

always
inspiring more...

symrise 

SHARING VALUES

The power of holistic action

CORPORATE REPORT 2020

KEY FIGURES OF THE GROUP		2016 ¹	2017	2018	2019 ²	2020
Business						
Sales	€ million	2,903.2	2,996.3	3,154.0	3,407.9	3,520.5
EBITDA ³	€ million	625.2	630.3	630.5	701.4	742.1
EBITDA margin ³	in %	21.5	21.0	20.0	20.6	21.1
EBIT ³	€ million	422.3	431.6	434.0	471.6	487.5
EBIT margin ³	in %	14.5	14.4	13.8	13.8	13.8
Net income ³	€ million	265.5	270.3	275.3	296.2	306.9
Balance sheet total (as of December 31)	€ million	4,752.7	4,674.6	4,920.4	5,953.1	5,939.8
Capital ratio (as of December 31)	in %	36.4	37.8	39.5	41.3	39.8
Investments (without M & A)	€ million	168.4	204.9	226.1	181.6	159.4
Net debt (incl. pension provisions and similar obligations)/EBITDA (as of December 31) ³	ratio	3.1	3.0	3.0	3.2	2.7
Research and development expenses ³	€ million	186.0	196.4	200.4	213.4	212.3
Operating cash flow	€ million	338.8	396.2	441.8	546.8	635.7
Capital Market						
Shares issued as of balance sheet date	millions	129.8	129.8	129.8	135.4	135.4
Share price at end of fiscal year (Xetra® closing price)	in €	57.83	71.62	64.50	93.80	108.40
Market capitalization at end of fiscal year	€ million	7,507.1	9,297.2	8,372.9	12,703.0	14,680.2
Earnings per share ³	in €	2.05	2.08	2.12	2.20	2.27
Dividend per share	in €	0.85	0.88	0.90	0.95	0.97 ⁴

OUR FIVE GOAL DIMENSIONS		2019	2020	Goal 2021	Goal 2025
Business					
Organic sales growth	in %	5.7	2.7	5–7 (CAGR)	5–7 (CAGR)
EBITDA(N) margin ³	in %	20.6	21.1	approx. 21	20–23
Footprint (environment)					
Eco-efficiency of greenhouse gas emissions (Scope 1+2) ⁵	in %	7.2	13.0	6.6	6.6 p.a.
Efficiency of chemical oxygen demand in wastewater ⁵	in %	-3.2	-22.6	4.0	4.0 p.a.
Efficiency of sensitive waste ⁵	in %	3.9	19.8	4.0	4.0 p.a.
Efficiency of water consumption ⁶	in %	-3.2	3.1	2.0	2.0 p.a.
Share of electricity from renewable energies	in %	24.1	100.0		
Innovation					
Sales with new product developments ⁷	in %	16.4	15.4	> 15.0	> 15.0
Sourcing					
Key suppliers rated according to sustainability criteria ⁸	in %	100	67		100
Palm oil procurement from sustainable sources	in %	60/80 ⁹	100/100 ⁹		
Sustainable sourcing of strategic biological raw materials	in %		72	80	100
Care (employees)					
Women in the first management level	in %	24	28	29	30
Women in the second management level	in %	41	42	43	45
Accident frequency	MAQ ¹⁰	4.3	3.0	2.7	< 1.5

1 2016 restated for finalized Nutraceutix Purchase Price Allocation

2 2019 restated for finalized ADF/IDF Purchase Price Allocation

3 Figures for 2016 and 2019 normalized for transaction and integration costs as well as one-off valuation effects related to business combinations

4 proposal

5 All figures relative to the value added

6 Production sites in arid regions (2018 – 2025 increase by a total of 15%)

7 Relative to market launch in the past three years

8 Based on 80% (until 2020) or 90% (until 2025) of the procurement volume; ADF/IDF key suppliers will be assessed from 2021 onwards

9 60/100% of primary and 80/100% of secondary palm oil derivatives from certified sustainable sources

10 MAQ = work accidents (> 1 lost day) x 1 million/working hours; industry-leading occupational safety as of 2025

- **The power of holistic action. It takes strength to get things moving. Symrise draws its entrepreneurial strength from holistic thinking and action. We create inspiring fragrance and flavor experiences, develop innovative food ingredients and, with our products, contribute to well-being and a nice look. In doing so, we both use and preserve the wide variety of resources that nature provides. We work in international, interdisciplinary teams and foster long-term partnerships to gain new perspectives. We take into account the interests of different stakeholders when making decisions and embrace our responsibility for the environment and society. The strength we gain shapes and supports the sustainable growth of our company.**

A photograph of a field of tall, green grass with some brown seed heads, set against a blurred background of a dense forest. The lighting is soft and natural, suggesting a sunny day.

Partnerships

■ To us, acting holistically means finding common perspectives with our partners that lead to new solutions and result in long-term added value for us all.







Perspectives

■ We look beyond our own horizons because we cannot be indifferent to what happens outside our immediate reality. New perspectives also lead to new opportunities, which we seize consistently and courageously in order to achieve success for all parties.

A close-up photograph of a hand pulling the handle of a modern, stainless steel oven. The oven is built into a white kitchen cabinet. The control panel above the oven features a digital display and several knobs. The background is softly blurred, showing a wooden countertop and other kitchen items.

Generations

■ We think and act with a view to the long term. Because with everything we do, we take responsibility for the here and now as well as for future generations. This basic understanding guides us in our business decisions to grow constantly and faster than the market.





Research

Because we think holistically, we create space for innovation. This sometimes results in realizations that lead to completely new, unexpected solutions in completely new fields of application. To make this freedom, this investigative spirit, this openness possible – that is our job. This is the only way to come up with minor and major innovations that enable lasting progress.







Value creation

■ We consider everything from the beginning to the end of our value chains and enter into partnerships that pursue common goals based on shared values. This holistic view of the ecosystem surrounding us is an integral part of our understanding of sustainable growth.

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FROM THE GROUP MANAGEMENT REPORT AND FROM THE CONSOLIDATED FINANCIAL STATEMENTS

The report is a separate publication which is included as an insert inside the rear cover of the Corporate Report.

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**SYMRISE REPORTING
2020**



**CORPORATE
REPORT**
About our
company –
facts, reports,
insights



**CONDENSED
FINANCIAL
REPORT**
The economic situ-
ation of and outlook
for our company –
the most important
information



**FINANCIAL
REPORT**
Group Management
Report – Consoli-
dated Financial
Statements (IFRS) –
Corporate
Governance

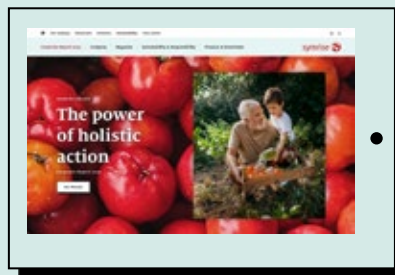


**SEPARATE
FINANCIAL
STATEMENTS**
Management
Report and Annual
Financial State-
ments of Symrise
AG according to
HGB (German
Commercial Code)
standards



**GRI SUSTAIN-
ABILITY RECORD
(PDF)**
Sustainability
reporting including
separate non-
financial report
in accordance with
Section 289b of the
German Commercial
Code (HGB)

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**CORPORATE REPORT AND
CONDENSED FINANCIAL REPORT**
Online at: www.symrise.com/corporatereport/2020

Dear readers and friends of Symrise!

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Increasing the value of the company and solidifying its future prospects are the key pillars that define our strategy at Symrise. For us, economic success and sustainability go hand in hand. Our business is inspired by the biodiversity of nature. We contribute to securing the livelihoods of future generations through climate protection measures. We understand that business activities involve social responsibility. That is why we actively support the principles of responsible management enshrined in the United Nations Global Compact. In this regard, we foster relationships in the spirit of partnership with all the stakeholders of our company and take their interests into account when making decisions. Holistic thinking and acting is what makes us strong. The strength we gain shapes and supports the sustainable growth of our company.

2020, on which we report, was unusual in many respects. The rapidly spreading coronavirus pandemic forced governments worldwide to drastically curtail public and personal life as well as economic activity. The global economy fell into a deep recession. Symrise performed very solidly in this daunting market environment. We obviously first focused on protecting employees, customers and partners from infection. Who would have thought at the start of 2020 that we would end up producing tons of disinfectant in our Holzminden production facility and supplying some of it to public institutions? The pandemic had both positive and negative effects on the operating business: For example, sales fell for luxury items such as perfumes or sun protection and people visited restaurants less often. At the same time, demand increased for products in the personal care, hygiene and healthy nutrition categories. Growth was particu-

larly strong in the pet food segment. Our company's broad portfolio once again proved its value in the crisis as it enables us to clearly distinguish ourselves from the competition.

In late 2020, we faced another unforeseen challenge: A criminal cyber attack on Symrise conducted with the intention of extorting the company. It was out of the question for us to give in. The attack temporarily slowed our business processes and production and logistics operations. For that reason, we were not able to fully achieve our 2020 growth targets. In view of this, however, an organic sales increase of 2.7% and an EBITDA margin of 21.1% are all the more impressive. Achieving such reputable results was only possible through the extraordinary commitment and great flexibility of our employees. We would like to expressly thank them for having gone the extra mile in 2020 – whether because of the coronavirus pandemic or the cyber attack.

For Symrise, 2020 was nevertheless not just about managing crises; it was also about continued development, new ideas and innovative solutions. Our sights are still set on our targets: We intend to increase our sales to € 5.5 to 6 billion and significantly improve our sustainability performance by 2025, and to be climate-positive by 2030. We are working toward these goals in many large and small projects – a selection of them is presented in our Corporate Report 2020.

The Executive Board of Symrise AG

Executive Board and Divisional Heads of Symrise

Executive Board Members



DR. HEINZ-JÜRGEN BERTRAM
CEO



OLAF KLINGER
CFO



ACHIM DAUB
President Scent & Care



DR. JEAN-YVES PARISOT
President Nutrition



HEINRICH SCHAPER
President Flavor

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Divisional Heads



DR. JÖRN ANDREAS
Cosmetic Ingredients Division



EDER RAMOS
Fragrance Division



DR. NORBERT RICHTER
Aroma Molecules Division

Our Company

— **Symrise has been growing strongly and profitably for years. This is because we think long-term, continue to discover new perspectives with our partners along the entire value chain, and take our responsibility seriously: for nature and biodiversity, the environment and the climate, and people and animals. Our more than 10,000 employees practice responsibility and share goals based on shared values. For this reason, we can offer our customers tailor-made solutions for healthy nutrition and modern personal care.**

Our Company

Symrise products provide exciting flavor and fragrance experiences, improve food characteristics, and contribute to the health and well-being of consumers in more than 150 countries around the world. A dedicated focus on our customers, a high level of innovation and targeted expansion into new markets represent the basis for our sustainable, profitable growth.

■ Symrise develops, produces and sells fragrance, flavoring and food ingredients, 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.

Our company's origins go back to the year 1874. Symrise has since grown to achieve a current market share of 10% – making it one of the leading suppliers of flavors and fragrances as well as nutrition in the global market. A high level of innovation and creativity, an exact knowledge of customer needs and various regional consumer preferences as well as targeted expansion into new and promising market segments contribute to our company's above-average growth rate. Today, Symrise has around 10,000 employees working at more than 100 sites around the world who serve over 6,000 customers in more than 150 countries.

Symrise's growth is primarily organic. We reinforce the expansion of our business activities with targeted investments in capacity expansions, research and development centers, our distribution network, logistics and an efficient energy supply. For years, this has enabled us to grow more quickly than the market. We complement this growth by acquiring attractive companies that bring additional competencies into the Group and provide us with access to new market segments and customer groups. We also enter into strategic partnerships to develop new products.

The operating activities of the Symrise Group are managed in three segments: Flavor, Nutrition and Scent & Care. The divisions within these segments are organized according to business units and regions.

The Group's Corporate Center is located in Holzminden, Germany. Key corporate functions such as governance and control, communications and administration are located there. Symrise has regional headquarters in France (Rennes), the United States (Teterboro, New Jersey), Brazil (São Paulo) and Singapore.

The following pages will show you how we create value. Here, we distinguish between five dimensions: business, footprint, innovation, sourcing and care.



Business stands for our economic ambitions.



Footprint stands for our ecological footprint.



Innovation stands for resource-friendly and business-enhancing effects.



Sourcing stands for sustainable raw material sourcing.



Care describes the creation of value for employees and local communities.

We want to increase the positive impact of our actions and continue to reduce any negative effects even further.

Our Resources



BUSINESS

Equity:

2,362 € mill.

Debt capital:

1,973 € mill.

Investments in property, plant and equipment and intangible assets (excluding acquisitions):

159 € mill.



FOOTPRINT

Energy consumption:

7,221

terajoules

Water consumption:

6,459

thousand m³

67%

Production volume produced at sites verified according to sustainability criteria (SEDEX)



INNOVATION

Expenses for research and development:

212 € mill.

Number of employees in research and development:

1,816

Number of research partners:

> 50



SOURCING

1,510

€ mill. procurement volume

Approx.

10,000

natural and synthetic raw materials from over 100 countries

67%

Share of main suppliers based on 80% of purchasing volume rated according to sustainability criteria



CARE

Number of employees:

10,665

(including trainees and apprentices)

Over

60

Number of home countries of employees at Symrise

Proportion of women:

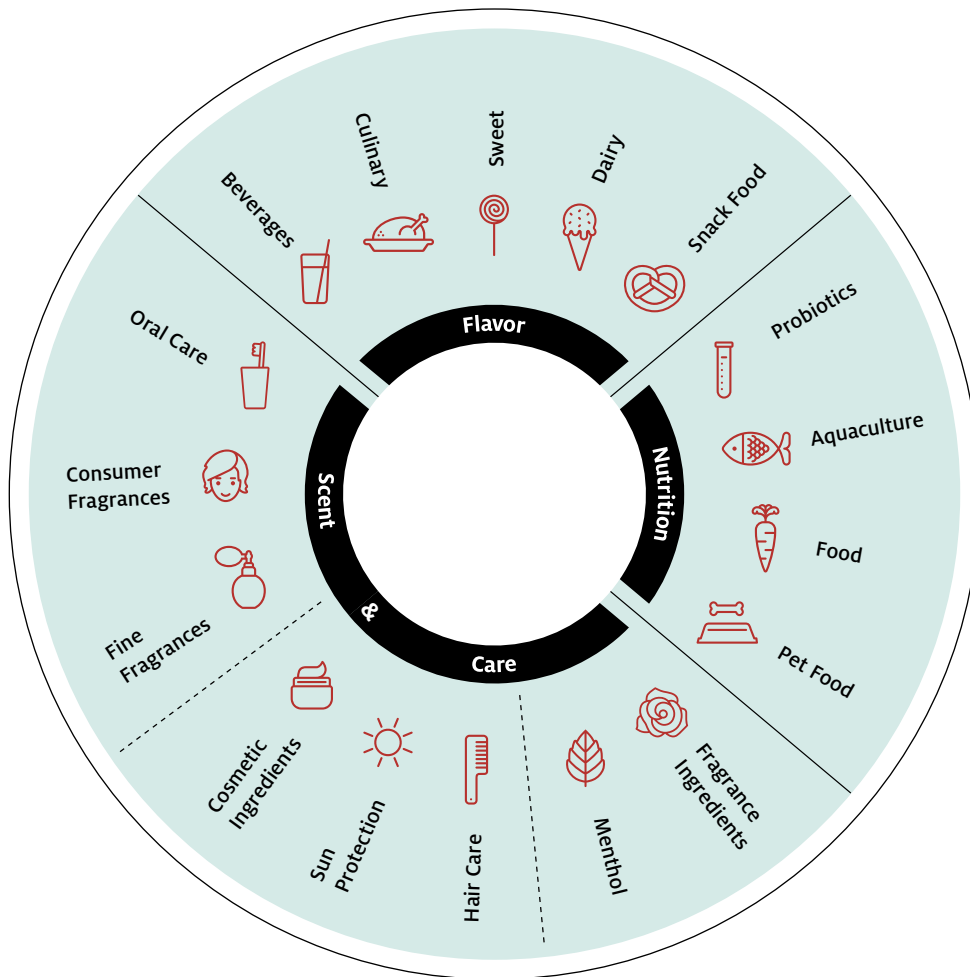
28%

first management level

42%

second management level

Our Application Areas



OUR RESOURCES / OUR APPLICATION AREAS

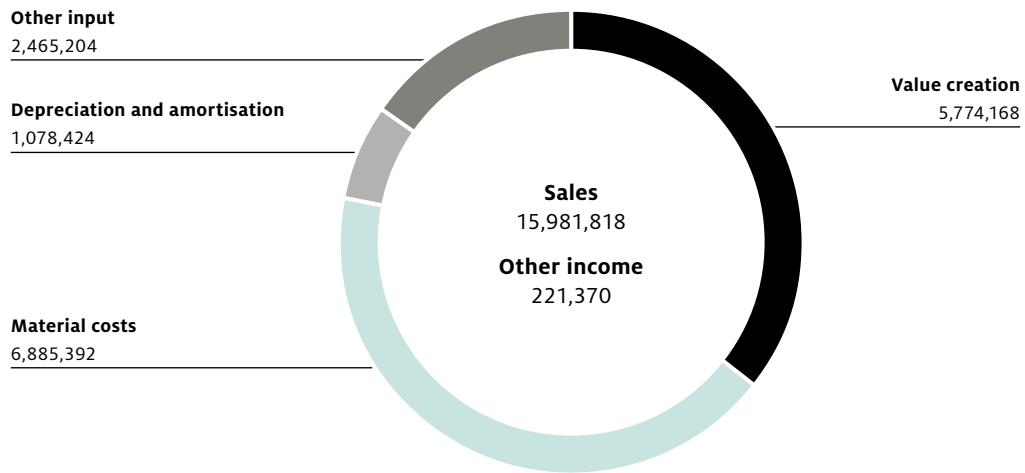
Scent, taste, nutrition, well-being and good looks – Symrise provides sustainable solutions using natural base materials for all of these needs. That is our mission.

With commitment and innovative strength, we develop the best possible concepts for our customers' products. We do this so consumers around the world can take pleasure in the most common experiences of everyday life and additionally benefit

from healthy or nurturing properties. Using ingenuity and entrepreneurial energy, Symrise opens up further potential above and beyond our core work. A third of our business is already generated with cosmetic active ingredients and raw materials, functional ingredients, pet food, aquacultures and probiotics. Our wide range of activities offers new chances for growth, stabilizes performance and provides Symrise with an unmistakable profile.

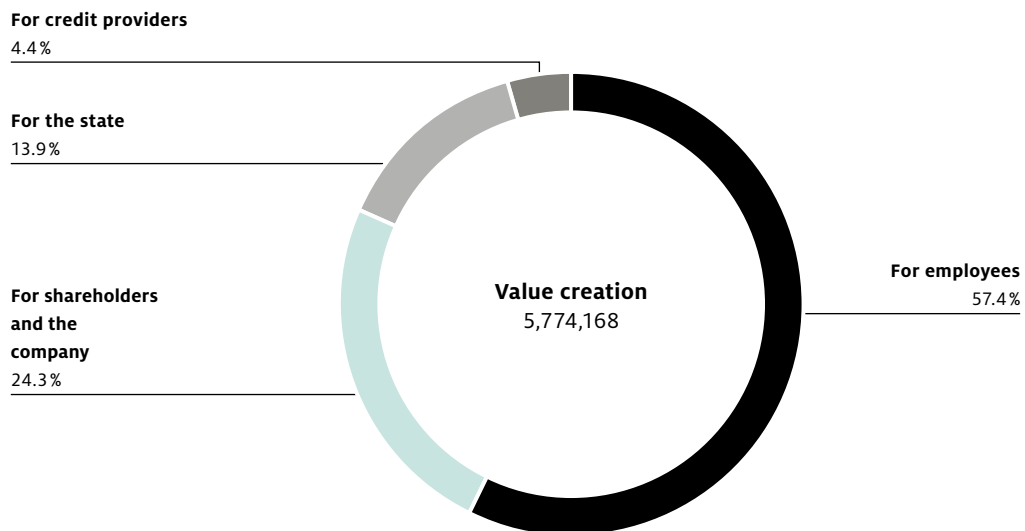
Our Value Creation

2016 – 2020 in € thousand



Value added

OUR VALUE CREATION / OUR RESULTS



Use

From 2016 to 2020 alone, Symrise generated added value totaling € 5.8 billion on cumulative sales revenues of € 16 billion. We use a wide variety of resources to generate value for many stakeholder groups as part of our proven, future-oriented business model. We're aware of the fact that our company bears respon-

sibility for the profitable use of the capital entrusted to us, the efficient use and protection of natural resources, the welfare of our employees, and social interests. We want to continuously increase our added value and continue to meet our responsibility through the power of holistic action.

Our Results

Sales:

3,520 € mill.

EBITDA:

742 € mill.

Net income:

307 € mill.

BUSINESS



Carbon dioxide emissions:

299,119
tons – Scope 1

1,360
tons – Scope 2

1,747,178
tons – Scope 3

Wastewater:

4,517
thousand m³
Total wastewater volume

7,539
tons
Chemical oxygen demand

Sensitive waste:

14,577
tons

FOOTPRINT



61

Number of patents
submitted

15.4 %

Share of sales from
new product developments

INNOVATION



Approx.

