration of an Executive Board member, consisting of the fixed remuneration, an annual variable component and a long-term variable component, corresponds to approximately 27 times the average remuneration of Symrise employees worldwide.

### **GRI 102-39: Percentage increase in annual total compensation ratio ✓**

In Germany, the remuneration of all employees was last increased in July 2021 as a result of our collective wage agreement. The next general remuneration adjustment will be in line with the results of the collective wage agreement for the chemical industry. The salaries of our employees in Brazil were increased by 2.55 % in November 2019 in line with the collective wage agreement for Brazil.

## STAKEHOLDER ENGAGEMENT

### **GRI 102-40: List of stakeholder groups ✓**

Symrise is in active dialogue with its stakeholders across the globe. After all, we can only develop the best possible solutions if we know and understand the needs and interests of our most important stakeholder groups. These include customers, employees, shareholders, lenders, neighbors, politicians, nongovernmental organizations and business partners.

### **GRI 102-41: Collective bargaining agreements ✓**

A clear commitment to freedom of association and the right to membership in a labor union are a matter of course for us. For this reason, our local sites establish the legally required collective employee representation. In addition, we apply the respective local wage agreements at all sites where this is standard practice, both from a legal and HR-policy standpoint.

Globally, 60 % (2020: 60 %) our workforce is covered by collective bargaining agreements, and about 85 % of the workforce in Germany is covered by our active and retrospective collective bargaining agreements. Our non-collective bargaining employees excluding executives and senior management (around 12 % of our German workforce) are treated in the same way as our collective bargaining employees when it comes to wage increases.

### **GRI 102-42: Identifying and selecting stakeholders ✓**

The selection of the stakeholders was based on the recommendations of the AA1000 Stakeholder Engagement Standard, which we used for the first time in 2014 to reassess and evaluate our stakeholder interactions.

### **GRI 102-43: Approach to stakeholder engagement ✓**

A number of internal and external formats and channels enable Symrise to maintain a lively dialogue with its stakeholders. In 2019, we conducted a broad-based materiality analysis. In the process, we discussed the expectations and recommendations of our stakeholders in various online surveys and expert interviews ([GRI 102-46](#)).

In addition, we receive important input on possible improvements via a continual dialogue with our employees, e.g., through regular feedback. Our strengths and weaknesses are evaluated as part of regular employee engagement surveys. As part of the 2019 materiality analysis, Symrise employees worldwide were surveyed in four different languages about relevant sustainability issues and were able to provide valuable input on priorities and measures.

With the help of the SEDEX platform, we have also maintained close contact with numerous raw material suppliers on ethics topics since 2011. We keep our customers and investors up to date on developments within our company with road shows and innovation days.

We take the concerns of our neighbors at our sites very seriously and keep them informed via informational events and regular neighborhood newsletters. We also have established a 24/7 environmental on-call service.

We not only maintain a regular exchange of information with nongovernmental organizations but have also entered into strategic partnerships, such as the GIZ Rainforest Alliance, UEBT, on specific topics, such as biodiversity, in order to generate sustainable value for society and the environment. The expectations our stakeholders have shared with us via these interactions inspire us and form the basis for our work.

### **GRI 102-44: Key topics and concerns raised ✓**

We address the key concerns of our important stakeholder groups via established processes and clear responsibilities at Symrise as well as through our reporting. As part of our comprehensive updated materiality analysis via an extensive online survey combined with a qualitative survey of our stakeholders based on interviews of experts (see [GRI 102-46](#)), we determined current developments and expectations from Symrise in the area of sustainability in 2019. The three central topics of focus identified among all of the stakeholders were “responsible sourcing,” “climate protection and emission reduction” and “responsible use of raw materials.”

## **REPORTING PRACTICE**

### **GRI 102-45: Entities included in the consolidated financial statements ✓**

In addition to Symrise AG as parent, the scope of consolidation includes all domestic and foreign companies that Symrise AG directly or indirectly controls or where it has significant influence over their activities. A comprehensive overview of all consolidated companies is provided in the [Financial Report, pages 131 – 134](#).

Unless otherwise indicated, all key figures pertaining to the sustainability record refer to Symrise AG. The key figures relating to our environmental efforts have been collected from all of the sites.

### **GRI 102-46: Defining report content and topic Boundaries ✓**

In 2019, we updated our materiality analysis as part of an extensive online survey in combination with a qualitative survey of our stakeholders based on interviews of experts, ranging from investors and customers to NGOs, scientists and politicians and from our employees to our Executive Board. The Sustainability Board critically reviewed our materiality analysis in the reporting year.

The three central topics of focus identified in 2019 among all of the stakeholders were “responsible sourcing,” “climate protection and emission reduction” and “responsible use of raw materials.” During the qualitative interviews, external experts also emphasized dependence on natural raw materials in the “race for resources” and the importance of a company’s climate protection activities. This impression was confirmed again in subsequent years during discussions with external stakeholders for corporate reporting.

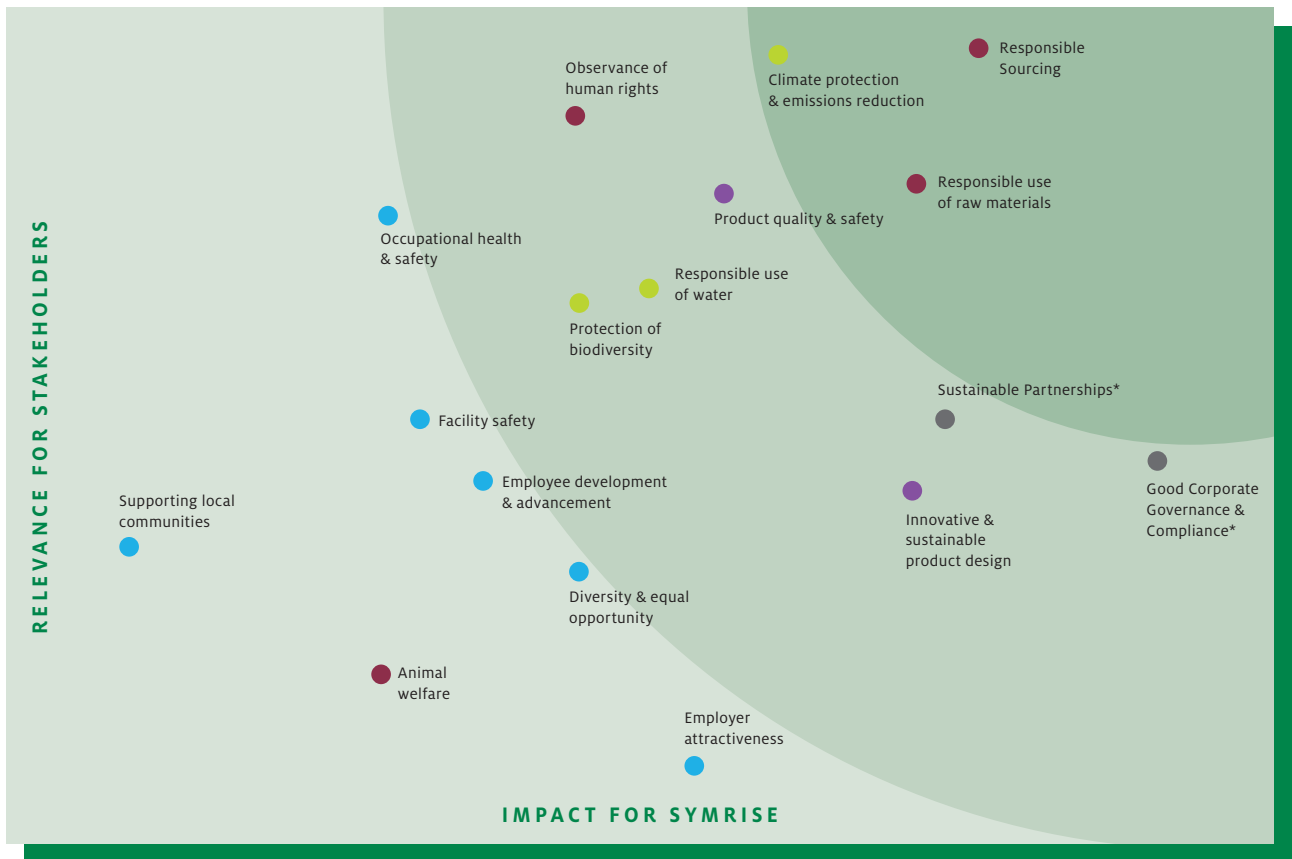


**GENERAL DISCLOSURES**

“Compliance with human rights” continues to be extremely important to Symrise. But this year it shares the spotlight with other prominently ranked topics associated with the key sustainability issues of “innovation and footprint” as well as the overarching strategic, company-wide topics “good corporate governance” and “sustainable partnerships.” “Collaboration and transparency” were generally considered to be key drivers for sustainability from both an external and internal perspective.

See the summary table in the Corporate Report 2021 for an overview of all the material topics, their definitions, goals, target achievement, and management methods on [pages 106ff.](#)

**Materiality Matrix**



Footprint



Innovation



Sourcing



Care

\* Sustainable partnerships, good corporate governance & compliance form the basis of all our material topics, the business activities of Symrise and all our activities.

## GRI 102-47: List of material topics ✓

Key topics	GRI reporting topics	Material impact inside the organization	Material impact outside the organization
High materiality (reported "in accordance" with the GRI comprehensive option)			
Responsible sourcing	<ul style="list-style-type: none"> <li>• <a href="#">Supplier environmental assessment</a></li> <li>• <a href="#">Supplier social assessment</a></li> </ul>	Symrise AG and its consolidated subsidiaries	Suppliers (global)
Climate protection and emission reduction	<ul style="list-style-type: none"> <li>• <a href="#">Emissions</a></li> <li>• <a href="#">Energy</a></li> </ul>	Symrise AG and its consolidated subsidiaries	Neighboring communities (worldwide)
Responsible use of raw materials	<ul style="list-style-type: none"> <li>• <a href="#">Materials</a></li> <li>• <a href="#">Waste</a></li> </ul>	Symrise AG and its consolidated subsidiaries	Neighboring communities (worldwide), suppliers (worldwide)
Good corporate governance and compliance	<ul style="list-style-type: none"> <li>• <a href="#">Environmental compliance</a></li> <li>• <a href="#">Socioeconomic compliance</a></li> <li>• <a href="#">Anti-competitive behavior</a></li> <li>• <a href="#">Anti-corruption</a></li> <li>• <a href="#">Tax</a></li> <li>• <a href="#">Public policy</a></li> </ul>	Symrise AG and its consolidated subsidiaries	NGOs, customers, consumers, suppliers
Sustainable partnerships	<ul style="list-style-type: none"> <li>• <a href="#">Procurement practices</a></li> </ul>	Symrise AG and its consolidated subsidiaries	NGOs, customers
Innovative & sustainable product design	<ul style="list-style-type: none"> <li>• <a href="#">Economic performance</a></li> <li>• <a href="#">Materials</a></li> </ul>	Symrise AG and its consolidated subsidiaries	Customers, consumers, suppliers
Responsible use of water	<ul style="list-style-type: none"> <li>• <a href="#">Water and effluents</a></li> <li>• <a href="#">Waste</a></li> </ul>	Symrise AG and its consolidated subsidiaries	Neighboring communities (worldwide)
Protection of biodiversity	<ul style="list-style-type: none"> <li>• <a href="#">Biodiversity</a></li> <li>• <a href="#">Procurement practices</a></li> <li>• <a href="#">Supplier environmental assessment</a></li> </ul>	Symrise AG and its consolidated subsidiaries	Neighboring communities (worldwide), suppliers (worldwide)
Product quality and safety	<ul style="list-style-type: none"> <li>• <a href="#">Marketing &amp; labeling</a></li> <li>• <a href="#">Customer health and safety</a></li> </ul>	Symrise AG and its consolidated subsidiaries	Customers, consumers, suppliers
Respecting human rights	<ul style="list-style-type: none"> <li>• <a href="#">Human rights assessment</a></li> <li>• <a href="#">Non-discrimination</a></li> <li>• <a href="#">Freedom of association and collective bargaining</a></li> <li>• <a href="#">Child labor</a></li> <li>• <a href="#">Forced or compulsory labor</a></li> <li>• <a href="#">Rights of indigenous peoples</a></li> </ul>	Symrise AG and its consolidated subsidiaries	Suppliers (global)
Medium materiality (reported "in accordance" with the least GRI core option)			
Occupational health and safety	<ul style="list-style-type: none"> <li>• <a href="#">Occupational health and safety</a></li> </ul>	Symrise AG and its consolidated subsidiaries	
Facility safety	<ul style="list-style-type: none"> <li>• <a href="#">Waste</a></li> <li>• <a href="#">Occupational health and safety</a></li> <li>• <a href="#">Local communities</a></li> </ul>	Symrise AG and its consolidated subsidiaries	Neighboring communities (worldwide)
Employee development and advancement	<ul style="list-style-type: none"> <li>• <a href="#">Training and education</a></li> </ul>	Symrise AG and its consolidated subsidiaries	
Diversity and equal opportunities	<ul style="list-style-type: none"> <li>• <a href="#">Diversity and equal opportunities</a></li> <li>• <a href="#">Non-discrimination</a></li> </ul>	Symrise AG and its consolidated subsidiaries	
Employer attractiveness	<ul style="list-style-type: none"> <li>• <a href="#">Market presence</a></li> <li>• <a href="#">Employment</a></li> </ul>	Symrise AG and its consolidated subsidiaries	
Animal welfare	<ul style="list-style-type: none"> <li>• <a href="#">Animal welfare</a></li> </ul>	Symrise AG and its consolidated subsidiaries	NGOs, customers, consumers, suppliers
Support of local communities	<ul style="list-style-type: none"> <li>• <a href="#">Local communities</a></li> </ul>	Symrise AG and its consolidated subsidiaries	Neighboring communities (worldwide)

**GRI 102-48: Restatements of information ✓**

None.

**GRI 102-49: Changes in reporting ✓**

None.

**GRI 102-50: Reporting period ✓**

January 1, 2021 – December 31, 2021

**GRI 102-51: Date of most recent report ✓**

March 9, 2021

**GRI 102-52: Reporting cycle ✓**

We have reported on our sustainability activities annually since 2006.

**GRI 102-53: Contact point for questions regarding the report ✓**

Friedrich-Wilhelm Micus

Sustainability Communications

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**GRI 102-54: Claims of reporting in accordance with the GRI Standards ✓**

This report has been prepared in accordance with the GRI Standards: Comprehensive option.

**GRI 102-55: GRI content index ✓**

This Sustainability Record reflects the content of the GRI index. We follow the “GRI Standards” (2016), including updates on taxes (207, 2019), water and effluents (303, 2018), waste (306, 2020) as well as occupational health and safety (403, 2018).

**GRI 102-56: External assurance ✓**

For the eighth time in a row, our sustainability information has been externally assured pursuant to the AA1000 Assurance Standard, which was performed by DQS CFS. The assurance process assesses all quantitative and qualitative sustainability information. Verified content has been marked as follows: ✓

## TOPIC-SPECIFIC STANDARDS

### GRI 200: ECONOMIC

#### GRI 201: ECONOMIC PERFORMANCE 2016

##### **GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

Strong economic performance is a key prerequisite for our future viability for ourselves, our customers and our investors. It enables us to make investments in new technologies and growth markets as well as in a wide variety of sustainability projects – ranging from the expansion of our approach to responsible sourcing to innovative and sustainable project solutions. We substantially expanded our competencies in the past year and tapped into new growth fields. Now we must focus on connecting these new application areas with the traditional ones. That is why we are pushing interconnectedness across all levels – with our customers, suppliers and even within the company. We also managed to expand our market position in every region and have further built upon the already extensive trust that customers have in us. Here, we always keep the twin ideals of sustainability and economic success in view. The high importance of this aspect is also clearly underlined by our materiality analysis 2019 – with a high rating of the relevance of “innovative & sustainable product design” for our stakeholders and its impact for Symrise in the topic area. At the same time, we bolstered our portfolio, both in terms of content and regions, so that we can better react to the political and economic uncertainties in some countries. Last but not least, we strengthened our innovative abilities by means of even closer collaboration within the company and with external partners.

We combine commercial success with sustainability by constantly ensuring that every level of the value chain relates back to what we are doing. This starts with the raw materials. We source these from around the world and often from less developed nations. Take vanilla, for example. Here, we ensure that the farmers are paid a fair price for their goods and that environmental aspects are considered in the growing process. We also ensure that absolutely no child labor occurs. For more than ten years, we have been committed to improving education and health care in Madagascar, where our vanilla is grown. We have established production facilities there that meet the environmental standards of the developed world. Our local business activity contributes to the livelihood of nearly 40,000 people. You can find further information about our involvement in the areas where our raw materials are cultivated under [GRI 413](#).

With our products, we provide flavor and fragrance experiences that contribute to health and well-being. Our flavors, substances, perfume oils and sensory solutions are often central functional components for our customers' end products. The challenge is to develop products that meet the various demands and expectations of our customer base and, at the same time, are capable of generating long-lasting added value for our customers and society as a whole. In the process, we actively support achievement of the goals of sustainable consumption (SDG 12) and climate protection (SDG 13).

The two segments at Symrise each manage their own research and development (R&D) activities due to the varying requirements of their respective markets and customers. At the same time, technologies, processes and findings are made available to all segments in order to achieve synergies. Multiple R&D centers around the world ensure that the regional activities of the segments are optimally supported.

Our R&D strategy aims to connect the individual components of product development, such as market and consumer research, R&D and creation, throughout the Group. All research activities consider relevant customer, market and sustainability aspects. Through the close linkup of R&D with marketing and business units, purchasing and manufacturing, product development, quality assurance and regulatory issues, we check early on to see whether new products and technologies can be implemented and if they are profitable in addition to assessing their sustainability aspects.

We achieve innovative and sustainable product solutions by focusing on green chemistry, natural raw materials, efficient use of resources in production, progressive technology and intelligent networking. With our Product Sustainability Scorecard, we can capture the impact of each individual ingredient of our products along the value chain. As a result, we enable our customers to select the most environmentally friendly path compared with available alternatives.

The proportion of natural raw materials in our portfolio has continued to grow in recent years. We are, however, not pursuing a complete changeover to natural raw materials. In many cases, this would have complex social and ecological repercussions. For one thing, producing synthetic ingredients generally requires less energy and water than growing, harvesting and transporting their natural equivalents. And furthermore, the enhanced use of natural raw materials often results in competition with food production for farmland and endangers the preservation of biodiversity through monocultures. Taking menthol as an example, the synthetic variant (in use at Symrise for over 30 years) has a CO<sub>2</sub> footprint some ten times lower than the level of menthol derived from natural mint.

### **GRI 201-1: Direct economic value generated and distributed ✓**

A complete description can be found in the 2021 Financial Report:

- [Financial Report \(overview of the 2021 fiscal year, page 3\)](#)
- [Financial Report \(Consolidated Financial Statements, pages 77ff.\)](#)

### **GRI 201-2: Financial implications and other risks and opportunities due to climate change ✓**

Our Corporate Sustainability department regularly measures climate-related risks throughout the company. Risk management with regard to the risks and opportunities of climate change is reviewed by the Executive Board and the Supervisory Board every six months. Process-related risks, such as those relating to strategy, finance, the supply chain, regulation, innovation, sourcing, compliance, law, etc., are linked to market-related risks, such as trade/market, business/commercial and finance. The aim of this process is to identify and measure significant risks to ensure the positive business development of the Symrise Group.

All risks, including climate-related risks, are identified and evaluated at the regional level with the help of regional experts. They cover the entire range of climate-related issues (transitional and physical issues). Risks are assessed on a gross risk basis. Gross risk is defined as risk without mitigation controls. The risks are analyzed according to the criteria “EBIT effect” and “probability.”

However, climate change also presents opportunities. Demand for low-emission products can open up new business units and encourage the development of technologies and products, thus creating new sales and improving the company’s reputation. Opportunities typically require investments in facilities, R&D or M&A. To make each investment decision, we consider alignment with our business strategy (e.g., the strengthening of our core business), financial performance indicators like ROIs and the impact of our business on sustainability.

Our multidisciplinary, Group-wide risk management with regard to the risks and opportunities of climate change is reviewed by the Executive Board and the Supervisory Board every six months.

#### **RISK EXAMPLES:**

Symrise is confronted with a climate-related market risk. We purchase many water-intensive agricultural commodities such as tomatoes and vanilla. These materials are used to make extracts that can be used to enhance taste and aroma. These agricultural commodities are typically sourced from countries with water scarcity, such as the United States and Madagascar. Rising temperatures in the wake of climate change may lead to crop losses for our suppliers due to water scarcity. The resulting shortage on the market may lead to rising prices and subsequently to increasing operating costs for us. Lower revenue in agricultural production of raw materials such as citrus and vanilla are also related to other climate change-related implications such as floods or hurricanes. Rising prices on our procurement side will lead to a lower EBITDA margin for us.

To assess our climate-related supply chain risk, we measure corresponding price increases that have occurred in the past. Based on this, we estimate possible future price volatilities driven by climate change and add up these potential climate-related cost effects for all relevant agricultural and aquaculture raw materials, multiplying the purchased volumes by an estimated price increase. This leads to an estimate of approximately € 60 million for our “raw material costs from climate risk.”

A further example is the physical climate-related risks at our sites in Charleston (South Carolina), Colonels Island (Georgia) and Jacksonville (Florida). These sites are located in a region of the United States that is repeatedly threatened by tropical storms. The storms can cause damage to the plants which can result in repair costs and lost profits due to production outages. Since the Atlantic Ocean is warming due to climate change, both the frequency and intensity of such extreme weather events are increasing. This in turn leads to a higher probability of damage to our plants. If such risks should materialize, Symrise estimates that the potential financial damage would be between € 1.2 million and € 1.6 million.

**OPPORTUNITY EXAMPLE:**

More climate-friendly products are increasingly becoming the focus of customers and consumers and their purchasing decisions. Climate performance is therefore of high and steadily increasing importance for our key customers, such as the world's leading cosmetics companies. Symrise produces high-quality products in a sustainable way, for example with a comparatively low carbon footprint. Our customers (B2B) are focusing on more climate-friendly ingredients for their products, which leads low-emission products to be substituted for carbon-intensive ones. If we perform better than our competitors and manage to provide convincing and transparent information to potential customers about our climate-relevant performance, we expect our market share to grow as a result of increased demand for our lower-emission products, which will also increase our revenue.

In 2020, up to 8 % of our sales (this corresponds to € 272 million) were accounted for by customers who explicitly pay attention to climate issues and ask us to participate in the CDP supply chain program. Accordingly, as part of our assessment of this opportunity in 2020, we expected sales growth of 6 % for climate-sensitive products, though we assumed that we could still increase this figure by 25 percent to 7.5 %. This results in an annual financial impact of € 20.4 million. In the reporting year, this expectation was met with sales growth of 8 %.

As one of the now more than 2,700 companies all over the world, Symrise supports the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD), and has done so since 2018. Our climate-related reporting is refined in the [TCFD Index](#) which precedes this report. For a more detailed description of our approach, and details on risks and opportunities, we refer the reader directly to our detailed responses in the [CDP Climate Change questionnaire](#).

**GRI 201-3: Defined benefit plan obligations and other retirement plans ✓**

Information about this can be found in the [Financial Report on page 83](#) as well as in the notes to the [consolidated financial statement on pages 110 and 113](#).

**GRI 201-4: Financial assistance received from government ✓**

In total, Symrise received about € 9 million in subsidies, including in France, in 2021 (2020: € 13 million). You can find additional information in the [Financial Report on pages 93ff.](#)

You can find the details about the setup of Symrise AG shareholders [here](#).

**Omissions:**

We consider the apportionment of subsidies by country to be confidential information.

**GRI 202: MARKET PRESENCE 2016****GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

We rely on open and honest collaboration with the people who live at our locations. This allows us to operate successfully and to also attract new employees to our company. Market presence is becoming increasingly important for corporate success in a globalized world economy with an internationally competitive environment that also respects local demographic developments. Accordingly, the material topic of our attractiveness as an employer and the impact of this topic – especially for Symrise itself – were also included in the materiality analysis that was carried out in 2019.

We strive to position ourselves as a preferred employer through our sustainable human resources policy that focuses on the employees as well as our respective local communities (the employer of choice strategy). Our policy is to offer local workers attractive training, career and advancement opportunities, fair and appropriate remuneration and a social welfare policy (see also [GRI 202-1](#)).

In 2020, to sharpen our profile as an employer of choice, we collected data on the perception of Symrise as an employer as part of a global survey of more than 1,245 employees. The next survey is planned to take place in 2022 with a larger group of employees on a global level. In 2020, questions were asked about communication, the corporate culture and leadership behavior in the company. The surveyed employees came from all regions, all hierarchical levels (36 % managers and 64 % general employees) and all functional business units such as production, product application development, marketing and sales.

65 % of employees felt well- to very well-informed by the company. 46 % wanted more communication via digital channels. The internal corporate culture and the external image of Symrise were perceived as authentic and consistent by 81 % of employees. Solid scores were given for the aspects of diversity and internationality and for employee leadership and development, each with an average rating of 3.22 on a scale of 5. We were pleased with the high priority of sustainability in our company: 87 % of the employees surveyed gave sustainability a very high rating, averaging 4.8 points on a scale of 5. The likelihood that they would recommend Symrise as an employer was therefore also good, with an average score of 7.87 on a scale of 10.

We also conduct what are known as pulse surveys on a topic and area-specific basis. Most recently, in late 2018, we conducted a focused survey within the global Fragrance organization that involved around 650 employees.

Through various recruitment marketing activities at local schools or university job fairs in our extended regional environment, we promote ourselves as an employer and training company and succeed in signing on well-qualified young people.

**GRI 202-1: Ratios of standard entry level wage by gender compared to local minimum wage ✓**

All of our employees receive wages that are higher than the minimum standard as stipulated by local law or statute.

The wages that employees receive for their work at Symrise in Germany when initially employed are determined by our remuneration tables for employees covered by collective bargaining agreements; workers not governed by collective bargaining agreements receive wages based on our job grade concept. These wages are based on the collective agreements concluded for the chemical industry and are higher than the statutory minimum wages in the individual countries in which we have employees.

In countries in which collective wage agreements have been concluded with the responsible labor unions, Symrise employees are paid based on these agreements according to their personal business unit. In Germany, each initial classification to a tariff wage or subsequent wage increase is subject to review by the works council. Through this double-checking (Human Resources department and works council), we make sure that gender plays no role in determining remuneration.

Every year, we conduct analyses at all our major sites to prevent gender-specific disadvantages in remuneration. In addition, to review gender equality in the area of remuneration, an in-depth equal pay analysis was carried out in Germany in 2021. The unadjusted gender pay gap is 1.2 %. The non-profit FPI Fair Pay Innovation Lab recognized Symrise for its fair pay in the reporting year. For further information, see Management approach to [GRI 405](#).