30,000

products for over 6,000
customers, in more than
150 countries

87 %

of our main suppliers pursue
their own climate goals in line
with the Science-Based Target
(SBT) initiative

81 %

of our main suppliers pursue
their own goals to increase
the efficiency of water
consumption

PRODUCTS AND
PRODUCT SOLUTIONS



45 %

of all promotions
go to women

38 %

of our employees have been with
Symrise for 10 years or longer

110

employees posted abroad
ensure the global transfer of
our expertise

CARE



Our Values, Goals, Responsibility

At Symrise, shared values form the basis for shared goals: We strive for economic success and, at the same time, embrace our responsibility to the environment, our employees and society. Sustainability is an integral part of our business model. It provides us with tangible competitive advantages and secures the long-term success of the company.

Successful companies distinguish themselves through their strong corporate cultures. Symrise is a perfect example of this. Our employees in more than 40 countries around the world share these values as a basis for shared goals: Our values – our roots – describe the attitude and team spirit we are committed to at Symrise. They explain the manner in which we want to achieve our goals.

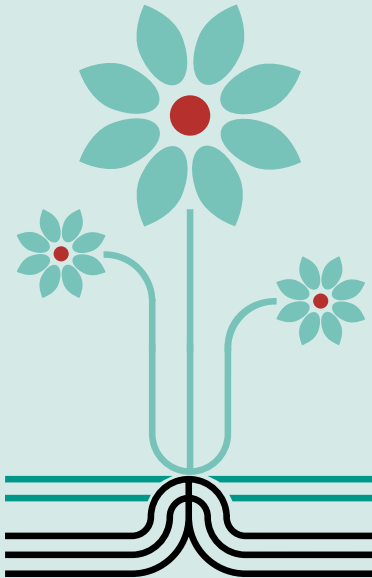
Symrise is one of the world's leading suppliers of custom fragrance, taste and nutrition solutions, many with health-promoting or nurturing characteristics. We want to further secure and expand this position by constantly being among the most profitable companies in the industry. Above-average sales growth, steady increases in efficiency, and targeted expansion and optimization of the product portfolio are key levers for achieving this goal.

Symrise assumes responsibility that goes beyond the company itself. It takes its customers and consumers, its employees, society and the environment into consideration. Sustainability is a core component of the business model at Symrise. Our corporate strategy integrates economic ambitions with our four sustainability approaches: footprint, innovation, sourcing and care. In this way, we ensure value creation that is oriented to the long term and allow our stakeholders to participate in the company's success.

Our special commitment is to global climate protection. Symrise has reported on its activities in this area on the CDP platform since 2006. In 2017, Symrise was one of the first companies worldwide to receive approval for its scientifically based climate targets. Since 2018, Symrise has also been one of the now over 1,700 companies all over the world that supports the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Our scenario analyses in the areas of climate change, water and forests for the CDP reporting are accordingly consistent with the recommendations of the TCFD. Further information on our climate-related reporting can be found in our Sustainability Record 2020, where we also refer to the covered reporting requirements of the Sustainability Accounting Standards Board (SASB). We have been sourcing all of our external electricity from renewable sources in Germany since 2018 – our goal has been to expand this measure to our sites worldwide by 2025. In view of the aggravating situation concerning climate change, we again intensified our efforts in 2020 and thus were able to reach our ambitious goal ahead of schedule. In 2020, we demonstrably covered our external electricity needs worldwide using renewable sources. Our major goal: Symrise wants to be climate-positive starting in 2030!

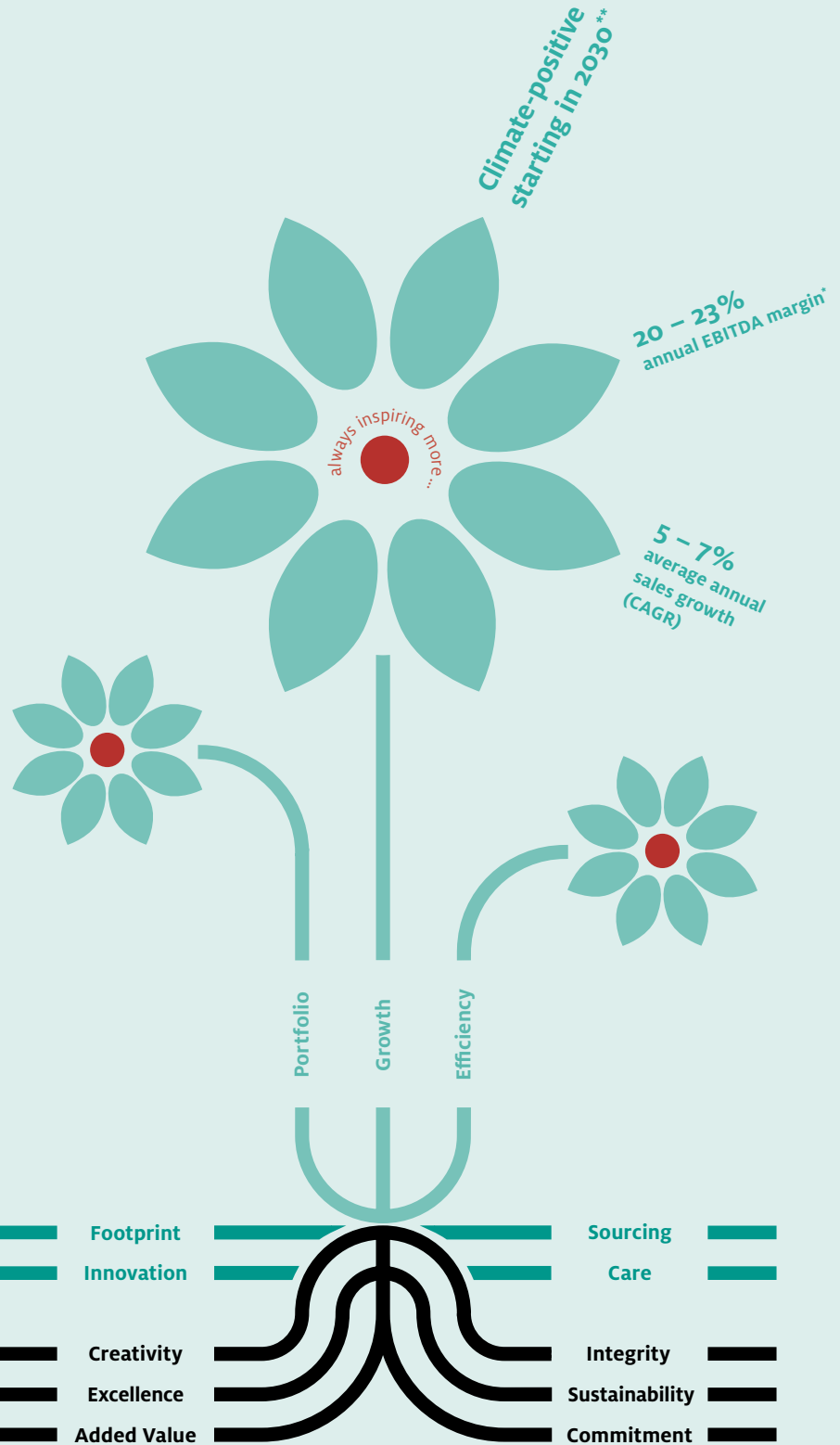
You can find further information in the “Sustainability & Responsibility” chapter and at www.symrise.com/sustainability.

**Our Integrated
Corporate Strategy
for Exciting Taste
and Fragrance
Experiences and
Sustainable Growth**



Our Resp

At Symrise we
strive for e
our respon
Sustainabil
vides us w
long-term s



* Goals until 2020: 19 - 22 %

** Increase in eco-efficiency of emissions by more than 60 % by 2025. We want to be climate-positive starting in 2030.

**OUR MISSION:
WHAT'S OUR
TASK?**

■ We develop customized fragrance, flavoring and nutrition solutions, which often contain health-promoting or nurturing properties. We combine our knowledge of consumers' changing needs with creativity and ground-breaking technologies. In this way, we ensure value creation that is oriented to the long term and allow our stakeholders to participate in the company's success.

**OUR VISION:
WHAT DRIVES
US FORWARD?**

■ We take responsibility seriously, letting our creativity unfurl with a focus on the highest quality along with sustainable processes and products. This makes even the most everyday items a special experience for consumers and their loved ones. In this way, we fulfill our promise of "always inspiring more..." day after day.

**OUR STRATEGY:
WHAT MAKES US
SUCCESSFUL?**

■ The three pillars of our strategy translate the mission, vision and values into concrete goals. This allows us to ensure the success of our company both today and in the future.

**SUSTAINABILITY:
HOW DO WE
IMPLEMENT IT?**

■ We focus our sustainable and profitable growth on four objectives. That's because we are paving the way for future generations with increasingly efficient processes and a portfolio that helps to meet the basic needs of a growing global population in terms of nutrition, health and well-being.

**OUR VALUES:
WHO ARE WE
AND WHAT DO WE
STAND FOR?**

■ Our values describe the attitude and team spirit we are committed to at Symrise. They explain the manner in which we want to achieve our goals.

Sustainability at Symrise

Sustainability is an integral component of the Symrise business model and corporate strategy. Our business activity is ultimately based on the responsible use and thus the preservation of natural resources and natural diversity.

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Business principle of sustainability

Our business processes follow the principles of the circular economy to a wide extent. We bundle the aspects of sustainability that are relevant to Symrise into the four pillars of environmental protection (Footprint), sustainable innovation (Innovation), raw material sourcing (Sourcing) and employees and society (Care). Concrete goals to be reached by 2025 have been established for each pillar (see page 35). These are directly related to our key topics and are derived from a number of programs including the United Nations Sustainable Development Goals (SDGs). Our business model uses this comprehensive approach to combine economic success with sustainable governance and social acceptance.

Everyone is called upon At Symrise, sustainability is the business of all employees. Everyone is called upon to constantly monitor the work processes in their own field of activity and responsibility for efficiency, safety and resource conservation, and to develop ideas for improvement. For example, we started an initiative in late 2020 that is geared toward avoiding the use of plastic materials in the company to the greatest extent possible. Symrise will discontinue the use of all disposable plastic containers in 2021 and the Group will use exclusively sustainable packaging materials by 2025. A global network of more than 120 Sustainability Ambassadors promotes targeted initiatives on energy and waste management, climate, water and environmental protection, and occupational health and safety at the corporate locations. Managers are responsible for operationalizing sustainability in their teams and laying out clear goals. Sustainability objec-

tives are also a component of individual goals for all senior executives including the members of the Executive Board. This advances our sustainability approach consistently in all divisions. The global, cross-business Symrise Sustainability Board manages integration of our sustainability principles into the core processes: Under the chairmanship of the Chief Sustainability Officer (CSO), division and staff department management representatives come together multiple times per year to ensure that sustainability-related topics and the concerns of our important stakeholder groups are considered along the entire value chain. The Sustainability Board sets sustainability objectives, which are directly implemented in the respective divisions. The Executive Board and the Sustainability Board have appointed sustainability officers for the Flavor, Nutrition and Scent & Care business segments as well as one representative each for the staff departments of Human Resources, Finance/Investor Relations, Corporate Communications and Corporate Sustainability. Direct responsibility for strategy lies with the Chief Executive Officer of Symrise AG, who receives regular reports on the progress of all sustainability activities.

In a dialogue with stakeholders and rating agencies

Symrise receives a great deal of external recognition for its commitment to sustainability. For instance, we have already been presented with the German Sustainability Award twice; in addition, the German Association for Sustainability named us one of the “Sustainability Heroes” of 2020, and we were one of only 10 companies worldwide to reach Triple A status with CDP in 2020, with a first-class

SYMRISE SUSTAINABILITY ORGANIZATION

Chief Executive Officer



Dr. Heinz-Jürgen Bertram,
CEO

Chief Sustainability Officer



Bernhard Kott,
CSO

Sustainability Board



Mark Birch,
Head of
Sustainability,
Flavor



Tobias Erfurth,
Head of Investor
Relations



Dr. Helmut Frieden,
Corporate
Sustainability



Doris Gattermann,
Corporate
Sustainability



Marie Le Henaff,
Head of
Sustainability,
Nutrition



Sascha Liese,
Corporate
Sustainability



Dr. Yvonne Köster,
Vice President
Human Resources
EAME



Friedrich-Wilhelm
Micus, Head of
Sustainability
Communications



Philippa Smith,
Head of
Sustainability,
Scent & Care

rating in the climate, water and forests categories. We're proud of this, and it encourages us to intensify our sustainability activities. However, the challenges continue unabated. They include the increasingly negative results of climate change – with its pressure on nature and biodiversity and the responsible use of resources – as well as the serious effects of the global spread of the novel coronavirus. Symrise seeks a dialogue with all relevant stakeholder groups in order to discuss current developments and to meet the needs of various stakeholders regarding sustainable governance. Examples of this are the various WBCSD committees, global representative bodies IFRA and IOFI, and initiatives such as OP2B and the Development and Climate Alliance.

We exchange sustainability information particularly closely with the company's shareholders, investors, voting proxies and rating agencies. Rating agencies MSCI, Sustainalytics and ISS ESG provide especially high-quality and efficient communication of our ESG performance to investors. Moreover, our sustainability performance is regularly evaluated by internationally recognized institutions such as CDP, EcoVadis and SEDEX. Customers as well as investors are interested in the continued development of our sustainability reporting, which will increase the transparency of our business processes and allow for better assessment of the opportunities and risks inherent to our business activities.

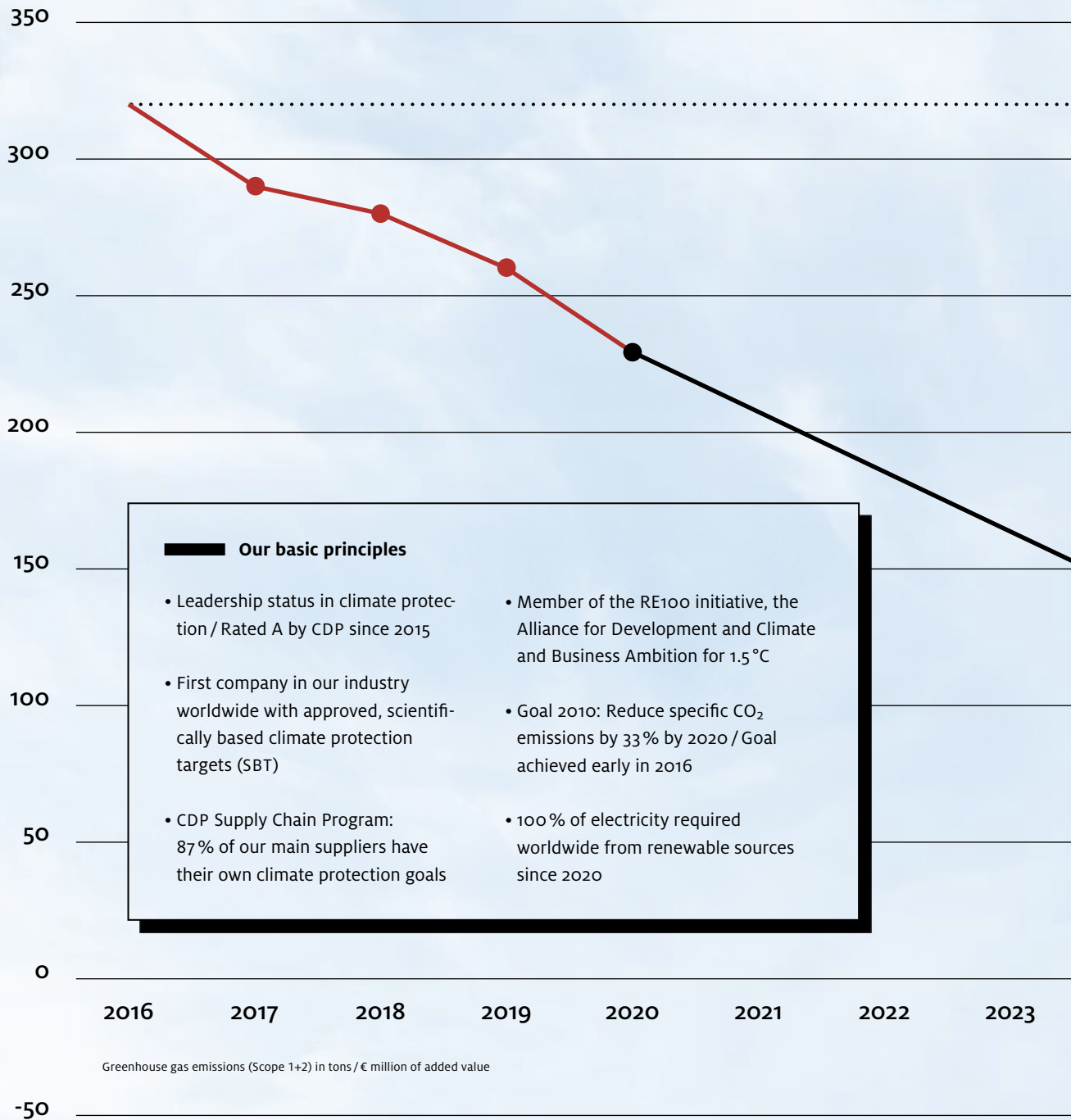
More than 120 Sustainability
Ambassadors worldwide

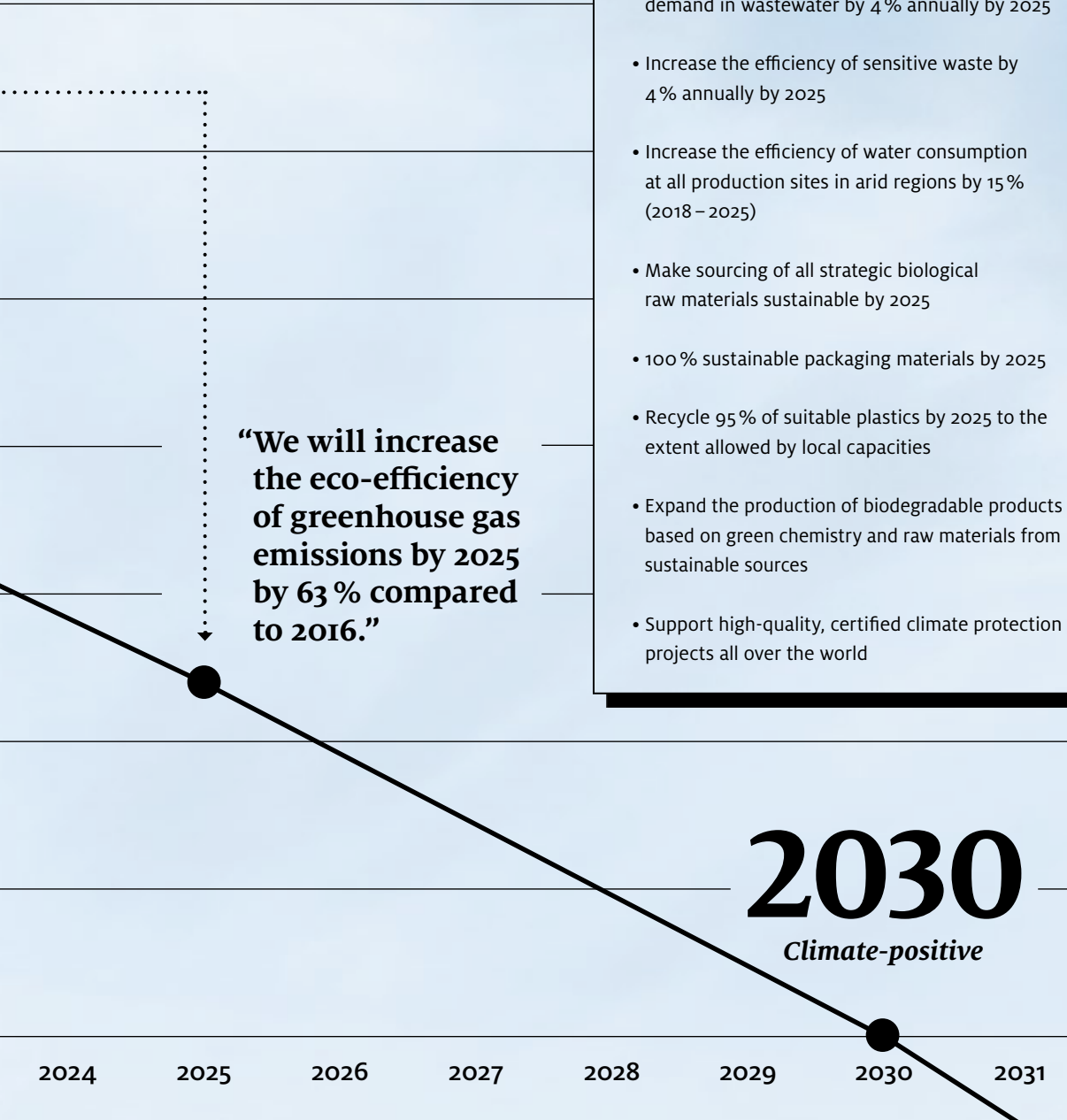
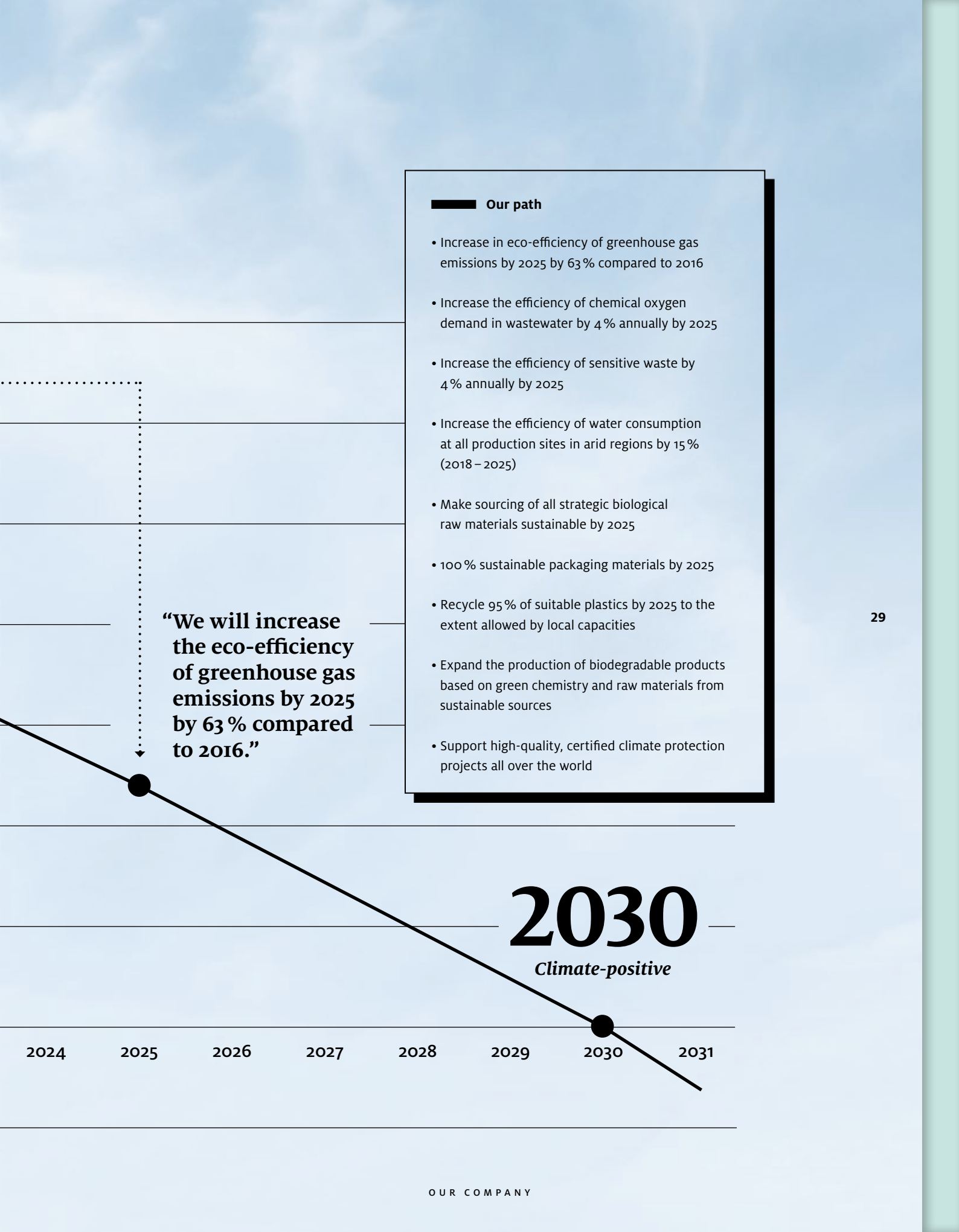
More than 10,000 employees in
more than 40 countries