If men are paid more than women in individual collective wage groups, this is due to the fact that almost no women work in production at Symrise, which means women do not benefit from the production-specific components of remuneration. These production-specific components of remuneration, such as hardship allowances and paid washing times or activity-related wages including foremen's or shift supervisors' allowances, are thus legitimate causes of different levels of remuneration between men and women. Traditional career models therefore lead to different levels of remuneration.

As a result, overall entry-level remuneration is based on the qualifications of new employees and the functional significance of their activities for our company. Remuneration at all our locations – especially our starting wage – applies equally regardless of gender. This means that the starting wage for a woman is the same as for a man.

**GRI 202-2: Proportion of senior management hired from the local community ✓**

We are convinced that we can find well-qualified local employees in any country in which we operate in order to move our business forward. We trust in the local, country-specific professional training and expertise. If international assignments are made, these are made for the purpose of know-how transfer and international skills acquisition of our employees.

The vast majority of our employees and managers, including our senior management (first and second management levels with the exception of the Executive Board), comes from the respective country or region of each Symrise location around the world. This means that we recruit employees who were educated in the respective country and have gained professional experience in the respective region or even internationally. In addition, we want our leadership teams to be international at all levels to reflect broad market experience and regional customer preferences.

The share of management staff from local areas is over 90 % (2020: 90 %). Respective national working conditions apply to this group. In addition, we employ expatriates for the primary purpose of ensuring know-how transfer from the central research and development units. In 2021, 116 employees worldwide worked in a different country than their original home country (2020: 110). The relatively low number is based on travel restrictions due to the coronavirus pandemic.

We define senior management as our regional presidents and those managers who lead the respective legal entities in various countries. Our senior management works in the regional head offices: Germany and France for Europe, the United States for North America, Brazil for Latin America and Singapore for Asia.

**GRI 204: PROCUREMENT PRACTICES 2016**

**GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

Effective management of ecological and social effects along the entire supply chain is the key to securing high-quality raw materials, to providing sustainable products to our discerning customers, and to ensuring ethical business practices. The significant importance of the topic, its relevance and impact for Symrise and its external stakeholders is accordingly also reflected in the high to very high rating of the adjacent topics "protection of biodiversity," "sustainable partnerships," "responsible procurement" and "responsible use of raw materials" in our materiality analysis conducted in 2019.

Our long-term goal is to procure all our materials and services on the basis of sustainable criteria and to do so in accordance with the Sustainable Development Goals formulated by the United Nations. We have set 2025 as our target for the responsible sourcing of strategic biological raw materials. In the reporting year, we already sourced 83.6 % of our strategic biological raw materials sustainably (2020: 72 %). Due to the high complexity that results from numerous material flows in our raw materials portfolio, our sites face numerous challenges that must be mastered for us to achieve our sourcing goals. These challenges include, for instance, closing information gaps regarding the origin of raw materials as well as providing details that are relevant to the sustainability of production and the processing of raw materials. This information is indispensable in order to analyze performance in the area of sustainability.

Starting in 2023, Symrise will be affected by the German Supply Chain Due Diligence Act. To implement its own due diligence and improve responsible sourcing, Symrise formed the Responsible Sourcing Steering Committee (RSSC) in the reporting year (see also Management approach to [GRI 412](#)). The RSSC is a decision-making body consisting of global purchasing managers, representatives of the Corporate Sustainability department and sustainability experts from the divisions. It defines the processes for supplier assessments and implementation of the resulting measures to ensure that assessment criteria are completely embedded in the business processes. Operational implementation takes place in the purchasing areas, as does monitoring of the defined measures with the suppliers.



The RSSC is building on a solid foundation: We have been working for several years to ensure that suppliers comply with our sustainability standards through systematic supplier management and compliance with our [responsible sourcing policy](#). This also means that new suppliers must provide information about their sustainability program and the assumption of ecological and social responsibility along their supply chain.

We require our suppliers to protect human rights in general, to engage in no kind of child or forced labor, and to comply with statutory requirements for safeguarding health and safety in the workplace. Furthermore, we expect our suppliers to allow their employees the right to freedom of association and collective bargaining, to observe the statutory provisions on working times and pay and to make a clear commitment against abuse. We also do not tolerate discrimination based on gender, ethnic identity, skin color, nationality, age, religion, sexual orientation, disability or any other personal characteristic by our suppliers. These principles are set out, among other things, in our Code of Conduct, which applies to all employees and business partners – we obtain written confirmation of compliance from our direct suppliers. Symrise is also currently working on a Supplier Code of Conduct that will apply starting in 2022. At the same time, selected suppliers will be trained on the Supplier Code of Conduct.

Our employee training courses also contain repeated references to our Code of Conduct, so that our binding principles are reinforced (see also [GRI 412-2](#)). As part of the training sessions, attention is also drawn to the complaints mechanism that exists to deal with violations of the Code of Conduct: it includes the company's internal Integrity Hotline (see [GRI 102-17](#)).

External informants who wish to report violations of our Code of Conduct by a Symrise employee or our business partners do not have to fear reprisals. Rather, we actively encourage dialogue. Informants can contact the police, the public prosecutor's office, the media and the relevant supervisory authorities, or they can write to the Executive Board, the Supervisory Board of Symrise or the Compliance Officer Corporate Sustainability.

We also require that our suppliers conserve resources, reduce and avoid air emissions, ground emissions or wastewater, commit themselves to the preservation and sustainable use of biological diversity and avoid environmental risks effectively. These aspects constitute part of our Group-wide risk management system.

In this connection, we conduct risk and performance evaluations of suppliers from economic, ecological and social perspectives. In light of the Supply Chain Due Diligence Act, we have expanded the goal for evaluating our suppliers. By 2025, the suppliers, who together account for 90 % of our procurement volume, will be assessed according to sustainability criteria. We carry out audits for suppliers who pose an especially high risk (as defined by SEDEX and EcoVadis), who have crucial raw materials, or who have had problems flagged during assessment (see also Management approach to [GRI 412](#)).

To date, we have screened our key suppliers via the SEDEX platform on the topics of human rights, environment, health and safety, and business integrity. In 2020, we additionally started to include suppliers on the EcoVadis platform. In this way, we leverage the benefits of both platforms to identify risks and opportunities for our suppliers. Alternatively, agricultural production suppliers can also indicate their FSA rating; we expect at least the FSA standard in silver. The FSA seal stands for sustainably produced raw materials and is awarded by the non-profit organization Sustainable Agriculture Initiative (SAI).

We carry out audits for suppliers who pose an especially high risk (as defined by SEDEX and EcoVadis), who have crucial raw materials, or who have had problems flagged during assessment (see also Management approach to [GRI 412](#)).

We use our self-developed Product Sustainability Scorecard (PSS) to evaluate a portion of our raw materials and products based on sustainability criteria. Ten dimensions and indicators are applied, including green chemistry principles and planetary boundaries. This scorecard system offers internal and external stakeholders better guidance for decision-making in order to improve sustainability.

One of the principles we rely on to more directly influence sustainability performance along the supply chain is backward integration. With regard to important core competences, we have deliberately chosen locations for our international production facilities where the raw materials primarily used are available locally. We not only purchase our raw materials there but are also integrated in the local economy; we produce there and create value there. This approach enables us to support local socio-economic structures and improve compliance with our ethical and environmental principles. One example is our sourcing in Brazil under the Amazon Program in cooperation with Natura and GIZ: Our supply chains under the program are traceable and we have already provided support including training to more than 1,200 participating families (for more on the Amazon Program, see Management approach to [GRI 413](#); for more information on procurement practices, see Management approaches to [GRI 308](#), [GRI 408](#), [GRI 409](#), [GRI 412](#) and [GRI 414](#)).

Symrise obtains the majority of one of our main raw materials, the onion, from farmers who live near the plants where the vegetables are processed. This applies both to Germany and France, where the main production sites are located. Purchasing the onions from the region ensures low transport and energy costs. At the same time, it makes joint development work easier. An example of this is Symrise's establishment of the "Onion Ring." In close cooperation with farmers, the Lower Saxony Chamber of Agriculture and the Saxony State Office for the Environment/Agriculture and Geology, we test good agricultural practices to increase revenue and minimize losses. We also experiment with different onion varieties to optimize revenue.

Symrise has also been a member of the Roundtable on Sustainable Palm Oil (RSPO) since 2015, and we have continuously improved our palm oil supply chain. We have used only palm and palm kernel oils from 100 % RSPO "Mass Balance" certified sources since 2016. In 2020, we achieved our goal of sourcing 100 % of certified primary and secondary palm oil derivatives from sustainable sources as well. Since we regularly source new primary and secondary palm oil derivatives and therefore eliminate existing certified palm oil derivatives, we work continuously to meet our demand. In addition, we have converted numerous recipes to palm oil free quality in recent years.

We moreover enter into sustainable partnerships and participate in a variety of initiatives that promote responsible sourcing practices. Symrise is a member of the Sustainable Spices Initiative (SSI), the Union for Ethical Biobased Trade (UEBT), the Sustainable Agricultural Initiative (SAI) Platform and the Alliance for Development and Climate. As a founding member, Symrise was also involved in the creation of the Sustainable Vanilla Initiative and the One Planet for Biodiversity Initiative, in cooperation with the World Business Council for Sustainable Development (WBCSD), among others. We are active in the WBCSD's Nature Action initiative and are committed to the principles of the Network for Nature multi-stakeholder initiative (for more information on these and other initiatives, see [GRI 102-12](#)).

**GRI 204-1: Proportion of spending on local suppliers ✓**

During the reporting year, in terms of volume, 93.1 % of the goods and services at our sites were sourced from local suppliers (2020: 81.7 %). Symrise characterizes suppliers as local suppliers if they come from the same country.

**GRI FP1: Percentage of purchased volume from suppliers compliant with company's sourcing policy ✓**

Our Code of Conduct applies not only to our employees, but also to our business partners. We obtain written confirmation of compliance with the Code of Conduct from our direct suppliers. To refine our requirements for suppliers, we are working on a Supplier Code of Conduct that will apply starting in 2022.

Symrise has declared its goal to source all materials and services on the basis of sustainable criteria. The [responsible sourcing policy](#) therefore requires all new suppliers worldwide to be evaluated based on sustainability criteria. In light of the Supply Chain Due Diligence Act, we have expanded the goal for evaluating our suppliers. By 2025, the suppliers, who together account for 90 % of our procurement volume, will be assessed according to sustainability criteria. The assessment of suppliers to the acquired company ADF / IDF started at the end of 2020. Consequently, we already assessed 72.7 % (2020: 67 %) of our suppliers based on sustainability criteria – referring to 90 % of the procurement volume – in the reporting year.

In the reporting year, we did not become aware of significant violations of our Code of Conduct by suppliers.

**GRI FP2: Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards ✓**

We are purchasing an increasing number of natural raw materials with certified origins. For instance, we established a progressive strategy for the responsible sourcing of oils and derivatives from palm fruits in 2015. Since 2016, we have only used palm and palm kernel oils from 100 % RSPO "Mass Balance" certified sources. In 2020, we achieved our goal of sourcing 100 % of certified primary and secondary palm oil derivatives from sustainable sources as well. Since we regularly source new primary and secondary palm oil derivatives and therefore eliminate existing certified palm oil derivatives, we work continuously to meet our demand. In addition, we have converted numerous recipes to palm oil-free quality in recent years.

**GRI 205: ANTI-CORRUPTION 2016****GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

We do not tolerate any form of corruption in our company. Accepting or providing money or other services in an attempt to gain a competitive advantage do not belong to our business practices. Bribery and money laundering are criminal offenses that we strongly condemn. Our principle is clear and thus applies to employees all countries: “Any business that cannot be reconciled with our fundamental principles is no business for Symrise.”

The significance of “Good Corporate Governance & Compliance” for Symrise as well as its relevance and impact on external stakeholders is also reflected in the high rating of the topic in our materiality analysis conducted in 2019.

Our principles for combating corruption are laid out in our Code of Conduct, which acts as a binding model for all employees. It applies to all countries regardless of possible conflicting cultural customs, regulates behavior with key Symrise partners and ensures transparent and reliable processes. In the interest of all employees and the company, we react swiftly to violations against the Code and rectify their causes.

To guard against any breach in legal and ethical standards, an Integrity Hotline has been installed. This ensures that Symrise employees can anonymously report any breaches in legal regulations and internal company guidelines at any Symrise location around the world. By means of this hotline, all our employees are able to contact the Group Compliance office using toll-free telephone numbers that have been specially set up in the individual countries. Of course, reports are treated confidentially, and whistle-blowers are not prosecuted. We consistently pursue misconduct within the scope of the applicable national legislation (for more on the complaints mechanism, see [GRI 102-17](#)).

**GRI 205-1: Operations assessed for risks related to corruption ✓**

Symrise performs regular and ad hoc audits of all sites to identify any cases of corruption.

**GRI 205-2: Communication and training about anti-corruption policies and procedures ✓**

In order to ensure compliance with all compliance requirements on an ongoing basis, the need for training is regularly identified and suitable training courses are held in the areas of both “technical compliance” and “legal compliance.” In addition to training courses where employees are present on site, internet-based training is also offered. This allows us to reach more employees in a shorter period. It also gives employees greater flexibility in terms of where and when they complete their training. Subsequent tests confirm not only that a training course has been completed, but that its content has also been understood.

In addition to the requirements of their position, new Symrise employees are given comprehensive training when they join the company on the fundamental principles of our Code of Conduct. All employees then take part in rolling training courses based on predefined schedules. Depending on whether they are basic, refresher or specialized training courses, these schedules cover a period of between one and three years.

In 2021, four training courses addressed “Data Protection: Defending Against Phishing Attacks,” “Protecting Company Information on Social Media: Surprise!” “Fraud and Business Integrity” and “Global Data Protection.” Participation in the training courses is mandatory for employees who have a connection to these topics as a result of their work. In the reporting year, more than 5,500 employees took part in each of these training courses. The employees who participated were thus trained in compliance topics for around three hours in 2021. These training courses also contain repeated references to our Code of Conduct, enforcing our binding principles. As part of the training sessions, attention is also drawn to the complaints mechanism, including the internal Integrity Hotline at Symrise, in the event of violations of the Code of Conduct (see [GRI 102-17](#)).

Since 2019, a portion of our employees have also received compliance training on topics such as conflicts of interest, anti-corruption, financial crime, legal requirements in international trade, protection of confidential corporate information, and secure data processing and removal. The target group for this training are employees from Purchasing, Finance, Sales and Management.

**GRI 205-3: Confirmed incidents of corruption and actions taken ✓**

There was no confirmed case of corruption at Symrise in 2021.

**GRI 206: ANTI-COMPETITIVE BEHAVIOUR 2016****GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

For Symrise, transparency and credibility are the basis for a reliable and constructive relationship with the company's key stakeholders: employees and colleagues, customers and suppliers, shareholders and investors, neighbors and society, national and local governments as well as government agencies, the media and the concerned public. The significance of good corporate governance and compliance for Symrise, and their relevance and impact on external stakeholders, are also reflected in the high rating of the topic in our materiality analysis conducted in 2019.

To ensure consistent, exemplary actions and behavior, we continue to adhere to our Code of Conduct. This Code of Conduct applies to the Executive Board and the Supervisory Board and to all Symrise employees in Germany and abroad, i.e., to managers and all employees in the Group equally. The Code of Conduct – a binding fundamental principle – defines minimum standards and sets out behavior enabling all employees to cooperate in meeting these standards. The purpose of the Code of Conduct is to help all employees cope with the ethical and legal challenges of their everyday work and provide them with guidance in conflict situations. In the interest of all employees and the Group, noncompliance with standards will be investigated and their causes remedied. This means that misconduct will be consistently prosecuted in accordance with national laws.

In 2021, four training courses addressed “Data Protection: Defending Against Phishing Attacks,” “Protecting Company Information on Social Media: Surprise!” “Fraud and Business Integrity” and “Global Data Protection.” Participation in the training courses is mandatory for employees who have a connection to these topics as a result of their work. In the reporting year, more than 5,500 employees took part in each of these training courses. The employees who participated were thus trained in compliance topics for around three hours in 2021. These training courses also contain repeated references to our Code of Conduct and thereby enforce our binding principles. As part of the training sessions, attention is also drawn to the complaints mechanism, including Symrise's internal Integrity Hotline, in the event of violations of the Code of Conduct (see [GRI 102-17](#)).

Since 2019, a portion of our employees have also received compliance training on topics such as conflicts of interest, anti-corruption, financial crime, legal requirements in international trade, protection of confidential corporate information, and secure data processing and removal. The target group for this training are employees from Purchasing, Finance, Sales and Management.

**GRI 206-1: Legal actions for anti-competitive behavior, anti-trust, and monopoly practices ✓**

There was no case involving anti-competitive behavior at Symrise in 2021.

**GRI 207: TAX 2019****GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

Our Code of Conduct ensures that our behavior and our business remain transparent, honest and comprehensible. Transparency and credibility form the basis for Symrise for a reliable and constructive relationship with each other and our external stakeholders. In addition to compliance with national legislation, we thereby clearly recognize the significance of tax payments for an effective and functioning welfare state and see it as our duty as a company of integrity to pay the correct amount of taxes required by law in every country in which we operate.

The tax function is centrally managed and controlled by Corporate Tax under the direction of the Chief Financial Officer (CFO). The CFO reports regularly to the Audit Committee of the Supervisory Board.

We have internal policies, processes and compliance programs in place to ensure that we act consistently in all areas of our company and meet our tax obligations.

In the reporting year, we developed a training course on tax reporting based on International Financial Reporting Standards (IFRS) and the sixth amendment to the EU Directive on Administrative Cooperation (DAC 6). This was implemented for the first time with selected employees who are affected by it. In the future, this training will generally take place once a year. Senior executives will receive additional training on transfer prices in the future.

Symrise is committed to efficient tax planning that supports the business and realigns commercial and economic activities. We comply with relevant tax law and seek to minimize the risk of uncertainty or dispute. We conduct transactions within Symrise according to market conditions and in accordance with applicable OECD principles.

Tax incentives and exemptions are sometimes granted by governments and tax authorities to support investment, employment and economic development. Where available, we apply them as intended.

The overall objective of the tax policy of Symrise is to comply with the rules and regulations in the tax jurisdictions in which Symrise operates. In addition, tax risks are to be mitigated in a timely and cost-efficient manner and a sustainably effective tax rate is to be achieved. Therefore, in accordance with our internal tax policy approved by the CFO, we strive to ensure

- that all taxes and fees are paid in accordance with local laws and regulations in the countries in which Symrise operates;
- that Symrise complies with OECD and local transfer pricing rules and guidelines; and
- that tax payments and expenses are optimized in accordance with the corporate strategy.

We pay taxes where we create value, thus contributing to enabling state and municipal investments in infrastructure and the common good. In general, we are planning for a global tax rate of 25–27 % by 2025. In 2021, the effective Group tax rate was 25.4 % (2020: 25.6 %). Our effective tax rate thus is in line with the average tax rate for listed companies in Germany.

Symrise consistently works on improving its tax compliance management system. In 2021, the implementation of DAC 6, accompanied by significantly stricter reporting requirements for cross-border tax arrangements, continued to be highly significant for the European region.

For more information on our approach to taxes, see [Symrise's Approach to Tax](#).

#### **GRI 207-1: Approach to tax ✓**

For the description of our tax concept, which also describes the internal tax policy, see management approach to [GRI 207](#).

#### **GRI 207-2: Tax governance, control and risk management ✓**

For a description of management and control and its embedment within the organization, see Management approach to [GRI 207](#).

The application of Symrise's risk management system is part of our internal control process. Tax risks are identified, assessed and managed. In doing so, we implement risk management measures, including controls of compliance processes, and continuously monitor their effectiveness. Risks identified as significant are reported to the Auditing Committee. The Symrise legal entities must prepare a report on tax risks at least once a year. These are centrally monitored and assessed.

To ensure that Symrise complies with statutory provisions and that the company's internal instructions for handling taxes are always adhered to, we will hold training courses for employees who work with taxes.

As described in our Code of Conduct, various points of contact exist for our employees who want to voice concerns about ethical and legal behavior or those related to integrity, including taxes. For example, our employees can anonymously and confidentially contact the relevant Compliance Officer at their location, or they can use our Integrity Hotline (for more on the complaints mechanism, see [GRI 102-17](#)). External informants who wish to report violations of our Code of Conduct by a Symrise employee or our business partners do not have to fear reprisals. Rather, we actively encourage dialogue. They can contact the police, the public prosecutor's office, the media and the relevant supervisory authorities or write to the Executive Board, the Supervisory Board of Symrise or the Compliance Officer Corporate Sustainability.

We do not provide tax information to any person or institution other than tax authorities. All legally required information on income taxes is provided in our Group management report and consolidated financial statements (see [management report p. 54](#), [consolidated financial statements p. 96](#) as well as the [independent auditor's report p. 158](#)).

**GRI 207-3: Stakeholder engagement and management of concerns related to tax ✓**

We strive to maintain open, positive relationships with governments and tax authorities around the world, and we welcome constructive debate on tax policy. We monitor government debate on tax policy in our key laws to proactively respond to potential future changes in tax law.

**GRI 207-4: Country-by-Country-Reporting ✓**

A detailed presentation of country-by-country reporting is omitted, as disclosure of this data would reveal information relevant to competition. All legally required information on income taxes is provided in our Group management report and consolidated financial statements (see [management report p. 54](#), [consolidated financial statements p. 96](#), and [independent auditor's report p. 158](#)).

## GRI 300: Environment

### GRI 301: MATERIALS 2016

#### **GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

We consider the impact of our activities on the environment across the entire value chain: This ranges from sourcing and processing of raw materials to product development, production and logistics, as well as product use and disposal. For instance, we use natural resources in the form of raw materials and energy sources for our manufacturing processes. At the same time, a contamination of air, soil and water may result from our business activities. Within the scope of SDG 12, a global sustainability objective to which we are particularly committed, overarching objectives are formulated in this regard that respect the natural limits of the planet. The significance of “responsible use of raw materials” and “innovative and sustainable product design” for Symrise as well as its relevance and impact on external stakeholders is also reflected in the high to very high rating in our materiality analysis conducted in 2019.

Within our operational environmental management system, we evaluate the upstream stages of our value chain. At every site, a senior manager is responsible for environmental management. Those responsible lead the local environmental committees at the respective sites and regularly report to the CEO. The goal of the environmental management system is to prevent or reduce the impact of the activities, products and services on the environment through a site-specific environmental program that complies with national and local legal regulations and provisions.

Our goal is to conserve resources, consistently avoid or minimize harmful effects on the environment and prevent risks. Our production sites with the greatest potential environmental impacts are either located in countries with strict environmental policies or operate according to an environmental management system that is ISO 14001 certified. In addition, the SEDEX platform or the SMETA 4-pillar requirements are adopted as the minimum standard and its compliance is regularly reviewed by external auditors at most of our production sites (see also Management approach to [GRI 307](#)). The German sites in Holzminden and the Symotion site in Hamburg are certified to the ISO 50001 energy management system.

Since 2020, our goal has been to more consistently avoid waste in the future and maximize recycling in the scope of our [initiative on the use of plastics](#). We aim to recycle more than 95 % of recyclable plastics by 2025, provided local capacities are available. Starting in 2025, 100 % of our packaging materials are to be sustainable. Our goal was to phase out the use of single-use plastics in Germany by the end of 2020 and at all sites before mid-2021, and we have achieved this goal. An interdisciplinary team comprising employees from technical purchasing, packaging engineers and managers from operations and research and development is responsible for implementing the initiative on the use of plastics.

Our goal is to generate more than 15 % of our sales with new product developments that meet sustainability criteria by 2025. In the reporting year, we achieved this goal with 16.7 % (2020: 15.4 %). This is supplemented with the minimal use of products containing genetically modified organisms (GMOs). In the reporting year, the share of these products by sales was 11.2 %. These are products that contain at least one raw material or ingredient for which a GMO statement is available. In the Taste, Nutrition & Health segment in particular, Symrise supplements its product range with resource-friendly and innovative alternatives in line with all regulatory requirements and in compliance with the highest food safety standards.

Our research and development teams continuously work on switching to alternative raw materials and manufacturing processes to improve the sustainability performance of products and counteract availability bottlenecks. This involves applying the principles of green chemistry – especially in our specialized catalysis laboratory – biotechnological processes and digital solutions. Wherever possible, recipes are converted to raw materials from renewable sources. In the reporting year, Symrise introduced its 100 % biobased cosmetic active ingredient Hydrolite® 7 green, which won the BSB Innovation Award. The two CBD-based skin care products Phytoconcentrole® Hemp CBD and SymDStress™ 100 were also on the short list for the award.

The efficient use of raw materials is also the focus of the continuous refinement of our manufacturing processes. For example, we use a recovery process that allows us to completely extract active taste components from the co-products of agricultural value chains and thereby achieve a maximum yield from raw materials while simultaneously conserving energy (see also [GRI 306-2](#)). In doing so, we help processing companies in the food sector increase raw material efficiency – for example, by using co-products from processing cranberries, for which we won a prize at the BSB Environment Award in 2020.

Enhanced efficiency in the value chain not only has a positive impact on our environmental footprint, but also cuts spending. Our Symchronize® initiative is a prime example of this. In collaboration with our customers, we have developed this integrated supply chain management system, which helps to identify fields of action and topics with the potential not only to reduce the consumption of energy, water and resources but also our emissions. Within the framework of our Total Productive Maintenance program, we involve our employees in a targeted manner and learn from their proposals.

We are also focused on more environmentally friendly, sustainable cultivation of raw materials. Our sustainability and agricultural experts work together with external stakeholders from business, science and civil society on various raw material-specific initiatives and programs to improve and implement more sustainable agricultural cultivation methods. This is how we not only ensure high raw material quality and availability, but also contribute to the conservation and regeneration of soils, water resources, biodiversity and ecosystems that are essential for sustainable agriculture. One example is the “Onion Ring” initiated by Symrise, in which we work with farmers, authorities and researchers to optimize the local cultivation of onions and reduce the use of fertilizers and pest control (see Management approach to [GRI 204](#)).

We also contribute our expertise to global multi-stakeholder dialogues and initiatives dedicated to sustainably transforming the agricultural and food system and preserving the natural foundations of life. These include the One Planet Business for Biodiversity Initiative and the Sustainable Agriculture Initiative, in which we work with like-minded key customers to develop, test and put into practice principles, methods and standards for environmentally friendly, resilient and sustainable agriculture. For more information on these and other initiatives, see [GRI 102-12](#).

### **GRI 301-1: Materials used by weight or volume ✓**

To manufacture our products, we use around 10,000 natural raw materials, such as vanilla, citrus fruits, onions, fish, meat or blossoms and plant materials, as well as synthetic raw materials from over 100 countries. Our products consist mainly of value-adding intermediate products, meaning aromatic compounds and active ingredients, as well as carriers such as ethanol. We are purchasing an increasing amount of natural raw materials with certified origins.

#### **Omissions:**

Exact weight or volume disclosures on the materials we use are not published, as we consider this information confidential.