Our Goal: Climate-positive starting in 2030

The business activities of Symrise will contribute to preventing or sequestering more greenhouse gas emissions from the atmosphere than we produce through our operating activities.

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Our path

- Increase in eco-efficiency of greenhouse gas emissions by 2025 by 63% compared to 2016
- Increase the efficiency of chemical oxygen demand in wastewater by 4% annually by 2025
- Increase the efficiency of sensitive waste by 4% annually by 2025
- Increase the efficiency of water consumption at all production sites in arid regions by 15% (2018 – 2025)
- Make sourcing of all strategic biological raw materials sustainable by 2025
- 100% sustainable packaging materials by 2025
- Recycle 95% of suitable plastics by 2025 to the extent allowed by local capacities
- Expand the production of biodegradable products based on green chemistry and raw materials from sustainable sources
- Support high-quality, certified climate protection projects all over the world

Clear Plan of Action for Climate Protection

- Procurement of global external electricity from renewable sources since 2020
- Continuously improve eco-efficiency of own greenhouse gas emissions
- Involvement of our main suppliers
- Offset other emissions with climate protection projects

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Symrise has been committed to climate protection for many years. Because the threats of climate change are becoming ever more obvious. And because we take responsibility for future generations. We have set ourselves the ambitious goal of being climate-positive by 2030. This means that the business activities of Symrise will contribute to preventing or sequestering more greenhouse gas emissions from the atmosphere than we produce through our operating activities. We have been sourcing all of our external electricity from renewable sources in Germany since 2018 – our goal has been to expand this measure to our sites worldwide by 2025. In view of the aggravating situation concerning climate change, we again intensified our efforts in 2020 and thus were able to reach our ambitious goal ahead of schedule. Because of this, we were able to demonstrably cover our external electricity needs worldwide using renewable sources in 2020. As an interim goal, we also want to increase the eco-efficiency of greenhouse gas emissions by 63% compared to 2016 by 2025.

Symrise has a clear plan of action for climate protection. First and foremost, we concentrate on limiting our own emissions by constantly improving energy efficiency at our production sites. That's how we saved more than 68,000 tons of CO₂ in 2020. Even

in the planning phases of new projects, sustainability and climate protection play a huge role. Symrise developed an “instrument case for a green factory,” which is now being used for the first time in the construction of a new factory in Tocancipá, Colombia. It includes the installation of solar collectors for electricity production, water and wastewater management systems and environmentally friendly recycling of waste. A second level of our action plan concerns using energy from renewable sources. We redoubled our efforts in this area in 2020; for example, we have already succeeded in verifiably sourcing our global external electricity from renewable sources this year. This means that we have also met the objective of the global initiative RE100 ahead of schedule. The third objective of our action plan for climate protection integrates our most important suppliers into the Symrise climate strategy via the CDP Supply Chain Program. By now, 87% of our main suppliers have committed to their own climate targets and reduction measures on our initiative, meaning Symrise has far exceeded its Science Based Target (SBT) of 80%.

Symrise is a company of dynamic growth. We want to increase sales to € 5.5 to 6 billion by 2025. If we didn't take countermeasures, this would create more

greenhouse gas emissions. If the climate protection measures that we implement in our own sphere of activity prove insufficient in making a positive impact on our carbon footprint, Symrise will also further reduce its Scope 1 emissions by supporting high-quality, certified climate protection projects all over the world. In 2019, Symrise sponsored a hydroelectric power generation project in Madagascar, through which 5,711 tons of CO₂ were avoided. Symrise also has a project in Brazil that has saved 5,300 tons of CO₂. In 2020, we supported two projects with “Verified Carbon Standard” status to fight poverty and conserve forests in Madagascar and Brazil. A total of 12,046 tons of CO₂ were saved in this way. To ensure that climate protection has the highest priority apart from the business goals, the climate protection targets are integrated into the remuneration system for Symrise upper management.

Symrise reports transparently about its climate protection measures and the preliminary results of those measures. At the same time, we do not lose sight of the risks and opportunities that can arise for Symrise as a result of climate change. We follow the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), systematically identify the possible effects in our risk management and include them in our strategic considerations and in the company’s financial planning. Our scenario analyses in the areas of climate change, water and forests for the CDP reporting are consistent with the recommendations of the TCFD. In our Sustainability Record 2020, we also refer to the covered reporting requirements of the Sustainability Accounting Standards Board (SASB). We regularly inform our shareholders, investors, creditors and the financial markets about the financial impact of climate change on the company. The following table lays out the identifiable risks and opportunities of climate change for Symrise. For 2020, they are reported on a gross risk basis (before countermeasures) and are stated as the estimated effect on earnings before interest and taxes (EBIT), not weighted according to probability:

RISK	EFFECT
Current regulation For example, increasing prices of CO ₂ certificates for own facilities as well as indirect effects on generally increasing energy costs	approx. € 0.1 million
Future regulation For example, the abolition of the EEG reallocation charge for own facilities	approx. € 0.2 million
Sourcing For example, increased prices for agricultural raw materials through bad harvests due to water scarcity	approx. € 8.5 million
Reputation For example, sales losses through breach of sustainability requirements placed on Symrise by its customers	approx. € 35.3 million
Acute physical risks For example, disruptions to production through individual phenomena such as storms, flooding or earthquakes	approx. € 2.8 million
Chronic physical risks For example, through rising sea levels or enduring heat waves and droughts /water shortages	approx. € 6.4 million
OPPORTUNITY	EFFECT
Energy For example, increasing our own efficient and low-CO ₂ energy generation	approx. € 0.7 million
Demand For example, through an increased demand for Symrise products such as sunscreen due to rising temperatures	approx. € 2.1 million
Demand For example, through an increased demand for sustainably manufactured products that Symrise can cover better than its competitors	approx. € 2.9 million
Capital Market For example, improved access to investors that place value on sustainability	n.a.

Sustainability Ratings and Awards 2020

5



■ **ETHIBEL** Symrise has been part of the ETHIBEL EXCELLENCE Investment Register for more than eight years; this distinction was confirmed again in May 2020. The index tracks the shares of companies that achieve above average performance in their sector in terms of corporate social responsibility (CSR). It serves as a compass for institutional investors who place value on sustainable investments.

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■ **ISS ESG Prime** In its regular review of the sustainability performance of Symrise, the international rating agency ISS ESG confirmed our company's prime status. Compared with the 169 other companies from the industry that were evaluated, Symrise is in the top 10%. 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.



■ **SUSTAINALYTICS ESG Risk Rating** 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. Out of 133 evaluated companies in the chemical industry, the risk profile of Symrise ranks 20th. 19 companies have a lower ESG risk profile; 113 have a higher one. Compared with 2019, the risk assessment of Symrise in 2020 fell by 2.9 points to an index score of 24.5, in large part because the company combated major risks with successful strategies.

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■ **"A" rating since 2015** 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. In its analysis, MSCI highlights that Symrise has an impressive strategy to minimize the effects of its operating activities on the environment.



FTSE4Good

■ **FTSE4Good Index** The Symrise share has been included in the FTSE4Good Index since the end of 2015. This index comprises the securities of companies that achieve outstanding results in the areas of the environment, social aspects and corporate governance (ESG). At the regular audit in June 2020, Symrise received very good ratings in all categories and has been included in the index for another year. More and more institutional investors, banks and insurance companies are including sustainability criteria in their assessment of the creditworthiness of companies. Membership in the FTSE4Good Index is thus extremely important for the standing of Symrise on the capital market.

EcoVadis as the standard for supplier screening For the seventh time in a row, the rating agency “EcoVadis” awarded Symrise its coveted Gold 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 2% of all companies in the chemical sector. In addition, we use the EcoVadis databank to evaluate the sustainability performance of our suppliers. In line with our Responsible Sourcing Policy, we challenge our business partners who have been placed in the “Bronze” category by EcoVadis to strive for Gold status. If a supplier receives a classification below the Bronze category, this could lead to termination of the business relationship.



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Sustainable corporate strategy

At an online conference in early November 2020, the German Society for Sustainability (DQS) honored eight companies for their pioneering role in sustainability. Symrise is one of the recipients of the “Sustainability Heroes Awards 2020”. In its justification for awarding the prize to our company, the jury

emphasized that Symrise has firmly integrated sustainability into its strategy and culture and is committed to sustainable development for all stakeholders across the entire value chain.

Among the top 10 in the world Fighting climate change, protecting the water supply and conserving forests – every year, the renowned non-profit organization CDP (previously known as the Carbon Disclosure Project) assesses which companies have been especially impressive in these three categories. In 2020, Symrise achieved the best possible result in all three categories: a spot on the A list. Of the 9,600 that voluntarily took part in the assessment, we are one of the top 10 companies in the world – and the first and only German company to achieve that status.



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Sustainable supply chains It is important to take climate protection measures starting in the supply chains. In 2020, the non-governmental organization CDP recognized the efforts of Symrise in this direction by including it on the CDP Supplier Engagement Leaderboard (SER) for the first time. This puts Symrise in the top 7% of all companies evaluated by CDP worldwide. For four years now, Symrise has been asking its suppliers to participate in the CDP Supply Chain Program with their own climate protection goals and measures. The result: As of 2020, 87% of suppliers have committed to their own climate protection efforts.

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2020 Track Record and 2025 Goals

The power of holistic action: In 2020, Symrise put the stability of its business model and resilience in times of crisis to the test amid a difficult environment.

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Our sales increased even though the global economy passed through a deep recession. We remain one of the most profitable companies in the industry. At the same time, we boosted our sustainability performance: Preserving our Earth's diverse natural resources, taking resolute action to protect the climate and assuming responsibility for employees and local communities are at the top of our agenda.

Our five goal dimensions cover the requirements for non-financial corporate reporting in accordance with the CSR Directive Implementation Act (see "Sustainability & Responsibility" chapter, page 106 or www.symrise.com/sustainability).

We have our sights firmly set on our goals for 2025. We've established and are consistently implementing concrete measures across all areas of our corporate activities. Symrise will continue to be one of the world's most successful manufacturers of fragrances, flavorings and food ingredients in 2025 and beyond.

Symrise continued its robust growth course in 2020. At the same time, we boosted our sustainability performance.



BUSINESS

OUR 2020 TRACK RECORD	NOTES	GOALS FOR 2025	NOTES
2.7% organic sales growth	Sales growth remained slightly below the targeted range of 3 – 4 % because a criminal cyber attack in December temporarily impacted business performance.	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.
21.1% EBITDA margin	We achieved our targeted margin of 21 – 22 % and remain one of the most profitable companies in the industry.	20 – 23 %	We improve our profitability by continually increasing efficiency and optimizing the product mix.



FOOTPRINT

+ 13.0 % increase in eco-efficiency of greenhouse gas emissions (Scope 1+2) ¹	Global external electricity demand demonstrably obtained from renewable sources.	We achieved our goal for 2020 of reducing greenhouse gas emissions by 33 % compared with 2010 ahead of schedule. Now we want to increase the eco-efficiency of emissions by more than 60 % compared to 2010 by 2025.	We aim to be climate-positive starting in 2030 (see also page 28 et seq.), primarily by increasing energy and process efficiency at our production sites and by supporting high-quality and certified climate protection projects.
-22.6 % increase in efficiency of chemical oxygen demand in wastewater ¹	Goal missed due to first-time consolidation of ADF/IDF; action plan started.	Increase the efficiency of the chemical oxygen demand in wastewater by 4 % annually by 2025 or by a total of 60 % compared to the base year 2010.	We are increasing the yield of our products by changing our processes to sustainable methods.
+19.8 % increase in efficiency of sensitive waste ¹	Mainly due to process improvements at the site in Holzminden, Germany.	Increase the efficiency of sensitive waste by 4 % annually by 2025 or by a total of 60 % compared to the base year 2010.	We will use exclusively sustainable packaging materials by 2025 and recycle over 95 % of the plastic we use wherever possible.
+3.1 % increase in efficiency of water consumption	Successive progress toward target for 2025.	Increase the efficiency of water consumption at all production sites in arid regions by 15 % (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.
100 % of electricity from renewable sources	Global external electricity demand demonstrably obtained from renewable sources.		Target remains in place in the long term, but was already achieved in 2020.



INNOVATION

15.4 % of sales from new product developments ²	Decreased (previous year: 16.4 %) because a product successfully launched in 2017 is no longer included.	>15 %	Networking the highly diverse areas of expertise of Nutrition (Diana), Flavor and Scent & Care.
67 % of our main suppliers (80 % of the procurement volume) assessed according to sustainability criteria	Goal missed because ADF/IDF main suppliers will not be assessed until 2021.	100 % based on 90 % of the procurement volume.	Increase of the included procurement volume from 80 % (2020) to 90 % (2025).



SOURCING

100 % primary and 100 % secondary palm oil derivatives from certified sustainable sources	Goal achieved according to Symrise palm oil policy.		Target remains in place in the long term, but was already achieved in 2020.
72 % of strategic biological raw materials derived from sustainable sources	Responsible sourcing action plan launched in 2020.	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.



CARE

28 % women in the first management level	2020 goal: 25 % exceeded	30 %	We believe in strong, diverse leadership and offer good advancement opportunities for women.
42 % women in the second management level	2020 goal: 42 % achieved	45 %	We promote the career development of women and provide them with freedom so they can balance career and family.
3.0 MAQ ³ accident frequency	2020 goal MAQ: < 2.5 missed "Drive to 100 % Safety" project launched.	Industry-leading occupational safety <1.5 MAQ	Continuous implementation of a zero-accident culture through company-wide initiatives and training.

1 All figures relative to the value added 2 Relative to market launch in the past three years 3 MAQ = work accidents (> 1 lost day)x1 million/working hours

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■ **BSB Innovation Awards** No fewer than three first prizes were awarded to Symrise at the renowned European BSB Innovation Awards ceremony: The natural anti-dandruff active ingredient Crinipan® PMC green received the award for Most Innovative Active Ingredient for cosmetics in the category “Scalp, Barrier, Redness.” It combines a smart mode of action with high clinical effectiveness. SymControl® Scalp provides an environmentally friendly solution for scalp and hair that becomes oily quickly. The active ingredient, which comes from a Mediterranean microalga, won first prize for Natural Products/Raw Materials. In the “Functionals” category, SymEffect™Sun, a natural ingredient for optimized sunscreen formulations, was the winner. This triple award underscores the position of Symrise as an innovation leader in the development of natural ingredients.



■ **Confidence in the Chinese market** In May 2020, Symrise inaugurated the largest single investment in the company’s history: the construction of a new production site for flavorings and fragrances in Nantong near the Shanghai metropolis. € 50 million flowed into the state-of-the-art production site, which is geared toward the future and growth. Symrise is consciously committing itself to the world’s strongest growth region. With a 6 % share of total sales, China already ranks as the third-strongest revenue-generating market for Symrise after the USA and Germany. Despite the current coronavirus pandemic, the business of Symrise in China is running smoothly and the new factory will be able to be opened as planned. Specialists from the subsidiary Tesium assisted local experts in planning and implementing the major project.



■ **Thank you to coronavirus first responders** A fragrance created especially for the heroes of the coronavirus pandemic: HERO brings together components of 19 Symrise perfumers from all over the world in an eau de cologne for men and women. It is being distributed to the many thousands of heroes who work in hospitals and nursing homes to provide the population with care during lockdowns. HERO is a small way of saying thanks. Beginning in May 2020, Symrise initially distributed the fragrance – which is composed of renewable raw materials – in the USA, France, China, Singapore, Brazil and Dubai. It serves as a token of appreciation for everyday heroes.

■ **New Chairman of the Supervisory Board at Symrise**

Board at Symrise Following the first virtual Annual General Meeting of Symrise AG on June 17, 2020, the company's Supervisory Board met and elected Michael König as its new chairman. He succeeds Dr. Winfried Steeger, who resigned as Chairman of the Supervisory Board upon attaining the statutory retirement age.

Michael König is CEO of the listed company Elkem ASA, a leading global supplier of silicone-based high-performance materials with headquarters in Oslo. Prior to that, he headed a Chinese company for new chemical substances and animal nutrition and worked for Bayer AG in Germany and China for 25 years. The Annual General Meeting also elected Peter Vanacker as a new member of the Supervisory Board; he is President and CEO of the Finnish Neste Corporation.



Michael König



Peter Vanacker

■ **Successful placement of a € 500 million bond** In late June, Symrise closed the issue of a € 500 million Eurobond with great success. The Eurobond has a term of seven years and an annual coupon of 1.375%. The high investor demand for the new issue – the bond was heavily oversubscribed – underlines investor confidence in the sustainable business model and the solid financing structure of Symrise.



■ **Transparency in the supply chain**

Companies such as Symrise that are consistently focused on sustainability not only take responsibility for their own activities, but also ensure transparency and traceability in their global value chains. Along with 32 other companies and organizations, Symrise supports the Initiative for Sustainable Agricultural

Supply Chains (INA). The initiative offers a platform for exchanging knowledge and operates sustainable projects in Colombia, Ethiopia and West Africa. Symrise has set its own goal of sourcing all strategic raw materials for agro- and aquaculture from sustainable production by 2025. Supply chains that have been created in a responsible way fulfill due diligence obligations – with respect to human rights and environmental friendliness, for example – and contribute to greater legal certainty and equal competitive conditions.

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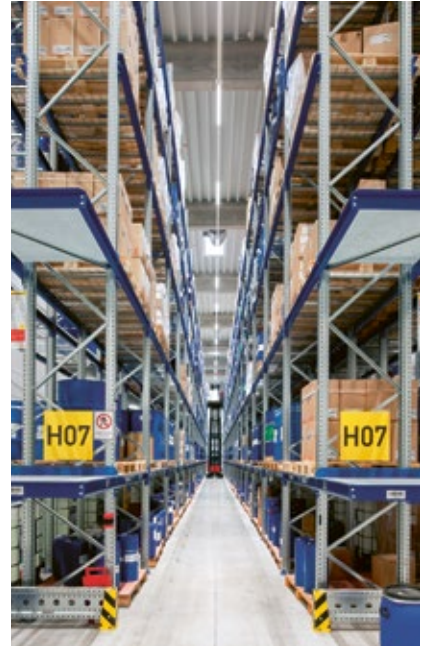
Our Highlights 2020

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■ Focus on sustainable packaging

By 2030 at the latest, Symrise aims to have a positive climate footprint. To achieve this ambitious goal, the company must review all operational processes worldwide for their climate compatibility and find ways to reduce greenhouse gas emissions. An important issue in this zero-waste strategy is the implementation of numerous measures for sustainable packaging. The focus is on avoidance of waste, reusability and recycling. Together with customers and suppliers, the supply chain experts at Symrise are constantly looking for innovative and sustainable solutions. Paper bags instead of plastic bags, large barrels instead of small canisters, and reusable metal cups are a few examples of the many improvements. In addition, unavoidable CO₂ emissions caused during production and transport are increasingly being offset by certified climate protection projects. For example, as part of a pilot project for climate-neutral boxes that has been running in Germany since March 2020, cartons are marked with a QR code. The code leads to a website where readers can find out which sustainability projects Symrise supports to compensate for unavoidable emissions. The goal is to expand the concept to all production sites.



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■ **Expansion of the fragrance portfolio** Symrise acquires the Fragrance and Aroma Chemicals business of the US company Sensient Technologies Corporation. These activities, which achieved sales of around € 77 million in 2019, include fragrances from renewable raw materials such as pine oil and citrus products, as well as various Aroma Molecules solutions. They are used in personal care and household products. With this acquisition, Symrise is strengthening its portfolio of renewable ingredients and expanding its value chain in the area of green chemistry. At the same time, Symrise is

receiving access to additional customers and strengthening its presence in EAME and Latin America.

Symrise plans to combine the acquired research and development and production capacities with parts of its own activities at its site in Granada, Spain, and to expand them in the coming years through targeted investments.



Together We Care 2020 was an exceptional year, and a year that caused exceptional stress. Symrise employees in Latin America used this thought as a reason to start the “Together We Care” initiative. Rather than giving Christmas gifts to customers and partners as usual, all business units in Latin America collected the resources that had been earmarked for gifts and made donations to charitable organizations that were especially hard-hit by the coronavirus pandemic. The employees developed an internal and external ad campaign for the initiative and incorporated customers and business partners into it. The response was overwhelming: In just 10 days, 1,133 supporters joined the campaign and made suggestions about social concerns that should be considered for donations. This resulted in an invaluable sense of community.



Symrise discontinues use of plastic One of the primary environmental goals at Symrise is to avoid waste whenever possible. This is especially true for plastic materials that are used primarily for packaging and in disposable containers. Symrise set itself three clear goals in late 2020:



- We will recycle more than 95% of the plastic we use by 2025 wherever local conditions permit.
- We will use exclusively sustainable packaging materials by 2025.
- We will discontinue the use of all disposable plastic containers in the entire Group by mid-2021.

In so doing, we will not compromise on quality, safety or compliance with legal requirements. An international, interdisciplinary team is driving the project forward, and the Symrise Sustainability Board is monitoring its implementation.

Magazine

— **Symrise has a clear goal: Being economically successful while acting sustainably. This is expressed time and again in the many stories that present the company in all its diversity. Because Symrise works in accordance with clear criteria that bring together social and ecological commitment with sound corporate governance as well as innovative products and processes.**

ESG CRITERIA

Symrise has defined its ESG (environmental, social, governance) performance as an important measure of success for all its business divisions. Each story in this magazine covers one or more of the focus areas that the company has derived from the ESG criteria: “society”, “good corporate governance”, “biodiversity”, “climate change” and “innovation and development.”

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The power of holistic action

GOOD CORPORATE GOVERNANCE

Symrise grew for the 15th time in 2020 – despite the coronavirus and the global economic slump triggered by the pandemic. For CEO Dr. Heinz-Jürgen Bertram, one thing is clear: The company's success is based above all on its long-term strategy of strong innovations, a broad portfolio, close partnerships, and sustainable business along the value chain.



Dr. Heinz-Jürgen Bertram,
CEO

Dr. Bertram, we are looking back on the most unusual and also the most threatening year for the global economy since the economic and financial crisis of 2007 to 2009. The company was also the victim of a global cyber attack in December. How has Symrise done in these times?

■ Symrise has performed very solidly in a market environment dominated by the coronavirus pandemic. We were well on track until mid-December 2020, when we became the target of a criminal cyber attack with the intention of extorting the company. It was out of the question for us to give in. However, this meant that our business operations were severely restricted at times, and for that reason we were not able to fully achieve our growth targets.

But we follow a clear ethical compass and reject any form of criminal fraud or extortion. Although there were delays in production and logistics, customers and business partners supported our stance. We would like to expressly thank them for this support.

It sounds as though the coronavirus has left the company more or less untouched.

■ We were fully operational across the entire Group worldwide. But for our employees, the pandemic is nevertheless a great burden. Many of them were able to work at home in cases where this was an option, but this was not possible in our factories. We reacted quickly and flexibly, introducing new shift models, severely restricting or partially discontinuing travel, and paying close attention to hygiene and cleaning cycles. As a thank you for their strong commitment to the Group, we paid all employees a coronavirus bonus.

And how did business develop?

■ The pandemic has had a major impact on people's behavior since the spring. There were closures of businesses and schools, retail stores and the restaurant industry, as well as travel restrictions and hygiene regulations. This also had a direct or indirect impact on demand in many areas. People stocked up on supplies, had to prepare to work at home or for home schooling, shopped more online and focused on local products and brands. >>

What does that mean in numbers for Symrise?

■ In the Scent & Care segment, which includes fragrances and also the functional components of cosmetic and care products, demand has shifted – we sold fewer luxury items such as perfumes and sun-screen, but more products for cleaning and hygiene. Organic sales increased slightly by 1.5%. Incidentally, right in the early stages of the coronavirus pandemic, we produced disinfectants in our Holzminden production facility by the ton to meet the increased demand, including from public institutions. The Flavor segment was also affected both positively and negatively because, on the one hand, people were eating and drinking less outside their homes, but on the other, they were consuming significantly more ready meals, baking mixes and snacks. Here we achieved an increase in sales of about 1%. The strongest growth of 8.2% was in the Nutrition segment, particularly in the area of pet food. This market will continue to develop very positively. In reporting currency, including the acquisition of the ADF/IDF group, sales increased by around 27%.

+ 8.2 %

The strongest growth was in the Nutrition segment, particularly in the area of pet food. This market will continue to develop very positively.

Other companies focus on a few product fields while Symrise does just the opposite. How are the fields strategically related?

■ Our diversified portfolio is one of the three pillars of our strategy, alongside our growth and efficiency in all processes. We now generate more than a third of our sales outside of our traditional business fields. In so doing, we rely first on identifying rapidly expanding areas, and then on repeatedly combining our resources and expertise to achieve strong synergy effects.

What you've just said describes "the power of holistic action," the motto of this Annual Report.

■ Exactly, we always have to keep the whole system in mind: from the innovations in our research and development to the 10,000 raw materials we purchase all over the world and the way we process them, to the wishes of our customers and consumers. Only by understanding and constantly questioning the whole can we achieve excellence in the details. Our partners along the value chain are also important in this respect: These are the small-scale farmers and suppliers, research institutions and customers with whom we jointly develop sustainable products and bring them to market.

Were there any concrete benefits to this strategy last year?

■ At the beginning of the year, some companies had problems with their supply chain, though we were able to deliver without interruption. One reason for this is our backward integration. In recent years, we have greatly expanded important production facilities such as those for menthols and vanilla extraction; we have also linked many of our raw materials closely to us through partnerships and our involvement in the countries of origin. This makes us more flexible and allows us to count on reliably available raw materials and products. It also makes

Right in the early stages of the coronavirus pandemic, we produced disinfectants in our Holzminden production facility by the ton to meet the increased demand, including from public institutions.



us more sustainable. We proved this in many places once again last year. For example, the Carbon Disclosure Project (CDP) awarded us top marks in all three of the topics it examined – climate change, forests and water conservation. Only ten out of the 9,600 worldwide that took part achieved this, and we are the only one in Germany. This is one way we are pursuing the ambitious goal of being climate-positive by 2030.

Are the company's shareholders interested in all this?

■ Absolutely. Our shareholders and investors are increasingly taking this commitment into consideration because their decisions are based on how companies will fare in the future. And if companies don't act sustainably today, they will face high costs later, for example due to regulatory requirements. That's why, for example, analysts and rating agencies such as MSCI, Sustainalytics, ISS ESG, CDP, EcoVadis and SEDEX are asking us more and more questions about our ESG performance – in other words, about environmental protection, social commitment and good corporate governance. >>

“Only by understanding and constantly questioning the whole can we achieve excellence in the details.”

“We need to do a better job of protecting our environment and climate; otherwise, one day we won’t even need to talk about our company’s success anymore.”

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So economic success is no longer possible without sustainability?

■ We need to do a better job of protecting our environment and climate; otherwise, one day we won’t even need to talk about our company’s success anymore. For Symrise especially, this is important because we obtain many of our raw materials from nature. At the same time, we can only be sustainable if we are economically successful. So the two issues are inextricably linked.

Let’s return to the topic of growth. What do you expect for the coming years?

■ We will continue to grow in ways that are healthy and sustainable by using three levers. First, we want to become organically stronger, that is, to increase capacity in our old and new business units, win new customers and increase sales. We will also

successively expand our business model and ultimately continue to make selected acquisitions.

Are there any current examples of this?

■ In the past fiscal year, for example, we opened our largest single investment ever: the new site for flavor and fragrance production in Nantong, China, in which we invested € 50 million. By the way, because of the coronavirus, we held the opening ceremony via web conference for the first time in the company’s history. We also integrated the US company ADF/IDF, which we acquired for USD 900 million in 2019, into Symrise. This expands our portfolio while also creating synergies for us, such as market access and new technologies. ADF/IDF also made a strong contribution to sales and profit. In 2021, we plan to acquire the fragrance business and parts of the flavor business of the US company Sensient Technologies. Their products come mainly from re-

newable raw materials such as pine oil or citrus fruits, which are handled using green chemistry processes. Sensient has sites in Mexico and Spain, where we will invest heavily in Granada and develop the plant into the second-largest mixing plant for fragrances and perfume compositions in the EAME region.

In which areas will you expand the company's profile?

■ All our divisions have the potential to further differentiate themselves by sharpening their profiles. In recent years for example, our acquisition of Diana positioned us very strongly in the pet food sector, which has enormous growth rates. We will continue to expand our business in that sector and make even greater use of our know-how, which is unique in the industry. Another fast-growing area is healthy food. By making use of our outstanding knowledge of natural raw materials, our backward integration and our taste know-how, we can tackle all challenges. These include, for example, putting less sugar, salt, fat and meat in food while keeping its taste the same, or using functional ingredients such as alternative proteins in food.

Is this being accepted by your customers?

■ Yes, we are gaining more and more customers; by now, we have all the major global food, perfumery and cosmetics groups in our order books. At the same time though, none of them amounts to more than 5% of sales. We have found a healthy mix among our 6,000 customers. One-third are locally, regionally or globally active companies from all the industries that are important to us. This makes us independent and less susceptible to crises. Incidentally, we are also seeing internal diversity. In recent years, we have greatly increased the proportion of projects in which colleagues from different business units or even segments work together. This results in significant synergies because we rely on cross-divisional teams and know-how in project development or to make processes more efficient, for example.

Last year, you said you wanted to double your sales from 2018 to 2025 – and you had already grown strongly in the years prior to that. Is this still what you expect?

■ We will continue to grow over the next four years, and our goal remains € 5.5 to € 6 billion in annual sales. We also want to become even more profitable. We have motivated employees who provide the best in their fields, outstanding technologies, a broad mix of products and a healthy raw material base, and we are active in many rapidly expanding markets. There are therefore plenty of good reasons why we will continue to grow.



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Climate-positive

CLIMATE

Symrise places sustainability at the center of its business strategy throughout the entire value chain and aims to become climate-positive starting in 2030. The road ahead is long and highly complex, as a look into the company's climate activities demonstrates.

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At more than 100 locations worldwide, Symrise requires electricity, gas and steam for production. The individual plants differ tremendously in this respect. Some produce tens of thousands of tons of a substance a year using energy-intensive processes while others mix valuable ingredients in the range of mere kilograms, which requires hardly any energy. The company reviews all processes as part of its climate strategy. The goal: Symrise wants to be climate-positive by 2030. On the path to that goal, Symrise has set an interim target of improving its environmental efficiency in terms of greenhouse gas emissions by 63 % by 2025.

In order to achieve these goals, Symrise has grouped energy consumption based on the scopes of the Greenhouse Gas Protocol – that is, according to the three areas of energy consumption defined by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). Scope 1 includes energies such as oil, gas and heat that are supplied to the company by energy service providers; Scope 2 includes electricity generated by the company itself or purchased from electricity suppliers; and Scope 3 includes all other emissions that result from raw material extraction, or for example during transport from suppliers and to customers. >>

Scope 1, 2 and 3 In order to meet Scope 1 goals, Symrise has improved energy and process efficiency in many places, for example in the menthols production facilities in Holzminden and in Bushy Park, USA, and also in the Aroma Molecules plants in Colonels Island and Jacksonville in the USA. For Scope 2, Symrise is switching to renewable energies wherever it can. To this end, the company has sourced all its external electricity from renewable sources in Germany since 2018. Symrise had set this same goal for all its sites worldwide to reach by 2025: However, in its effort to combat worsening climate change, the company reached this goal ahead of schedule in 2020. This means Symrise buys certified guarantees of origin which are used for projects such as the construction of a wind power plant on the German-Polish border, thus investing indirectly in the expansion of renewable energies.

Symrise has also begun work on Scope 3, addressing the energy used to produce raw materials and for plant logistics. Raw material purchasing accounts for nearly half of sales at Symrise and CO₂ emissions from raw material production are responsible for about 92% of Scope 3. Symrise has therefore asked suppliers to define their own energy and climate goals. The company has now achieved 87% of these goals and saved more than 3 million tons of CO₂ in 2020 through collaborative effort within the flavor and fragrance industry.

Well compensated In some places, certain greenhouse gases cannot yet be reduced. Symrise compensates for these through climate certificates. These operate on the principle that greenhouse gas emissions which cannot be avoided at the production sites are at least averted elsewhere in the world. When it does, the company takes great care to only purchase certificates that make a difference where Symrise operates. This has two advantages: The projects can be better reviewed, and the employees and residents in the region directly benefit from the measures.

In Brazil, for example, Symrise obtains the certificates from the Jari Foundation, which supports a project on sustainable forest management in the Amazon rainforest. This reduces the clearing of forests, which are gaining importance worldwide for their CO₂ storage in the form of biomass. The project saves a total of 115,000 tons of CO₂ emissions annually. In Madagascar, on the other hand, Symrise supports the Ankeniheny-Zahamena Corridor project with the certificates. This project protects the complex ecosystem of the island.

Symrise was one of the first ten companies in Germany to join the Science Based Targets initiative, and it orients itself to the Sustainable Development Goals of the United Nations.

Logging for export, for charcoal production, or for slash-and-burn clearance of agricultural land causes the forests to disappear. The project counters the poverty-related causes of deforestation and provides communities with financial support.

Constant review Symrise allows its commitment to be certified by various organizations and simultaneously participates in relevant initiatives. For example, the Group committed very early on – and was the 61st company worldwide to do so – to having its progress toward sustainability scientifically confirmed. Symrise was one of the first ten companies in Germany to join the Science Based Targets initiative, and it orients itself to the Sustainable Development Goals of the United Nations. Moreover, its commitment in the four areas of environmental protection, employees and society, raw material sourcing and sustainable innovations, as well as the associated non-financial indicators, must be certified annually as required by law.

In 2020, Symrise also received top marks from the Carbon Disclosure Project (CDP) in the three categories of water, forest and climate, making it one of ten of the 9,600 companies reviewed by the non-governmental organization worldwide – and the only one in Germany. Symrise is also involved with 34 other organizations, about half of them from the field of business, in the Initiative for Sustainable Agricultural Supply Chains. This encourages companies to observe binding due diligence obligations and to create more sustainable material and goods flows. Symrise welcomes the latest political developments in this area.

Of ideas big & small

Chief Sustainability Officer Bernhard Kott explains in an interview what sustainability objectives Symrise is pursuing and describes how the path to achieving them only works through shared commitment on all levels of the company.

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Mr. Kott, if a company wants to operate sustainably, it must not only announce goals, but also anchor them in the company. How do you do that at Symrise?

■ To involve the entire workforce, we have introduced an ambassador system that serves as an addition to our Sustainability Board and our sustainability officers in all divisions. The global ambassador network, in which more than 120 employees are now active, brings many big and small ideas to our company and to the communities around our sites. In 2020, we held many video conferences within the network, each with dozens of participants, which we used to transfer knowledge between business units. >>

Can you give an example of this?

■■■■ Symrise is currently tackling the issue of waste prevention on a tremendous scale. For example, we will largely ban single-use plastic from the company by mid-2021 and use only sustainable materials by 2025. We will also write these goals into our Sustainability Record so that they are traceable and verifiable. We made enormous progress on plastics last year, and many approaches to this came directly from the business units.

What has changed specifically?

■■■■ Our employees constantly test new products such as flavor solutions or purees and powders that we make from vegetables and fruit. Previously, they always used plastic cups or spoons for this purpose. We have now launched very successful projects around the world. In Holzminden, for example, employees now use compostable paper cups instead of 400,000 plastic cups annually. In Brazil, nearly 700,000 plastic cups are saved annually, and

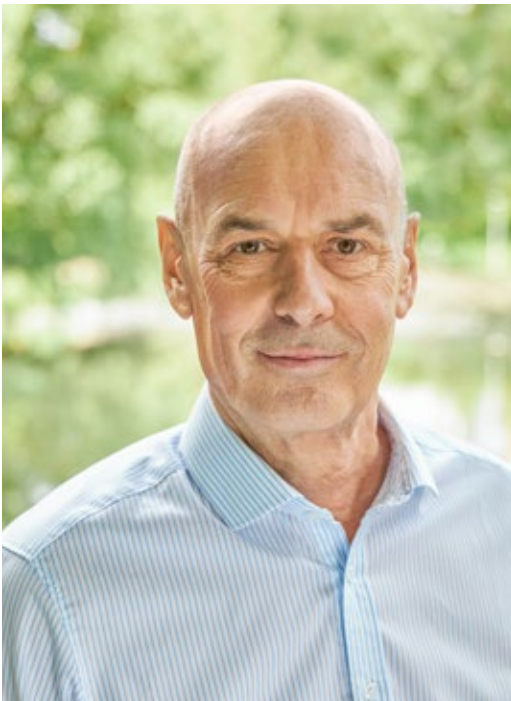
in France, 20,000 plastic spoons have been replaced with reusable ones. And in Indonesia, employees use their own cups to reduce the number of plastic bottles. These are just a few of the projects, which incidentally were driven both from above – i.e., by Group-wide or site-wide decisions – and from below, by individual employees. Another project ensures that we use more sustainable packaging such as paper bags instead of plastic bags, or large barrels instead of small canisters. This is only possible in collaboration with our suppliers and customers.

From the small to the big, what goals are at the core of the sustainability agenda at Symrise?

■■■■ We want to continuously improve our ESG (environmental, social, governance) performance over the long term. There are many examples of this, which we also see here in the Corporate Report. For us, preserving biodiversity is at the top of the list. We use an enormous amount of raw materials from nature and rely on backward integration. 90% of our procurement volume will be derived from verified sustainable sources by 2025 and our strategic raw materials will become fully traceable. We have been committed to this for years, also directly in the countries of origin.

At the same time, you're growing, which also leads to increased CO₂ emissions.