### **GRI 301-2: Recycled input materials used ✓**

We do not use a notable amount of recycled materials in the manufacturing of our products. As part of our [initiative on the use of plastics](#), we have set a goal of recycling more than 95 % of recyclable plastics by 2025, provided local capacities are available.

Our relatively small process losses arise mainly from the extraction and distillation processes, which we reduce via recycling wherever technically possible and economically sensible. For example, we purify the solvents used in various production processes in order to reuse them multiple times.

### **GRI 301-3: Reclaimed products and their packaging materials ✓**

Symrise is aware of, and complies with, all legal regulations for plastic packaging. Although our use of plastic packaging is minimal compared to our production volume, we encourage all our locations to participate in reduction or recycling activities while continuing to maintaining the safety of our products and the environment. We are setting the framework for this with our [initiative on the use of plastics](#) (see Management approach to [GRI 301](#)).

We have implemented several measures to reduce our waste volumes: One is the efficient use of recyclable packaging. Wherever possible, we deliver our products in large containers that we take back, clean and reuse. For small containers, we use disposable packaging for logistical reasons. Symotion GmbH, our logistics services subsidiary, optimizes this packaging continuously in respect to both economic and ecological criteria as well as aspects of product and occupational safety.



**GRI 302: ENERGY 2016****GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

In order to produce our products, both we and our suppliers require a sufficient supply of energy, which is of course connected with greenhouse gas (GHG) emissions. Faced with climate change, we feel obligated to create an increasingly efficient energy supply. This will continue to minimize risks associated with rising energy costs and reduce our GHG emissions. It will also mean that we reduce both climate-related business risks, such as rising energy costs, and reputational risks in light of increasing requirements of our stakeholders. Among all of the stakeholders, the significance of the topic is also underlined by the result of our materiality analysis conducted in 2019 – with the high rating of the topic “climate protection and emissions reduction” for Symrise as well as its relevance and impact on external stakeholders.

That’s why we analyze our energy consumption and GHG emissions not only inside our organization but also along every link in the entire supply chain, including in our own products. To gain a deeper understanding of our energy consumption, an energy audit in accordance with EN 16247 was performed at all European sites of the Scent & Care segments as well as the former Flavor segment and at some of the former Nutrition segment sites. The German sites in Holzminden and the Symotion site in Hamburg are certified to the ISO 50001 energy management system.

Again in 2021, we focused on decoupling our dynamic growth in various divisions from their environmental impacts. We further optimized our energy balance in key areas through additional measures and building upon our energy aspect analysis, while placing a stronger focus on reducing emissions as part of Total Productive Maintenance.

Symrise treats greenhouse gas emissions (Scope 1 and 2) as an important internal control quantity in our company’s sustainability management. We demonstrate our progress regarding resource conservation and emission reduction in a number of ways, one of them being our annual participation in the CDP independent investor initiative.

In the reporting year, Symrise also made an impressive showing across the board in the [CDP](#) (formerly Carbon Disclosure Project) rating: Once again, Symrise achieved the highest award of A in all three categories – climate, water and forest protection. This makes Symrise one of only 14 companies worldwide and the only company in Germany on what is known as the triple A list. The A rating was achieved for the sixth time in the climate category. For our results in the water and forest conservation categories, see Management approaches to [GRI 303](#) and [GRI 304](#) respectively.

We started the CDP Supply Chain Program in 2017 to work with our suppliers on a more sustainable value chain. Our suppliers with the highest risk status on climate, water and forests were again requested to follow the CDP Supply Chain Program in 2021. Strategic suppliers, in particular, are eligible for the program. As we defined significantly more suppliers as strategic in the reporting year, almost twice as many suppliers were invited to participate in the CDP supply chain program compared with the previous year. Given the increase in the number of suppliers considered, the response rate in the climate sector fell from 87 % in the previous year to 58 %. Of the suppliers who participated in the CDP Supply Chain Program, 69 % have set active emissions reduction targets and 88 % have included climate-related issues in their long-term goals. 85 % of participating suppliers reported on their operational GHG emissions. In addition, many suppliers are in turn engaging their own suppliers on climate-related issues: Around 61 % of participating suppliers motivated their own suppliers to set targets. However, there is clear potential for improvement in the use of green electricity: Only around 18 % of the electricity consumed by participating suppliers came from renewable sources and only around 20 % of participants reported renewable energy targets.

As of 2030, Symrise is committed to being climate-positive at all its global production sites based on the Scope 1+2 emissions of the GHG Protocol. Furthermore, we want to increase the eco-efficiency of GHG emissions by more than 60 % by 2025 compared with 2010 – this would mean that we would achieve our Science Based Target set in 2017 five years ahead of schedule. In the reporting year, we were able to increase the eco-efficiency of GHG emissions (Scope 1+2), based on added value, by 11.3 % (2020: 13 %) and thus achieved our interim target for 2021. Between 2016 and 2020, we were able to reduce Scope 3 emissions by 36 %. By 2025, we want to increase the eco-efficiency of Scope 3 emissions by 15 % compared to 2020. In 2021, Symrise developed a new Science Based Target aimed at a maximum global warming of 1.5°C, which meets the highest level of ambition currently possible. The target was approved by the Science Based Targets Initiative in February 2022. Symrise aims to reduce GHG emissions (Scope 1+2) by 80 % by 2028 compared to 2020. Scope 3 emissions from purchased goods and services are to be reduced by 30 % by 2030 compared to 2020.

We achieve our climate goals through various measures: Since 2020, for example, we have demonstrably sourced our global external electricity requirements from renewable sources. Furthermore, we continue to review power purchase agreements (PPAs) and thus promote the energy transition. We continuously increase energy and process efficiency at all production sites and also support high-quality certified climate protection project all over the world.

Through various energy and process efficiency measures, we saved almost 60,000 metric tons of carbon dioxide equivalents in the reporting year: These include our cogeneration plant at the Holzminden site, which reduces our emissions from energy generation by around 20,000 metric tons of carbon dioxide equivalents annually. By expanding our production capacities for synthetic menthol, we avoid emitting around 35,000 metric tons of carbon dioxide equivalents. The reason for the high savings is the carbon footprint of the synthetic variant, which is approximately ten times smaller than of natural menthol. Ongoing measures by our local Total Productive Maintenance teams are continuously also replacing energy-intensive consumer equipment such as motors, ventilation or heating systems, compressed air systems and boilers for the production of steam and cooling with more efficient alternatives. We also consider emissions from logistics and packaging: The subsidiary Symotion in Holzminden, which is responsible for logistics processes, aims to reduce the use of diesel fuel by 2 % per transport unit every year. In the reporting year, we also converted all used packaging materials used by Symrise in Germany to carbon-neutral: The carbon footprint of packaging material amounting to 12,000 metric tons of carbon dioxide equivalents was offset via REDD+ projects in Brazil and Madagascar. We initiated another four projects resulting in a savings of approximately 2,000 metric tons of carbon dioxide equivalents in 2021. Symrise is currently evaluating eight projects aiming at avoiding a total of 50,000 metric tons of carbon dioxide equivalents within two years.

To drive environmental and climate protection forward together with other stakeholders, Symrise is active in numerous initiatives and continuously joins new associations. Symrise is a member of the Alliance for Development and Climate, the RE100 Initiative, the Business Ambition for 1.5°C and the Alliance of CEO Climate Leaders. In the reporting year, Symrise joined The French Business Climate Pledge and the Exponential Roadmap Initiative, among others (for more on these and other initiatives and campaigns, see [GRI 102-12](#)).

With its emission reduction targets and its commitment to numerous initiatives, Symrise takes a pioneer role in climate protection in the flavor and fragrance industry and acts in accordance with the resolutions of the UN climate conferences and the recommendations of the current IPCC (see also [GRI 201-2](#)).

**GRI 302-1: Energy consumption within the organization ✓**

**OVERALL ENERGY CONSUMPTION BY ENERGY SOURCE**

Type of energy	Amount (in TJ)			
	2018	2019	2020	2021
Steam	176	241	273	303
Gas	3,179	3,292	4,876	4,683
Fuel	1,272	1,242	1,019	1,046
Electricity	786	819	1,053	1,144
Share of nuclear	105	108	0	0
Share of renewables	96	94	1,053	1,144
Share of nonrenewables	584	616	0	0
Other energy sources (e.g. biogas)	0	0	0	30
<b>Total</b>	<b>5,413</b>	<b>5,590</b>	<b>7,221</b>	<b>7,205</b>

**GRI 302-2: Energy consumption outside of the organization ✓**

Energy consumption outside of Symrise, mainly meaning significant up/downstream activities in connection with our business activities, is not separately disclosed in these figures. Instead, greenhouse emissions are considered authoritative for this because Symrise uses these as control quantities (see [GRI 305-3](#)).

**GRI 302-3: Energy intensity ✓**

The energy consumption per € million added value within the organization amounted to 5.1 TJ in 2021 (2020: 5.5 TJ). The measures introduced to increase energy and process efficiency have been successful.

**GRI 302-4: Reduction of energy consumption ✓**

In 2021, energy consumption per € million of added value decreased by 7.3 % compared to the previous year (2020: +20.4 %). The measures introduced to increase energy and process efficiency have been successful.

**GRI 302-5: Reductions in energy requirements of products and services ✓**

Innovation is a key driver of sustainability at Symrise. In 2012, we introduced a process for recording, assessing and managing our sustainability performance in product development. Using specific indicators based on the concept of Planetary Boundaries, we assess how our products and projects contribute to sustainability. The systematic application of our green chemistry approach is a central component for efficient processes and environmentally friendly products. We are constantly refining our existing products while also concentrating on process redesigns and complete overhauls incorporating green chemistry and innovative technologies. For instance, part of our integrated approach to environmental protection can be found in our catalysis laboratory where we optimize existing chemical processes in a targeted manner using innovative catalysis methods (for more on our product innovations, see Management approach to [GRI 301](#)). Changes to the product mix can also have a negative impact on the energy balance, because in some cases we have to use substances such as menthol or hydrolites that are manufactured using very high levels of energy. Nevertheless, in individual cases this can be the more climate-friendly option: For example, the greenhouse gas (GHG) emissions of our synthetic menthol are ten times lower than those of natural menthol.

In addition, with our Product Sustainability Scorecard we devised a new assessment system that enables us to identify each product's specific impact on sustainability based on ten criteria, for example, in terms of energy consumption, GHG emissions or water usage. All steps are evaluated along the supply chain including the sourcing of raw materials. This allows us and our customers to steer product development with even greater precision and optimize the end product sustainably. Currently, we cover over 85 % of our global product volume this way, which allows us to compare the respective sustainability impact for over 1,250 base materials and approximately 2,000 raw materials. Our analysis and measurement methods were validated by an external assurance process and have been patented.

We are also continuously working in other areas on further optimizing our products' sustainability performance. For instance, a key focus for developing improved flavor solutions is optimizing existing products based on agriculture and aquaculture. At the same time, we are successfully working on integrating suitable byproducts from agricultural and aquaculture production or food production, thereby increasing added value. Here, biotechnological approaches and new physical separation technologies are also being tested. Typical examples include already existing products made from onions, for which the entire process chain has been reevaluated – from the choice of onion type to the agricultural cultivation to processing and waste reduction. Here, Symrise is working in partnership with public research institutes and highly specialized partner companies. This eliminates co-products, increases raw material efficiency and reduces the environmental footprint of our products (see also [GRI 306-2](#)).

**GRI 303: WATER AND EFFLUENTS 2018****GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

The precious resource of freshwater is already in short supply in some regions of the world – but the problem will become much more severe in the coming decades. This is a topic we've analyzed as having a high social value for materiality in 2019. The physical availability of water as it relates to our supply chain is important, and acting responsibly toward the water is bound together with growing regulations and the significance of our company's reputation.

Symrise does not currently operate any sites that use a significant amount of water in areas with limited water. Still, we do everything in our power to use water as efficiently as possible and continuously reduce our production of wastewater (see also our Water Use Strategy, [GRI 303-1](#)).

To ensure the water supply for our production, we assess the supply of fresh water at all Symrise sites. This involves determining the water catchment areas, identifying water-related hazards and risks and assessing their probability of occurrence and possible consequences for our business activities. If necessary, risk mitigation measures are taken: For example, our production at the Chennai site in India is exposed to the risk of water scarcity. In order to mitigate this risk and not put undue pressure on the water table, Symrise sources part of the water it needs from surrounding regions where there is no water stress. In addition, Symrise in India operates its own wells and rainwater systems.

Our Total Productive Maintenance (TPM) teams continuously optimize processes at all sites – also relating to water consumption. In the process, it was determined that the majority of our water consumption is attributable to cooling towers, boiler houses and the generation of vacuum with water liquid ring pumps. By contrast, consumption of process water is comparatively low. To reduce our water consumption, we use alternative and innovative processes in distillation processes, for example, to generate vacuum without the use of water. Our TPM teams also identify leaks and take action to repair them.

Our commitment is also recognized by the CDP (formerly Carbon Disclosure Project) rating: We again achieved the highest rating of A in the water protection category and thus a place on the prestigious A list. For more information on the Water category, see the [CDP website](#) on the topic as well as the current [CDP results](#) of Symrise in this category. For more information on our CDP rating performance in the climate and forest conservation categories, see [GRI 102-11](#), [GRI 304](#) and [GRI 305](#).

To ensure that we're able to identify and actively manage potential water risks early on, we also systematically assess our supply chain and maintain regular contact with our suppliers. This is why in 2017 we began working with the CDP Supply Chain Program. Our suppliers with the highest risk status on climate, water and forests were again requested to follow the CDP Supply Chain Program in 2021. Strategic suppliers, in particular, are eligible for the program. As we defined significantly more suppliers as strategic in the reporting year, almost twice as many suppliers were invited to participate in the CDP supply chain program compared with the previous year. Despite the increase in the number of suppliers considered, the response rate for water increased slightly from 54 % in the previous year to 56 %. Of the suppliers who participated in the CDP Supply Chain Program, 63 % have set water-based goals. 70 % of participating suppliers reported integrating water into their strategy and long-term business objectives, and 80 % of suppliers reported information from their water footprint.

With our Product Sustainability Scorecard we devised a new assessment system that enables us to identify each product's specific impact on sustainability based on ten criteria, also in terms of water usage. All steps are evaluated along the supply chain including the sourcing of raw materials. This allows us and our customers to steer product development with even greater precision and optimize the end product sustainably. Currently, we cover over 85 % of our global product volume this way, which allows us to compare the respective sustainability impact for over 1,250 base materials and approximately 2,000 raw materials. Our analysis and measurement methods were validated by an external assurance process and have been patented.

The total amount of water recycled and reused by Symrise in 2021 is not worth mentioning.

### **GRI 303-1: Interactions with water as a shared resource ✓**

We are aware that water is a scarce resource in many regions and that this situation will intensify more drastically in the future, for example, in Mexico, parts of South Africa or on the Indian subcontinent. In these countries first and foremost, we will make sure that our water consumption and our wastewater do not harm this valuable resource.

We are not aware of any material impact on water quality or water availability resulting from water withdrawal or the disposal of wastewater at other production facilities around the world.

As a member of the World Business Council for Sustainable Development, Symrise supports the CEO Water Mandate to promote the protection and sustainable use of freshwater bodies and resources in our direct business activities along our value chains.

According to our [water use strategy](#), Symrise is committed to the following:

- Ensuring compliance with water-related legislation and voluntary standards in the countries in which we are active.
- Sustainable use of fresh water resources considering the regeneration rates of local water bodies and sources
- Regular analysis, monitoring, control and sustainable management of water quality and the number of output and input.
- Raising awareness among our customers, suppliers and other interest groups about the critical importance of water for sustainable development and company success
- Integration of water-related performance criteria into our supplier screening
- Informing customers about the water output of the compounds and ingredients they buy from Symrise
- Promoting collaboration between multiple interest groups in the area of water management
- Performing regular water risk assessments of our operations and value chains
- Improving water efficiency at all production locations in areas with high water stress in line with local water availability for human and environmental needs
- Fully functional WASH services for every employee and visitor of our company

- Promote sustainable innovation along our value chains that contribute to the conservation of freshwater resources and the protection of water quality and the aquatic environment

Accordingly, we have set the following goal for ourselves for 2025:

- Increase the efficiency of water consumption at all production sites in arid regions by 15 % compared to the 2018 base year.

In the reporting year, we saw no gradual progress toward this target since water consumption at all sites in countries suffering from water stress increased by 7.2 % (2020: 3.1 %). However, production volume increased by 13.7 % in the same period. In 2018 and 2019, we performed a global water risk screening and found no significant changes between the two years. Since water stress is primarily dependent on geographical location, as well as sociopolitical influences, a site-specific approach makes sense. We therefore began assessing all Symrise sites in 2020 using a risk matrix. The sites with water risks that have already been identified must define water-saving targets and programs and initiate specific implementation measures that are regularly evaluated. This is how they contribute to the achievement of our reduction goals.

For example, one of our production sites is located in Egypt, a country severely affected by water scarcity. There, numerous experiments have enabled us to optimize the production process for hibiscus extract in such a way that 30,000 liters of fresh water per day will be saved in the future. As a positive side effect, we could also increase the extraction rate by up to 18 % and save energy, as less water needs to be heated in the process.

### GRI 303-2: Management of water discharge-related impacts ✓

Since 2010, we have been aiming to continuously reduce the chemical oxygen demand (CSB) in our wastewater. By 2025, we want to increase in the efficiency of the chemical oxygen demand in wastewater by 4 % annually or by a total of 60 % compared to the base year 2010. In the year under review we were able to achieve an efficiency increase by 34.8 %.

We measure COD at every site worldwide. Each site follows the local limits of their respective country and measures COD around the clock. At our site in Holzminden, the authorities also administer unannounced spot tests, supplementing our measurements, to ensure that there is never any violation of the Waste Water Ordinance (AbwV). Tests are also conducted by authorities in other countries. We are not aware of any significant violations.

### GRI 303-3: Water withdrawal ✓

#### TOTAL WATER WITHDRAWAL BY SOURCE

Source	Quantity (in 1,000 m³)			
	2018	2019	2020	2021
Surface water	761	871	849	835
Municipal water	1,689	1,635	2,697	2,810
Groundwater	2,880	2,453	2,871	2,736
Other	15	12	41	143
<b>Total</b>	<b>5,345</b>	<b>4,947</b>	<b>6,458</b>	<b>6,524</b>

### GRI 303-4: Water discharge ✓

#### WATER DISCHARGE\* BY DESTINATION

Water discharge by destination	Quantity (in 1,000 m³)			
	2018	2019	2020	2021
Surface water	3,372	3,501	4,517	4,276
Groundwater	0	0	0	0
Seawater	0	0	0	0
<b>Total</b>	<b>3,372</b>	<b>3,501</b>	<b>4,517</b>	<b>4,276</b>

\* The difference between water removal and consumption results from the distillation processes and other emissions in the atmosphere.

**WATER DISCHARGE BY QUALITY**

Water discharge by quality	Quantity (in 1,000 m³)		
	2019	2020	2021
Freshwater in all areas	3,501	4,517	4,276
of which in areas with water stress	320	158	99
Other water in all areas	0	0	0
of which in areas with water stress	0	0	0
<b>Total</b>	<b>3,501</b>	<b>4,517</b>	<b>4,276</b>

We measure important substances of concern based on the chemical oxygen demand in water (see [GRI 303-2](#)). The identification of areas with water stress occurred as part of the annual risk analysis. This currently affects our sites in Mexico, India and Egypt. The classification of areas with water stress is based on the Verisk Maplecroft risk assessment and will be supplemented in 2022, and accordingly updated, with a risk assessment and scenario analysis based on the WWF Water Risk filter.

**GRI 303-5: Water consumption ✓**

**WATER CONSUMPTION**

Water consumption	Quantity (in 1,000 m³)		
	2019	2020	2021
Water consumption in all areas	4,947	6,459	6,524
of which water consumption in areas with water stress	398	216	232

The identification of areas with water stress occurred as part of the annual risk analysis. This currently affects our sites in Mexico, India and Egypt. The classification of areas with water stress is based on the Verisk Maplecroft risk assessment and will be supplemented in 2022, and accordingly updated, with a risk assessment and scenario analysis based on the WWF Water Risk filter.

**GRI 304: BIODIVERSITY 2016**

**GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

For Symrise, global biodiversity is not only a source of raw materials, but also an invaluable source of inspiration and innovation for the development of unique flavors, fragrances and cosmetic or functional ingredients. Among all the stakeholders, the significance of the topic “biodiversity protection” is also underlined in our materiality analysis. However, the global and local impact of human activities has led to a sustained worldwide reduction in biological diversity. The potential effects of this are systematically analyzed and evaluated as part of our sustainability management. The material impact of our business activities on biodiversity is usually indirect and occurs in the supply chain – particularly during raw materials production. This potentially includes overexploitation of wildlife populations or unsustainable extraction practices in agriculture, forestry, fisheries and aquaculture. Impacts from our own production sites, for example, occur through sealing the soil or emitting pollutants into the air or soil, which we monitor as part of our operational environmental and site management.

Depending on the specific topic, biodiversity is managed and addressed at Symrise partly at the corporate level and partly at the division level in conjunction with Corporate Sustainability. The Chief Executive Officer is directly briefed on biodiversity several times per year. As core goals of the UN Convention on Biodiversity, the preservation and sustainable use of biodiversity and fair distribution of advantages from the use of genetic resources are essential components of our sustainability agenda and our environmental and sustainability management. Our [forest cultivation strategy](#) and our [land use policy](#) provides us with a framework of action. By signing the “Business and Biodiversity Pledge” of the UN Convention on Biodiversity, we have committed ourselves to acting sustainably in accordance with the core goals of the Convention.

In the implementation of our biodiversity goals, we work closely with skilled external stakeholders, such as the Biodiversity in Good Company Initiative or the Union for Ethical Biotrade. Furthermore, we are involved with other member companies of the World Business Council for Sustainable Development (WBCSD) in multi-stakeholder forums, such as the One Planet Business for Biodiversity Initiative. Symrise is also a member of the Initiative Nature Action of WBCSD: The project supports the development of science-based targets for nature conservation (SBT for Nature), provides assistance for nature-based solutions and demonstrates business leadership to decision makers at nature and climate events. The goal of all these measures is to stop biodiversity loss and to make only positive contributions to the full recovery of the natural environment from 2030 – in other words, to operate “Nature net positive” (for more information on these and other initiatives see [GRI 102-12](#)).

The most important lever of our company for protecting biodiversity and encouraging its sustainable use is environmental and ethically sustainable cultivation and sourcing practices. Symrise assesses the degree of biodiversity and ecological stress factors in the countries where our raw materials originate. We also assess the degree to which those species from which we derive our strategic raw materials could be endangered. Due to our stable customer and product portfolios, there are only a few raw materials being used in small volumes that are obtained from threatened species in accordance with the Washington Convention on International Trade in Endangered Species (CITES). Via corresponding sustainability verifications, strict use controls, efficient production processes and the development of suitable raw material alternatives, we concentrate on preventing or minimizing any negative biodiversity impact, and we ensure a sustainable use of these species. Symrise cannot directly monitor changes in species' populations within ecosystems that our suppliers deem relevant for generating raw materials. Our suppliers are enjoined to consistently avoid or minimize any potential negative impacts on biodiversity.

We make effective contributions to biodiversity-friendly supply chains through the targeted application of sustainability standards and certifications that explicitly account for the preservation and sustainable use of biodiversity (e.g., the Rainforest Alliance, Sustainable Agriculture Initiative Farm Sustainability Assessment, UEBT Ethical Biotrade, etc.).

In addition, with our Product Sustainability Scorecard we devised a new assessment system that enables us to identify each product's specific impact on sustainability based on ten criteria, also with regard to biodiversity and land use (including deforestation, changed use, agricultural methods). All steps are evaluated along the supply chain including the sourcing of raw materials. This allows us and our customers to steer product development with even greater precision and optimize the end product sustainably. Currently, we cover over 85 % of our global product volume this way, which allows us to compare the respective sustainability impact for over 1,250 base materials and approximately 2,000 raw materials. Our analysis and measurement methods were validated by an external assurance process and have been patented.

As part of our targeted intervention projects, such as in the Amazon region or in Madagascar, we have striven to preserve biodiversity for several years, for example, through forest conservation projects or the introduction of sustainable cultivation methods for biobased raw materials from agriculture and forestry. In Brazil, for example, we support a forest conservation project in the Amazon region as part of REDD+. The project monitors the conservation of the rich biodiversity with over 150 endangered plant and animal species, implements measures to reduce deforestation risks and supports local communities.

In the reporting year, Symrise also made an impressive showing across the board in the CDP (formerly Carbon Disclosure Project) rating: For the second time, Symrise achieved the highest award of A in all three categories – climate, water and forest protection. This makes Symrise one of only 14 companies worldwide and the only company in Germany on what is known as the triple A list.

We started the CDP Supply Chain Program in 2017 to work with our suppliers on a more sustainable value chain. Our suppliers with the highest risk status on climate, water and forests were again requested to follow the CDP Supply Chain Program in 2021. In the Forest category of the CDP Supply Chain program, Symrise recorded a response rate of 60 % in the reporting year compared with 48 % in the previous year. In turn, 60 % of participating suppliers reported pursuing goals related to deforestation issues and conducting deforestation risk assessments. For more information on the Forests category, see the [CDP website](#) on the topic as well as the current [CDP results](#) of Symrise in this category. For more information on the CDP Supply Chain program, please see [GRI 102-11](#) and the Management approaches [GRI 302](#), [GRI 303](#) and [GRI 305](#).



**GRI 304-1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas ✓**

Six Symrise sites are located in or adjacent to protected areas: These include our development center in Cotia, Brazil, as well as our plant in Vohemar, Madagascar. The first borders directly on the Atlantic rainforest, Mata Atlântica. Due to its extraordinarily high biodiversity level, the area is considered one of the most important biodiversity hot spots in the world. This also applies to Madagascar, though the Symrise site in the Sava region is not located in a protected area. Our plants in Antrain in France (formerly Diana Food) and Beresfield in Australia (formerly Diana Pet Food) as well as our plants in Anniston, Springfield and Spencer (both formerly ADF/IDF – USA) are also located near protected areas. Following a detailed analysis of all relevant environmental aspects, there were no indications that our operating activities at the sites in question would have any adverse impact on neighboring protected areas.

**GRI 304-2: Significant impacts of activities, products, and services on biodiversity ✓**

Direct negative impact on biodiversity can arise from the activities of Symrise AG only at our production locations, for example, through sealing the soil or emitting pollutants into the air and water. However, we consistently monitor and avoid or minimize emissions as part of our environmental and energy management.

Nonetheless, our core business's biggest risk of having material impact on biodiversity is an indirect one, mostly occurring in the supply chain – particularly through our suppliers' generation of raw materials. This potentially includes instances where our suppliers deplete natural populations or terrestrial, forest and marine ecosystems through unsustainable cultivation methods for soil, forests or aquacultures. In accordance with our sourcing guidelines, our suppliers are enjoined to consistently avoid or minimize any potential negative impacts on biodiversity.