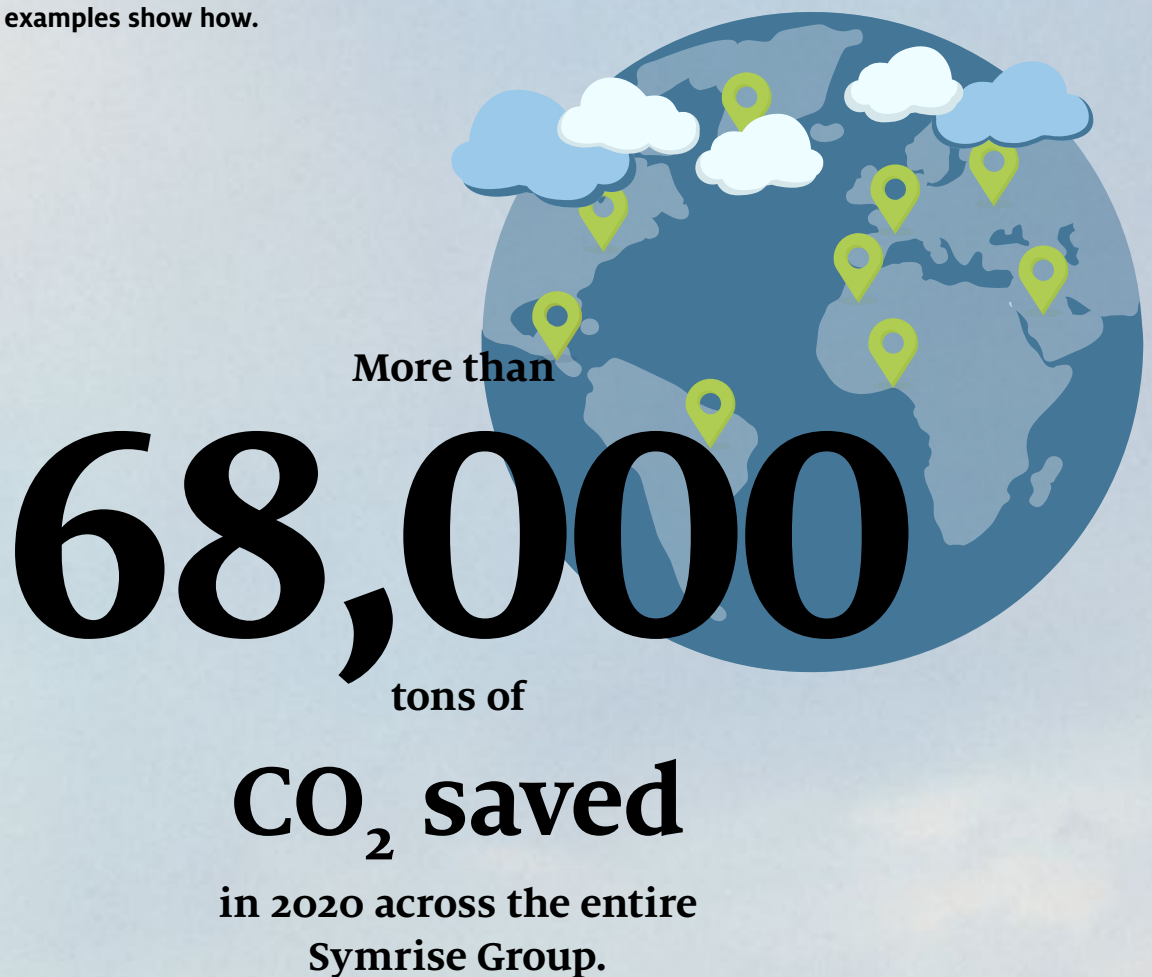
■■■■ In fact, we are growing very dynamically, especially in the emerging markets with rising incomes. That's why we are putting in double the effort. We need to offset the impact of rising sales while minimizing greenhouse gas emissions in our value chain. In order to accomplish this, we ensure consistently increasing levels of energy efficiency in our production facilities. Our goal of being climate-positive by 2030 is absolutely realistic and achievable.



Bernhard Kott is Senior Vice President Corporate Communications and, since January 2020, also Chief Sustainability Officer at Symrise.

Energy? Save it!

Symrise continuously increases its eco-efficiency by focusing on innovations and ideas. Two examples show how.



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SUSTAINABILITY THROUGH INNOVATIONS

In Egypt, Symrise buys hibiscus products which are used, for example, in cosmetics for their skin-soothing and antioxidant components or for their natural food coloring. An innovative project has now ensured that the raw material can be extracted much more efficiently and therefore also more sustainably. The improved process allows daily production to be increased by a quarter and, at the same time, food coloring yields rise from 65 to 83%. Another advantage is that water consumption decreases enormously. Previously, 6,000 liters of fresh water were required per extraction process. Now, the water is used in a recirculation process. In addition, the water maintains its temperature, while previously it had to be heated from 15° to 55° Celsius.

PACKAGING CAMPAIGN

Symrise ships thousands of products every day that must be packed sensibly and securely. Since March 2020, the company's packaging material suppliers have been offsetting the CO₂ emissions generated by producing the cardboard boxes. In the middle of the year, these materials were replaced with climate-neutral alternatives. By the end of 2020, this had saved around 389 tons of CO₂. Since the beginning of this year, all packaging materials in Holzminden have subsequently become climate-neutral, which will reduce emissions by around 12,500 tons by the end of 2021. In the coming year, the main production sites in all regions around the world will follow.



Vitamin bomb



SOCIETY & BIODIVERSITY

Acerola cherries come from northeastern Brazil. Symrise is now using them for a very special product: The company is launching the first fair trade acerola powder on the market that provides people with natural vitamin C supplementation. It is also organic, meaning it consists entirely of natural raw materials.

A background image showing a close-up of a branch with several small, round, green and red acerola cherries. The background is a soft-focus green, suggesting a lush orchard.

■ The sprawling trees, which are one and a half to two and a half meters high, stand closely together in long rows. Here, in the Brazilian state of Ceará, acerola cherries grow particularly well because of the hot weather and abundant light. The harvesters pick the fruits, carefully place them in their buckets, and then collect them in wide, light green containers. On the same day, they are driven by truck to a factory a few kilometers away. This is important because otherwise the valuable and delicate goods spoil quickly. In the factory, the fruit is processed into juice, which is then carefully concentrated. Afterwards, it is transported to France in large containers. At the Diana Food plant in Antrain, Brittany – only a few kilometers from the tourist attraction Mont-Saint-Michel – the juice concentrate is finally processed into highly aromatic powder in a spray drying plant.

The effort is worth it because the reward is the important and equally valuable ingredient of acerola cherries. It is considered the fruit with the highest content of vitamin C. The juice of this slightly sour stone fruit contains up to 50 times as much vitamin C as in a lemon – depending on where the cherry is grown. The ones from Ceará contain between 2,000 and 3,000 milligrams per 100 grams of fruit. They also contain minerals such as potassium, calcium, and magnesium and secondary plant substances such as flavonoids, pectins and anthocyanins. This diverse mix offers great benefits. Acerola, for example, has an antioxidant and cell-rejuvenating effect because it boosts the metabolism.

Naturally better Many people benefit from the vitamin boost by taking food supplements containing acerola. Demand is constantly increasing, says Nathalie Richer, who works for Diana Food in the health and nutrition area. As product manager, she is responsible for acerola products, among other

things. Symrise has been offering these products for 20 years already. In recent years, the business has experienced a major boost. “Customers increasingly want products from nature,” explains Nathalie. “With vitamin supplements, this makes a lot of sense because natural vitamins are much better metabolized than synthetic ones. Therefore, they work better.” In addition to tablets, the powder is also used in beverages or functional foods designed to increase well-being.

In order to obtain the best raw materials, Diana Food has been involved in the producing countries for years. In Brazil, the company works with several suppliers in the region to ensure the availability and the best quality of the fruit. The companies in turn buy the acerola cherries from a number of farmers who live in the Amazon region. “We help to improve cultivation and harvesting methods to achieve higher quality,” says Nathalie. To do so, the agronomists from the suppliers and from Diana Food share information. “For example, they have stipulated that farmers should harvest the fruit when it is just about to ripen because that is when the vitamin content is at its highest.” The still green acerola cherries land in the baskets. This initially caused incredulous looks. However, farmers quickly realized that their products had to be harvested unripe for exactly this purpose – and that in this way they could increase the value of their harvests and thus their income.

Over the years, the organic trend has changed agriculture in the area. “More than 10 % of our acerola purchases now come from organic agriculture, with a strong upward trend,” explains Nathalie. The acerola powder that Diana Food finally brings to market has a vitamin C content of 17%. Another one that contains twice as much of the ingredient comes from conventional agriculture. It is mainly used to preserve food products such as processed meat goods. As a strong antioxidant, it is well suited for this. >>



“We help to improve cultivation and harvesting methods to achieve higher quality.”



NATHALIE RICHER
Product Manager at Diana Food

Nathalie Richer works as product manager for Diana Food in the health and nutrition area.



Acerola has 50 times as much vitamin C as lemons.



“The farmers can only convert their production if they know that we will work with them over a long period of time.”

MARIE LE HENAFF

Global Sustainability Manager at Symrise Nutrition

More than organic Now, in September 2020, Diana Food has launched a new acerola powder. This one goes a step further. “We were the first company worldwide to develop a fair trade acerola powder,” says Marie Le Henaff, Global Sustainability Manager within Symrise Nutrition. A customer specifically commissioned the concept, which also includes organic certification. “Now it will be expanded to other customers, especially in Europe,” says the company’s sustainability manager. The certification, which is verified by the strict “Fair for Life” seal, requires very different measures and is checked by external experts. This includes, for example, quality, traceability and food safety. Social and ecological aspects as well as long-term commitment to suppliers also play a role.

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“In the beginning, we looked for a partner among our suppliers who already produced organic ingredients anyway,” continues Marie Le Henaff. The positive impact on the environment was important, and now the social component can be added. “The new certification that we started in May 2020 fulfills several purposes at once for us: We can really make a difference for the people in the region while diversifying our product portfolio and meeting the demand for fair trade products,” Marie Le Henaff explains. This is how sustainability and economic success work together.

Commitment with planning stability But that’s easier said than done, Marie Le Henaff emphasizes. To receive the “Fair for Life” certificate, which is verified annually directly with the farmers, companies must be committed and address the entire value chain – from the farmer to the factory to the customer. An important element is that suppliers pay farmers at least 10% more for fair trade raw materials than for conventional ones. This is guaranteed for three years so that both sides can count on it in the long term – no matter how the market develops. >>





After picking the fruits, harvesters must process them quickly so that they don't spoil.



Acerola fruits are harvested while they are still green because that's when they contain the highest amount of vitamin C.



Acerola plantations often extend over several kilometers.



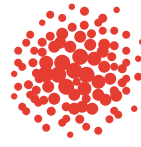
“The farmers can only convert their production if they know that we will work with them over a long period of time,” continues Marie Le Henaff. But the money doesn't just flow into farmers' pockets; it should also be used to improve processes. “Our supplier has formed a committee with the farmers to jointly discuss new agricultural practices.” These include, for example, water management and cultivation techniques. Another part of the commitment concerns issues that often have nothing to do with agriculture – from health care and education to equal opportunity. “But the independence of the farmers is also always important to us,” says Marie Le Henaff. “They can work with us, but they don't have to.”

Certification under difficult conditions The certification process took place in the first phase of the coronavirus pandemic. “It wasn't easy because the ‘Fair for Life’ employees were not allowed to travel,” Marie Le Henaff remembers. “But we absolutely wanted to implement the certification.” Therefore, the first audits were initially conducted online by the third party. Afterwards, when the number of cases and thus also the restrictions decreased, the auditors could travel to the farmers. The first interim results are positive. “For us, this is a pilot project that we want to expand,” says Nathalie Richer. “Together with our suppliers, we can achieve a great deal.” The fair trade component has a future, explains the project manager. “We estimate that 5% of the market will be suitable for this in the coming years.”



11 kg

From eleven kilograms
of fresh fruit



1 kg

one kilogram of acerola
powder can be made
by juicing and drying.

The processed acerola powder
usually contains

17%

or

34%

vitamin C

The average daily requirement of

vitamin C

for adults is



110 milligrams

What is acerola?

At first glance, the fruits of the acerola tree look like cherries. They can be red, purple or yellow and ripen several times a year in tropical or subtropical regions, especially in North and South America. The fruit has a very short cycle of only 25 days, which is good for the yield at harvest. However, due to its thin skin and rapid maturity, it does not last very long. Therefore, it must be processed quickly. In most cases, it is pressed into juice, which is then often processed into powder by freeze or spray drying.

Meatless meat

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Meat and dairy products have traditionally been a part of diets around the world, but increasingly the products that end up on our plates no longer need to come from animals. For vegans, vegetarians and flexitarians, plant-based proteins are often on the menu, and there's no question that they also have to taste good. Symrise supplies the crucial ingredients for hundreds of these foods. Here are some insights into a growing business.

Why



plant-based proteins are so important

■ In 2050, ten billion people are expected to live on earth, a good two billion more than today. What will they eat? It is clear that the current form of nutrition with lots of meat, fish and dairy products will no longer be viable at that point. There are several reasons for this. Climate-damaging emissions from mass livestock farming, which produce large amounts of methane gas, nitrates and ammonia, would increase. At the same time, livestock farming requires more and more water, which causes natural resources to dwindle. Last but not least, animal welfare is also increasing in the public eye.

Consumers have been responding to this for years. In addition to people who eat a vegan or vegetarian diet, there has been particularly strong growth in the group of what are known as flexitarians, who limit their meat consumption but do not want to give it up completely. "In the context of coronavirus pandemic, we are seeing increased consumption of plant-based proteins as many consumers perceive this diet to be healthy and safe," says Regine Lueghausen, Vice President Global Marketing Flavor Division. "In the future, we can expect people to enjoy meat more consciously and focus on quality rather than quantity."

How the markets are developing



■ The food industry is innovative and frequently launches new products worldwide. In supermarkets, for example, the range of vegetarian or vegan meat alternatives is growing, and even traditional suppliers are changing their product ranges. "In 2019, global sales of these products totaled USD 19.5 billion," explains Lueghausen. "Compared to the traditional food market, this segment is still small, but it has significantly higher growth rates than the conventional food industry – five times higher in the USA alone." Alternatives to dairy products are also an important market, with sales expected to rise to USD 22 billion by 2023. This corresponds to growth of almost 10%. While this development has so far mainly taken place in North America and Europe, the markets in Asia, Africa and South America will also become increasingly attractive in the coming years.

Why

Symrise knows what consumers want

— The Symrise marketing and consumer insight teams conduct a variety of studies and evaluate social media to identify product, ingredient and flavor trends. “We know exactly what consumers want and can develop the best possible products,” says Regine Lueghausen. Symrise also communicates with cooks around the world to gain culinary insights, including recipes and developments in alternative proteins. One of the company’s memberships is in the Plant-Based Foods Foundation in the USA, where it shares information on developments with other producers.

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What

products are in demand

— There are primarily two main consumer groups. The first is looking for a meat-like experience, even in meatless products. “But often, it’s not just about the taste,” says Florian Herkner, Head of the Plant-Based global growth platform. “People also want the foods to be similar in terms of appearance, texture, juiciness, and even preparation, if applicable.” This is quite complex, as beef, chicken, pork and lamb have very different characteristics. The second main group is more interested in plant-based products and is open to “culinary innovations,” even if they have no equivalent in the “meat world.” These people test plant-based products in novel formats and dishes. For both consumer groups, it is important that local Symrise teams adapt ethnically inspired recipes to the taste preferences in their respective regions.

How Symrise works

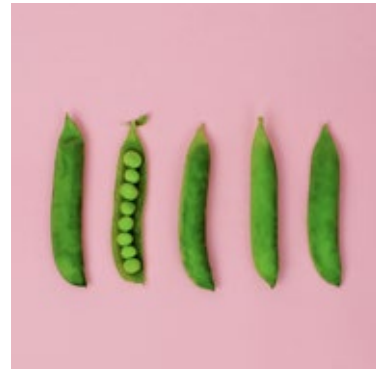


■ The Symrise Flavor and Nutrition segments have been extracting ingredients for foods from natural raw materials for decades, often through internal collaborations and with universities and other research institutes. “We investigate them with regard to their protein content and other substances. We look in particular at the specific properties of the individual raw materials and how the sensory properties are linked to the molecular composition of scent and flavor-active substances,” says Dr. Gerhard Krammer, Senior Vice President Global Research and Technology Group. This ensures that the ingredients achieve the desired effect even when combined with others. They then provide good flavor, a certain consistency, and the right nutrients, or they balance desirable and undesirable tastes. In addition, Diana Food offers natural colors and food protection solutions for customer-friendly packaging labels that are easy to understand.

Where the ingredients come from



■ Symrise relies on raw materials from nature, including in solutions for alternative proteins. In extensive research programs, the company has analyzed and deciphered natural flavoring substances. Symrise offers these products, which are purchased in a transparent and traceable way, on its code of nature® platform. “Our teams carefully prepare and optimize them to achieve an authentic, natural taste in plant-based products,” explains Global Marketing Manager Stefanie Hartwig. This approach also helps with regulatory issues. Manufacturers, and increasingly also consumers, want to know what food is made from. Ingredients from nature can be labeled clearly and understandably for this purpose.



What solutions Symrise offers

■ The Symrise portfolio is broad and offers solutions for all the culinary and sensory challenges that alternative proteins pose. For example, when plant-based raw materials such as peas, soy, chickpeas or rapeseed are used in vegetarian or vegan meat alternatives, they often taste bitter and sometimes leave an unpleasant mouthfeel. The taste-balancing solutions from Symrise compensate for these undesirable effects. “We have carried out extensive scientific work and studies on this and have patented the results. These property rights, along with our new flavor management technologies and our flavorists’ expertise, demonstrate our innovative strength and make us the industry leader,” says Dr. Gerhard Krammer. New analytical methods such as ProtiScan™, which uses a special measuring technique to reduce off-flavors and optimize flavor release for foods containing plant-based protein, also contribute to the company’s strength. Symrise has also developed natural and vegan chicken and beef flavors as well as a barbecue and smoked foods collection in order to replicate the flavors of the original as perfectly as possible.



Scents you and your pet will agree on

INNOVATION & DEVELOPMENT

What pets want or need does not always necessarily match the wishes of their owners. This also applies to perfumes and smells in pet care as well in beauty and home care products. A joint project of the Symrise divisions Fragrance, Cosmetic Ingredients and Diana with its Pet Food Business Unit has taken a close look at this not infrequent conflict of objectives – and now serves a promising market.

Some dogs feel most comfortable and enjoy their own smell when they have been running around outside and rolling in puddles. Cats are cleaner creatures and love the scent of catnip and valerian. Unknown smells make them insecure. Pet owners, on the other hand, would prefer to hide the scents their pets sometimes bring home with them under fine shampoos. In the best case, these shampoos smell like human care products. One thing is clear: Preferences diverge widely. In addition, our four-legged friends are much more sensitive to odors than humans: “10% of a dog’s brain is dedicated to olfaction, as compared to only 0.3% in humans. Dogs have about 200 million olfactory neurons, cats have 67 million and humans only 15 million,” says Anne Cabotin, Senior Vice President of Consumer Fragrances. “We need to tailor fragrances that do not irritate dogs and also contribute to making them feel relaxed and happy.” Dogs also have much thinner skin with a higher pH value, which means they need more shampoos and creams specifically adapted to their sensitive skin.

The market for animal care products is huge. There are 830 million domestic dogs and cats around the world, and this number has risen by 40% in the past ten years. “But this growth is far from over. We’re talking about a market for animal care products of around € 10 billion,” says Bertrand de Launay, President of Diana Pet Food, citing another concise figure that points to rising figures: According to studies, two-thirds of all millennials in the U.S. – those



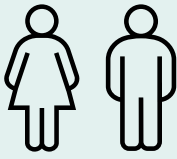
born between the early 1980s and late 1990s – already own a pet. “However, we are no longer talking about pet owners, but about pet parents. And because this humanization will progress even more, we see enormous potential in the beauty and home care industries as well.”

So how do you bring the needs of humans and animals together in pet care products? A team from the Pet Food business unit of Symrise’s Division Diana, has joined forces with researchers from the Consumer Fragrances business unit of Symrise’s Fragrance Division. The result are fragrances with a NeoFresh® technology inside that help suppressing odors without the animals perceiving the smell of the care product as unpleasant. Both sides brought their strengths to the development process. An example of this is the evaluation subjects: “We know the animals’ preferences very well because we have been working for years with more than 1,000 cats and dogs living in our Panelis centers in France, Brazil and the USA,” says Bertrand de Launay. Experts are also evaluating the products with 2,300 dogs and cats that live with families in the French region, who were brought together to form the Panelis in-home panel. The process also involved veterinarians and ethologists (animal behavior experts). The experts are additionally evaluating feedbacks from pet parents of Yummypets, a pioneering social media network for pets. Yummypets also belongs to Diana Pet Food. More than 1.3 million animal owners and their pets are already active on the network. >>



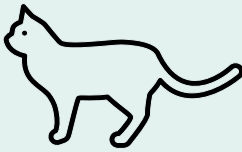
For pet owners, animal care products should ideally smell like care products for people.

Numbers of
olfactory nerve cells
(in million)



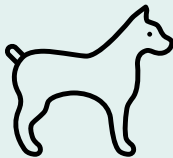
humans

15



cats

67



dogs

200

**“We’re talking
about a market for
animal care
products of around
€ 10 billion.”**

BERTRAND DE LAUNAY,
President of Diana Pet Food

“We had been working on this topic for quite some time, and after Symrise took over Diana in 2015, we realized how big our synergy effects were,” reports Bertrand de Launay. Three customer groups were to be addressed: companies that already offer animal care products, beauty care companies that want to add beauty products for animals, and companies that sell animal food and want to expand their range. In developing the fragrances and also selling the products to the care product manufacturers, the project relied on the know-how of Symrise colleagues from the Cosmetic Ingredients Division, who are particularly well versed in products for sensitive skin and hair. “At Symrise, we want to increase health and well-being for the whole family, and that includes pets,” says Gabriele Vielhaber, Senior Vice President Global Accounts Cosmetic Ingredients. “At the same time, we recognize how large the markets in this segment are. This fits in well with our corporate strategy, according to which we want to generate a third of our sales in areas outside the traditional fragrance and flavor segments.” The coronavirus crisis has further intensified the development of the market. “Consumers are spending much more time at home with their cats and dogs, which has made them realize they can improve living conditions for their pets as well – not just with food, but with odors,” says Gabriele Vielhaber.

The entry of large and trendy cosmetics customers into the segment has also boosted business. “This is the ideal time to also expand our product range,” says Gabriele. “However, and this is particularly important, the products must be precisely adapted to the needs of the animals: In dogs, for example, this means that we use our gentlest ingredients and fragrances because of the higher skin pH, thinner epidermis and finer hair.” In addition, the products are vegan, mostly biodegradable and manufactured without controversial substances such as parabens.

The teams are also currently developing products for which they have advanced into another area: household cleaning products. “What does a pet have the most contact with?” Bertrand asks, and he answers immediately, saying, “The floor. Dogs and cats walk on carpets or hard floor coverings all day long, so it is only logical that we take a close look at this area as well.” “Pets and their parents are exposed to the same air care and cleaning products used for everyday home cleaning and freshening,” says Anne Cabotin. “Now pet parents will be able to buy their essential home products with the confidence that fragrances are well accepted by their pets.”

LAUTIER FILS
GRASSE

Rebirth of a *longstanding* *brand*

INNOVATION & DEVELOPMENT

The lauded French brand Maison Lautier has been a part of the Symrise portfolio since the mid-1990s. It grew out of one of the first fragrance ingredients factories in Grasse, developing natural essences for perfumes that were traded worldwide and always stood for ground-breaking technologies. Now Symrise is revitalizing the unique brand to create a portfolio of sustainable and innovative natural raw materials for the Scent & Care segment.

“Working with natural products is deeply embedded in the Symrise DNA. From the company’s beginnings in 1874, when its founders extracted vanillin from conifers, to today, when we process thousands of raw materials from nature,” says Ricardo Omori. The company now wants to pursue this approach even more actively and also display it externally, explains Omori, who is Senior Vice President Global Fine Fragrances and responsible for the business development of the division.

To do this, the company looked to the 220 year old Maison Lautier brand, a symbol of luxury natural materials. As a first step, Omori’s team first commissioned a historian to explore the history of the storied brand. She discovered the exciting story that begins in 1795 with a perfume merchant and producer in southern France in the city of Grasse, the birthplace of perfume. “We already knew a little bit, but I still found it very interesting to learn about the parallels between then and now,” says Ricardo Omori. His colleague Veronique Ferval adds, “What’s fascinating to me is that we basically still follow the approach of our predecessors: We rely on natural raw materials, which we extract through a great deal of manual labor and develop with highly innovative technologies.” As Vice President Creation Fine Fragrances Global, Ferval spends all of her time with fragrances and accordingly has a special relationship with these creative solutions. “It’s like a magical process.”

In the coming years Symrise will further strengthen the Maison Lautier brand by increasing the number of natural raw materials in the palette with a focus on three main pillars: Madagascar, Artisan, High Tech. “For example, in Madagascar we are constantly testing new plants to see if they are suitable for the production of essences,” says Omori. Symrise has long been familiar with the rich diversity on the East African island. Symrise’s vanilla project, which the company launched in Madagascar 15 years ago, brought the country even more sharply into focus. “We created backward integration there, meaning we took over upstream manufacturing steps. This allows us to obtain reliably available and sustainably produced raw materials while supporting thousands of small farmers,” explains Omori.

“Under the Maison Lautier umbrella, we will build an exciting portfolio that would still inspire its founders in Grasse with its creativity and innovation.”

RICARDO OMORI,
Senior Vice President Global Fine Fragrances

This model now serves as an example that the company follows all over the world – for example, in Ecuador, Brazil and Indonesia. This is also where the second pillar of the new brand comes in. Ferval explains, “We work in part exclusively with suppliers who know the farmers well and refine their raw materials, using handcrafted methods that are both gentle and efficient. This guarantees us high-quality substances for our portfolio.” In the past four years alone, around 42 ingredients have come onto the market in this way, which will become part of the Maison Lautier label in the future. The company will be able to launch between three and ten new substances annually, Omori estimates, with a market volume of € 400 to 500 million each in the same period.

The third pillar is the technologies Symrise uses to process the natural substances and, above all, to use them as efficiently as possible. Omori calls the Symtrap™ process a good example of this. “This has allowed us to develop new, natural essences from leftovers from vegetable production in France, which can now also replace synthetic flavors,” says Omori, emphasizing the special nature of the process. And Omori has even bigger goals for the brand. “Under the Maison Lautier umbrella, we will build an exciting portfolio that would still inspire its founders in Grasse with its creativity and innovation.”

MAISON LAUTIER
More than 200 years of expertise in fragrances

Almost 1,000 kilometers further north in Paris and 50 years later, Jean-Baptiste Lautier started a perfume business. In order to secure its raw materials, he built distillation stations in the southeast part of the country. This made him the first merchant to extract the highly fragrant lavender oils used as the basis of many perfumes, and he later secured a monopoly on the sale of geranium essences from Algeria.

1845

1795

Amid the turmoil of the French Revolution and just a few years before Napoleon came to power, François Rancé started his business. In 1795, the glove maker founded Maison Rancé, a new business dealing in fragrances made from flowers and other plants, in the south of France in Grasse, supported by his five sons. In doing so, he laid a stone in the foundation for the city's reputation as the world capital of perfume.



Over the following centuries, the business grew, and the company became one of the most important raw material processing companies in Grasse. It continued to use more and more different perfume plants, invest in research and apply for patents for new processes to extract oils and process fragrances in cosmetic products. The company also became increasingly international, and by 1920, it had branches and warehouses in Algeria, Beirut, Paris, London, New York, Chicago and Kobe.

1920

1862

A few years later, the two families came together, as Lautier married a granddaughter of François Rancé. With his wife's brother, Lautier ran a factory near Grasse and in 1862 took part in the World's Fair in London. The two men subsequently fell out – and Lautier founded his own company, Lautier Fils, with the brand Maison Lautier in 1865.

71



1995

After World War II, Lautier Fils struggled with economic difficulties. In 1972, the French pharmaceutical and chemical group Rhône-Poulenc, now part of Sanofi-Aventis, became the majority shareholder. In 1981, the brand was transferred to the US manufacturer Florasynth, which was in turn acquired by Bayer in 1995. The German group merged Lautier Fils with the Flavor Division of its subsidiary Haarmann & Reimer, one of the two predecessor companies of Symrise. After that, the brand name was no longer used.



In a globalized world based on communication and cooperation, a company can only be as good as its partners. At Symrise, these primarily include – in addition to the customers themselves – the suppliers. This is because the provider of fragrance, flavoring and functional ingredients sources around 10,000 different raw materials worldwide.

The supply chain is extensive and often begins with small-scale farmers on all continents, from Brazil to Morocco and Indonesia. Farmers and their families make up one third of the world's population and together produce around 70 % of all food.

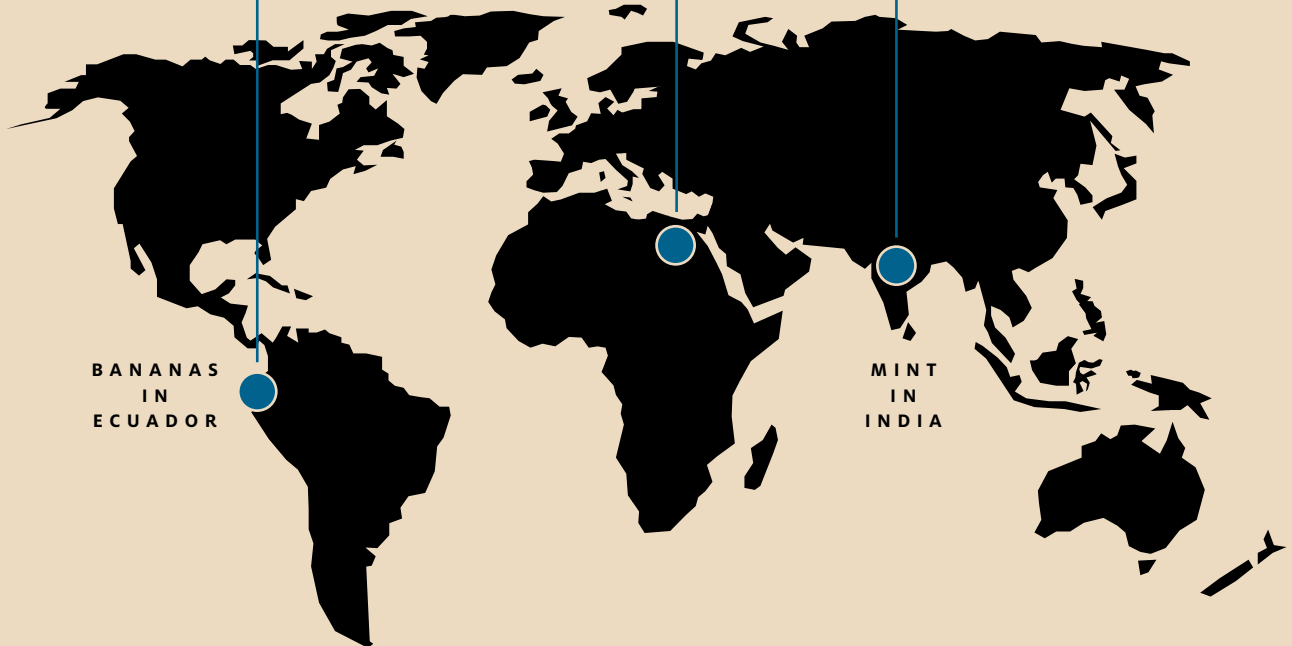
Symrise supports tens of thousands of them with different measures. These include the artisan programs, which support sustainable raw material cultivation in countries such as Italy and Egypt. The focus is also on the “Bridging the Gap” activities – learning partnerships between suppliers, farmers, Symrise and its customers. This is one way in which the company commits to the important Sustainable Development Goal No. 17 set by the United Nations: To operate sustainably alongside strong partners.

In these holistic partnerships, environmentally sustainable agricultural practices are taught and financial investments made to support better living and working conditions. All the projects can only be carried out through partnerships, which is why Symrise, together with its partners, will invest € 16 million over the next four years in the “Bridging the Gap” measures alone. Only in this way can the Group achieve an important goal: Purchasing raw materials of excellent quality that are produced in a sustainable manner, traceable, and reliable in the long term. The three examples that follow are illustrative of the many sustainable supply partnerships we are working on.

The farmers in focus



JASMINE
IN
EGYPT



BANANAS
IN
ECUADOR

MINT
IN
INDIA



Bananas

NUTRITION SEGMENT

74

■ **Bridging the Gap** In Ecuador, specifically in Pasaje in the southwest of the country, Diana Food produces purees, flakes and powder from bananas. The factory only processes fruits that are not suitable for the fresh fruit market because of small spots, their size or – particularly important for bananas – because of a wrong curvature. The process is sustainable at all levels. A challenge at the moment, however, are the peels that are left over after processing. So far, the approximately 22,000 tons have been composted and then used as fertilizer. A small portion is also used for food supplements. These are good solutions, but there is still room for improvement. Diana Food is evaluating the possibility of methanizing the peels to produce biogas. In addition, similar projects will be implemented with several communities in the region that will benefit the farmers again.

In addition, Diana Food has entered into a close partnership on the topic of bananas with the German Society for International Cooperation (GIZ). Together, they are exploring the possibility of launching an experimental platform involving one of the world's leading specialists in sustainable tropical agriculture and key players in banana production.

Mint

ORAL CARE DIVISION AND FLAVOR SEGMENT

■ **Bridging the Gap** Mint is one of the key flavors for oral care products and chewing gum – and one of the top-selling products for Symrise. Since the 1970s, the company has been one of the first and largest producers of synthetic menthol, along with flavorings derived from the various types of mint around the world. In India, for example, more than 750,000 small-scale farmers grow around 80% of the world's supply of *Mentha arvensis* mint. There, Symrise is working closely with Mars, GIZ – the German Society for International Cooperation – and the training NGO Tanager on a “Bridging the Gap” project to support 25,000 mint farmers in the state of Uttar Pradesh. The three-year project aims to improve sustainability in the mint supply chain and help farmers optimize their farm management in a sustainable way. Professionalized structures will allow farmers to increase productivity, reduce water consumption and improve their overall income. In addition, self-help groups are designed to empower women with regard to their rights and increase economic participation opportunities.



Jasmine

SCENT & CARE SEGMENT

Artisan Program In the fertile, silty soil under the warm sun of the Nile Delta in Egypt grows jasmine, one of the world's most important, charismatic and ancient natural substances for perfumery. From one ton of individually hand-picked flowers (about six million), the farms there produce 1.5 kilograms of jasmine absolute – a material whose richness and intensity inspire perfumers to make magnificent creations and give them multiple olfactory facets. One of the most important manufacturers of these absolutes, as well as of concretes and recently also oils from distillation, is the company A. Fakhry & Co., which has been active in the industry since 1955 and has long cooperated with the Scent & Care and Flavor segments of Symrise. The quality of the product is naturally an important reason for working together, but Symrise also values the supplier's commitment.

For example, Fakhry established the Fakhry Aid Foundation, which benefits about 25,000 jasmine farmers and pickers as well as their families. The organization funds teachers for schools and organizes extracurricular activities. There is also a broad-based awareness campaign on health issues directly and indirectly related to jasmine. The farmers learn how to use environmentally friendly pesticides and improve their agriculture. They are also taught about better nutrition. Finally, the Fakhry Aid Foundation facilitates access to health care, supports employees through interest-free microfinancing and seeks to empower women by organizing discussion groups where they can talk about their health, family life, or access to education and work.



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BRIDGING THE GENERATION GAP

In many countries around the world, the same problem can be observed in small-scale agriculture: Sons and daughters do not want to take over their parents' farms, and parents want a less arduous life and a better education for their children. Because of that, bottlenecks for some types of fruit and vegetables are already being projected. This challenge is a focus of the first "Bridging the Gap" initiative that Symrise launched with many partners in several countries such as Brazil and Madagascar. The initiative continues to develop cultivation and harvesting methods, increases incomes and helps communities develop positive strategies in order to make agriculture attractive for young people again.

GROWING together

INNOVATION & DEVELOPMENT

With the acquisition of ADF, IDF and IsoNova, Symrise has further expanded its portfolio within its Nutrition segment. The US-based companies have decades of experience with protein products from chicken and eggs, which they provide to the pet food, animal feed and food industries. Both sides profit from the purchase: The Group gets a raw material base and broader market access in the USA, and the new colleagues there can offer their products more globally and draw on extensive research in the parent company.

■ People in the business world often speak of synergies. When two companies join together, they are meant to reinforce each other so the whole becomes stronger than the sum of the two parts. Since Symrise expanded the American family business ADF, IDF and IsoNova for USD 900 million at the end of 2019, the newly acquired company's eleven factories have made a major contribution to sales and profit. Moreover – and this is just as important in the long term – the individual divisions work hand in hand with their partners at Symrise Nutrition. A look at the details shows how this works.

The Americans are working in a field that completes and enriches Symrise portfolio in this form: Using raw materials from chicken production, ADF manufactures pet food ingredients, while IDF produces broth, protein powder and fat products for human consumption. By contrast, IsoNova produces egg proteins.

The merger is now having several synergy effects: One is the pace of research and development and of production and sales. John Tiedeman verifies this by way of the following example from the ADF/IDF – IsoNova point of view: “Because we are now working with Diana Pet Food and Diana Aqua, we’ve been able to accelerate our original five-year plan by 12 to 24 months in some cases.” One example: Diana Aqua has opened doors with major aquaculture feed producers that would have taken IsoNova years to gain access to on their own. The company expects commercial sales in early 2021 – something that IsoNova didn’t project in its original business plans until at least 2022. The manager previously supervised the egg protein business at IsoNova and is now the General Manager responsible for Animal Nutrition within the Nutrition segment. He thinks the acquisition by Symrise has changed a number of things. “Our company was a family business, which we all very much appreciated,” he describes his impressions. “I recognize many of the positive aspects of a family business in Symrise: enthusiasm about the product, for example, and commitment to the work.”

Symrise acquired the American family business
ADF / IDF and IsoNova for USD

900

million at the end of 2019.

11
factories



IsoNova obtains its
egg raw materials from

185

of the 220 or so egg processing
companies in the USA

**“With ADF we were only active
in half a dozen countries
outside the USA – now the
whole world is open to us.”**

JOHN TIEDEMANN,
Vice President at IsoNova



Another synergy effect is the sheer power of the Group. “With ADF, for example, we were only active in half a dozen countries outside the USA; now the whole world is open to us,” says John Tiedeman. Added to this are entirely new markets. “Because Diana Aqua is active around the world, we can now sell IsoNova proteins to aquaculture companies in a much more targeted manner.” Conversely, Symrise benefits from much better access to the American market through ADF and IsoNova. IsoNova, for example, obtains its egg raw materials from 185 of the 220 or so egg processing companies in the USA and thus has a large and diversified supplier base. Conversely, the entire Group can now also position itself more globally in this area.

**“I recognize many of
the positive aspects
of a family business
in Symrise.”**

JOHN TIEDEMANN,
Vice President at IsoNova

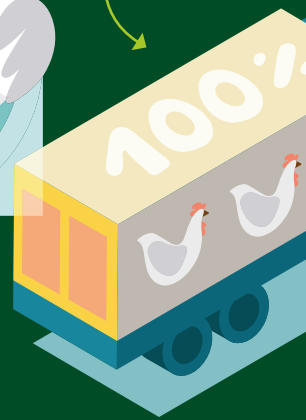
This is true for all business units. “If we look at the area of food, IDF used to provide the broth while Diana Food brought the vegetables. Now we’re delivering all the soup. That’s a really simple way of describing the synergies,” explains Steve Arrick, President of ADF/IDF, with a laugh. “There aren’t many companies that can do that,” says Steve. “When it was clear the acquisition was happening, we started the integration process right away and had an intensive exchange of ideas with our counterparts,” comments Steve. “HR, financial, IT teams, but also all business and support functions teams have played a major role in the coalescence of the companies”.

Multiple workshops – some of which had to be held online because of the coronavirus pandemic – allowed employees from both sides to work closely together. “Fortunately, even before the coronavirus really broke out, we organized a kickoff week at the locations in Rennes, Vannes and Antrain in France. This allowed us to get to know each other personally, which helped as the work teams progressed,” says Chantel Gebhard, HR VP within ADF/IDF. The integration process required a lot of patience on all sides and the determination to bring a large-scale project together. “We are confident in the work completed and synergies identified, and we look forward to more opportunities that will come in the future.”

On the road to an eco-friendly factory

78

Cooperation with local suppliers ensures short transport routes. In addition, only chicken products are processed, which affects the environment significantly less than mixed production.



The new factory has an environmentally friendly design and relies partly on renewable energy.



CLIMATE & GOOD CORPORATE GOVERNANCE

In Colombia, Diana Pet Food, one of Symrise Nutrition business units, was previously represented by a single sales office. But in 2020, the company opened a plant there as well – and it can serve as a model. The unique environmentally friendly production process emits significantly less CO₂ than comparable facilities – just one of the many sustainable properties of the state-of-the-art production. Here's a look behind the factory gates.



Around 15 cubic meters of rainwater can be collected and used for sanitary facilities.

GO!
GREEN

50%

50% of the required process water is reprocessed and returned to the production system.

Along the long and wide access road are older industrial buildings: Boxy, monochrome structures built purely for utilitarian purposes. Others are newer, with clean sheet-metal facades. And then the new Diana Pet Food plant comes into view, where palatability enhancers and health and nutrition ingredients for pet food are manufactured. The building has large windows, gray walls, and suspended ceilings covered with bamboo cane. The natural material on the facade already hints at what makes the factory special. Here, 30 kilometers north of the Colombian capital of Bogotá, Diana Pet Food has built a production facility that is environmentally friendly in all respects. Its history shows that even ambitious ideas can be realized if the partners really want it.

An idea leads to a project: Everything began in 2015, with the “Future Generation” program. This brought together young senior executives from across the Symrise Group to work on specific projects. One of them was Fernando Putrino, at the time Operations Manager responsible for the factories in Latin America. Since August 2020, he has been General Manager of the pet food business unit in Brazil. “Two things came together: We wanted to build a factory in Colombia anyway, to serve the growing market in the Andean region,” says the production expert. “Symrise had also already begun to produce more sustainably. We linked these two approaches together.”

No one had much experience with this. Until then, Fernando Putrino explains, the company had only implemented such large-scale measures in existing factories – to minimize CO₂ emissions, for instance – or it had focused on individual sustainability ob-



30
kilometers north of the
Colombian capital of Bogotá
Diana Pet Food has
built a production facility.

jectives for new plants. “But we wanted to develop a holistic sustainable production, from the construction to supply and production to the products themselves,” says Fernando. With Claus Oliver Schmidt as a mentor – who, as a Vice President at Symrise, is responsible for global quality control and innovation management – Fernando and his three colleagues Catherine Orain, Edison Diaz and Jenny Weissbrodt started a concept in 2016 based on six criteria. “We analyzed energy management, waste and water management, building management, supply chain, and social justice, and considered measures we could take to become increasingly sustainable in these areas.”