Owing to the complexity of the flow of biologically based material, Symrise is unable to monitor changes to biodiversity at a species level. As part of our sustainability management, we continuously assess the degree of biodiversity and ecological stress factors in the countries where our raw materials originate. We also assess the degree to which those species that contribute to our strategic raw materials could be endangered to find indications of possible biodiversity risks in our supply chains.

**GRI 304-3: Habitats protected or restored ✓**

The most important lever of our company for protecting biodiversity and encouraging its sustainable use is environmental and ethically sustainable cultivation and sourcing practices. Wherever possible, we use our influence to support the sustainable cultivation of our biological raw materials, within local ecological boundaries. As part of our targeted intervention projects, for example, in the Amazon region or on Madagascar, we are committed to preserving biodiversity directly, for example, through forest protection projects or the implementation of sustainable cultivation methods, such as with vanilla.

**GRI 304-4: IUCN Red List species and national conservation list species with habitats in areas affected by operations ✓**

There are only a very few raw materials being used by Symrise AG, in minimal quantities, that are obtained from threatened species in accordance with the Washington Convention on International Trade in Endangered Species (CITES). Through corresponding sustainability verifications, strict use controls, efficient production processes and, last but not least, the development of suitable raw material alternatives, we concentrate on avoiding or minimizing negative biodiversity impacts on endangered species and natural populations.

Symrise cannot directly monitor changes in individual species or the ecological condition of those ecosystems that our suppliers deem relevant for generating raw materials.



**GRI 305: EMISSIONS 2016****GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

Like other manufacturing companies, Symrise causes direct and indirect greenhouse gas (GHG) emissions that cause the earth's average temperature to rise. This has far-reaching consequences for humans and nature: areas that are being desertified, an increase in floods and resulting famines and refugee movements. For Symrise, climate change is leading to rising energy and raw material prices as well as climate-related costs, for example, through emissions trading. Reputational damage could also result in the loss of business and a drop in our share price. Climate change simultaneously offers opportunities, for example, through the increased use of efficient technologies that also result in cost savings. Given the urgency of the climate dilemma, SDG 13 requires prompt measures for climate protection. Among all of the stakeholders, the significance of the topic is also underlined by the result of our materiality analysis conducted in 2019 – with the high rating of the topic “climate protection and emissions reduction” for Symrise as well as its relevance and impact on external stakeholders.

Corporate Sustainability, supported by the Sustainability Board, is responsible for the topic of emissions reduction. The Sustainability Board meets several times per year to discuss, assess and report on climate-related data and developments. The goals and programs are determined by the Sustainability Board and finally approved by the CEO.

The Risk Management department assesses company-specific risks and rewards related to climate change at least once a year and reports the findings to the Executive Board (see also [GRI 102-15](#) and [TCFD-Index](#)).

The reduction of climate-damaging emissions is part of our environmental strategy and our environmental management. We demonstrate our progress regarding emission reduction in a number of ways, including annual participation in the CDP independent investor initiative.

In the reporting year, Symrise also made an impressive showing across the board in the [CDP](#) (formerly Carbon Disclosure Project) rating: Once again, Symrise achieved the highest award of A in all three categories – climate, water and forest protection. This makes Symrise one of only 14 companies worldwide and the only company in Germany on what is known as the triple A list. The A rating was achieved for the sixth time in the climate category.

For our results in the water and forest conservation categories, see Management approaches to [GRI 303](#) and [GRI 304](#) respectively.

We started the CDP Supply Chain Program in 2017 to work with our suppliers on a more sustainable value chain. Our suppliers with the highest risk status on climate, water and forests were again requested to follow the CDP Supply Chain Program in 2021. Strategic suppliers, in particular, are eligible for the program. As significantly more suppliers were defined as strategic in the reporting year, almost twice as many suppliers were invited to participate in the CDP supply chain program compared with the previous year. Given the increase in the number of suppliers considered, the response rate in the climate sector fell from 87 % in the previous year to 58 %. Of the suppliers who participated in the CDP Supply Chain Program, 69 % have set active emissions reduction targets and 88 % have included climate-related issues in their long-term goals. 85 % of the participating suppliers are reporting operational GHG emissions. In addition, many suppliers are in turn engaging their own suppliers on climate-related issues: around 61 % of participating suppliers motivated their own suppliers to set goals. However, there is clear potential for improvement in the use of green electricity: Only around 18 % of the electricity consumed by participating suppliers came from renewable sources and only around 20 % of participants reported renewable energy targets.

Symrise compiles the greenhouse gas emissions of its operating activities according to the internationally recognized Greenhouse Gas (GHG) Protocol Corporate Standard. We report on them according to direct emissions (Scope 1), energy-indirect emissions (Scope 2) and other indirect emissions (Scope 3).

As of 2030, Symrise is committed to being climate-positive at all its global production sites based on the Scope 1+2 emissions of the GHG Protocol. Furthermore, we want to increase the eco-efficiency of GHG emissions by more than 60 % by 2025 compared with 2010 – this would mean that we would achieve our Science Based Target set in 2017 five years ahead of schedule. In the reporting year, we were able to increase the eco-efficiency of GHG emissions (Scope 1+2), based on added value, by 11.3 % (2020: 13 %) and thus achieved our interim target for 2021. Between 2016 and 2020, we were able to reduce Scope 3 emissions by 36 %. By 2025, we want to increase the eco-efficiency of Scope 3 emissions by 15 % compared to 2020. In 2021, Symrise developed a new Science Based Target aimed at a maximum global warming of 1.5°C, which meets the highest level of ambition currently possible. The target was approved by the Science Based Targets Initiative in February 2022. Symrise aims to reduce GHG emissions (Scope 1+2) by 80 % by 2028 compared to 2020. Scope 3 emissions from purchased goods and services are to be reduced by 30 % by 2030 compared to 2020.

We achieve our climate goals through various measures: Since 2020, for example, we have demonstrably sourced our global external electricity requirements from renewable sources. Furthermore, we continue to review power purchase agreements (PPAs) and thus promote the energy transition. We continuously increase energy and process efficiency at all production sites and also support high-quality certified climate protection project all over the world.

Through various energy and process efficiency measures, we saved almost 60,000 metric tons of carbon dioxide equivalents in the reporting year: These include our cogeneration plant at the Holzminden site, which reduces our emissions from energy generation by around 20,000 metric tons of carbon dioxide equivalents annually. By expanding our production capacities for synthetic menthol, we avoid emitting around 35,000 metric tons of carbon dioxide equivalents. The reason for the high savings is the carbon footprint of the synthetic variant, which is approximately ten times smaller than of natural menthol. Ongoing measures by our local Total Productive Maintenance teams are continuously also replacing energy-intensive consumer equipment such as motors, ventilation or heating systems, compressed air systems and boilers for the production of steam and cooling with more efficient alternatives. We also consider emissions from logistics and packaging: The subsidiary Symotion in Holzminden, which is responsible for logistics processes, aims to reduce the use of diesel fuel by 2 % per transport unit every year. In the reporting year, we also converted all used packaging materials used by Symrise in Germany to carbon-neutral: The carbon footprint of packaging material amounting to 12,000 metric tons of carbon dioxide equivalents was offset via REDD+ projects in Brazil and Madagascar. We initiated another four projects resulting in a savings of approximately 37,000 metric tons of carbon dioxide equivalents in 2021. Symrise is currently evaluating eight projects aiming at avoiding a total of 50,000 metric tons of carbon dioxide equivalents within two years. In Germany, we also completely compensated for the gas used for the operation of the cogeneration plant by purchasing certified emission reduction certificates and thus support high-grade climate protection projects worldwide.

In the reporting year, for example, we co-financed a REDD+ project in Madagascar that protects forest areas particularly worthy of protection from slash-and-burn and combats poverty among the local population. Annually, the project thus reduces emissions by around one million metric tons of CO<sub>2</sub> equivalents. In Brazil, our certificates support a forest conservation project in the Amazon region as part of REDD+. The project monitors the conservation of the rich biodiversity with over 150 endangered plant and animal species, implements measures to reduce deforestation risks and supports local communities. Annually, the project prevents emissions of approximately 115,000 metric tons of carbon dioxide equivalents.

To better understand where greenhouse gas emissions occur in the upstream chain and in the production of individual products, Symrise calculated product carbon footprints for onion powder and chicken powder in the reporting year. The analysis was performed in accordance with ISO standard 14067:2018 and the standards of the GHG Protocol. All activities from the production of raw materials to the finished product were considered. The analysis shows: To produce one kilogram of onion powder, around 1.70 kg of carbon dioxide equivalents are emitted – for chicken powder, the figure is around 7.75 kg of carbon dioxide equivalents. In both cases, the production of the raw materials and refrigeration caused the majority of the emissions. Symrise intends to examine which measures can be used to reduce greenhouse gas emissions in its business operations in the future.

To drive environmental and climate protection forward together with other stakeholders, Symrise is active in numerous initiatives and continuously joins new associations. Symrise is a member of the Alliance for Development and Climate, the RE100 Initiative, the Business Ambition for 1.5°C and the Alliance of CEO Climate Leaders. In the reporting year, Symrise joined The French Business Climate Pledge and the Exponential Roadmap Initiative, among others (for more on these and other initiatives and campaigns, see [GRI 102-12](#)).

With its emission reduction targets and its commitment to numerous initiatives, Symrise takes a pioneer role in climate protection in the flavor and fragrance industry and acts in accordance with the resolutions of the UN climate conferences and the recommendations of the current IPCC (see also [GRI 201-2](#)).

**GRI 305-1: Direct (Scope 1) GHG emissions ✓**

**SCOPE 1 EMISSIONS**

Category	Amount (in t)			
	2018	2019	2020	2021
Greenhouse gas emissions Scope 1	217,828	214,050	299,119	285,332

Our production sites use hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs) only in the form of refrigerants in refrigeration systems; these do not come into contact with our raw materials and products at any time. The coolants are filled by specialist companies for new systems and refilled during repairs. Symrise checks the use of alternative coolants when building new refrigerations systems and selects the appropriate coolant, considering ecological, health and economic aspects. To keep the ecological impact of the refrigeration plants small and to act cost-efficiently, Symrise uses existing functioning and leak-proof refrigeration plants until the end of their life. In fiscal year 2022, Symrise plans to record the amount of HFCs and PFCs used and report the associated greenhouse gas emissions in the sustainability balance sheet.

**GRI 305-2: Energy indirect (Scope 2) GHG emissions ✓**

**SCOPE 2 EMISSIONS**

Category	Amount (in t)			
	2018	2019	2020	2021
Greenhouse gas emissions Scope 2	100,066	107,591	1,360*	2,327*

\* The significant decrease in 2020 and 2021 compared to the previous years can be explained by the fact that Symrise has demonstrably sourced its global external electricity from renewable sources. The remaining Scope 2 emissions are attributable to purchased steam generation.

**GRI 305-3: Other indirect (Scope 3) GHG emissions ✓**

**SCOPE 3 EMISSIONS**

Category	Amount (in t)			
	2018	2019	2020	2021
Greenhouse gas emissions Scope 3	2,120,475	3,368,704	1,747,178*	1,676,583*

\* The carbon footprint of the Pet Food division (formerly Diana Pet Food) raw material portfolio was reassessed in 2020 using the Product Environmental Footprint (PEF) economic allocation method to consider the recycling of co-products from the meat industry as part of the circular economy. This results in significantly lower Scope 3 greenhouse gas emissions compared to previous years. This is because Symrise previously assessed its entire raw materials portfolio, including co-products, using the physical (volume-based) allocation approach. In the future, we will extend the use of the economic allocation method to other byproducts within our portfolio to fully reflect our corporate contribution to a resource-efficient economy.

Scope 3 Categories	Share			
	2018	2019	2020*	2021*
Transport sales	0.4 %	0.6 %	2.4 %	2.7 %
Transport sales via air	5 %	3.5 %	0.9 %	0.8 %
Transport supplier	0.3 %	0.8 %	2.7 %	3.5 %
Business travel (train, plane, car)	0.4 %	0.9 %	0.1 %	0.1 %
Commuting	0.5 %	0.4 %	0.7 %	0.8 %
External waste disposal	2 %	1.4 %	1.4 %	1.2 %
Raw materials	91 %	92.5 %	91.9 %	91.0 %

Small differences in the totals may be present due to rounding.

\* The changes from 2020 and 2021 to previous years in the areas of transportation and business trips are primarily due to the impact of the coronavirus pandemic and, as a result, deviating travel and transportation routes.

**GRI 305-4: GHG emissions intensity ✓**

The intensity of greenhouse gas emissions (Scope 1+2) per € million value added totaled 203.4 tons in 2021 (2020: 229.3 tons).

**GRI 305-5: Reduction of GHG emissions ✓**

In 2021, the eco-efficiency of greenhouse gas emissions (Scope 1+2) per million euros of added value increased by 11.3 % compared to the previous year (2020: 13 %).

### GRI 305-6: Emissions of ozone-depleting substances (ODS) ✓

Since 2013, we have analyzed our product portfolio and production processes for the use and development of ozone-depleting substances (ODS). The analysis showed that we do not produce any material ODS emissions.

### GRI 305-7: Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions ✓

Carbon dioxide accounts for the majority of our emissions. Other greenhouse gases, such as nitrogen oxide, sulfur oxide, ammonium, methane and volatile organic compounds (VOCs), are emitted only in limited, immaterial quantities from the production of our products.

VOC < 500 t/year

CH<sub>4</sub> ca. 48 t/year

NO<sub>x</sub> ca. 2.8 t/year

## GRI 306: WASTE 2020

### GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓

The impact of our activities on the environment ranges from raw material procurement and processing to product development, production and logistics. On the one hand, we use natural resources in the form of raw materials and energy sources for our manufacturing processes. On the other hand, the contamination of air, soil and water may result from our business activities. In the global sustainability objectives, SDG 12 formulates goals for economic practices that respect the natural limits of the planet. The importance of responsible use of raw material, its relevance and impact for Symrise and its external stakeholders is accordingly also reflected in the high rating of the topic in our materiality analysis conducted in 2019.

The [corporate policy](#) of Symrise provides a fundamental direction for dealing with waste: The company prevents waste and replaces hazardous chemicals where technically and economically feasible. Symrise continuously works on reducing the negative impacts on the environment in product development.

Within our environmental management system, we evaluate the entire value chain. Worldwide, a senior manager is responsible for environmental management at each site, including the handling of waste. Those responsible lead the local environmental committees at the respective sites and regularly report to the CEO. The goal of the environmental management system is to avoid or reduce the impact of the activities, products and services on the environment through a site-specific environmental program that complies with national and local legal regulations and provisions. In accordance with our [environmental policy](#), the impact of various environmental aspects, including waste, is identified, assessed, monitored and reported on a quarterly basis. If necessary, measures are taken and their results monitored. In addition, our employees receive regular training in the proper handling of waste. In Germany, all employees received between three and seven hours of training per year, depending on their function. This training also includes waste and environmental-related content in addition to quality and occupational health and safety.

Symrise also joined the 10x20x30 initiative in 2021. Ten of the largest food manufacturers and suppliers are members, which have each partnered with 20 of their key suppliers to reduce food losses in the supply chain by 2030. All participating companies aim to cut food losses and waste in half in their operations by 2030. They also measure and publish their food losses and waste inventories and take steps to reduce waste. For more information on memberships in other initiatives, see [GRI 102-12](#).

Our goal is to conserve resources, consistently avoid or minimize the harmful effects on the environment, and prevent risks. Our production sites with the highest potential environmental impacts are either located in countries with strict environmental regulation and/or have an ISO 14001 certified environmental management system or are based on this environmental standard. Additionally, as a minimum standard, the requirements of SMETA 4 Pillar are met and regularly verified externally. This has been the case at our Symrise Legacy\* production sites since 2010. In the meantime, around 77 %\*\* of the production sites of the former Nutrition segment are also registered on the platform and 68 % are SMETA-certified. The German sites in Holzminden and the Symotion site in Hamburg are certified to the ISO 50001 energy management system. Our Symrise Legacy production sites in the United States are also RC 14001 certified.

For more information on our approach to potentially significant negative impacts from waste, as well as guidelines, goals and measures for waste reduction, see [GRI 306-2](#).

\* Symrise Legacy includes all Symrise plants except for the sites of the former Nutrition segment.

\*\* Some of the missing sites will not be registered separately in the future either, as they represent branches of other sites or only a few employees work there (20 or less).

**GRI 306-1: Waste generation and significant waste-related impacts ✓**

Our business activities – the development, production and distribution of fragrances, flavors, cosmetic as well as functional ingredients – are associated with various waste-related impacts. For example, the supply of intermediate products and raw materials for our production generates various packaging materials, including HDPE and other plastics, aluminum and cardboard. Our R&D laboratories and production facilities generate organic and chemical waste, including hazardous waste, for example in the form of solvents or lubricants. In addition, food waste is generated in our cafeterias, household waste or waste from disposed office materials, among other things. Our products are protected by packaging materials, some of which become waste after consumption but are increasingly recyclable. If residues remain after consumption of our products, these must be disposed of depending on the product characteristics and in accordance with country-specific requirements, if necessary also as hazardous waste. We are not currently aware of any significant waste-related impacts from our business activities or our up/downstream value chain.

However, such impacts could arise if our hazardous waste is not disposed of properly, which is why we follow strict regulations on the handling of hazardous waste. We are also aware of the negative environmental impact of plastic waste and have started a [initiative on the use of plastic](#) to minimize our plastic consumption (see also Management approach to [GRI 306](#) and [GRI 306-2](#)).

**GRI 306-2: Management of significant waste-related impacts ✓**

Symrise complies with all statutory provisions for waste disposal worldwide and only hands over waste to certified companies that can verify with the use of electronic procedures that the waste has been disposed of properly. The contracts Symrise enters into with waste disposal companies are reviewed by authorities and external auditing companies. This is how Symrise prevents significant negative effects that could potentially arise from the incorrect handling of hazardous and non-hazardous waste. Our handling of hazardous waste is also reviewed by external audits as part of our ISO 14001 certification processes. This involves examining standard documents such as operational instructions, policies, processes and results.

Where technically possible and economically viable, we replace hazardous chemicals with environmentally friendly alternatives. We also mitigate other waste-related impacts through various approaches to reduce waste and promote the circular economy. These include, for example, our initiative on the use of plastics, the development of innovative production processes and products, and our Total Productive Maintenance program.

Since 2020, our goal has been to more consistently avoid waste in the future and maximize recycling in the scope of our [initiative on the use of plastics](#). We aim to recycle more than 95 % of recyclable plastics by 2025, provided local capacities are available. Starting in 2025, 100 % of our packaging materials are to be sustainable. Our goal was to phase out the use of single-use plastics in Germany by the end of 2020 and at all sites before mid-2021, and we have achieved this goal. An interdisciplinary team comprising employees from technical purchasing, packaging engineers, and managers from sales and research and development is responsible for implementing the [initiative on the use of plastics](#).

We also aim to increase the efficiency of sensitive waste by 4 % annually by 2025, or by a total of 60 % relative to the base year 2010. In the reporting year, we increased efficiency by 2.2 % (2020: 19.8 %), slightly missing our goal. This was due in particular to the launch of operations at a Chinese site.

A more important approach to reduce or reuse waste is the efficient use of raw materials. This is therefore a central part of the continuous further development of our manufacturing processes, encompassing, for example, the development of our own technological solutions, such as our patented SymTrap process. This procedure allows us to fully extract flavor-active components from the byproducts of raw materials processing – thereby achieving a maximum resource yield that simultaneously saves energy. Although the higher yield of valuable substances is the main focus for us with this technology, the avoidance of production waste is nevertheless a positive side effect.

There is great potential for reducing food waste, especially in the Taste, Nutrition & Health segment. Therefore, the former Nutrition segment has defined two fields of action within its waste reduction strategy. First, in line with the goals of Symrise, the segment is committed to continuously reducing its waste production globally by 4 % annually by 2025 in relation to value added. Second, initiatives for processing byproducts are to be reviewed by the special innovation team in the Taste, Nutrition & Health segment, the Business Incubation Group (BIG). BIG includes what is known as platforms that address various topics and perform projects. One of these is the Side Streams Upcycling Platform. In addition, the Taste, Nutrition & Health segment set food waste reduction goals in the reporting year based on the World Resources Institute (WRI) guidelines and in line with SDG 12.3. The goal is to reduce food waste by 50 % by 2030 compared to the 2016 baseline.

To date, the Naturals business unit (formerly Diana Food) has used its organic waste to make animal feed, cosmetics, compost and biogas. Currently, the business unit and the Side Streams Upcycling Platform are working to further optimize the environmental, social and economic value of the byproducts generated. One result, among others, is that the byproducts generated at our French meat plant have been reduced by 30 % in three years in terms of value added. Currently, another program is focused on cranberry acid sugar, which is produced in our Canadian plant. Health-promoting active ingredients are extracted from the sugar, which are to be used for personal care in the future. The project aims to achieve a 20 % waste reduction in cranberry products from byproducts in terms of value added.

We also support the principles of the circular economy with product innovations and are working, among other things, to continuously reduce the use of non-biodegradable polymers – for example, by reducing the wall thickness of the fragrance capsules by a factor of 10 compared to 2010. We also aim to develop fully biodegradable fragrance capsules, including the use of renewable fragrances. For more information on sustainable product innovations from the reporting year, see Management approach to [GRI 301](#).

Enhanced efficiency not only has negative environmental implications but simultaneously cuts spending while displaying our Symchronize initiative in action. We joined forces with customers to develop this integrated supply chain management system, which serves to identify areas of action and issues with the potential for reducing not just our consumption of energy, water and resources but also our emissions. Within the framework of our Total Productive Maintenance program, we involve our employees in a targeted manner and learn from their proposals.

Our backward integration strategy also enables us to extend our influence on waste-related impacts to originally upstream stages of the value chain. By taking the production of high-volume cosmetic intermediate products from our suppliers, our Scope 1+2 emissions, waste and wastewater volumes increase in the short term – but in the long term we reduce our Scope 3 emissions, reduce our waste volumes through process optimization and ensure proper disposal.

We require that our suppliers comply with sustainability criteria and, if necessary, have them externally audited (see Management approach to [GRI 204](#), [GRI 308](#) and [GRI 308-1](#)).

Symrise is challenged with the fact that waste disposal costs continuously increase due to regulatory requirements and market changes in waste management. In addition, Symrise works with smell-intensive materials such as onions – it is not always possible to remove the smells even if containers are completely emptied, which is why our waste is rejected by some disposal companies. Due to the cost-intensive and limited disposal options, Symrise sends up to 40 % of waste with a high calorific value to a waste incineration plant.

For more information on the collection and monitoring of waste-related data, see Management approach to [GRI 306](#).

**GRI 306-3: Waste generated\* ✓**

**TOTAL WASTE VOLUME: HAZARDOUS AND NON-HAZARDOUS WASTE**

Type	Amount (in t)			
	2018	2019	2020	2021
Hazardous waste	16,163	16,950	14,577	15,393
Non-hazardous waste	19,602	22,880	211,624	266,070*
<b>Total waste volume</b>	<b>35,765</b>	<b>39,830</b>	<b>226,201</b>	<b>281,463**</b>

\* In comparison to the presentation of the Sustainability Record 2019, the wastewater figures can be found under [GRI 303-4](#). The total waste volumes for 2018 and 2019 have been adjusted accordingly in this table.

\*\* The significant increase in waste is due to the even greater increase in production volume at some Pet Food division sites.

**TOTAL WASTE VOLUME BY DISPOSAL METHOD\***

Disposal Method	Amount (in t)							
	2018		2019		2020		2021	
	Total	Total	Total	Onsite	Offsite	Total	Onsite	Offsite
Composting	1,064	2,919	62,079	20 %	80 %	152,181**	20 %	80 %
Incineration	13,287	15,158	17,019	10 %	90 %	14,004	10 %	90 %
Recycling	6,074	7,716	18,552	10 %	90 %	19,131	10 %	90 %
Chemical-physical treatment	3,483	3,660	2,951	10 %	90 %	2,651	10 %	90 %
Biogas plant	3,344	2,361	3,912	0 %	100 %	4,726	0 %	100 %
Landfill	8,404	7,860	121,610	0 %	100 %	86,295**	0 %	100 %
Other waste processing	109	156	78	0 %	100 %	2,475	0 %	100 %
<b>Total</b>	<b>35,765</b>	<b>39,830</b>	<b>226,201</b>	<b>7 %</b>	<b>93 %</b>	<b>281,463***</b>	<b>7 %</b>	<b>93 %</b>

\* In comparison to the presentation of the Sustainability Record 2019, the wastewater figures can be found under [GRI 303-4](#). The total waste volumes for 2018 and 2019 have been adjusted accordingly in this table.

\*\* Disposal methods were optimized so that more waste could be composted instead of landfilled in 2021.

\*\*\* The significant increase in waste is due to the even greater increase in production volumes at some Pet Food division sites.

**GRI 306-4: Waste diverted from disposal ✓**

See [GRI 306-3](#).

**GRI 306-5: Waste directed to disposal ✓**

See [GRI 306-3](#).

**GRI 307: ENVIRONMENTAL COMPLIANCE 2016**

**GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

The impact of our activities on the environment ranges from raw material procurement and processing to product development, production and logistics. For this reason, we monitor and evaluate the upstream stages of our value chain. The significance of correspondingly well-established governance and compliance structures is also reflected in the high rating of the topic in our 2019 materiality analysis. Our goal is to conserve resources, to consistently avoid or to reduce harmful effects on the environment, to prevent risks and, in this manner, to ensure our long-term business success. Our production sites with the highest potential environmental impacts are either located in countries with strict environmental policies or operate according to an environmental management system that is ISO 14001 certified or based on this environmental standard. Environmental compliance is a central component of the associated annual certification audits.

To identify and mitigate environmental risks, all Symrise Legacy\* production sites are registered on the SEDEX platform and have been externally audited since 2010 every three years based on the SEDEX/SMETA 4 Pillar Standard. In the meantime, around 77 %\*\* of the production sites of the former Nutrition segment are also registered on the platform and 68 % are SMETA-certified. In the reporting year, sites in Argentina, Brazil, China, Egypt, South Africa, the United Kingdom and the USA were audited by external auditors.

The current SEDEX risk report indicates that the data basis of some sites is not sufficient for a risk assessment and 89 % of the sites assessed have low to medium sustainability risks. Risks were most frequently identified in the areas of water scarcity, freedom of association, waste and pollution, working hours and occupational health and safety. Symrise aims to improve the data basis and is examining measures that can be implemented on a site and country-specific basis to mitigate the identified risks.

In the annual reviews of the Integrated Management System, all breaches of applicable laws are summarized for upper management. Appropriate measures are introduced in order to avoid any recurrence.

\* Symrise Legacy includes all Symrise plants except for the sites of the former Nutrition segment.

\*\* Some of the missing sites will not be registered separately in the future either, as they represent branches of other sites or only a few employees work there (20 or less).



**GRI 307-1: Non-compliance with environmental laws and regulations ✓**

Symrise was not charged any significant fines or non-monetary penalties for failure to adhere to environmental laws and regulations in the year under review.

**GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016****GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

We use around 10,000 various natural and synthetic raw materials from over 100 countries to manufacture our approximately 30,000 products worldwide. As a result, we face an array of challenges ranging from negative environmental effects from the sourcing of raw materials to protecting social standards in countries that experience, to some degree, problematic sociopolitical conditions. The reasons for this are not least because of inadequate transparency, the high level of complexity of material flows and the different objectives of the parties involved along the value chain. As a result of measures for responsible sourcing, we can contribute to the achievement of sustainable production patterns (SDG 12) as well as to the preservation of ecosystems (SDG 15). The significance of “responsible sourcing” and the “protection of biodiversity” for Symrise and its external stakeholders is accordingly underlined by the high to very high rating of the topics in our materiality analysis performed in 2019.

We are constantly adapting the organizational structure of our purchasing department to the changing conditions on the market. Procurement at Symrise is organized in a decentralized manner in our segments Scent & Care and Taste, Nutrition & Health. This way we can manage purchasing processes in a more targeted manner and continually optimize the supply chain.

Starting in 2023, Symrise will be affected by the German Supply Chain Due Diligence Act. Symrise formed the Responsible Sourcing Steering Committee (RSSC) in the reporting year to implement its own due diligence obligations under the German Supply Chain Sourcing Obligations Act and to improve sustainable procurement. The RSSC is a decision-making body consisting of global purchasing managers, representatives of the Corporate Sustainability department and sustainability experts from the divisions. It defines the processes for supplier assessments and implementation of the resulting measures to ensure that assessment criteria are completely embedded in the business processes. Operational implementation takes place in the purchasing areas, as does monitoring of the defined measures with the suppliers. The RSSC’s strategic objectives include the introduction of a responsible sourcing policy, which includes a Code of Conduct for suppliers, and a due diligence process. At the same time, a human rights policy will be introduced, for which Corporate Sustainability will be responsible. This also includes a complaints mechanism for suppliers and other business partners. The integration of sustainability aspects into the qualification, evaluation and further development of suppliers is also a key area of responsibility (for further information on the RSSC, see also Management approach to [GRI 412](#)).

Our long-term goal is to procure all our materials and services on the basis of sustainable criteria. 2025 is our target for the responsible sourcing of all strategic biological raw materials. In the reporting year, we already sourced 83.6 % of our strategic biological raw materials sustainably (2020: 72 %). The Group-wide [sustainable sourcing policy](#) reflects our overall goals, requirements and instruments and thus provides orientation for suppliers, customers and employees. We have also established specific policies for various raw materials that are exposed to high risks, such as in the case of [palm oil](#).

We cannot solve many of the challenges in the supply chain on our own. Therefore, we increasingly rely on cooperative arrangements within the industry and competitive approaches in which we can work together with other actors on long-term sustainable solutions. These include our memberships in the Roundtable on Sustainable Palm Oil or the Sustainable Spices Initiative (for further initiatives see [GRI 102-12](#)).

We can best achieve our goal of responsible sourcing if we can exert direct influence on the upstream stages of our value chain. Therefore, we pursue the goal of strategic backward integration for our key raw materials. We can create direct value for all stakeholders in this way, as we demonstrated in vanilla production in Madagascar: We work in a targeted manner as part of collaborative projects to improve and implement environmental and social standards and can thus guarantee consistently high quality of the raw material for us and our customers. With this integrative approach, we support local socioeconomic structures and can directly monitor compliance with our principles. For the backward integration of our supply chain, we have established processes that also consider environmental and social risks.



**GRI 308-1: New suppliers that were screened using environmental criteria ✓**

Symrise has declared its goal to procure all materials and services on the basis of sustainable criteria. With their signature, all direct suppliers are obligated to comply with our Code of Conduct. The [responsible sourcing policy](#) requires all new suppliers worldwide to be evaluated based on sustainability criteria. In light of the Supply Chain Due Diligence Act, we have expanded the goal for evaluating our suppliers. By 2025, the suppliers, who together account for 90 % of our procurement volume, will be assessed according to sustainability criteria. The assessment of suppliers to the acquired company ADF/IDF started at the end of 2020. Consequently, we already assessed 72.7 % (2020: 67 %) of our suppliers in the reporting year, based on 90 % of the procurement volume, according to sustainability criteria.

**GRI 308-2: Negative environmental impacts in the supply chain and actions taken ✓**

The Supplier Ethical Data Exchange (SEDEX) international platform is a valuable tool that makes it easier for us to assess suppliers and disclose our own data to customers. Since 2012, we've been strongly encouraging our most important suppliers to register with SEDEX and disclose their data there. In 2020, we additionally started to include suppliers on the EcoVadis platform. This is how we leverage the benefits of both platforms to identify risks and opportunities for our suppliers. Alternatively, agricultural production suppliers can also indicate their FSA rating; we expect at least the FSA standard in silver. The FSA (Farm Sustainability Assessment) seal stands for sustainably produced raw materials and is awarded by the non-profit organization Sustainable Agriculture Initiative (SAI).

In light of the Supply Chain Due Diligence Act, we have expanded the goal for evaluating our suppliers. By 2025, the suppliers, who together account for 90 % of our procurement volume, will be assessed according to sustainability criteria. The assessment of suppliers to the acquired company ADF/IDF started at the end of 2020. Consequently, we already assessed 72.7 % (2020: 67 %) of our suppliers in the reporting year, based on 90 % of the procurement volume, according to sustainability criteria.

For more information on auditing human rights compliance in the supply chain see Management approach to [GRI 412](#).

All new suppliers fill out a supplier survey that contains questions on environmental issues. During the risk assessment process, we rely on environmental criteria to evaluate existing suppliers as well as the socioeconomic and ecological situation in their respective countries.

We carry out audits for suppliers that pose an especially notable risk (as defined by SEDEX and EcoVadis), that have crucial raw materials or that have had problems flagged in the assessment. Between 120 and 150 (2020: 142) supplier audits were performed in the reporting year by trained and experienced internal supplier audit teams – the exact number was not available at the editorial deadline. Additionally, we request at least 50 suppliers annually to carry out SEDEX/SMETA audits by verified, independent audit agencies. We also receive approx. 100 SMETA unsolicited audit reports from our suppliers from SEDEX. The focus here is on environmental issues in addition to product safety, quality management, work safety, health and social responsibility. If suppliers don't meet our defined standards, we jointly develop and implement improvement measures. We can track the implementation of identified corrective actions from the audits through to verification in the SEDEX database. If these standards are still not upheld after such attempts, the business relationship is terminated as a last resort. In 2021, there were no cases of our suppliers causing any notable negative environmental impact.

The current SEDEX risk report shows that the data basis of some suppliers is not sufficient for a risk assessment. Among the supplier sites assessed, 86 % have low to medium sustainability risks. The suppliers with the highest risks are located in Mexico, China, India, Indonesia and Brazil. Risks were most frequently identified in the areas of water scarcity, working hours, freedom of association, waste and water pollution and forced labor. Symrise aims to intensify its focus on active suppliers – i.e. those from whom it has procured in the two to three preceding years. The data basis for these suppliers should be improved. In addition, we will review which corrective measures can be implemented to mitigate the identified risks.

## GRI 400: SOCIAL

### GRI 401: EMPLOYMENT 2016

#### **GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

Globalization and digitization are changing working environments worldwide, as are local demographic changes. Internationally active companies such as Symrise are challenged to attract the best employees through an attractive working environment, to further develop them and to retain them in the long term – as the basis for sustainable economic success. Target requirements regarding sustainable personal responsibility in the scope of humane employment are also included in SDG 8 of the global Sustainable Development Goals, to which we are actively committed. Accordingly, attractiveness as an employer as an essential topic and its effects, in particular for Symrise itself, were also included in the materiality analysis carried out in 2019.

Symrise has defined its human capital strategy, which is part of the company's corporate strategy and integrated in the Symrise sustainability agenda under the "Care" pillar. Part of the "Care" pillar is the consistent orientation of HR policy on Symrise as a preferred employer (employer-of-choice strategy). The implementation of the human capital strategy and HR policy is the responsibility of the global HR organization, which consists of around 91 managers and is coordinated by the Corporate VP Human Resources. In the course of this process, we have focused our HR policy on five main areas:

1. Establishing a flexible, innovative and family-oriented work environment in which occupational safety is a top priority.
2. Creating a transparent, fair and motivating remuneration policy.
3. Offering attractive benefits such as a company retirement plan and a proactive health management program.
4. Furthering professional advancement, development and talent management with the same opportunities for everyone.
5. Creating a company culture and leadership culture that will increase employee loyalty and one which values the integration of employee diversity.

This HR policy strives to create an environment for our employees in which they can realize their full potential and develop professionally. The goals we have taken on extend from ensuring a safe and healthy work environment with proactive in-house health management to an equitable remuneration policy with a variable, incentive-based component (see job grade concept including a component geared toward performance [GRI 102-38](#)).

When they are hired, every employee receives an explanation of the policy of Symrise on dealing with violations of our Code of Conduct. For violations of our Code of Conduct, our employees can anonymously and confidentially contact the relevant Compliance Officer at their location or our Integrity Hotline which is managed by an external provider (for more on the complaints mechanism, see [GRI 102-17](#)).

Like other companies, we also have to tackle the task of positioning ourselves as an appealing company in regard to demographic changes. This also includes a high training rate. As of December 31, 2021, a total of 125 (2020: 134) apprentices and trainees were employed at our German sites. This corresponds to a training rate of around 4.3 % (2020: 4.7 %).

To qualify our next generation of managers, we regularly conduct assessments, training sessions and our leadership accelerator program. The development of senior executives will be strategically refined in 2022. We are working on new leadership programs especially on promoting women.

We pay attention to a high participation rate of women to specifically promote the proportion of female senior executives in our organization.

We view the participation of employees in corporate development in the form of employee surveys (see also Management approach [GRI 202](#)) as an important component of participatory management; it contributes to us an employer of choice.

**GRI 401-1: New employee hires and employee turnover ✓**

The number of employees for the 2021 fiscal year increased by 1.9 % from the end of 2020 (2020: 2.6 %). The global fluctuation rate at Symrise is 6.4 % (2020: 4.3 %). At the same time, significant differences can be observed among the individual countries. While in Germany the fluctuation rate amounts to only 2.3 % (2020: 1.4 %), it is relatively high in countries like India or China with about 7 % (2020: 6.8 %), but at the same time also typical for these rapidly developing countries.

**EMPLOYEE TURNOVER BY REGION AND GENDER\***

	2018	Absolute 2019	2019	Absolute 2020	2020	Absolute 2021	2021
<b>REGION</b>							
Germany	2.1 %	63	2.2 %	40	1.4 %	70	+2.3 %
EAME (not including Germany)	4.9 %	111	4.9 %	113	4.9 %	132	+5.1 %
North America	7.0 %	126	8.9 %	132	7.5 %	205	+11.4 %
Asia/Pacific	9.7 %	132	8.9 %	105	6.8 %	163	+10.5 %
Latin America	6.2 %	125	6.6 %	59	3.0 %	135	+6.6 %
<b>Total</b>	<b>5.3 %</b>	<b>557</b>	<b>5.6 %</b>	<b>449</b>	<b>4.3 %</b>	<b>705</b>	<b>+6.4 %</b>
<b>GERMANY BY GENDER</b>							
Women	0.7 %	28	1.0 %	12	0.4 %	31	+1.0 %
Men	1.4 %	35	1.2 %	28	1.0 %	39	+1.3 %
<b>Total</b>	<b>2.1 %</b>	<b>63</b>	<b>2.2 %</b>	<b>40</b>	<b>1.4 %</b>	<b>70</b>	<b>+2.3 %</b>
<b>WORLDWIDE BY GENDER</b>							
Women	2.4 %	240	2.4 %	189	1.8 %	335	+3.0 %
Men	2.9 %	304	3.0 %	260	2.5 %	370	+3.4 %
<b>Total</b>	<b>5.3 %</b>	<b>544</b>	<b>5.4 %</b>	<b>449</b>	<b>4.3 %</b>	<b>705</b>	<b>+6.4 %</b>

\* Basis: Core workforce and fixed-term employees, without apprentices and probis; figures as of December 31 of the respective year; turnover rate = number of employee-initiated terminations x 100 divided by the annual average number of employees

**Omissions:**

Regarding employee turnover, we see neither gender- nor age-specific trends. The age groups affected by turnover correspond to the overall structure of our workforce. A detailed breakdown of the turnover rate by age therefore does not make sense for Symrise. Age and gender are not deciding factors when hiring new employees. Disclosures on newly recruited employees by region, gender and age are correspondingly not material for Symrise and are not listed.

**GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018**

**GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

Workplace accidents caused by safety lapses and work-related illnesses – for example, through stress or inadequate ergonomic workplace design – lead to individual strains and may negatively affect the motivation of individual employees or teams. They result in sick days that are expensive for the company, reducing productivity. Therefore, the consistent emphasis of our HR policy on being an employer of choice also includes caring for employee health at the workplace. By doing so, we actively support the achievement of the goals of health and well-being (SDG 3) as well as humane working conditions (SDG 8). “Occupational health and safety” is an essential topic and its effects, in particular for our external stakeholders, were accordingly also included in the materiality analysis carried out in 2019.

Our subsidiary TESIUM bundles our competence in the areas of technology, safety and the environment. It ensures that the highest environmental standards are fulfilled in all business divisions. All our sites worldwide follow obligatory Corporate Guidelines that contain an approach to the safety of systems and to the protection of employees and the environment, which have been coordinated with the Executive Board. Because local situations and needs vary, the specific measures to be implemented at the individual sites are guided by on-site systems and working groups.

Health and safety topics at Symrise are also governed by the Code of Conduct which applies throughout the Group. In addition, the collective bargaining agreement, which was negotiated with the trade union IG BCE (mining, chemical and energy industrial union) and which applies to Symrise in Germany, contains regulations on workplace design and occupational health and safety. The CBA also governs the cooperation between company management, the works council and the union on matters pertaining to protecting the health of our employees.

We have arranged a comprehensive system of measures at all our sites whose written behavioral guidelines offer assistance in identifying possible hazards. The guidelines also regulate how we handle hazardous substances. A complete list of all chemicals used at a particular site, including their corresponding safety data sheets, is provided at each site in the local language. Each production site has its own occupational health and safety committee, which includes both management and other employees. All employees undergo health and safety training courses designed specifically for their given activities. The appropriate first-aid facilities are available in the event of an emergency.

The effectiveness of our measures is regularly evaluated by internal audits based on ISO 19011. Regular external audits by customers, authorities and independent certification companies further verify the constant improvement of our management systems. In addition, we have a monthly reporting system that indicates the status and performance of our occupational safety efforts.

We developed the Symsafe project in 2021 with our subsidiary TESIUM to improve occupational health and safety performance. The focus is on a sustainable safety culture. This includes empowering every employee to recognize sources of danger and to act on their own initiative. The intention is to raise the safety awareness of all employees, including contractors, reduce the number of workplace accidents and lower the accident rate MAQ (workplace accidents [ $> 1$  lost day]  $\times$  1 million/working hours). These goals are implemented using a roadmap which contains measures, tools, rules and guidelines. We identified six topics as a basis for this endeavor. They indicate which areas are part of a sustainable safety culture: communication, participation, error culture, leadership, safety organization and teamwork. Furthermore, we developed eleven Symsafe rules. They define how we work together, how we design the path to a sustainable safety culture and which values give us orientation in the process.

The conduct of training to increase awareness of occupational safety is a personal target agreement for managers. In addition, there is a series of legally required annual training courses on health and safety, which is mandatory for every employee. As a result of these measures, among other things, our accident rate (MAQ) was 4.3 in 2019 and 3.0 in 2020 after 3.8 in 2021. We still aim to achieve an industry-leading MAQ of 1.5 by 2025.

Our preventative health measures demonstrate our comprehensive approach to helping employees lead healthier lifestyles. Prior to hiring new employees, we conduct medical examinations at our all our sites worldwide and initiate preventative measures.

Since 2020, these measures have been redefined and expanded against the backdrop of the global coronavirus pandemic. For example, distances between workplaces at our sites around the world have been adjusted as far as possible to the recommended minimum distances of at least one meter and cleaning measures have been intensified, and employees have been offered easily accessible personal health protection via antibacterial disinfectants and personal protective clothing, as well as regular health checks. Wearing a mask is mandatory throughout the factory site. In addition, coronavirus rapid tests have been procured and a process for preventive testing has been installed.

Furthermore, employee contact has been minimized via adjusted timing of transport and shift schedules and shared work and leisure areas have been closed. In the event of suspected illness, a process has been established for employees to directly contact the appropriate supervisor, as well as on-site medical professionals. In the event of confirmed illness, employees and all workers in contact with them are required to call in sick and place themselves in self-isolation as directed by the Health Department. Essentially, working from home has been actively recommended and made possible wherever possible – business trips are avoided as far as possible.

We are committed to regular training and continuing education programs on the topic of health, just as we promote diversity among the workforce and help employees balance their professional and private life. Information about healthy nutrition and healthy sleep patterns or the offering of massages rounds out these preventative measures. Through our sensitizing and intervention program Symhealth, we help our employees take a conscious approach to their health, for example through targeted smoking cessation programs. Symhealth was piloted in Germany in 2021 and will be successively rolled out worldwide from 2022 as the successor to the previous SimplyHealthy health program.

**GRI 403-1: Occupational health and safety management system ✓**

We are aware that work-related illnesses can occur among Symrise employees, such as back strains or skeletal or psychological strains due to stress. Both at the senior corporate level and through our local operational health teams, we are working intensively on minimizing the existing risks and introducing targeted measures. We monitor our absences through monthly reports on absenteeism. We use average sick leave for the company health insurance funds of the chemical industry as a benchmark for evaluating sick leave in the company. Sick leave at Symrise is at an average level for the chemical industry under corresponding working conditions, such as shift work. Therefore, we can say that Symrise has a normal situation with sick leave.

In the flavor and fragrance industry, the handling of hazardous substances is part of the daily routine. Symrise documents the resulting risks and, by means of globally recognized risk minimization plans, ensures safe and secure workplaces and safe and healthy work for all its employees. Furthermore, we take care that no one with a cold may work in food production areas.

Legally required risk assessments govern safe work in all workplaces. In Germany, a risk assessment is required by Sections 5 and 6 of the Work Safety Law. Risks must be identified, and the occupational safety measures taken to improve the safety and safeguard the health of employees must be defined. Local laws must be observed in all locations worldwide. For countries in which no corresponding laws exist or the requirements for safety and the protection of health are less stringent, Symrise complies with the relevant standards of flavor and fragrance associations (IFRA, IOFI, FEMA). The risks must first be identified for production and mixing areas as well as laboratories. The potential risk posed by raw materials is obtained from publicly available sources or suppliers (Material Safety Data Sheets [MSDS], toxicology studies, etc.). Product safety experts (toxicologists) evaluate new perfume oils, flavors and cosmetic ingredients produced by Symrise employees and make the evaluations available to Symrise employees and customers in the form of an MSDS. Documented exposure measurements in the affected areas, including handling (stirring, heating, cleaning, etc.), are essential to risk minimization.

If hazardous materials cannot be replaced, technical measures (closed systems, extraction systems) and personal measures (access control, personal protective equipment) must be taken in every case.

As a rule, regular targeted training sessions and legally required medical examinations are offered. The effectiveness of measures is reviewed through routinely conducted audits and during medical examinations.

The number of workplace accidents per 1 million working hours is measured using the MAQ indicator.

Further information can be found in Management approach to [GRI 403](#).

**GRI 403-2: Hazard identification, risk assessment, and incident investigation ✓**

Risk identification and assessment are part of our [corporate policy](#) and apply around the globe. Global minimum standards for occupational health and safety are defined there. They do not replace country-specific legal regulations that must always be observed independently of them.

The risk assessment is updated at least once a year, but also in case of changes or newly identified risks. By means of safety visits and audits, we identify dangerous activities and situations in the workplace. Every incident is investigated so that managers, employee representatives and colleagues know how to prevent accidents.

For further information see Management approach to [GRI 403](#).

**GRI 403-3: Occupational health services ✓**

Our goal is to identify, eliminate or mitigate all potential sources of danger for our employees. This applies to Symrise employees and workers who are not employees, but whose job and/or workplace is controlled by Symrise. In cases of injuries, it is also in our interest that we contribute to a rapid and complete recovery. As legally required, Symrise has concluded contracts with physicians, nurses, first responders and other trained and licensed healthcare specialists.

Every safety incident is reported internally and analyzed, and corrective measures are defined. The attending occupational health services respect our employees' right to privacy. The confidentiality of employees' personal health-related information is guaranteed in accordance with specific local provisions.

For further information see Management approach to [GRI 403](#).

**GRI 403-4: Worker participation, consultation, and communication on occupational health and safety ✓**

Health and safety topics at Symrise are also governed by the Code of Conduct, which applies worldwide. In addition, the collective bargaining agreement, which was negotiated with the trade union IG BCE (mining, chemical and energy industrial union) and which applies to Symrise in Germany, contains regulations on workplace design and occupational health and safety. The CBA also governs the cooperation between company management, the works council and the union on matters pertaining to protecting the health of our employees. This agreement also applies to approximately 3,000 Symrise employees in Germany.

Company management, the works council and the union cooperate closely to protect the health of our employees. The relevant regulations described in the Code of Conduct are implemented worldwide via occupational safety committees. SOS inspections and security training sessions are held at regular intervals. Disclosure [GRI 403-1](#) describes our approach, taking into account legal obligations.

All Symrise AG employees are entitled to a workplace where they do not have to worry about their health and safety. Every year, a large number of programs and measures are carried out at our sites around the world that contribute to ensuring occupational safety. Because local situations and needs vary, the specific measures to be implemented at the individual sites are guided by on-site systems and working groups.

There are occupational safety committees at all our locations where we have production sites. The committees meet regularly and exchange information on safety measures and the avoidance of workplace accidents. The heads of the production sites are members of these committees. Minutes from the meetings are always distributed to management.

Our subsidiary TESIUM bundles our competence in the areas of technology, safety and the environment. It ensures that all divisions meet the highest environmental standards. Binding corporate guidelines, which include an approach that has been coordinated with the Executive Board for the safety of systems as well as the protection of employees and the environment, apply to all our sites around the world. Regular training sessions on the topic of occupational safety are mandatory across the Group (see also Management approach to [GRI 403](#)).

Furthermore, we started the Symsafe project in 2021. The goal is to develop a successful safety culture and to be sustainably accident-free. We rely on the participation and feedback of all employees (see also Management approach to [GRI 403](#)).

**GRI 403-5: Worker training on occupational health and safety ✓**

Occupational health and training sessions are offered to all employees both on-site and online. For example, in the reporting year each employee in Germany received an average of 4.5 (2020: four) hours of training on the topics of quality, environment and hygiene, with a focus on occupational safety. New employees are initially trained in face-to-face sessions so that they thoroughly understand the general content and can learn about specific work-related dangers, hazardous activities or dangerous situations.

Training courses are also provided for employees who work in certain work-related hazard areas such as safety in workplaces with fall hazards or forklift operator training. Training for employees who work in offices or administrative areas is frequently conducted via online sessions.

Training logs are recorded in IT systems. They are used to administer all training sessions and to maintain an overview so that each employee is trained annually and plans are made for subsequent years.

Training is offered free of charge and conducted during working hours, if possible. It is offered in the local language or in language that is easy for the participants to understand. To reduce potential risks of infection in the scope of the coronavirus pandemic, we are currently conducting mostly virtual training.

**GRI 403-6: Promotion of worker health ✓**

Through our sensitizing and intervention program Symhealth, we help our employees take a conscious approach to their health, for example through targeted smoking cessation programs. Symhealth was piloted in Germany in 2021 and will be successively rolled out worldwide from 2022 as the successor to the previous SimplyHealthy health program.

Free “health weeks” are offered to Symrise employees around the world to raise their awareness about health and to inform them that they have access to round-the-clock non-occupational health services and care.

The offerings range from preventive measures and the topics of stroke, heart attack and osteoporosis screening to cycling events and measures to achieve a healthy work-life balance.

For further precautionary and hygiene measures that we implemented in the reporting year as a result of the coronavirus pandemic, see Management approach to [GRI 403](#).

**GRI 403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships ✓**

Depending on the case, we use a specific approach in order to avoid or mitigate the negative impact on occupational safety. For example, in the case of the transport of samples, fire protection or the handling of hazardous materials, specific provisions exist regarding responsibilities, hazard identification and the protective measures to be observed in order to eliminate potential risks for all participants. Each delivery of a sample or a larger order is accompanied by safety data sheets, which serve to communicate safety-related data on substances and mixtures and inform our customers about the safe handling of our products.

Faced with the coronavirus pandemic, we are currently refraining from business trips as much as possible, thus preventing potential infection between our employees and business partners. In addition, the hygiene and distance rules apply to all persons who are on our factory site, i.e. also to business partners and employees of external companies.

**GRI 403-8: Workers covered by an occupational health and safety management system ✓**

Symrise has implemented a worldwide occupational safety management system, which applies to all Symrise employees as well as workers who are not employees but whose job and/or workplace is controlled by Symrise. Corresponding corporate guidelines were defined for this that apply to all sites, subject to local legal regulations.

Our management system is reviewed annually by internal audits and certified by external auditors at selected sites. The majority of our products in the Scent & Care and Taste, Nutrition & Health segments are produced at sites that are certified according to sustainability criteria (SEDEX/SMETA) and have thus also been checked for compliance with occupational health and safety standards (see Management approach to [GRI 412](#) and [GRI 412-1](#)).

**GRI 403-9: Work-related injuries ✓**

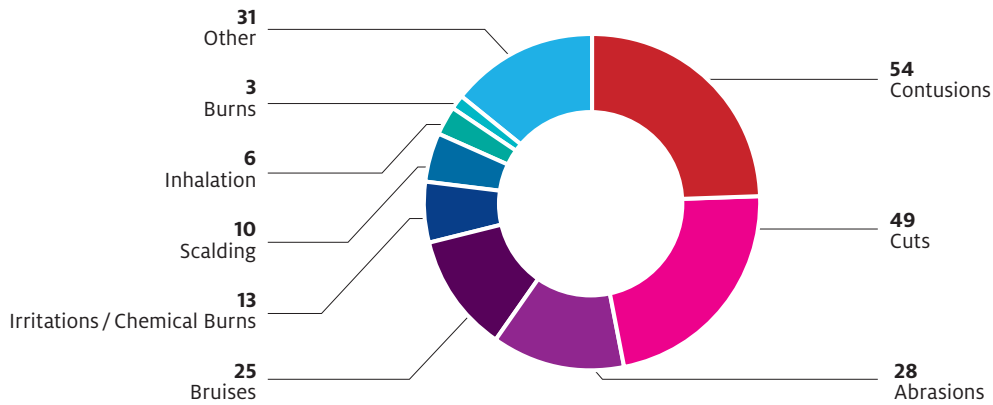
Symrise works intensively on reaching its ambitious goal of a MAQ < 1.5 by 2025. That is why we monitor our absences due to work-related and non-work-related illnesses and injuries through monthly reports on absenteeism. We use average sick leave for the company health insurance funds of the chemical industry as a benchmark for evaluating sick leave in the company. The rate of paid illness-related absences of Symrise AG employees in Germany amounted to 4.5 % in 2021 (2020: 4.5 %). This puts us below the absenteeism rate for the chemical industry of 4.9 % (2020: 5.1 %) (disclosures by the German umbrella organization of company health insurance funds/chemical industry). No traffic accidents involving Symrise or Symotion were reported in the reporting year.