A result: overall, CO₂ emissions from the highly automated facility, in which only around 20 people work, have been reduced by a third compared to similar plants. The power supply contributes to this: there are 240 solar collectors installed on the roof, which generate 13 % of the required electrical energy. “During phases when we don’t consume so much power, we feed the electricity into the public grid,” says Christophe Salaün, the General Manager in Colombia. Another focal point is water: “Like many factories, we have a high demand for water – to >>

**“We have chosen
to become a place
for education
and networking.”**

FERNANDO PUTRINO,
General Manager at Diana Pet Food

When it built its new factory in Colombia, Diana Pet Food placed great emphasis on natural building materials and a lot of greenery in the building.

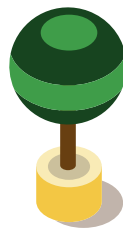


generate steam or cool our processes, for example,” says Christophe Salaün. He was involved from the beginning and knows the plant inside and out. “To avoid burdening the municipal waterworks, we drilled a well 170 meters deep that allows us to use the groundwater.” The proprietary water treatment plant also returns half the process water to circulation. Diana Pet Food also uses collected rainwater for the plant’s sanitary facilities.

In order to both assess and control the effectiveness of the measures, Diana Pet Food worked with an eco-design matrix that the company developed in the last few years. This makes it possible to assess how ecological the manufacturing of products is along the entire value chain. The sustainability experts compare various factors for individual products: water consumption, land use, emissions of CO₂ and particulate matter, acidification of soil and water, abiotic resource consumption (such as the use of fossil fuels) and the enrichment of the ecosystem with nutrients. “We can adjust various factors to find out how we can make the products more sustainable,” says Christophe Salaün.

One result, for example, is that products manufactured in Colombia and distributed in the Andean region have shorter transport distances and are therefore more sustainable than imported goods from Argentina, where Diana Pet Food also operates a plant. In addition, the company also obtains its raw materials – byproducts from chicken meat production that are not consumed by humans – from the immediate vicinity. “In this way, we provide many small companies with the opportunity to sell us their products while building a long-term relationship with us,” explains the Frenchman, who has been working at Diana Pet Food in Colombia for 18 years.

The plant was built to comply with the strict Leadership in Energy and Environmental Design (LEED) standards developed by the U.S. Green Building Council in 1998. Due to the coronavirus pandemic, the certification process has been delayed. The company ex-



500

trees planted
by Diana Pet Food in
the immediate area.

pects to be notified about the quality level the construction has achieved in the first quarter of 2021. This is all the more impressive because only a small percentage of industrial plants are LEED-certified, as compared to office buildings, hotels and warehouses.

Heading back outside, to take another look at the building: its walls and roofs have been covered with plants. Depending on outside temperatures and humidity, the greenery has an insulating effect against heat or cold. In addition, Fernando Putrino explains, many building materials such as the windows, concrete and paneling came from the surrounding area. Incidentally, all the glass doesn’t just serve to make the building look light and airy: Because it lets in plenty of daylight, it makes the factory transparent.” This is completely intentional because we also want to do something for society. We have chosen to become a place for education and networking,” emphasizes Fernando Putrino, who also points out 500 trees planted by Diana Pet Food in the immediate area. A glass corridor on the upper floor provides a view of the production. “We invite schools and universities to visit, for example, so they can get an idea of what this kind of production looks like. Something like this is relatively uncommon in Colombia.”

The challenge In the past few years, Symrise has developed a higher number of natural taste-balancing solutions compared to other companies in the industry that are predominantly based on renewable natural raw material sources. In creating these, the company's researchers and developers are faced with two challenges. For one, they have to identify natural flavoring substances that can close the taste gap that appears in reduced-sugar food products – that is no simple task. Even though 25,000 of the world's approximately 400,000 known natural flavoring substances are available at least in small quantities in natural substance libraries, only a few dozen of those are currently considered taste balancing. The second challenge lies in the combination: Although there is a relatively low number of substances, there are countless different ways to combine them. The right mixing ratios and correctly processing the ingredients are key here.

The solution For a long time now, Symrise has been systematically researching plant-based products that have been described in the literature as taste-balancing or pleasant-tasting. The researchers identify and test possible candidates, and they also check whether they could be sourced or cultivated responsibly. The company found a surprising source of inspiration for these ingredients during a cooperation with the German-Chinese company BiColl and the Institute of Chinese Life Sciences (ICL) at the Charité in Berlin. Supported by the German Federal Ministry of Education and Research, the scientists of the joint project SimLeap combed through around 40,000 old Chinese recipes for ingredients to improve taste. To this end, the original written works were scanned and now lie – translated into modern Chinese – in an electronic library at the ICL. With the help of linguistic methods and artificial intelligence-based search engines, the researchers discovered potential botanic raw materials, recipes and methods that could be used to reduce or improve undesired tastes in traditional recipes. Based on this, BiColl and Symrise manufactured extracts that were then tested using the patented high-temperature ultra-performance liquid chromatography method "LC Taste®" for taste-modulating properties. The outcome was a variety of novel flavor solutions that balance out and improve tastes naturally and that make an important contribution to a healthy diet with less sugar, salt and fat.

Research inspired by 40,000 recipes

CLIMATE & GOOD CORPORATE GOVERNANCE

One of the major health problems globally is excess weight, which can lead to diabetes, cardiovascular illness, heart attacks or strokes. Many countries have passed laws to reduce the amount of sugar, fat and salt in foods. Most consumers support these laws but, at the same time, they don't want to lose out on taste. That's why Symrise has developed a broad port-

folio of natural taste-balancing solutions – the flavor solutions for reduced-sugar products alone have a market potential of some USD 1.1 billion by 2023. Symrise researchers combine centuries-old knowledge with digital methods in order to track down these ingredients.

A field of daisies with a clear blue sky in the background. The daisies have white petals and yellow centers. The sky is a vibrant, clear blue. The overall scene is bright and positive.

Six steps to success

84

Cosmetics originated in plant extracts. Even in prehistoric times, humans used botanicals for their effects on the skin and to increase their sense of well-being. Beauty products continued to be perfected in ancient Greece, Egypt and Rome. Natural ingredients are highly popular today as well. The market for natural organic products is estimated to be € 19.4 billion in 2024; by then, it will have increased by an average of 8.8 % per year, says Marek Münstermann, Director Global Product Management for Botanicals & Colors in the Cosmetic Ingredients Division at Symrise.

An important field of application for plant extracts is creams, which have ingredients that soothe the skin and provide it with moisture. The botanicals that Symrise uses for creams are thoroughly researched, analyzed, measured and tested. A team from Symrise Cosmetic Ingredients has worked out a six-step process that encompasses everything from raw material production to the finished product. Marek Münstermann uses chamomile, an important raw material, to illustrate the approach.



As is the case with many other natural raw materials, Symrise works closely together with farmers.

Expertise

“In our research, we analyze the materials in every imaginable way. We study the botanical, phytochemical, phytopharmacological and toxicological characteristics of the plants. Furthermore, we use in vitro, ex vivo and in vivo tests to examine a wide range of chamomile’s soothing, analgesic and calming effects.”

Know-how

“We have to be very familiar with the processes in order to get the best products. We know how to extract substances from chamomile in the most efficient and gentle way. For instance, it makes a great difference whether the flowers are dried, ground or used fresh. The length of the transport routes also plays an important role: the fresher, the better. For this reason, we have built our own chamomile production facilities in Germany, Brazil and Singapore.”

2.



Sustainability

3. "For our botanicals, we work with farmers around the world. We want to know where the raw materials come from and how they are cultivated. This allows us to ensure a high level of availability, and we can also trace their origins. Moreover, we help improve cultivation methods so we can protect the environment and create better living conditions for the farmers. We also enter into close partnerships with our farmers in Germany, who work close to our headquarters in Holzminden."

Solutions

5. "If the market requires it, we can deliver the right solutions in a very short period of time; chamomile is a good example of this. In the course of the coronavirus pandemic, people have been washing their hands much more frequently and are using more disinfectant than usual. This can sometimes lead to skin irritations. During this time, we have developed a number of new products based on chamomile that have an analgesic and soothing effect. The path from the idea to the market-ready product was short."

Competence

4. "Knowing what effects the plant extracts have is only one side of it. We also have to know how to incorporate them in the final products. Every ingredient reacts differently when it's used in a cream, an oil or a shampoo. We have therefore developed a broad product portfolio that our application technologists can adapt to every natural ingredient."

Market insight

6. "Our products are only good if consumers use them. We therefore follow them closely and evaluate market data, social media and trend platforms. We also learn from discussions with our customers, who are very knowledgeable about the needs of consumers."

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Purely a matter of taste

INNOVATION, DEVELOPMENT & CLIMATE

For animals in aquaculture to be fed in a way that is healthy, nutritious, and tasty, their feed must have functional ingredients. At Diana Aqua's Aqualis, the new testing center in Thailand, researchers and developers work daily on innovations and improvements of existing products.

6.8
million tons

TILAPIA ARE OFFERED ON THE MARKET EVERY YEAR

■ Farmers around the world produce fresh and saltwater fish and crustaceans to meet the increasing consumer demand. The market is huge: In 2019, 33.5 million tons of farmed fish from aquacultures were sold worldwide. For the animals to develop well, not only the water quality and external conditions such as the temperature are crucial: nutrition is as well. Diana Aqua business unit from the Symrise Nutrition segment supplies feed manufacturers with high quality products that make a difference – natural solutions that transform simple plant-based ingredients into nutritious and tasty feed. The ingredients simultaneously achieve more, partly replacing the fish meal in the feed that encourages the animals to eat. Fish meal is often produced from fresh fish, and around 15 million tons of wild-caught fish are used for this purpose. This means it is no longer available for humans – not to mention the ecological consequences of the process.

These “palatability enhancers” that Diana Aqua produces mainly in France, Costa Rica, Ecuador and Thailand, are complex products. “They’ve been developed through a lot of research,” says Fabio Soller, who has worked with his team to build a new development center for the company, named Aqualis, near the Thai capital of Bangkok. Shrimp and tilapia swim in 96 tanks and aquariums in the 1,000-square-meter white building with blue steel struts. Tilapia is becoming increasingly popular in kitchens of the world – around 6.8 million tons are offered on the market every year. “Here we can run two dozen test diets simultaneously to try out ours and competitors products,” explains Fabio Soller, who has been the Technical Director of Diana Aqua in Asia/Pacific since 2018. “These trials last between ten and fourteen days each.”

In the case of Diana Aqua, for example, the “products” are the palatability enhancers. To produce them, co-products from shellfish and fish processing are converted into a liquid or a powder. These are left over from food production and would otherwise be further processed into fish meal, or even disposed of. This process uses enzymes under clearly defined protocols to transform proteins into peptides. The palatability enhancers are added to feed in proportions between 0.5 and 2%, making the feed particularly attractive for the farmed animals. Fabio Soller searches for a simple comparison. “You have to imagine, it’s like us humans eating bread without butter, or soup without spices.” There are always three main factors involved: How to have a positive influence on survival, feed intake and animal growth?

Diana Aqua did not previously have its own testing center in Asia, where 89 % of the world’s aquacultures production takes place.

Instead, the company cooperated with universities. Now the testing capacity has increased greatly, while mastering perfectly the performance demonstration, close to its customers. With increased reliability, the company can now also react more flexibly to customer requirements and test its own innovations. “For example, if we improve the feed flavor with our palatability enhancers, we can increase the feed intake of farmed animals by a considerable high percentage,” Fabio Soller reports. Diana Aqua keeps on conducting trials in collaboration with universities, with the addition of testings at aquaculture farmers’ sites. “We practically and scientifically demonstrate to our partners how they can benefit from better palatability enhancer in their feed.”

The entire Aqualis system is built on sustainability: The test animals are not killed after the test series, as is often the case, but sold to small farms in the area. “Often our employees or their families have small farms that are happy to take the animals for further growth to market size,” says Fabio Soller. The 5 employees who work in the testing center and in the neighboring factory also benefit from another element: a small percentage of the water where the fish and shrimp live must be changed regularly. All the water passes through filters returning to the fish tanks recirculation system, the excess feed and nutrients that are filtered out land in an outdoor canal where they serve as nutrients for various vegetables. The process, known in technical jargon as aquaponics, combines the breeding of fish in aquacultures with that of crop plants using hydroponics. “At the moment, we are cultivating lettuce, kale and bok choy,” says Fabio Soller, adding: “Our employees can take the products home free of charge. If they want, they can also donate small amounts of money which goes to a charity project for children.” Last but not least, the building stands for efficiency, especially in terms of energy. The heated air escapes through the roof and fresh air flows in through the open sides, so that no air conditioning is necessary. In addition, everything is illuminated with energy-saving LEDs – and planning is underway for the installation of a solar power system for electricity generation in 2021.

Incidentally, there’s no end to the experiments in sight. New regulations, the use of alternative ingredients and production methods by feed manufacturers make sure of that. “When manufacturers optimize their feeds and processes, we also have to adapt our products,” says Fabio Soller. Besides, the market is extremely dynamic, new raw materials are currently being tried out. “For example, we’re taking a look at proteins from insects,” Fabio explains. “This includes the black soldier fly, whose larvae can be grown on leftover food and used to make hydrolyzed products. This is another step toward sustainability.”



A good

nose

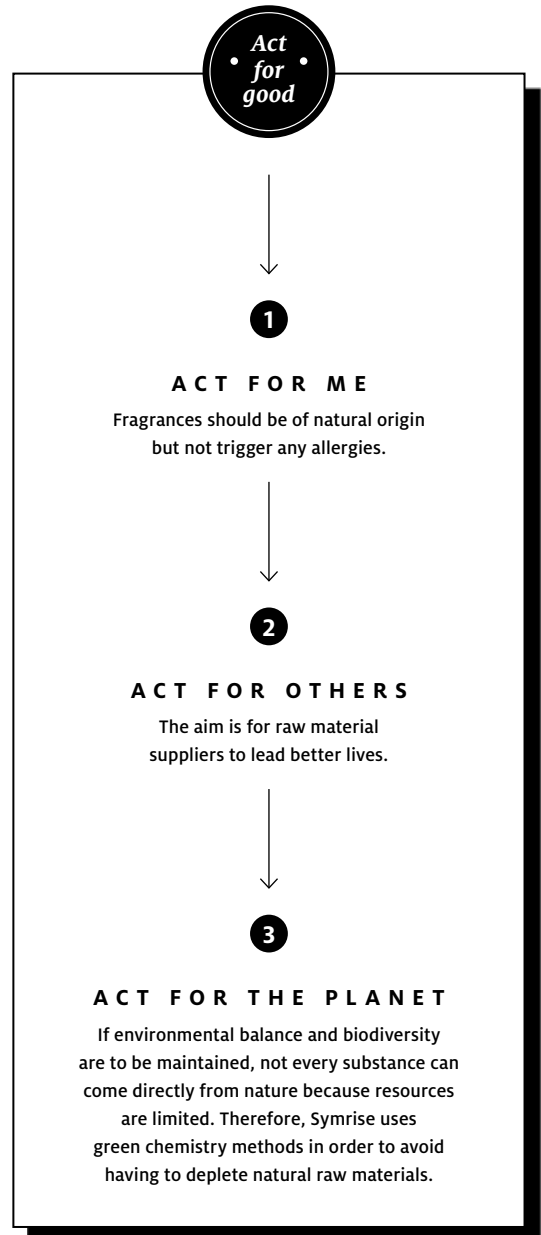
90



INNOVATION & DEVELOPMENT

Consumers are increasingly placing value on products that are good for them and the environment. Symrise has fulfilled these preferences in recent years by developing relevant innovations in all divisions. In the Scent & Care segment, one program in particular addresses this issue: “Act for Good” pioneered by Consumer Fragrances Business Unit, focuses on new standards in the production of scent molecules that are used in cosmetics, detergents and cleaning products.

■ The Act for Good program gradually and systematically transforms customer desires into new products. The program starts out with the chapter “Act for Me.” Consumers want the scents in their cosmetics to have natural origins but not to trigger allergies. This is not always easy with natural substances, because essential oils are often highly allergenic. Symrise thus develops hypoallergenic solutions that contain few to no substances that can cause irritation. In addition, the company uses an increasing number of raw materials from organic farming which are produced according to the highest possible sustainability practices and are certified with the recognized COSMOS label. >>







Symrise uses green chemistry methods, ensuring that natural resources aren't overused in the first place and that byproducts from other production processes are used.

The second step is called "Act for Others." Consumers want the people who cultivate the raw materials for their care products to also be able to enjoy better lives. An example of this is Symrise's Madagascar light house program, which serves as the company's basis for the realization of many other initiatives worldwide. Symrise works with non-profit organizations in various countries, like UEBT (Union for Bio Ethical Trade) to support health care systems and schools and to improve cultivation methods. Another important point: All new products contain no animal-based ingredients and are vegan.

The final step is called "Act for the Planet." If environmental balance and biodiversity are to be maintained, not every substance can come directly from nature, as nature is limited. Symrise uses green chemistry methods, ensuring that natural resources aren't overused in the first place and that by-products from other production processes are used. This results in molecules that not only come from renewable sources but are also naturally biodegradable. Overall, Symrise has used these methods in recent years to bring hundreds of substances to market in the areas of Fragrances, Aroma Molecules and Cosmetic Ingredients.

	<i>Scents without allergens</i>	CEYLANIL
		Fragrances
<p>Captives are distinctive fragrance components. They are particularly valuable for Symrise and its customers since they can be used for many applications and their olfactory characteristics make them unique. For instance, the new captive “Ceylanil” provides spicy notes for perfumes that are close to the scent of cinnamon without exhibiting the many allergens of the oil.</p>		

	<i>Dandruff Control</i>	CRINIPAN[®] PMC GREEN
		Cosmetic Ingredients
<p>The plant-derived ingredient Crinipan[®] PMC green prevents the formation of dandruff on the scalp and simultaneously cares for the skin. To do so, it uses a very innovative mode of action. The molecule is “activated” by the dandruff causing fungus <i>Malassezia</i> itself, which naturally colonizes the scalp. The novel ester technology is produced from renewable feedstocks that are processed by green chemistry.</p>		

	<i>Fruity and floral</i>	CYCLODUMOL ACETATE
		Aroma Molecules
<p>Cyclodumol Acetate is made from Crude Sulphate Turpentine (CST) from sustainable pine forests in southeastern USA – a side stream material from pulp and paper industry. Symrise creates value from this by-product which might otherwise be wasted. Cyclodumol Acetate is formulated for use in floral, fruity and herbaceous creations to enrich volume and depth. This renewable ingredient was used for one of Symrise’ prestigious soap wins with Flora in Brazil.</p>		



Our employees in focus

Four out of ten employees working from home, production facilities all over the world working around the clock, and on top of that the health concerns of our colleagues: The HR department of Symrise encountered some unexpected tasks in 2020. In this interview, Dr. Iñigo Natzel, Head of Human Resources, explains which challenges faced by the Group around the world needed to be overcome.

Dr. Natzel, the coronavirus pandemic shook the global economy and even turned it upside-down in many areas. How did Symrise react to the developments?

Like many others, we underestimated the coronavirus pandemic in the early stages when it started to spread around Asia. No one saw the pandemic coming. In those first weeks, everyone thought that the coronavirus would be a locally confined phenomenon. Most importantly, however, we did not foresee the disruptive power of the pandemic – with its impact not only on public health but also on our daily private and working lives. That is why, this year, we focused our attention on our employees more than ever before.

What does that exactly mean?

Our traditional HR standards, such as our rules for working from home, were no longer adequate. We needed to ensure that our employees could get through the crisis healthy and safe. Therefore, we first identified how we could protect those working in our plants all over the world. Production could not be interrupted. For this reason, we increased our occupational safety regulations, provided disinfectants for hands and surfaces everywhere, had offices and warehouses cleaned more often, installed plexiglass panels wherever needed, and, of course, made it mandatory for employees to wear face masks in common areas.

How many employees are working from home?

When the pandemic first peaked in the spring it was 40%, which then plateaued between 20 and 25% during the course of the year. That is a very high percentage for a production plant and still first needed to work in technical terms. Employees required equipment, needed to be provided with video conference tools and had to figure out themselves how to balance work and family, which partially converged at home. We also provided our flexible support in this area.

Working from home has been part of everyday working life since the spring of 2020.

How did you experience this at Symrise?

My experiences were largely positive because of the enormous engagement of our employees. As always, our workforce contributed to our success here. Through this massive change, we also identified a few areas where we can improve.

What would be an example?

Our managers faced the challenge of leading their teams virtually. Some of the employees were in the office; others at home. In addition to that, there were some living in other time zones and were unable to travel. This greatly complicates management duties. And we also had to make clear to the employees working at our factories, meaning those who could not work from home, that their health is just as important to us. Because of that, we introduced, for example, staggered working times in the labs and handover periods for shifts in production. On top of that, we gave a one-time “corona bonus” to all employees as recognition for their effort. This put those who earn less in a better situation in relation to those who earn more – which was important for us.

The crisis was difficult for all employees.

Were you able to get a sense of the mood in the company?

Yes, we did that early on in the summer by surveying 750 of our employees, some online, others in person in 20 focus groups, and in over 50 individual interviews. In addition to that, we handed out survey cards, and thousands of them have already come back to us. We are delighted by the results because they confirm that we acted responsibly during the crisis. Furthermore, the employees made it clear that they like their work to involve creativity and innovative technologies, and that they see their activities as meaningful because we make a positive impact on the lives of so many people and manufacture more and more sustainable products. This obviously also allows us to prevail in the fight for the best minds in the job market. >>

“45 % of promoted employees in 2020 were women.”