	2015	2016	2017	2018	2019	2020	2021
Number of Accidents (MAQ)*	3.9	3.8	4.7	4.1	4.3	3.0	3.8
Accident Severity (USQ)*	49	50	64	56	65	48	51

\* Employees worldwide;  
 MAQ = Accidents subject to reporting requirements (>1 work day) x 1,000,000/working hours  
 USQ = Sick days x 1,000,000/working hours

**WORKPLACE ACCIDENTS 2021**

By type of injury in Germany (representative for all of Symrise)





**GRI 403-10: Work-related ill health ✓**

We are aware that work-related illnesses can occur among Symrise employees, such as strains to the back or musculoskeletal system or psychological strain through stress. The most frequently occurring types of bodily injuries in 2021 involved back pain, muscle disorders and injuries caused by twisted ankles, tripping, falling, sprayed liquids and injuries due to the handling of tools and vehicles. Both at the senior corporate level and through our local operational health teams, we are working intensively on minimizing the existing risks and introducing targeted measures. We monitor our absences due to work-related and non-work-related illnesses and injuries through monthly reports on absenteeism. We use average sick leave for the company health insurance funds of the chemical industry as a benchmark for evaluating sick leave in the company. The rate of paid illness-related absences of Symrise AG employees in Germany amounted to 4.5 % in 2021 (2020: 4.5 %). This puts us below the absenteeism rate for the chemical industry of 4.9 % (2020: 5.1 %) (disclosures by the German umbrella organization of company health insurance funds/chemical industry).

In the flavor and fragrance industry, the handling of hazardous substances is part of the daily routine. Symrise documents the resulting risks and, by means of globally recognized risk minimization plans, ensures safe and secure workplaces and safe and healthy work for all its employees. Furthermore, we take care that no one with a weather-related cold may work in food production areas.

The tolerance limits of workplace exposure pose tremendous challenges to our employees who work with hazardous materials. Wherever possible, Symrise reduces the risk of exposure. Hazardous materials in recipes are replaced if possible or at least reduced.

Symrise introduced hygiene measures early on during the coronavirus pandemic. As a result, employee infections worldwide were reduced to a minimum.

**Omissions:**

Symrise does not have an illness reporting system for occupational diseases which comprises all employee of the Group and external employees whose job and/or workplace is controlled by the company.

**GRI 404: TRAINING AND EDUCATION 2016****GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

Training young people is of special significance to Symrise. For this purpose, we recruit qualified young individuals who we specifically train with our company's needs in mind. With this approach, we also fulfill an obligation that society as a whole holds toward the next generation. In addition, we strengthen the labor market capabilities of our employees through our efforts in the areas of professional training and career development. In this way, we are making a decisive contribution to SDG 4 and SDG 8 of the United Nations. Education is a valuable asset for all people – based on this value assessment, “employee development & advancement” at Symrise has also found its way into the materiality analysis carried out in 2019.

Furthering professional advancement, development and talent management are anchored in the HR policy of Symrise as one of five key topics and are the responsibility of Human Resources (see Management approach to [GRI 401](#)).

As of December 31, 2021, a total of 125 (2020: 134) apprentices and trainees were employed at our sites in Germany. This corresponds to a training rate of 4.3 % (2020: 4.7 %).

The training takes approximately three years. All trainees are taken on at least temporarily after completing their training if they meet our minimum requirements regarding the material learned. With our investment in training, we are meeting the demand for future specialists in chemical production and in the laboratories as well as in commercial, marketing and sales functions. Based on their specific knowledge, we are currently training five distillers and two food technology specialists for our beverage area.

We have structured our training capacity in a way that allows around 35-40 young people to begin their training at Symrise every year. Of these, 24 are trained for chemical-technical professions, another ten for technical and logistics occupations and ten young people for commercial occupations. Some of the business trainees are also trained at our European sites as part of their training. In 2020, we again received the award from the magazine Capital as one of “Germany's best instructors 2020”.

Beyond initial training, we unlock opportunities through dual degree programs in the business sector (currently 15 [2020: 16] employees in all three years are on the path to a Bachelor of Business Administration).

In addition, we qualify our employees via comprehensive training measures. In the reporting year, we replaced more than 80 % of classroom training with online training due to the coronavirus pandemic. We also launched a global talent management platform in 2021. It provides an opportunity to register for training, courses or conferences – to master the challenges of a growing company and prepare for new positions. Conversely, employees can manage their individual development plans digitally. Symrise encourages open dialogue between senior executives and employees about the strengths and potential development of the individual.

Lifelong learning is something our employees are always engaged in. German language instruction has played a particularly important role in integrating foreign employees. Furthermore, we offer online English courses, among other things, for our production employees and for the employees of TESIUM, so that they can use international work instructions. In the international range of training courses offered, occupational safety training and the handling of hazardous substances were given a wide scope of attention. Management training courses are also offered in all regions, supplemented by coaching and mentoring measures.

In addition to traditional training programs, we also train our employees via international assignments. In 2021, the number of international assignments with around 116 (2020: 110) employees remained at a high level. However, due to the coronavirus pandemic and associated travel restrictions, a number of assignments have been postponed until next year.

Our commitment to training and personal development measures is paying off for us as a company, because today we are recruiting the next generation of top-level managers almost exclusively from our own ranks. Our guidelines allow for 80 % internal recruitment, while 20 % is to be from outside the company.

At our flavorist and perfumer school, we are constantly developing experts who are trained over around three years and then can be successfully placed into our product development teams. In addition, our employees have diverse opportunities for completing a bachelor's, master's or doctoral degree alongside their work through cooperation agreements with universities, academies and institutes.

#### **GRI 404-1: Average hours of training per year per employee ✓**

At Symrise, we generally pursue a strategy of qualifying our employees for their daily work through comprehensive training measures. Lifelong learning should support our employees throughout their careers.

Because of the coronavirus pandemic, global detailed reporting on training measures for comparison is not possible for 2021. However, our new global learning platform will make this possible starting in 2022.

In addition to traditional training programs, we also train our employees via international assignments. In 2021, the number of international assignments with around 116 (2020: 110) employees remained at a high level, although here too the decline in assignments was due to pandemic-related travel and visa restrictions.

We have also intensified investments in the training of future specialists. For one thing, we accepted 42 young people for initial apprenticeship training in 2021. For another, in cooperation with the local job center, we have trained unemployed individuals from outside the field as chemical production specialists. This apprenticeship training lasts about two years. In 2019, we launched a new initiative for the training of 14 people as chemical production specialists, who successfully completed their training in 2021. We hereby pursue our social responsibility to provide educational opportunities for those groups of individuals leaving school without a certificate who otherwise would not have been given a trainee position and who, as unskilled workers, would only have been employed in auxiliary work.

As of December 31, 2021, a total of 125 apprentices and trainees were employed at our sites in Germany (2020: 134). This corresponds to a training rate of around 4.3 % (2020: 4.7 %).

#### **GRI 404-2: Programs for upgrading employee skills and transition assistance programs ✓**

Symrise consistently aligns the qualification of employees with job and work-related skills. As a result, each employee receives skills-oriented feedback as part of their annual performance review. The underlying skills here are entrepreneurial spirit and leadership, creativity and innovative spirit, business and customer orientation as well as integrity and sustainability. The supervisor also provides constructive professional career development feedback.

In addition, we have defined function-specific expertise for departments like Sales and Purchasing.

Once a year, we ask our employees and senior executives to conduct a development meeting, which we call a Career Development Review. In this review, we invite our employees to openly communicate their professional ambitions to their supervisor. We base our development assessment on a skills matrix, which is specially designed for managerial development and evaluates transactional and transformational leadership skills. The agreed development plans are kept on our digital talent management platform, which is connected to our learning opportunities.

In our talent review, we link the individual career desires of individual employees with the organizational development of our divisions. For this purpose, we have defined key positions in the company that are essential to the business, for which we systematically identify and develop potential successors as part of career planning.

Globally, our training activities are pooled under the Symrise Academy, which consists of four strategic pillars (see also our Management approach to [GRI 404](#)):

- Flavorist and perfumer school
- Technical/specialist training for our employees
- Training for sales personnel
- Development of managerial staff

Our flavorist and perfumer school has enjoyed great success around the world. Every year, young employees complete their training as junior flavorists or perfumers. Currently, we have six (2020: six) candidates in our perfumer school and five (2020: five) candidates in our flavorist school who are in the process of completing their training.

Our Future Generation Leadership Program provides our next generation of managers for senior leadership positions with tailor-made training opportunities. This training is jointly designed with a European business school and takes about 18 months. The development of senior executives will be strategically refined in 2022. We are working on new leadership programs especially on promoting women.

We also employ methods such as coaching and mentoring as professional development tools. Mentors are in a unique position to pass on their valuable experience to their (mostly younger) mentees. Furthermore, suitable managers from various divisions are trained as coaches so they can act as sounding boards for employees who are taking on career challenges. We also want to develop the personal competencies of our employees in the sense of lifelong learning. That's why we offer a diverse continuing educational program that ranges from safety training and language courses to project management and IT classes. In doing so, we link our information and training program with our in-house health management.

We assist employees who are leaving the company during their adjustment phase. This is dependent on their reasons for leaving the company. If an employee is leaving because they have reached retirement age, then they receive the standard local statutory pension, which company support increases. If the employee's position has been terminated due to operational reasons, Symrise guarantees a severance package that conforms to local statutory and company standards as compensation for the job loss. If the employee leaves the company for performance reasons, Symrise assists this employee on a case-by-case basis by offering outplacement services for adjusting to the job market and finding a new job.

### **GRI 404-3: Percentage of employees receiving regular performance and career development reviews ✓**

Symrise conducts an open and honest dialogue with its employees on a global basis. We have created a performance review for this purpose. All of the approximately 9,000 employees of the worldwide Symrise Group receive feedback once a year regarding their performance and the skills that they used to achieve their goals. Individual development goals that are derived from this feedback are established by the supervisor and the employee for the following year and documented in a development plan.

Our performance and talent management software program, which was introduced worldwide, supports this process. Currently 10,100 active employees are registered in this system with their performance and development activities. With this system, we help our supervisors manage their personal development work efficiently.

In our production areas, the performance review is conducted on a team-wide basis outside the software tool.

Since all Symrise employees (100 %) who receive variable remuneration reviews with their supervisors and the reviews also reflect personal career development, a breakdown by gender is not necessary.

**GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016****GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

The demographic development trend in many countries toward an aging society, and a diversification of the population and thus the working workforce by people from other cultures and educational systems, are changing our living and working environments in many ways. People from over 60 nations work in the Symrise organization alone. For us as a global company, diversity is an added value of creative and innovative cooperation in diverse teams. Equal opportunities are more important than ever, and promoting diversity is central to the success of the company. Both topics have been included in the 2019 materiality analysis as a key issue for Symrise and its external stakeholders.

A sustainable human resources policy is part of our corporate strategy (“Care” pillar): It conveys goals and creates common values. It includes the promotion of diversity in the workplace, the decisive promotion of young families through a family-oriented HR policy and enhancing the compatibility of professional and private life (see also [GRI 405-1](#)). To this end, 2017, the Executive Board of Symrise articulated a clear commitment to the advancement of diversity (see the [diversity statement of the Executive Board](#)). The human resources department and its human capital strategy are responsible for developing and implementing our strategic HR policy objectives.

We put our commitment to diversity into practice with specific measures. These include our family-oriented HR policy to support young women and their families and a project to specifically promote these women through initiatives such as the Female Leadership Development Program. We also offer a mentoring program and focus on the targeted recruitment of women with equal qualifications. Our quantitative goals and current diversity key figures can be found at [GRI 405-1](#).

In parallel, by signing the Women’s Empowerment Principles, we have recognized the principles of equal opportunity for women around the world and established them as a guideline for all our managers worldwide. In addition, our Integrated Management System is based on the provisions of the SA 8000 social accountability standard, which is binding throughout the company. This standard is based on the conventions of the International Labour Organization (ILO), the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child. Humane working conditions, decent employment and due consideration for the social aspects of employment are the foundation for how we act at all sites.

For violations of our Code of Conduct – and thus also in the event of discrimination perceived by employees and other concerns relating to diversity and equal opportunity – our employees can anonymously and confidentially contact the relevant Compliance Officer at their location or our Integrity Hotline (for more on the complaints mechanism, see [GRI 102-17](#)).

We also promote cultural diversity through our twelve expatriates who come from foreign countries and work for a period here in Germany based on a work permit. Our organization has around 116 expatriates worldwide at the end of 2021.

Every year, we conduct analyses at all our major sites to prevent gender-specific disadvantages in remuneration. In addition, to review gender equality in the area of remuneration, an in-depth equal pay analysis was carried out in Germany in 2021. The unadjusted gender pay gap is 1.2 %.

Overall, we did not determine any gender-specific discrimination of women at Symrise. In 2021, we did not receive any requests (2020: one) to review remuneration in accordance with the German Transparency in Wage Structures Act. Nevertheless, overall social trends can lead to individual differences in absolute level of remuneration. For example, primarily women work part time and therefore earn less than men who work full time. Women also less frequently pursue careers as chemists, who work for us in production and receive production-specific additional remuneration for shift work, hardship allowances, foremen’s and shift bonuses. As a result, the remuneration of men employed in production is higher than corresponding remuneration for women in the same pay category.

As part of our managerial development and succession planning, we develop and encourage women in a targeted manner through coaching and mentoring in order to achieve a higher proportion of women in management positions, including in the Executive Board. By 2025, we aim to have at least 30 % women at the first global management level directly below the Executive Board and the second global management level should consist of at least 45 % women. Compared with 2015, when the percentage of women was reported for the first time, we have improved significantly in the meantime: While 16% of employees at the first management level were women in 2015, the figure was 20 % in 2021 (2020: 28 %). At the second management level, the proportion of female managers increased from 22 % in 2015 to 38 % (2020: 42 %) in 2021. The decline below the level already achieved is attributable to the fact that the Flavor and Nutrition segments were combined to form a new Taste, Nutrition & Health segment in the 2021 fiscal year. This has reduced the absolute number of management positions at the first and second management levels below the Executive Board. Notwithstanding this, Symrise is maintaining its goal to increase the share of women at the first management level to 30 % and at the second management level to 45 % in 2025.

Our annual diversity data reporting, which takes into account our large sites and thereby about 73 % of our workforce (around 8,000 employees), documents the progress of our HR diversity policies.

In the reporting year, we held a global Diversity and Inclusion (D&I) Program Day as well as several initiatives on these topics. Symrise Brazil and Symrise Asia implemented additional regional initiatives. A Leadership Talk was held in June and July in the Latin American units in Brazil, Argentina, Chile, Colombia, Mexico and Venezuela attended by senior executives of both genders under the motto of equality from a leadership perspective. In Brazil, we also implemented the first workshop for female senior executives, bringing together exclusively 125 female Symrise senior executives in Latin America to share experiences and insights on the challenges women face in leadership roles. Also at Symrise Brazil, a working group was formed aimed at discussing and developing measures to prevent discrimination and promote diversity, among other things. This involves, for example, combating sexual harassment.

Data collected in the reporting year revealed the following result from the development of the D&I agenda in Brazil: 49 % of management positions are held by women. 43 % of new hires in 2021 were women. 47.5 % of promotions in 2021 benefited women. From an intersectional perspective, considering skin color, ethnicity and gender: We increased the number of black female employees by 45 % from 2019 to 2021.

To improve work-life balance, Symrise is exploring the possibility of part-time work for all employees in Germany – regardless of department or position. Part-time jobs have also been created in the shift areas to offer alternatives to employees. This opportunity is being widely taken advantage of, so that spots are always occupied. To support our employees with childcare, we reserved spots for employees' children at the nearby daycare center. We also allow short-term paid leave of two days to care for seriously ill family members in an employee's own household, as well as the option of taking caregiver leave as full or partial unpaid leave of up to twelve months. Furthermore, we grant time off for various occasions such as marriage, relocation, honorary positions or educational leave.

### **GRI 405-1: Diversity of governance bodies and employees ✓**

Symrise consciously embraces an HR policy that views diversity in the workplace as a driver for creativity and integrity. This is why we have committed ourselves to several Group-wide projects that promote diversity. In addition, we provide targeted support to individual women in senior leadership positions through coaching in order to prepare them for executive positions. By 2025, we aim to have at least 30% women at the first global management level directly below the Executive Board, while the second global management level should consist of at least 45% women. The share of women at the first level of management beneath the Executive Board amounted to 20 % in 2021, compared with 28 % in the previous year. At the second level of management it amounted to 38 %, compared with 42 % in 2020. The decline below the level already achieved is attributable to the fact that the Flavor and Nutrition segments were combined to form a new Taste, Nutrition & Health segment in the 2021 fiscal year. This has reduced the absolute number of management positions at the first and second management levels below the Executive Board. Notwithstanding this, Symrise is maintaining its goal to increase the share of women at the first management level to 30 % and at the second management level to 45 % in 2025.

For the Executive Board, Symrise AG aims to achieve a 20 % share of women in the long term. Measures related to specific persons have been agreed between the Supervisory Board and the Executive Board to promote potential candidates. Nevertheless, we must respect current employment contracts and ensure continuity in the Executive Board. The current members of the Executive Board have contracts that extend into the years 2024 to 2025.

Our annual diversity data reporting, which takes into account our large sites and thereby 73% of our workforce (about 8,000 employees), documents the progress of our HR diversity policies.

According to the latest diversity report, women make up 39.5 % (2020: 39 %) of our workforce today. When it comes to new hires from outside the company, women are well represented with 42 % (2020: 41 %) of total new hires. Particularly in our fragrances area, the share of newly employed women is disproportionately high at 55 % (2020: 54 %), in the area of flavors and food supplement 36 % (2020: 37 %).

Gender diversity is also evident in our internal promotions. Women account for 45 % of all promotions (2020: 45 %). Our fragrances area also stands out here with an above-average share of 54 % (2020: 53 %), and in the Taste, Nutrition & Health segment it is 38 % (2020: 39 %).

Across all company levels, the proportion of women in management positions comes to approximately 45 % (2020: 44 %), in the Scent & Care segment to 44 % (2020: 45 %) and in the Taste, Nutrition & Health segment to 40 % (2020: 42 %). This trend gives us confidence that we will be able to reach the goals we have set for the medium term.

In our efforts to promote international diversity, we always strive to have internationally mixed teams when training our managers. Our executive ranks include Dr. Jean-Yves Parisot, from France, who represents the Taste, Nutrition & Health segment in the Executive Board of Symrise AG. All other Executive Board members have distinct international management experience as a result of working abroad for many years.

Even though Symrise remains a German company, we recognize the increasing importance of international diversity. In addition to around 29 % German employees (2020: 28 %), the French represent the second-largest employee group at 17 % (2020: 16 %). The percentage of US-American employees is 16 % (2020: 16 %). Employees from Latin American cultural regions, especially from Mexico and Ecuador, also account for a high share of 15 % (2020: 13 %). Our Brazilian employees constitute 7 % (2020: 7 %) of the total workforce, unchanged since the previous year, while Chinese employees amount to 8 % (2020: 6 %).

#### GLOBAL SHARE OF WOMEN IN MANAGEMENT POSITIONS AT SYMRISE

	2018	Share	2019	Share	2020	Share	2021	Share
Share of women in total workforce worldwide	3,806	39.3 %	4,059	38.5 %	4,166	39.1 %	4,434	39.5 %
Share of women in upper management worldwide	22	33.0 %	25	32.5 %	26	35.6 %	24	34.0 %

Basis: Fixed-term and permanent employees, not including apprentices, as of December 31 of the respective year.  
Definition of upper management: all employees worldwide who are employed in the first three management levels, including the Executive Board.

#### EMPLOYEE CATEGORIES ACCORDING TO GENDER IN GERMANY

	2018	Share	2019	Share	2020	Share	2021	Share
<b>MANAGER</b>								
Men	313	71.8 %	312	70.3 %	313	69.7 %	303	70.8 %
Women	123	28.2 %	132	29.7 %	136	30.3 %	125	29.2 %
<b>Total</b>	<b>436</b>	<b>100 %</b>	<b>444</b>	<b>100 %</b>	<b>449</b>	<b>100 %</b>	<b>428</b>	<b>100 %</b>
<b>NON-MANAGER</b>								
Men	1,589	64.9 %	1,606	65.1 %	1,661	65.8 %	1,742	65.6 %
Women	859	35.1 %	861	34.9 %	865	34.2 %	915	34.4 %
<b>Total</b>	<b>2,448</b>	<b>100 %</b>	<b>2,467</b>	<b>100 %</b>	<b>2,526</b>	<b>100 %</b>	<b>2,657</b>	<b>100 %</b>
<b>TOTAL WORKFORCE</b>								
Men	1,902	66.0 %	1,918	65.1 %	1,974	66.4 %	2,045	66.3 %
Women	982	34.0 %	993	34.9 %	1,001	33.6 %	1,040	33.7 %
<b>Total</b>	<b>2,884</b>	<b>100 %</b>	<b>2,911</b>	<b>100 %</b>	<b>2,975</b>	<b>100 %</b>	<b>3,085</b>	<b>100 %</b>

Definition: Managers, including junior managers, defined as non-tariff employees or managerial employees, as of December 31 of the respective year.  
Basis: Employee figures, not including apprentices and temporary workers, as of December 31 of the respective year.

**EMPLOYEE CATEGORIES ACCORDING TO AGE IN GERMANY**

Age	2018		2019		2020		2021	
	Manager	Non-Manager	Manager	Non-Manager	Manager	Non-Manager	Manager	Non-Manager
20 – 29	0.0 %	17.4 %	0.0 %	17.5 %	0.0 %	18.2 %	1.4 %	17.1 %
30 – 39	14.0 %	20.8 %	13.7 %	20.8 %	11.1 %	21.7 %	14.3 %	22.5 %
40 – 49	29.1 %	25.7 %	27.5 %	25.0 %	29.6 %	23.1 %	24.8 %	21.2 %
50 – 59	45.2 %	29.1 %	49.8 %	31.5 %	50.6 %	31.9 %	49.1 %	30.6 %
>= 60	6.0 %	11.7 %	9.0 %	5.1 %	8.7 %	5.1 %	10.5 %	8.7 %
<b>Total</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>

Definition: Managers, including junior managers, defined as non-tariff employees or managerial employees, as of December 31 of the respective year.

**EMPLOYEE AGE STRUCTURE SYMRISE GLOBAL**

Age	2019	2020	2021
20 – 29	15.7 %	15.3 %	16.4 %
30 – 39	28.4 %	28.4 %	30.2 %
40 – 49	26.9 %	26.7 %	26.0 %
50 – 59	23.4 %	23.3 %	21.7 %
>= 60	6.0 %	6.3 %	5.7 %
<b>Total</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>

Basis: Core workforce and fixed-term employees, without apprentices; as of December 31 of the respective year.

**COMPOSITION OF THE EXECUTIVE AND SUPERVISORY BOARDS ACCORDING TO GENDER**

	Executive Board	Share	Supervisory Board	Share
Men	5	100 %	8	67 %
Women	0	0 %	4	33 %
<b>Total</b>	<b>5</b>	<b>100 %</b>	<b>12</b>	<b>100 %</b>

As of December 31, 2021

**COMPOSITION OF THE EXECUTIVE AND SUPERVISORY BOARDS ACCORDING TO AGE**

Age	Executive Board	Share	Supervisory Board	Share
<= 30	0	0 %	0	0 %
30 – 50	0	0 %	3	25 %
>= 50	5	100 %	9	75 %
<b>Total</b>	<b>5</b>	<b>100 %</b>	<b>12</b>	<b>100 %</b>

As of December 31, 2021

**GRI 405-2: Ratio of basic salary and remuneration of women to men ✓**

Gender-independent remuneration is a matter of course at Symrise. The amount of remuneration is determined exclusively by the employee's qualification and value contribution to the company.

Symrise pays its employees on the basis of collective wage agreements concluded with the respective labor unions. Each initial classification or later reclassification is subject to review by the works council. Through this double-checking, we make sure that gender plays no role in determining remuneration.



Every year, we conduct analyses at all our major sites to prevent gender-specific disadvantages in remuneration. In addition, to review gender equality in the area of remuneration, an in-depth equal pay analysis was carried out in Germany in 2021. The unadjusted gender pay gap is 1.2 %. Comparable job groups were formed and pay differences were analyzed against the backdrop of whether there is possible discrimination in this area. For this purpose, aspects such as length of service, age, schooling and vocational training and instruction were considered, along with the requirements level and professional position. The non-profit FPI Fair Pay Innovation Lab recognized Symrise for its fair pay in the reporting year.

Differences in pay that are reflected in the absolute level of pay result from the type of activity, such as shift work with corresponding shift remuneration, but are not determined by gender. For example, at Symrise in Germany, currently only four women work in rotating shift operations with regular evening shifts and corresponding shift remuneration. Otherwise, only men work in these areas and therefore receive higher remuneration as a result of shift bonuses as the wage agreement base pay. In addition, one must always take into account the high percentage of women in part-time work, which gives rise to the impression that women earn less overall.

#### **GRI 406: NON-DISCRIMINATION 2016**

##### **GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

Discrimination means the disadvantaging of persons based on certain characteristics – its prohibition is defined in human rights law and forms the basis of respectful coexistence and working together. Ensuring equal treatment and equal opportunities for employees in the company worldwide is a central principle that is also reflected in SDG 5, 8 and 10 of the global Sustainable Development Goals. Our materiality analysis conducted in 2019 underscores the importance of respecting human rights via a high rating, especially for our external stakeholders.

Having a responsible HR policy is part of our company culture. It conveys goals and creates common values. It also includes providing options for further qualification and training for our employees, promoting diversity among the workforce and enhancing the compatibility of professional and private life. With our goals and measures to promote diversity and equal opportunities – such as the review of the equal treatment of men and women in remuneration – we also actively contribute to preventing discrimination (see Management approach to [GRI 405](#)).

Our Integrated Management System is based on the provisions of the SA 8000 social accountability standard, which is binding throughout the company. This standard is based on the conventions of the International Labor Organization (ILO), the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child. Humane working conditions, decent employment and due consideration for the social aspects of employment are the foundation for how we act at every site.

The Integrity Hotline set up by the Group Compliance Office (see [GRI 102-17](#)) ensures that Symrise employees can anonymously report violations of both legal regulations and internal company guidelines – including incidents of discrimination.

##### **GRI 406-1: Incidents of discrimination and corrective actions taken ✓**

Discrimination against individuals on the basis of their personal characteristics is not tolerated at Symrise. No cases of discrimination were reported in the year under review.

#### **GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016**

##### **GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

Respect and fairness in interaction and communication with each other are corporate values that are anchored in our Symrise Code of Conduct. We therefore not only tolerate the establishment of employee representatives and the right to collective agreements such as collective bargaining agreements, but also see this as the active participation of employees in our corporate decisions. Through SDG 8, humane work, the United Nations has also formulated target requirements on the topic, to which we are committed. Our materiality analysis conducted in 2019 underscores the importance of the topic in the context of respecting human rights via a high rating, especially for our external stakeholders.

Responsibility for ensuring freedom of assembly and the right to collective bargaining agreements among our own employees lies with the HR department. Preserving these rights with suppliers is the responsibility of the purchasing department.



Symrise consistently adheres to all local labor laws. In addition, Symrise places great importance on having a company culture where employees actively contribute to what happens at the company, which is reflected in our Code of Conduct. A clear commitment to freedom of association and the right to membership in a labor union are a matter of course for us. This includes the formation of works councils or the joining of unions. At those locations where there is no collective agreement due to legal regulations or memberships in employers' associations, we look to the predominant working conditions that are standard in the industry. In addition, employment agreements define collective rules for working conditions in the respective countries. Globally, 60% of our workforce is covered by collective bargaining agreements, and about 85 % of the workforce in Germany is covered by collective bargaining agreements.

Furthermore, by signing our Code of Conduct, we require our suppliers to allow their employees the right to freedom of assembly and collective bargaining, to observe at least the statutory provisions on working times and pay and to make a clear commitment against discrimination and abuse. In accordance with our [responsible sourcing policy](#), we conduct risk and performance conditions of suppliers on social perspectives and labor practices, among other things. We carry out audits for suppliers that pose an especially notable risk – as defined by SEDEX and EcoVadis –, that have crucial raw materials or that have had problems flagged in the assessment. In addition, the majority of our strategic suppliers are SEDEX/SMETA certified and have been assessed to ensure freedom of assembly as part of the associated audits (for more on supplier screening and audits, see Management approaches to [GRI 204](#) and [GRI 412](#)).

The abuse of employee rights is not tolerated in any form at Symrise and its suppliers. For violations of our Code of Conduct, our employees can anonymously and confidentially contact the relevant Compliance Officer at their location or our Integrity Hotline (for more on the complaints mechanism, see [GRI 102-17](#)). External informants who wish to report violations of our Code of Conduct by a Symrise employee or our business partners do not have to fear reprisals. Rather, we actively encourage dialogue. They can contact the police, the public prosecutor's office, the media and the relevant supervisory authorities or write to the Executive Board, the Supervisory Board of Symrise or the Compliance Officer Corporate Sustainability. In general, our Integrated Management System is based on the provisions of the SA 8000 social accountability standard, which is binding throughout the company. This standard is based on the conventions of the International Labor Organization (ILO), the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child. Humane working conditions, decent employment and due consideration for the social aspects of employment are the foundation for how we act at all sites.

**GRI 407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk ✓**

In 2021, there were no strikes against Symrise in our group of companies.

There were no Symrise locations where the right to freedom of association and collective bargaining was violated or put at risk in the reporting year. Against this background, no additional measures had to be taken to ensure alternative forms of employee participation or to remedy discrimination against unions.

The majority of our strategic suppliers are certified according to SEDEX/SMETA criteria and have been assessed to ensure freedom of assembly as part of the associated audits. Symrise has no information that the right to freedom of assembly and collective bargaining was violated or put at risk at any supplier during the reporting year (for more on supplier assessments and audits, see Management approaches to [GRI 204](#) and [GRI 412](#)).

**GRI 408: CHILD LABOR 2016**

**GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

The United Nations Guiding Principles on Business and Human Rights explicitly highlight corporate responsibility. After all, the activities of companies can have unintended negative effects on human rights. This applies above all to globally operating corporations with complex supply chains. Particularly threatened by human rights violations in supply chains are those population groups who are already marginalized in their respective country and therefore are exposed to higher risk, such as children, women and religious or ethnic minorities. At the same time, a precarious human rights situation also weakens companies since their success depends on a stable and predictable environment. As part of SDG 8, one of the six central SDGs for Symrise, we as an internationally active company have a particularly large influence over the working conditions of our employees, partners and suppliers along the value chain. In doing so, humane working conditions are emphasized as the prerequisite for sustainable and inclusive economic growth. Our materiality analysis conducted in 2019 underscores the importance of the topic in the context of respecting human rights via a high rating, especially for our external stakeholders.

At Symrise, Corporate Sustainability is responsible for the topic of human rights and reports on it to the Executive Board several times per year. By signing the United Nations Global Compact, we officially announced our active support for the protection of international human rights as a company. This applies both to our own employees and to upholding human rights at our business partners. Our [position paper on human rights and ethical sourcing](#) and our [statement on slavery and human trafficking](#) reinforce this commitment.

The Symrise Code of Conduct describes our company's worldwide rules on the topic of human rights. The provisions are implemented worldwide in our Integrated Management System (IMS), which is based on the provisions of the SA 8000 social accountability standard. This standard is based on the conventions of the International Labour Organization (ILO), the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child. The abuse of employees' rights or work safety provisions is illegal and is not tolerated in any form at Symrise. Independent auditing agencies regularly confirm compliance with these regulations on social responsibility. For violations of our Code of Conduct, our employees can anonymously and confidentially contact the relevant Compliance Officer at their location or our Integrity Hotline (for more on the complaints mechanism, see [GRI 102-17](#)). External informants who wish to report violations of our Code of Conduct by a Symrise employee or our business partners do not have to fear reprisals. Rather, we actively encourage dialogue. They can contact the police, the public prosecutor's office, the media and the relevant supervisory authorities or write to the Executive Board, the Supervisory Board of Symrise or the Compliance Officer Corporate Sustainability.

We expressly welcome legislation upholding human rights in supply chains or in our own organization, such as the California Transparency in Supply Chains Act, the UK Modern Slavery Act and the German Supply Chain Due Diligence Act. We continue to support the ongoing legislative processes at the European level. Symrise will be affected by the Supply Chain Due Diligence Act starting in 2023 and formed the Responsible Sourcing Steering Committee in the reporting year to implement its own due diligence (see [GRI 102-10](#) and Management approach to [GRI 204](#)).

We require our suppliers and business partners to uphold basic human rights. Before a new supplier is accepted as a business partner, it must pledge in writing that it will maintain and comply with the provisions of the Symrise Code of Conduct. The international supplier screening platforms Supplier Ethical Data Exchange (SEDEX) and EcoVadis are valuable tools with which we can more easily assess suppliers and disclose our own data to customers. Since 2006, we have been publishing relevant information on working conditions and employee rights, health and safety as well as on environmental and ethical business practices via this platform for Symrise.

Since 2012, we have requested that our most important suppliers register with SEDEX and disclose their data there. Alternatively, agricultural production suppliers can also indicate their FSA rating (FSA: Farm Sustainability Assessment) – we expect at least the FSA standard in silver. We carry out audits for suppliers that pose an especially notable risk (as defined by SEDEX and EcoVadis), that have crucial raw materials or that have had problems flagged in the assessment. Between 120 and 150 (2020: 142) supplier audits were performed by trained and experienced internal supplier audit teams – the exact number was not available at the time of the editorial deadline. Additionally, we request at least 50 suppliers annually to carry out SEDEX/SMETA audits by verified, independent audit agencies. For further information on supplier screening, see Management approach to [GRI 412](#).

Furthermore, our approach to backward integration (see Management approach [GRI 204](#)) enables us to exert direct influence on adherence to our principles.

Human rights or environmental risks can also arise in our own organization. To identify and reduce these risks, all Symrise Legacy\* production sites are registered on the SEDEX platform and have been externally audited every three years since 2010 based on the SEDEX/SMETA 4 Pillar Standard. Around 77 %\*\* of the production sites of the former Nutrition segment are now also registered on the platform and 68 % are SMETA-certified. In the reporting year, sites in Argentina, Brazil, China, Egypt, South Africa, the United Kingdom and the United States were audited by external auditors (see also Management approach to [GRI 412](#)).

In addition, several customers had independent certification organizations audit selected Symrise locations according to their own standards for social aspects.

\* Symrise Legacy includes all Symrise plants except for the sites of the former Nutrition segment.

\*\* Some of the missing sites will not be registered separately in the future, as they are branches of other sites or only a few employees work there (20 or less).

**GRI 408-1: Operations and suppliers at significant risk for incidents of child labor ✓**

Symrise does not permit any form of child labor at its operations or at suppliers. No significant anomalies were found at Symrise sites and suppliers audited by SEDEX/SMETA in the reporting year. In summary, the results of the audits are: Overall, Symrise suppliers and sites have a medium risk of child labor, with no region having an average high risk. However, there are several countries with high risk values, with China and Madagascar being the highest risk sites. In a few cases, suppliers did not verify the age of their workers, increasing the risk of employing underage workers. However, no cases of child labor were found.

**GRI 409: FORCED OR COMPULSORY LABOR 2016**

**GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

Symrise pursues a bundled Management approach regarding child labor and forced or compulsory labor – the relevant information can be found under Management approach to [GRI 408](#).

**GRI 409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labor ✓**

Symrise does not permit any form of forced or compulsory labor at its operations or at suppliers. No anomalies were found at Symrise sites and suppliers that were inspected by SEDEX/SMETA in the reporting year (see also Management approach to [GRI 412](#)). Overall, there is a medium risk of forced labor for Symrise, with the highest risks for sites and suppliers in Thailand. The most common violations connected to indicators of forced labor include wages that do not meet national minimum wages, missing records such as payroll or accounting, excessive overtime and missing social security payments.

**GRI 411: RIGHTS OF INDIGENOUS PEOPLES 2016**

**GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

The rights of indigenous peoples are material for us, given that we rely on access to local genetic resources, on which we may depend for developing innovative and natural products. Our materiality analysis conducted in 2019 underscores the importance of the topic in the context of respecting human rights via a high rating, especially for our external stakeholders. This is why we align our actions with the principles of the Nagoya Protocol of the United Nations, which regulates the use of genetic resources by international companies and prescribes benefit-sharing for local communities.

For this purpose, a [Nagoya committee](#) was founded in 2017, consisting of experts from the business and staff units, which promotes the systemic integration of the Access and Benefit Sharing principle in all functional areas. Both the existing product portfolio and new research projects are subject to the strict requirements of the Nagoya Protocol.

Symrise takes a clear position against illegal and illegitimate land use practices and has defined measures in its [Land Use Policy](#), including measures to prevent land theft.

**GRI 411-1: Incidents of violations involving rights of indigenous peoples ✓**

No incidents are known in the reporting year.

**GRI 412: HUMAN RIGHTS ASSESSMENT 2016**

**GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

The United Nations Guiding Principles on Business and Human Rights and their national implementation in the German government's National Action Plan for Business and Human Rights (NAP) explicitly highlight corporate responsibility. The Supply Chain Due Diligence Act (LkSG), which was endorsed by Symrise and passed in 2021, will legally require some of the companies based in Germany, including Symrise, to perform responsible supply chain management starting in 2023. After all, the activities of companies can have unintended negative effects on human rights. This applies above all to globally operating corporations with complex supply chains. Particularly threatened by human rights violations in supply chains are those population groups who are already marginalized in their respective country and therefore are exposed to higher risk, such as children, women and religious or ethnic minorities. At the same time, a precarious human rights situation also weakens companies since their success depends on a stable and predictable environment.

Within the framework of SDG 8, humane working conditions are emphasized as the prerequisite for sustainable and inclusive economic growth. Our materiality analysis conducted in 2019 underscores the importance of the topic “respecting human rights” via a high rating, especially for our external stakeholders. This topic continued to gain importance at regular investor and customer meetings in 2021, especially because of the adopted German LkSG and the developments toward a supply chain law at the EU level.

At Symrise, Corporate Sustainability is responsible for the topic of human rights and reports on it to the Executive Board several times per year. By signing the United Nations Global Compact, we officially announced our active support for the protection of international human rights as a company. This applies both to our own employees and to upholding human rights at our business partners. Our [position paper on human rights and ethical sourcing](#) and our [statement on slavery and human trafficking](#) reinforce this commitment.

The Symrise Code of Conduct describes our company’s worldwide rules on the topic of human rights. The provisions are implemented worldwide in our Integrated Management System (IMS), which is based on the provisions of the Group-wide SA 8000 social accountability standard. This standard is based on the conventions of the International Labour Organization (ILO), the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child. The abuse of employees’ rights or work safety provisions is illegal and is not tolerated in any form at Symrise. Independent auditing companies regularly confirm compliance with these regulations on social responsibility. For violations of our Code of Conduct, our employees can anonymously and confidentially contact the relevant Compliance Officer at their location or our Integrity Hotline (for more on the complaints mechanism, see [GRI 102-17](#)). External informants who wish to report violations of our Code of Conduct by a Symrise employee or our business partners do not have to fear reprisals. Rather, we actively encourage dialogue. They can contact the police, the public prosecutor’s office, the media and the relevant supervisory authorities or write to the Executive Board, the Supervisory Board of Symrise or the Compliance Officer Corporate Sustainability.

We expressly welcome legislation upholding human rights in supply chains or in our own organization, such as the California Transparency in Supply Chains Act, the UK Modern Slavery Act or the German LkSG. We continue to support the ongoing legislative processes at the European level. Symrise will be affected by the LkSG starting in 2023 and formed the Responsible Sourcing Steering Committee (RSSC) in the reporting year to implement its own due diligence (see [GRI 102-10](#) and Management approach to [GRI 204](#)).

The RSSC is a decision-making body consisting of global purchasing managers, representatives of the Corporate Sustainability department and sustainability experts from the divisions. It defines the processes for supplier assessments and implementation of the resulting measures to ensure that assessment criteria are completely embedded in the business processes. Operational implementation takes place in the purchasing areas, as does monitoring of the defined measures with the suppliers.

The RSSC is building on a solid foundation: We have been working for several years to ensure that suppliers comply with our sustainability standards through systematic supplier management and compliance with our [responsible sourcing policy](#). The RSSC is tasked with establishing a coherent and sustainable Responsible Sourcing Management that meets the expectations and requirements of our stakeholders and makes the supply chains of Symrise robust. Three RSSC working groups are developing specific measures with timelines and KPIs for this purpose, incorporating the EcoVadis, AIM Progress and SEDEX recommendations – thus defining a roadmap for 2021 to 2023. The RSSC’s strategic objectives include the introduction of a responsible sourcing policy, which includes a Code of Conduct for suppliers, and a due diligence process. At the same time, a human rights policy will be introduced, for which Corporate Sustainability will be responsible. This also includes a complaints mechanism for suppliers and other business partners. A key area of responsibility is also integrating sustainability aspects into the qualification, evaluation and further development of suppliers.

We also require our suppliers and business partners to uphold basic human rights. Before a new supplier is accepted as a business partner, it must pledge in writing that it will maintain and comply with the provisions of the Symrise Code of Conduct. The international supplier screening platforms Supplier Ethical Data Exchange (SEDEX) and EcoVadis are valuable tools: They allow us to more easily assess suppliers and disclose our own data to customers.

For this reason, since 2012, we have requested that our most important suppliers register with SEDEX and disclose their data there. In 2020, we additionally started to include suppliers on the EcoVadis platform. In this way, we leverage the benefits of both platforms to identify risks and opportunities for our suppliers. Alternatively, agricultural production suppliers can also indicate their FSA rating; we expect at least the FSA standard in silver. The FSA seal (Farm Sustainability Assessment) stands for sustainably produced raw materials and is awarded by the non-profit organization SAI (Sustainable Agriculture Initiative). Furthermore, since 2014, many suppliers of natural substances – which are strategically important for Symrise – have been evaluated through the Union for Ethical Bioproducts (UEBT). This ensures ethical procurement of the products sourced.

We carry out audits for suppliers that pose an especially notable risk (as defined by SEDEX and EcoVadis), that have crucial raw materials or that have had problems flagged in the assessment. Suppliers from whom we require certification by specific audit companies such as UEBT, SAI or FSC are also visited on site if high risks are present. Suppliers with medium and low risks are subject to regular assessment by SEDEX and/or EcoVadis or by audit companies such as UEBT, SAI and FSC. Between 120 and 150 (2020: 142) supplier audits were performed by trained and experienced internal supplier audit teams – the exact number was not available at the time of the editorial deadline. Additionally, we request at least 50 suppliers annually to carry out SEDEX/SMETA audits by verified, independent audit agencies. We also receive around 100 SMETA unsolicited audit reports from our suppliers from SEDEX. We can track the implementation of identified corrective actions from the audits through to verification in the SEDEX database.

The current SEDEX risk report shows that the data basis of some suppliers is not sufficient for a risk assessment. Among the supplier sites assessed, 86 % have low to medium sustainability risks. The suppliers with the highest risks are located in Mexico, China, India, Indonesia and Brazil. Risks were most frequently identified in the areas of water scarcity, working hours, freedom of association, waste and water pollution and forced labor. Symrise aims to intensify its focus on active suppliers – i.e. those from whom it has procured in the last two to three years. The data basis for these suppliers in particular should be improved. In addition, the corrective measures that can be implemented to mitigate the identified risks are to be reviewed.

Information on the current SEDEX risk report on child labor and forced labor in the supply chain can be found under [GRI 408-1](#) and [GRI 409-1](#).

However, human rights or environmental risks can also arise in our own organization. To identify and reduce these risks, all Symrise Legacy\* production sites are registered on the SEDEX platform and have been externally audited every three years since 2010 based on the SEDEX/SMETA 4 Pillar Standard. Around 77 %\*\* of the production sites of the former Nutrition segment are now also registered on the platform and 68 % are SMETA-certified. In the reporting year, sites in Argentina, Brazil, China, Egypt, South Africa, the United Kingdom and the United States were audited by external auditors.

The current SEDEX risk report summarizes the findings from the data provided by the sites on the platform and the audits. It shows that the data basis of some sites is not sufficient for a risk assessment and that almost 90 % of the assessed sites show low to medium sustainability risks. Risks were most frequently identified in the areas of water scarcity, freedom of association, waste and pollution, working hours and occupational health and safety. Symrise aims to improve the data basis and review measures that can be implemented on a site and country-specific basis to mitigate the identified risks. No significant deviations from specifications were identified in the audits. All identified deviations and potential improvements were promptly implemented at the respective sites and verified in a follow-up audit, if necessary.

In addition, several customers had independent certification organizations audit selected Symrise locations according to their own standards for social aspects.

### **GRI 412-1: Operations that have been subject to human rights reviews or impact assessments ✓**

Year after year, we increase the proportion of our global sites that are audited according to human rights criteria. Due to the acquisition and first-time inclusion of ADF/IDF in the 2020 sustainability record, the value decreased from over 80 % to 67 % in the previous year. In the meantime, 72 % of our sites have been audited according to human rights criteria. To date, no human rights violations have been identified in the course of audits at any of the sites.

\* Symrise Legacy includes all Symrise plants except for the sites of the former Nutrition segment.

\*\* Some of the missing sites will not be registered separately in the future, as they are branches of other sites or only a few employees work there (20 or less).

**GRI 412-2: Employee training on human rights policies or procedures ✓**

In addition to the requirements of their positions, new Symrise employees are given comprehensive training when they join the company on the fundamental principles of our Code of Conduct. All employees then take part in rolling training courses based on predefined schedules. Depending on whether they are basic, refresher or specialized training courses, these schedules cover a period of between one and three years.

To ensure that all compliance requirements are consistently met, the need for training is regularly determined, and appropriate training courses are implemented. In 2021, four training courses addressed “Data Protection: Defending Against Phishing Attacks,” “Protecting Company Information on Social Media: Surprise!” “Fraud and Business Integrity” and “Global Data Protection.” Participation in the training courses is mandatory for employees who have a connection to these topics as a result of their work. In the reporting year, more than 5,500 employees took part in each of these training courses. The employees who participated were thus trained in compliance topics for around three hours in 2021. These training courses also contain repeated references to our Code of Conduct and thereby enforce our binding principles. As part of the training sessions, attention is also drawn to the complaints mechanism, including the Symrise internal Integrity Hotline, in the event of violations of the Code of Conduct (see [GRI 102-17](#)).

Since 2019, a portion of our employees have also received compliance training on topics such as conflicts of interest, anti-corruption, financial crime, legal requirements in international trade, protection of confidential corporate information, and secure data processing and removal. The target group for this training are employees from Purchasing, Finance, Sales and Management.

**GRI 412-3: Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening ✓**

All investment agreements and contracts include clauses on human rights. We make it very clear in our investment agreements and contracts that partner firms are to uphold the regulations and rules on occupational health and safety, guidelines for the reduction of environmental impact and rules regarding hygiene. Furthermore, we also refer to the guidelines for minimum wage, which also apply to subcontractors. Naturally, our Code of Conduct, which lays out our principles for compliance with human rights, also applies to all transactions with business partners, including service providers and particularly our raw material suppliers. Compliance with the Code of Conduct and the principles of the Symrise Corporate Policy must be confirmed in writing by our suppliers.

**GRI 413: LOCAL COMMUNITIES 2016**

**GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

Given the nature of the industry, the topic of facility safety at Symrise is of vital importance, especially in the local communities where our sites are located. As a material topic for Symrise and in particular for our external stakeholders, this content was accordingly also included in the materiality analysis carried out in 2019.

Because local situations and needs vary, the specific measures to be implemented at the individual sites are guided by on-site systems and working groups. Our subsidiary TESIUM bundles our competence concerning the safety of our systems, thereby ensuring the protection of the staff, environment and host communities in Germany. All our sites worldwide follow obligatory Corporate Guidelines that contain an approach to the safety of systems and to the protection of employees and the environment, which have been coordinated with the Executive Board. Alongside conventional safety-related issues, TESIUM also considers environmental and energy aspects across the entire life cycle of the systems. An important tool for this is Total Productive Maintenance (TPM). It forms a basis for cross-hierarchy and cross-division teams of Symrise employees to develop new solutions and proposals.

Symrise takes a clear position against illegal and illegitimate land use practices toward local communities and indigenous population groups and has defined measures in its [Land Use Policy](#), including measures to prevent land theft.



**GRI 413-1: Operations with local community engagement, impact assessments, and development programs ✓**

We are in communication with the communities and residents at our business sites, strive to be a good neighbor, and make sure to avoid negative impacts of our business activities while creating social value. For example, at our company location in Holzminden, we let our neighbors know about topics of local interest and our social commitment by regularly publishing and distributing a local newsletter.

For more than ten years, we have been committed to improving education and health care in Madagascar. We have established production facilities there that meet strict environmental standards. We help farmers in Madagascar manage their land more effectively using sustainable and regenerative farming methods and high-yielding varieties and at the same time reduce their water consumption. We are also committed to providing training to farmers to optimize their farm management, thereby increasing their productivity and overall income. This commitment is part of a ten-year program to develop a sustainable supply chain (Bridging The Gap), which we are implementing together with the German Society for International Cooperation (GIZ). The project aims to improve the living conditions of around 10,000 people.

We established a site in the Amazon region that researches new, sustainable raw materials for cosmetics in close cooperation with Brazil's top cosmetics manufacturer Natura. The supply chains of all raw materials used at this site are reviewed in accordance with the UEBT guidelines. At the same time, many families in the region are benefiting from our commitments there. In partnership with the GIZ, the goal is to restore the natural vegetation along the Trans-Amazonian Highway and in the Northeastern Pará and Ponta do Albuna regions through changed cultivation of the land and reforestation measures. The farmers and cooperatives will learn how to cultivate the land more effectively with the help of the latest technology and thus increase their yields. More than 1,200 families have already participated in the Amazon Program.

Symrise is also committed to improving sustainability awareness: In 2020, for example, Symrise established a Sustainable Space at its Granja Viana (Brazil) site, adjacent to the tropical rainforest, to host training sessions and internal and external sustainability projects. In 2018, an environmental education project with the NGO Pé de Planta was started and continued in the reporting year. A total of 120 children participated in the project and learned more about local and seasonal vegetable cultivation and gardening, among other things, through the independent cultivation of vegetables and accompanying activities.

In India, we are working closely with Mars, the German Society for International Cooperation (GIZ) and the NGO Tanager training to support 25,000 mint farmers in the state of Uttar Pradesh. Our three-year project aims, among other things, to improve sustainability in the mint supply chain and help farmers optimize their farm management. We are also involved in the Philippines with our partners GIZ, Pernod Ricard/The Absolut Company and Franklin Baker. We offer training programs for sustainable cultivation and better agricultural management to farmers of our coconut plantations. This is intended to improve the living conditions of around 2,000 households in the long term.

In accordance with the Precautionary Principle, we endeavor to manage the local impact of our business activities as a rule on a proactive basis. Our Integrated Management System is based on international standards in quality management (ISO 9001), environment (ISO 14001), occupational health and safety (ISO 45001), sustainability (ISO 26000), energy (ISO 50001), social accountability (SA 8000), generally accepted Global Food Safety Initiative (GFSI) auditing standards, and other recognized local standards that promote continuous performance improvement.

Our subsidiary TESIUM ensures that the facilities comply with our safety requirements. This includes the preparation of systematic safety reviews, contingency plans, safety reports, alarm and risk-prevention plans, and public information. Health & safety committees can be found at all our sites where we have production facilities. The committees meet regularly and share ideas about safety measures and preventing workplace accidents (see [GRI 403-1](#)). All our worldwide sites follow obligatory Corporate Guidelines, which have been coordinated with the Executive Board, that contain an approach to the safety of systems and ensure the protection of employees and the environment.

**GRI 413-2: Operations with significant actual and potential negative impacts on local communities ✓**

We know of no business activities that have any substantially negative impacts on the local community. Within the framework of our sustainability agenda, we pursue the goal of improving living conditions on site and contributing to the enhancement of local communities. By doing so, we actively support the achievement of the sustainable development goals of the United Nations.

**GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016****GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

For our approximately 30,000 products worldwide, we use around 10,000 different natural and synthetic raw materials from over 100 countries. As a result, we face an array of challenges ranging from negative environmental effects from the sourcing of raw materials to protecting social standards in countries that experience, to some degree, problematic sociopolitical conditions. The reasons for this are not least because of inadequate transparency, the high level of complexity of material flows and the different objectives of the parties involved along the value chain. As a result of measures for responsible sourcing, we can contribute to the achievement of sustainable production patterns (SDG 12) as well as to the preservation of ecosystems (SDG 15). The high importance of the topic, its relevance and impact for Symrise and its external stakeholders is accordingly also reflected in the high rating of the topic “responsible sourcing” in our materiality analysis conducted in 2019.

We are constantly adapting the organizational structure of our purchasing department to the changing conditions on the market. Procurement at Symrise is organized in a decentralized manner in our segments Scent & Care and Taste, Nutrition & Health. This way we can manage purchasing processes in a more targeted manner and continually optimize the supply chain.

To implement its own due diligence as part of the German Supply Chain Due Diligence Act and improve responsible sourcing, Symrise formed the Responsible Sourcing Steering Committee (RSSC) in the reporting year. It defines the processes for supplier assessments and implementation of the resulting measures to ensure that assessment criteria are completely embedded in the business processes. Operational implementation takes place in the procurement areas, as does monitoring of the defined measures with the suppliers (see also [GRI 102-10](#) and Management approach to [GRI 204](#)). The RSSC’s strategic objectives include the introduction of a responsible sourcing policy, which includes a Code of Conduct for suppliers, and a due diligence process. At the same time, a human rights policy will be introduced, for which Corporate Sustainability will be responsible. This also includes a complaints mechanism for suppliers and other business partners. A key area of responsibility is also integrating sustainability aspects into the qualification, evaluation and further development of suppliers (see also [GRI 412](#)).

Our long-term goal is to source all our materials and services on the basis of sustainable criteria. 2025 is our target for the responsible sourcing of all strategic biological raw materials. In the reporting year, we already sourced 83.6 % of our strategic biological raw materials sustainably (2020: 72 %). In 2016, we developed a new [responsible sourcing policy](#) that applies across the Group. By providing a comprehensive description of our goals, aspirations and tools, it serves primarily as a reference document for suppliers, customers and employees. We have also established specific policies for various raw materials that are exposed to high risks, such as in the case of palm oil.

We cannot solve many of the challenges in the supply chain on our own. Therefore, we increasingly rely on cooperative arrangements within the industry and competitive approaches in which we can work together with other actors on long-term sustainable solutions. These include our memberships in the Roundtable on Sustainable Palm Oil, the Sustainable Agriculture Initiative (SAI) Platform or the Sustainable Spices Initiative (SSI). Symrise also joined the IFRA-IOFI Sustainability Charter in 2020. Signatory companies from the flavor and fragrance industry are committed to strengthening sustainability in the industry, for example through responsible procurement practices or reducing their environmental footprint.

Symrise is also a member of the Union for Ethical Biobased Trade (UEBT) and the Alliance for Development and Climate. As a founding member, Symrise was also involved in the creation of the Sustainable Vanilla Initiative and the One Planet Business for Biodiversity (OP2B) Initiative, in cooperation with the World Business Council for Sustainable Development (WBCSD), among others. We are active in the WBCSD’s Nature Action initiative and are committed to the principles of the Network for Nature multi-stakeholder initiative (for more information on these and other initiatives, see [GRI 102-12](#)).

We can best pursue and maintain our goal of responsible sourcing if we can exert direct influence on the upstream stages of our value chain. Therefore, we pursue the goal of strategic backward integration for our key raw materials. As we demonstrated in the vanilla production in Madagascar, we can create direct value for all stakeholders in this way: As part of various collaborative projects, we are focused to improve and implement environmental and social standards and can thus guarantee consistently high quality of raw material for ourselves and our customers. With this integrative approach, we support local socioeconomic structures and can directly monitor compliance with our principles. For the backward integration of our supply chain, we have established corporate guidelines on due diligence and defined corresponding processes that also consider environmental and social risks. Backward integration at our U.S. sites in Jacksonville, Florida, and Colonels Island, Georgia, as well as Granada in Spain, secures high-quality and strategically important ingredients for Symrise. This ultimately reduces our risk of supply bottlenecks.



For more information on responsible sourcing, see Management approach to [GRI 204](#) and [GRI 412](#).

**GRI 414-1: New suppliers that were screened using social criteria ✓**

The declared goal of Symrise is to procure all materials and services based on sustainable criteria. All direct suppliers are therefore obligated to explicitly agree to comply with our Code of Conduct. The [responsible sourcing policy](#) requires all new suppliers worldwide to be evaluated based on sustainability criteria. All new suppliers fill out a supplier survey that contains questions on social behavior. During the risk assessment process, we rely on environmental criteria to evaluate existing suppliers as well as the socioeconomic and ecological situation in their respective countries.

In light of the Supply Chain Due Diligence Act, we have expanded the goal for evaluating our suppliers. By 2025, the suppliers, who together account for 90 % of our procurement volume, will be assessed according to sustainability criteria. The assessment of the suppliers of the newly acquired ADF/IDF started at the end of 2020. Consequently, we already assessed 72.7 % (2020: 67 %) of our suppliers based on sustainability criteria – referring to 90 % of the procurement volume – in the reporting year.

**GRI 414-2: Negative social impacts in the supply chain and actions taken ✓**

In light of the Supply Chain Due Diligence Act, we have expanded the goal for evaluating our suppliers. By 2025, the suppliers, who together account for 90 % of our procurement volume, will be assessed according to sustainability criteria. The assessment of the suppliers of the newly acquired ADF/IDF started at the end of 2020. Accordingly, 72.7 % (2020: 67 %) of our suppliers, based on 90 % of the procurement volume, have already been assessed according to sustainability criteria in the reporting year.

To further expand the evaluation of our suppliers, we started to evaluate additional suppliers via the EcoVadis platform in 2020, as not all of our suppliers use SEDEX. With this step, we aim to be able to identify further risks and opportunities of our suppliers early on. Alternatively, agricultural production suppliers can also indicate their FSA rating; we expect at least the FSA standard in silver. The FSA seal (Farm Sustainability Assessment) stands for sustainably produced raw materials and is awarded by the non-profit organization SAI (Sustainable Agriculture Initiative).

We carry out audits for suppliers that pose an especially notable risk (as defined by SEDEX and EcoVadis), that have crucial raw materials or that have had problems flagged in the assessment. Between 120 and 150 (2020: 142) supplier audits were performed by trained and experienced internal supplier audit teams – the exact number was not available at the time of the editorial deadline. Additionally, we request at least 50 suppliers annually to carry out SEDEX/SMETA audits by verified, independent audit agencies. The focus here is on environmental issues in addition to product safety, quality management, work safety, health and social responsibility. If suppliers don't meet our defined standards, we jointly develop and implement improvement measures. If these standards are still not upheld after such attempts, the business relationship is terminated as a last resort. In 2021, there were no cases of our suppliers causing any notable negative social impact.

For information on the current general SEDEX risk report, see Management approach to [GRI 412](#). For SEDEX results specifically on the topics of child labor and forced labor in the supply chain, see [GRI 408-1](#) and [GRI 409-1](#).

**GRI 415: PUBLIC POLICY 2016**

**GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

Dialogue with politicians and participation in public discourse are important foundations and drivers for the future-oriented plans of the sector and its associated industries – food, pet food and personal care. This exchange must take place with integrity and transparency for all parties involved; we clearly exclude the corrupt gaining of advantage through political influence. The significance of “good corporate governance & compliance” for Symrise as well as its relevance and impact on external stakeholders is accordingly also reflected in the high rating of the topic in our materiality analysis conducted in 2019. In exchanges with relevant stakeholders, we express our interest, share our views and at the same time raise awareness of specific issues in the political discourse and legislative process. In doing so, we attach great importance to a fact-oriented and fact-based presentation and ensure both compliance with the applicable legal standards and legal framework as well as an open, participatory culture of dialogue – with all stakeholders who share our values see [Corporate Report 2021 p. 24ff.](#)

Party donations or donations to political or religious associations, public officials and public bodies must be approved by our Chief Compliance Officer. The Symrise Code of Conduct is the basis for all our actions in this regard and, in its statements on business relationships with external parties, donations and contributions, also applies to our conduct toward politics; see [GRI 102-16](#). Violations of the Code of Conduct can be reported by our employees via a low-threshold, transparent complaints mechanism; see [GRI 102-17](#).

Symrise actively participated in political and social dialogue during the reporting year through events and personal contact with decision makers as well as through our media channels. In our exchange with external stakeholders, we also see ourselves as a voice for corporate responsibility that actively exemplifies the compatibility of climate protection, supplier relationships based on partnership, and sustainable competitive corporate success.

For additional information on our participation on initiatives in the reporting year, see [GRI 102-12](#).

### **GRI 415-1: Political Contributions ✓**

Symrise is nonpartisan and did not support any political parties in the reporting year.

## **GRI 416: CUSTOMER HEALTH AND SAFETY 2016**

### **GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3 ✓)**

Each of the 30,000 different products of Symrise is subject to strict quality requirements. We concentrate our research and development activities particularly on the creation of products that contribute to satisfying human needs. Here the focus is on green chemistry, natural raw materials and resource-efficient production processes along with innovative technologies. The significance of “product quality & safety” for Symrise as well as its relevance and impact on external stakeholders is also reflected in the high rating of the topic in our materiality analysis conducted in 2019.

Responsibility for ensuring product safety lies with the relevant regulatory departments of the Taste, Nutrition & Health and Scent & Care segments.

The general foundation of responsible handling of products and production processes is good manufacturing practice: These guidelines serve to ensure quality of production processes and the production environment and apply to the manufacturing of medicines and active ingredients as well as cosmetics, food and animal feed products. They are defined by the laws governing pharmaceuticals, cosmetics and foods.

Many requirements apply across product groups, such as quality requirements, clear product labeling and hygiene requirements. Moreover, the government has passed corresponding regulations that define requirements specifically for individual product groups. Here, Symrise particularly differentiates between the following product groups: flavors, pharmaceutical agents, pharmaceutical additives, cosmetic active ingredients and raw materials.

Since 2020, these measures have been redefined and expanded against the backdrop of the global coronavirus pandemic and extended to include further hygiene measures. All sites continue to implement the locally applicable coronavirus pandemic containment regulations of the relevant authorities. For employee health measures, see Management approach to [GRI 403](#).

Symrise offers its customers worldwide emergency support for accidents and similar incidents: A 24-hour hotline is indicated on the data sheets on the safe handling of our products (see also [GRI 416-1](#)). In addition, customers can also contact the company directly at any time to initiate the product crisis process. In this case, a team of experts is alerted to assess the situation and initiate a product recall if necessary. These product safety concepts (product crisis and recall) are regularly tested internally and verified during external audits.

We are constantly working to improve the safety of our products. We carefully record, investigate and evaluate customer complaints and especially incidents of lack of food safety using a monitoring process. Based on this data, we develop KPI goals for the relevant departments. Company employees for whose work the safe handling of Symrise products is relevant are also regularly trained on the topic in e-learning sessions.

**GRI 416-1: Assessment of the health and safety impacts of product and service categories ✓**

We ensure the safety of our products throughout their entire life cycle. To do this, we integrate all relevant steps into our product safety policy, from supplier orders to customer delivery. Symrise ensures compliance with legislation, requirements laid down by associations and internal standards and continuously monitors this compliance. Our products are subject to strict regulatory scrutiny based on the food, pharmaceutical, and cosmetics law or the REACH directive.

Symrise has an internal regulatory monitoring system for the reduction and substitution of substances defined as substances of very high concern under the REACH regulation. In addition, we screen our ingredients early on to determine whether they could become substances of very high concern, even before official bodies give this status. Once such a substance is identified, the substance is removed and, at the same time, we inform research that we will no longer use these substances.

Our customers are informed about technical characteristics and how to safely handle our products via corresponding data sheets, product specifications and additional, individually tailored informational materials. Based on the data sheets, customers usually perform their own safety assessments of our products with experts. In addition, Symrise experts from the Regulatory Affairs and Toxicology departments are available to answer questions.

**GRI 416-2: Incidents of non-compliance concerning the health and safety impacts of products and services ✓**

There were no breaches of safety or health regulations in relation to our products at Symrise in 2021.

The intensive cooperation between the regulatory departments, the purchasing departments and sales ensures that no violations or complaints arise in connection with health impacts. Legislative changes are promptly implemented through the intensive cooperation of these areas and using a proactive approach, supported by robust product and consumer-protection processes. This approach has been received by customers as exemplary.

In the case of product defects that could endanger consumers, a product crisis process is initiated with local, regional and global crisis teams within the Customer Complaint Management organization.

All customer complaints regarding quality and service are carefully reviewed. If necessary, measures are taken, and their execution is monitored. In a monthly report, the responsible individuals are informed about the development of complaints and their processing.

**GRI FP5: Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards ✓**

More than 90 % of our production sites are certified at least in accordance with ISO 9001 as well as a standard applicable to the food industry (ISO 22000) or animal feed industry. All of these standards are recognized by the Global Food Safety Initiative.

**GRI FP6: Percentage of total sales volume of consumer products, by product category, that are lowered in saturated fat, trans fat, sodium and added sugars ✓**

The focus of our research and development strategy is our enhanced commitment to consumer well-being, which, for example, includes issues such as skin protection and healthier nutrition. Our ongoing aim is thus to continuously increase the share of these products in our sales volume. We work closely with our key customers to increase the contribution that end products make to promoting health.

**Omissions:**

For reasons of confidentiality, we do not publish figures on sales volumes or shares.

**GRI FP7: Percentage of total sales volume of consumer products, by product category, that contain increased nutritious ingredients like fiber, vitamins, minerals, phytochemicals or functional food additives ✓**

See [FP6](#).

**GRI 417: MARKETING AND LABELING 2016****GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

Ensuring the highest product quality and safety is of great importance to both Symrise and our stakeholders. This is also reflected in the materiality analysis performed in 2019, in which the topic of product quality and safety was rated highly by all stakeholders.

Our product safety policy and good manufacturing practice form the general foundation for responsibly handling products and production processes: These guidelines serve to ensure quality in production processes and in the production environment and apply to the manufacturing of medicines and active ingredients as well as cosmetics, food and animal feed products. They are defined by the laws governing pharmaceuticals, cosmetics and foods. Many requirements apply across product groups, such as quality requirements, clear product labeling and hygiene requirements. Independent audits and recognized certifications provide us with support as we strive to reach the highest standards and provide transparent evidence for our achievements. In addition, Symrise has created an internal committee specifically for dealing with classified substances, such as Substances of Very High Concern (SVHC). The committee ensures monitoring of the substances that goes beyond the legal requirements. If necessary, it initiates internal measures and informs direct and indirect suppliers. If a substance has a high risk, the committee develops joint strategies with other industry representatives, including replacing the substances, after weighing all options.

The Quality & Regulatory division organizes product safety at Symrise. Its reporting channel leads to the CEO via Global Operations area.

**GRI 417-1: Requirements for product and service information and labeling ✓**

Every new substance undergoes a safety assessment as standard. The hazardous substance or dangerous goods labeling of our products is based on regional and global requirements such as CLP Regulation 1272/2008 and/or the Globally Harmonized System of Classification and Labeling of Chemicals (GHS). All incoming raw materials are consistently checked for conformity and classified and graded accordingly. If necessary, additional clarifications are made directly with the supplier or in-house analyses, for example regarding the composition of raw materials, are conducted or their physical and chemical properties are determined analytically. In addition to the disclosures from the material safety data sheets of the raw material suppliers, the available information from the REACH registrations (dissemination page of ECHA) is used for the causality test.

The registration data are submitted to ECHA and can be viewed on the respective websites (<https://echa.europa.eu/home>) of the authorities. The authorities also publish the use of the substances. In addition, we disclose the uses of our substances upon request and register all IFRA uses as an IFRA member. Inquiries from customers are answered accordingly. We also have a team of toxicologists / ecotoxicologists at our disposal to clarify relevant issues internally. Furthermore, we are in close coordination with the International Fragrance Association via the Label Manual and the International Organization of the Flavor Industry. In addition, Symrise offers a worldwide 24-hour service in the event of an accident via the emergency number on the material safety data sheets.

Symrise uses both Verisk 3E Legal Content information and SAP EH&S regulations on the system side and creates material safety data sheets for raw materials, product mixtures and other relevant information fully automatically on a global level.

The labeling of our products for beverage and food applications in the Taste, Nutrition & Health segment is based on food regulations. Among other regulations, the requirements of EU Regulations 1169/2011 concerning food allergens and Article 14 of Regulation 1334/2008 concerning the labeling of flavorings that are not intended for sale to the final consumer apply.

**GRI 417-2: Incidents of non-compliance concerning product and service information and labeling ✓**

In 2021, there were no incidents of non-compliance concerning product and service information and labeling.

**GRI 419: SOCIOECONOMIC COMPLIANCE 2016****GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

Integrity, legal and compliant behavior are the basis of sustainable success for companies. Violations can result in personal liability and reputational damage for the company, as well as negative effects for business partners and suppliers through price agreements and market imbalances. The significance of “good corporate governance & compliance” for Symrise as well as its relevance and impact on external stakeholders is also reflected in the high rating of the topic in our materiality analysis conducted in 2019.

Our binding principles are laid out in our Code of Conduct, which guides the actions of all employees. The principles apply for all countries regardless of possible conflicting cultural customs. It not only regulates behavior toward key Symrise partners, but it also ensures transparent and reliable processes. The Code of Conduct also references ethical and legal challenges that can arise in the workplace, as part of business relationships or when handling information. In the interest of all employees and the company, we react swiftly to violations against our Code of Conduct and rectify their causes. In the event that our ethical and legal standards are breached, the Group Compliance office has installed an Integrity Hotline that can be used by all Symrise employees worldwide to report anonymously and in their native language any breaches of legal regulations or internal company guidelines. Misconduct is consistently prosecuted in accordance with the applicable national laws.

**GRI 419-1: Non-compliance with laws and regulations in the social and economic area ✓**

In 2021, suspected violations of the Code of Conduct were reported to the Compliance Office on average once per month worldwide via the Integrity Hotline. In all cases, investigations were initiated and corrective measures were applied on a case-by-case basis pursuant to the applicable legal system and Group-internal regulations. No significant damage was caused either to third parties or to our company.

**ANIMAL WELFARE****GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

Animals and raw materials of animal origin serve humans in many ways, especially in food production. Unique taste and nutrition solutions are also part of the Symrise product portfolio – therefore, we view the commitment to improved animal welfare as an important component of our corporate policy. Beyond the ethical requirements that we impose on ourselves and our activities, the irresponsible treatment of animals could lead to substantial reputational damage for Symrise with important stakeholders and thereby to significant economic harm. We share the growing concerns of consumers and customers regarding the conditions under which animals are held and treated, and we clearly see the reciprocal effect on the quality of food. Animal welfare is a natural obligation for Symrise and was accordingly also identified as a material issue in our materiality analysis carried out in 2019.

The Sustainability Board briefs the Executive Board several times per year on current developments. In 2020, we formulated a [global policy on animal testing](#) and are working on a procurement policy that regulates the handling of animals used in the production of animal raw materials. The guideline has been delayed because of the coronavirus pandemic.

Ingredients and flavors based on raw materials made from chicken represent the largest share of animal intermediate products in terms of volume at Symrise. That is why we have developed a guideline for high animal welfare standards in the poultry business unit, specifically for chickens, as the first building block for the Naturals business unit (formerly Diana Food). It includes clear minimum requirements for care, breeding, transport and slaughter. The guideline provides for regular reviews of farms, continuous improvement in livestock farming and an annual progress report. For example, we aim to source 100 % of our chicken-based raw materials required in the Naturals business unit in Europe from sustainable sources by 2026. In line with our guidelines, we conducted surveys on an ongoing basis since 2019 to uncover areas for improvement between the current practices of our suppliers and our animal welfare targets by 2026. Through a regional screening, we were also able to identify potential suppliers who already meet the requirements of our animal welfare guidelines. Since there are no uniform internationally recognized standards for animal welfare, Symrise has involved the internationally highly respected animal welfare organization Compassion in World Farming (CIWF). We continue to work with CIWF to quickly implement the guideline in the supply chain. In France, we are a guest member of the Etiquette bien-être animal association, with whom we held a meeting in the reporting year. Symrise is also a member of two organizations that promote alternatives to animal testing: the European Partnership for Alternative Approaches to Animal Testing (EPAA) and the Animal-Free Safety Assessment Collaboration (AFSA). Symrise is actively involved in the work of the association and participates in many expert groups (see [GRI 102-13](#)). Beyond these cooperations, Symrise networks with other stakeholders by participating in conferences and discussions on animal welfare.

We obtain animal raw materials and byproducts exclusively from suppliers that comply at a minimum with European laws or local regulations regarding animal welfare. Usually, only byproducts of the food industry are used here, thereby ensuring the utmost raw-material efficiency and reduction of food waste.

To measure the tastiness of pet food, the Taste, Nutrition and Health segment maintains Panelis expert centers in Elven (France), Hodges (USA) and Descalvado (Brazil) to provide its customers with studies on the feeding behavior of cats and dogs, as well as an understanding of the influence of the emotional bond between pets and their owners.

The expert centers follow a strict animal welfare policy. During selection, breeds are preferred that are not susceptible to health or behavioral problems. The dogs and cats have ongoing access to an open-air enclosure and fresh water and are regularly fed according to sensory assessment protocols as well as their respective natural eating behavior. Since the time spent housing the animals may only be a part of their entire life, an adoption program has been introduced which allows the adoption of the animals by families after an average of five years. Thus, the animal population is renewed by about 15 % annually.

In case of lengthy animal transportation, a special truck is used that is equipped with temperature monitoring and ventilation. The responsible employees hold specific certificates for this purpose. In France, for example, they hold the “Transport des animaux vivants” certificate, which is recognized by the French authorities. In addition, independent and external veterinarians take care of the animals and, if necessary, provide them with medication.

Many employees also hold the “Certificat de capacité,” a professional certification that is issued by the French authorities and qualifies them for the responsible treatment of animals.

In the Aqua Feed division, we conduct product tests of fish and shrimp to investigate tastiness, nutritional values and health benefits. These benefits support the development of more efficient, sustainable and secure aquacultures. These tests are performed subject to the following principles: Compliance with the laws of animal welfare, a strong training program for the scientists responsible for planning the test series, and validation of all protocols by independent ethics committees.

#### **GRI FP9: Percentage and total of animals raised and/or processed, by species and breed type ✓**

As a company, we do not raise or process any animals ourselves (regarding the supply chain, see [GRI 414-2](#)). The dogs and cats located in our Pet Food division are primarily used to provide expertise in sensory and behavioral assessment of pet food and care. Fish and shrimp are used in the division Aqua Feed to assess product performance.

Every year, breeders and owners select dogs and cats according to set criteria. Our goal is to provide a representative cross-section of breed diversity on the various continents. Wherever possible, the animals do not belong to certain breeds that are known for their tendency to develop health or behavioral problems. Our dogs and cats are acquired after a weaning period and are identified by tattoos and microchips. All animals remain in quarantine before they join the Panelis program.

At the division Aqua Feed, we conduct product tests of fish and shrimp primarily in order to investigate growth behavior. For each test design, the 3R rule (reduce, refine and replace) is used to enable a more ethical approach to animals. Overall, the annual growth weight of the fish and shrimp used in the tests is less than 650 kg.

#### **GRI FP10: Policies and practices, by species and breed type, related to physical alterations and the use of anaesthetic ✓**

As a company, we do not raise or process any animals ourselves (regarding the supply chain, see [GRI 414-2](#)). The dogs and cats located in our Pet Food division are primarily used to provide expertise in sensory and behavioral assessment of pet food and care. Fish and shrimp are used in the division Aqua Feed to assess product performance. Our dogs and cats receive only treatment for care; no invasive measures are taken. There are no breeding activities. In order to manage our animal population, dogs and cats are spayed or neutered. The operation is carried out by an independent veterinarian in accordance with generally accepted practical recommendations regarding anesthesia and analgesic protocols. If one of the animals must undergo a surgical procedure, a painful examination or medical treatment, the attending veterinarian supplies the appropriate narcotic and analgesic treatment. When a product test is completed, fish and shrimp used for product testing in the division Aqua Feed are treated as legally required and in accordance with the ethical guidelines of our testing procedures.

### **GRI FP11: Percentage and total of animals raised and/or processed, by species and breed type, per housing type ✓**

As a company, we do not raise or process any animals ourselves (regarding the supply chain, see [GRI 414-2](#)). The dogs and cats located in our Pet Food division are primarily used to provide expertise in sensory and behavioral assessment of pet food and care, while fish and shrimp in the division Aqua Feed are used to assess product performance.

The dogs and cats that are kept in the expert centers live in groups. Depending on building size, cats are housed in groups of 3, 8, 10 or 20 cats per room with plenty of natural light and controlled ventilation, while dogs are housed in pairs in kennels. Cats have constant access to a small outdoor area and fresh water through cat flaps. Dogs have free access to indoor and outdoor areas and spend several hours every day outdoors in parks. They are divided into groups of 4 to 10 animals depending on breed, body size and individual affinity. Dogs and cats are fed once or twice a day. Feeding frequency is the same as for pet owners at home.

In each of our facilities, we not only comply with the minimal prescribed treatment regulations, but also provide larger premises than necessary since the well-being of animals is crucial to the success of our sensory and behavioral tests of pet food and care.

For example, the smallest room for ten individual cats is 28 m<sup>2</sup> (15 m<sup>2</sup> for the indoor area and 13 m<sup>2</sup> for the outdoor area). For dogs, the accommodation depends on the size of the respective animal. We calculate more than 9 m<sup>2</sup> for small dogs and 12 m<sup>2</sup> for larger breeds. We design the environment for cats in three dimensions in order to enlarge the available space. Portions of the outdoor areas are also roofed.

We do not breed the fish and shrimp that are used for product testing by the Aqua Feed segment ourselves, but obtain them from commercial breeders. The fish and shrimp are held in facilities in which we ensure optimal conditions in terms of water quality, nutritional needs and low animal density.

### **GRI FP12: Policies and practices on antibiotic, anti-inflammatory, hormone, and/or growth promotion treatments, by species and breed type ✓**

As a company, we do not raise or process any animals ourselves (regarding the supply chain, see [GRI 414-2](#)). The dogs and cats located in our Pet Food division are primarily used to provide expertise in sensory and behavioral assessment of pet food and care. Fish and shrimp are used in the division Aqua Feed to assess product performance.

If needed, our dogs and cats receive antibiotics and anti-inflammatory treatment. The animals are kept exclusively as subjects for pet food and care tests. After an average of five years, the animals enter the adoption program to live with families.

Any treatments comply with the legal provisions of the attending veterinarian. They are always performed by animal caretakers and trained specialists. All treatments are documented in the respective individual files and the general register for each facility.

The division Aqua Feed does not use antibiotics, anti-inflammatory drugs or hormones. The goal of fish and shrimp tests is rather to demonstrate the advantages of our products. Achieving this goal would be impaired or invalidated by the use of such substances for the reduction of mortality rates or resistance to environmental influences in breeding.

### **GRI FP13: Total number of incidents if significant non-compliance with laws and regulations, and adherence with voluntary standards related to transportation, handling, and slaughter practices for live terrestrial and aquatic animals ✓**

No instances of non-compliance with laws and regulations were reported.

Transport of our dogs and cats take place when they are brought to our facilities, during visits to the veterinary clinic or during any trips to beauty shows or competitions.

Special spacious transport cages are used during transport. In case of longer trips, we ensure that the trip is interrupted regularly for free movement and the supply of fresh water. The responsible employees hold the "Transport des animaux vivants" certificate approved by the French authorities.

Many employees hold the "Certificat de capacité", a professional certification that has been issued by the French authorities and qualifies them for the responsible treatment of animals. In the US, the Animal Welfare Act governs regulations on transport to and from our sites there.