DR. IÑIGO NATZEL,
Head of Human Resources

Continued education, which has always been important to Symrise, is also beneficial to that end. How were you able to ensure it?

After realigning the core processes, such as performance measurement, we turned our attention to career development. This included, of course, the establishment of corresponding feedback processes and the further development of the teams. The latter in particular is not easy during times in which people are confined to their domestic environment due to the pandemic. We tried to ensure as much communication as possible.

How did you manage to promote individual careers further?

This year we rolled out our new global career development process called “Grow.” Through it, we aim to give employees feedback regarding their career development and identify those who have the potential to leap forward in their careers in line with our succession planning. We use our global HR management tool career@symrise for this. 1,700 employees received feedback in 2020. Of these, 90 % received a detailed development plan, and 270 were identified as having the potential to be considered for management duties. These processes enable us to see who, for example, needs more international experience or who should lead training sessions for price negotiation, presentation or communication skills. We will increasingly rely on e-learning for these kinds of training sessions, which are also integrated in the Grow platform. Due to the coronavirus, we moved all our on-site training sessions, such as language courses, management or communication seminars, to e-learning back in 2020. Many employees used their time in lockdown to sharpen their skills.

All over the world, women had to dedicate even more time to family again while working from home due to the coronavirus. Is that a setback for the efforts to further diversify the working world?

I hope not. As a matter of fact, it is not that easy to fairly address the needs of all social groups when it comes to, for example, flexible working models. But I am still optimistic: Half of the employees identified as potentially suitable to take on management duties in the 2020 assessment are women, as are a third in our succession planning for the two management levels below the Executive Board. And 40 % of the participants in our “Future Generation Leadership Development” program are women – which is, incidentally, an upward trend that we also see in the fact that 45 % of promoted employees in 2020 were women.

The coronavirus pandemic placed enormous demands on humanity in many areas, but it also accelerated processes such as digitalization. What has Symrise taken from these developments?

We will continue to build on the experiences gained from remote working, but not to the same extent seen during the coronavirus pandemic. However, I do think that we could improve work-life balance in some areas, for example, if employees have to travel long distances from their workplaces back to their homes. We also make a contribution here by having learned to hold certain events as video conferences. This way, Symrise is more flexible, faster, and we can reduce our carbon emissions by traveling less. However, it is also very important to realize that creative and innovative types need to interact directly with other people, both across departments and within teams. Therefore, we are moving toward a healthy working model that is both digital and analog.

Three women tell us about their careers at Symrise. ►

I was the only woman both in my trade apprenticeship as plasterer and also in my technical high school, where I focused on construction technology. While obtaining my degree in architecture I had many female classmates, but I was one of the few more interested in construction management than in drafting. And that is where I landed: After finishing my studies, I moved to Holzminden for personal reasons, and there I heard that the construction department of Symrise was looking for a new teammate. I have an unbelievable amount of freedom in my area of responsibility and my work is very diverse. I produce job listings and coordinate between contractors and planners, deploy in-house technicians, am involved in the planning and construction of production sites at our plants and, on top of that, have to verify invoices. We need to implement diverse projects in manufacturing operations that run day and night. As architects, we always carry great responsibility anyway. And we're dealing with chemical, sometimes highly explosive substances, which means that there is simply no room for accidents. That is a huge but also exciting challenge.

Responsibility

JULIA BRÜMMER,
CONSTRUCTION MANAGER
IN BUILDING MANAGEMENT
AT SYMRISE



I have worked at Symrise for eleven years, and during this time I have taken one interesting step after the next. The company has supported me in many ways – not only by assigning me exciting tasks with a high degree of responsibility but with an adequate work-life balance. After studying chemistry in Strasbourg, France, I obtained a doctorate in Karlsruhe on the synthesis of naturally occurring substances followed by a research stay in Shanghai. After that, I decided to enter the industry. Since I was still living in Frankfurt with my husband and first child at the time, the first step was directly finding a spot at a day care in Holzminden, with the help of Symrise. Additionally, the company offered us an adequate position for my husband. When our second child was born, he was able to go on parental leave for five months. That allowed me to go back to work sooner, where I led a team of laboratory managers and later a new group assembled to accelerate the process from fragrance development to market-readiness. Within a year, we managed to increase the output of captives – meaning the proprietary, distinctive molecules of Symrise – from renewable raw materials by 430%. What also comes to mind is a network of women in the company.

Support

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**DR. EMILIE SINGER,
DIRECTOR NEW
INGREDIENTS
MANAGEMENT,
SCENT & CARE
SEGMENT**

DR. KATHARINA REICHEL, T,
HEAD OF R & T
FUNCTIONAL FLAVOR
SOLUTIONS,
FLAVOR SEGMENT



Trust

I've always had the feeling that women can have successful careers with us in the research department of the Flavor division. We have many female colleagues at the management level who – like me – always receive a lot of support. Still, I joined Symrise rather by coincidence. I studied nutrition at the Technical University of Munich and, during an internship, met a flavorist who helps develop new flavors. That immediately caught my interest, and I changed my focus area to food science. Later I was able to write my dissertation in the research department of Symrise – that was a great opportunity. During that time I sensed a great deal of trust and was even entrusted with responsibility for the lab and the first female chemical lab technician. With the exception of a short seven-month absence – during which I conducted research on cheese products in New Zealand – I have been at Symrise since 2003. In 2012, I completed a training program as a flavorist. I also oversee research on an ongoing basis, lead a team and now also the Flavor Academy, where we train the next generation.

WIDE-RANGING

Com. mit ment

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GOOD CORPORATE GOVERNANCE, SOCIETY & CLIMATE CHANGE

The coronavirus is understandably dominating headlines. By contrast, other similarly important topics have often faded into the background. For Symrise, the handling of the pandemic was also the focus in many areas. Nevertheless, the company launched a number of important and sustainable projects in the previous year that are having an impact both internally and externally. Here are just a few.

Occupational safety

It's very clear in principle: Symrise acts forcefully to ensure that all employees can do their jobs without getting hurt. Occupational safety is an essential component of the sustainability and corporate strategy at Symrise, and the company takes extensive measures to ensure it. Facilities are safe; forklifts and trucks observe the highest possible safety standards; hazardous substances are stored so that no one comes into contact with them; colleagues have been briefed and are trained on an ongoing basis. Nevertheless, accidents that pose danger to life and limb happen here – like they do at every company. For the employees who suffer them, they represent considerable, sometimes permanent, health damage.



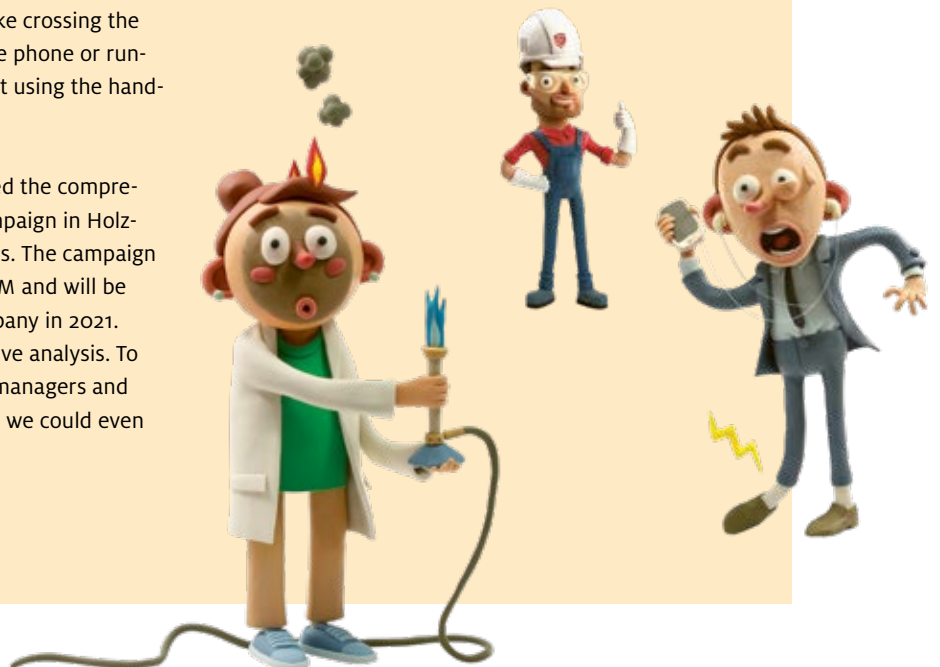
begin to categorize the demand,” says Hildebrandt in describing the project, which is vital for the company.

Next, the team developed a campaign that is designed to present employees with an emotional depiction of the importance of observing safety regulations and acting thoughtfully. Clay figures take center stage, visualizing potential dangers in an amusing way without trivializing them. The imagery, which is used in all analog and

digital media, email banners, newsletters, posters, brochures, and in the Symportal community, is clearly defined and understandable all over the world. “In addition, we have defined key figures for occupational safety, which we will evaluate and analyze on an ongoing basis,” says Hildebrandt. “Through the commitment of our managers and employees, we will reduce the number of accidents in the medium term.”

Yet nearly all accidents could be avoided, says Jessica Hildebrandt, Director Corporate Communications. “Most of them are related to behavior. With this campaign, we want to increase employee awareness of safety. The goal is for them to intuitively recognize potential sources of danger and to react safely,” explains the new occupational safety campaign’s project leader. This includes supposedly small things that everyone has done at some point, like crossing the road at the plant while talking on the phone or running too fast down the stairs without using the hand-rail.

For this reason, Symrise has launched the comprehensive “Drive to 100 % Safety” campaign in Holzminden, the company’s headquarters. The campaign is a pilot project of subsidiary TESIUM and will be rolled out in other areas of the company in 2021. “First, we carried out a comprehensive analysis. To do so, we interviewed a number of managers and employees and analyzed the data so we could even



PROMOTING Sustainability



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“Missing: Plastic cups. Searching is futile,” is written in big letters on the poster hanging in a hallway in the Symrise headquarters in Holzminden. Below, in smaller letters, is the explanation. From July 3, 2021, the EU will prohibit many disposable plastic items. One way in which Symrise supports this effort is by replacing almost all plastic cups in quality control with compostable cups made of recycled material. This initiative can reduce waste by approximately 300,000 plastic cups every year.

The poster is part of a sustainability campaign that Symrise launched at its sites in early 2021. “We’re doing this to direct the attention of our employees to this complex topic in a light manner,” says Sabine Rieke, Quality Control Sensory Flavor, who designed the campaign. “We want to inspire them to conserve resources more effectively and act more responsibly.” There are currently six versions in addition to the plastic motif; in humorous ways, they announce

that Symrise is banning disposable packaging in its cafeteria, and that the Oral Care department replaced plastic toothbrushes with bamboo ones starting in 2020, for example. By contrast, other posters promote behavioral changes. For instance, they point out that there are alternatives to liquid shampoo, and that reducing one’s consumption of meat by half can save large amounts of water and reduce CO₂ emissions.

According to Friedrich-Wilhelm Micus, who is responsible for sustainability communication within the company, the medium-term goal is to get the employees across the entire Group to participate. “Our sustainability approach pursues clear strategic goals, which we want to communicate not only externally but also internally.” To achieve this, not just the posters but all internal media will be utilized, including the Team Spirit employee magazine and digital channels. The focus will always be on motivating the employees to participate, says Micus. “We will only be able to tackle the great tasks presented by climate change by acting together.”



Responsibility



█ The girls and boys plant seedlings in flowerpots, clear weeds from raised flower beds, and try to come up with a name together for the plant that is blossoming so beautifully. It is loud here in the day care center of the Centro de Atendimento a Meninos e Meninas (CAMM for short) in the Brazilian city of Recife: The children are happy and eager to see the fruits of their labor. Bananas, acerola, pineapples, mint, parsley, rosemary, and countless more types of fruit, vegetables and herbs will grow here and be harvested when the time comes.

The gardening project in the city's low-income district is one of many that the NGO provides for approximately 100 street children. Approximately half of them visit CAMM's day care center, the only one in the community. Since 2020, the Symrise Cosmetic Ingredients business unit has supported the project, which hopes to help the children find an alternative

to living on the street. For example, an environmental educator will teach them about recycling and cultivation in a workshop.

"The earlier we begin working with the youngest ones, the more likely they are to develop in a

healthy and positive way," says Symrise brand ambassador Domitila Barros, who herself grew up in a favela in Recife. As a global brand ambassador for CAMM, she advocates in many places for Brazil's street children. For example, her sustainable beach fashion and eco-friendly jewelry label collaborates with local craftswomen from Brazil, many of whom are single mothers who have lost their husbands to violence and crime. "Our project helps kids be kids again," says Domitila. "We're delighted that we are able to expand the CAMM garden together with Symrise. The kids learn so much about our environment and are developing a sense of responsibility – also for our planet."

Every bit is useful

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INNOVATION, DEVELOPMENT & CLIMATE

One of the UN's most important goals is to aim for responsible consumption and production. A small contribution to this is made by using raw materials more fully – for example through upcycling. For Symrise, this includes utilizing natural substances that would otherwise be thrown away or not even considered valuable in food production, for example. Three cross-divisional projects show how.

Recognizing side streams To completely utilize a raw material, the side streams first have to be analyzed, then the valuable elements identified and extracted – and should then be put to good use. The Symrise segment Nutrition gets a lot of these side streams from the production of meat (ADF/IDF and Diana Food), fish and shrimp (Diana Aqua) and fruits and vegetables (Diana Food). Diana Nova, the innovation incubator for the segment, has initially chosen 50 side streams thus eight of them makes up around 80% of all side streams – such as red beet, celery or carrot pulp, egg or shrimp shells or also chicken bones. The researchers investigated their chemical and nutritional-physiological characteristics and checked whether they were appropriate for up-cycling. They also considered possible environmental impacts and business potential.

The results – eight products up to now – are not only interesting for the food and animal feed industry. The Symrise business unit Cosmetic Ingredients, for example, can use some of them in cosmetics, like a cranberry side stream consisting of pulp and seeds. The antioxidant, calming, antimicrobial and purifying properties of the fruit can help not only from within in the form of juices and powders but also applied externally as elements of creams.



Unusual overlap In the world of perfumery, many of the finest fragrance ingredients come from nature. Blossoms and other parts of flowers, trees and plants are processed using age-old techniques into resins and oils. It was only fairly recently that synthetic ingredients increasingly made their way into perfumes. Today, as consumers embrace a healthier lifestyle, they are again looking to the plant world in all aspects of their lives – with the focus on highly sustainable and circular supply chains.

Symrise has always been on the forefront of sustainability. The most recent endeavor is the highly innovative and unique Fine Fragrance “Garden Lab”, created through a cooperation between Nutrition and Scent & Care segments, based on an idea from the company’s own perfumery school. The starting point is the in-house developed Symtrap™ technology which processes aqueous phases from vegetable production in France. The remaining highly aromatic liquid, which would usually be disposed of, can be processed in very natural aroma molecules and be utilized in Fragrances.

Because the project contributed multiple never-before-used ingredients to the fragrance portfolio, many fine fragrance perfumers needed to experiment with them to discover how they worked in a fragrance formula. They discovered truly amazing results. For instance, a new geranium note was developed from artichokes and will be mixed into soon to be launched women’s and men’s perfumes; earthy and nutty notes are processed from asparagus; mossy and mineral notes from leek and animalistic notes from cauliflower; even onion, which most people can’t imagine at all in a perfume, is used for a fruity note.

Developing natural flavors Food manufacturers use maltodextrin in many products. The mixture of sugar components, which is mostly extracted from cornstarch, has little taste. It functions as an energy source, thickener and carrier for other ingredients. It’s also a component in a variety of cosmetics. As they are doing for many other materials, companies in this industry are also looking for alternatives to maltodextrin. In 2015, the Flavor segment at Symrise and a major customer from the food industry jointly developed a technology that has been used to process onion pomace – turning the pressed leftovers of the sweet and spicy vegetable into a natural carrier of its flavoring components.

The proprietary technology ensures that the byproduct from the onion process is used efficiently. Previously, it was mostly used as natural fertilizer. At the same time, the technology enables to develop wholly natural taste solutions that also make clean label possible, as there is no need any more to add maltodextrins as a carrier for flavor. At the moment, the Flavor team is working on trying out other vegetables for these purposes.



**Sustain-
ability^{and}
responsi-
bility**

— In our sustainability reporting, we comply with the guidelines of the Global Reporting Initiative (GRI) from the version GRI Standards (2016), including the most recent updates from 2018, 2019 and 2020.

In doing so, we conform to the highest application level “In accordance – Comprehensive,” which means that we fully account for all the material topics. As an active member of the Global Compact, we adhere to its universal principles for responsible corporate management as well as to the sustainable development goals of the United Nations (SDGs). We actively contribute to achieving them along our entire value chain, from the generation of raw materials and product development to our customer relationships. The following chapters focus on our sustainable activities throughout these stages of the value chain. Sustainable partnerships and dialogue with our stakeholders are a central starting point and motivator for us – the following pages depict some of our internal and external partners and their perspectives along our value chain.

We have integrated all quantitative and qualitative transparency information, our strategic approach and the management concepts of our material topics into our Sustainability Record in accordance with the GRI and thus meet the requirements of the CSR Directive Implementation Law (CSR-RUG) pursuant to Section 289b (3) of the German Commercial Code (HGB). All information has been externally audited in accordance with the AA1000 Assurance Standard.

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Publications on sustainability 2020

Focus on Sustainability Record

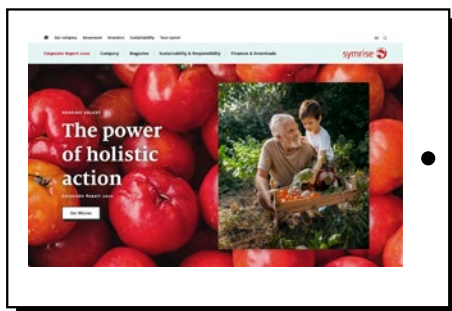
- All key figures and information are in accordance with the GRI standards
- Non-financial report pursuant to Section 289b (3) of the German Commercial Code (HGB)
- Progress report for the Global Compact
- TCFD Index with references in the CDP questionnaire
- SASB Index on reporting requirements covered

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Sustainability Record

The Sustainability Record of Symrise for 2020, which includes all key figures, facts and data in accordance with the GRI as well as references to the standards mentioned above, is available online and as a downloadable PDF on our separate microsite: www.symrise.com/corporatereport/2020/en/sustainability-responsibility/sustainability-record.html





Focus on Corporate Report

- Integrated corporate strategy
- Central non-financial management key figures
- An overview of sustainability management and material topics
- Contribution to the Sustainable Development Goals (SDGs) along the value chain



The complete Symrise CDP Questionnaire 2020 is also available on our website. All Symrise policies can also be down-loaded there.
www.symrise.com/sustainability/our-approach/#sustainable-success

Highlights 2020

100%

Share of electricity from renewable sources

42%

Share of women at the second global management level

100%

Share of palm oil and its derivatives from certified sustainable sources

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New Partnerships in 2020

Joining and signing the following new initiatives, commitments and collaborative alliances

- Alliance of CEO Climate Leaders
- Business Ambition for 1.5°C
- IFRA-IOFI Sustainability Charter
- Initiative for Sustainable Agricultural Supply Chains (INA)
- Together with Nature
- United in the Business of a Better World

Sustainable systematically

Symrise takes a systematic approach to sustainability. Based on our materiality analysis, we regularly identify key issues that are important for our business and in relation to our impact on the environment, society and our stakeholders. Specific goals demonstrate our ambitions and make progress visible and measurable.

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“Our business is inspired by the biodiversity of nature. A sustainable alignment of our company within this strategic bracket makes us both robust and resilient, even in times of crisis.”

Bernhard Kott, Senior Vice President Corporate Communications and Chief Sustainability Officer at Symrise, is convinced: sustainable corporate management and social acceptance pay off – not least in economic success.

“The good demand for our products and the stable share price even during the coronavirus pandemic demonstrates the trust our customers and the capital market have in our sustainable business model.”

Olaf Klinger, Chief Financial Officer



What will the major challenges and objectives be in terms of sustainability?

One issue is climate change. We have set ambitious goals for ourselves in this area. As of 2030, we expect our company to be climate positive. There is a clear action plan for how we want to achieve this. Since 2020, we have already been sourcing 100% of our electricity from renewable sources. By 2025 we also aim to increase the eco-efficiency of our greenhouse gas emissions by more than 60% compared to 2010. The sustainability team is vigorously pursuing this initiative. In addition, the focus is on preserving biodiversity. Symrise is a company that depends heavily on nature. We use natural substances from all parts of the world and from a wide variety of climate zones. We must protect our nature, and we want to make our contribution.

What is the commitment of Symrise to sustainability?

We want to produce evidence that our measures work instead of sugarcoating them. Take the climate target for 2030. We were the 61st company worldwide and in Germany one of the first three companies to receive a scientifically tested Science-Based Target. We were among the first ten companies in Germany to join the Science Based Targets initiative. In addition, we continue to align ourselves closely with the Sustainable Development Goals of the United Nations and to report on our annual progress. Since 2018, Symrise has also been one of the now over 1,700 companies all over the world that supports the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Accordingly, we report climate-related facts, figures and

data in our Sustainability Record and also refer to the covered reporting requirements of the Sustainability Accounting Standards Board (SASB).

We have divided the sustainability aspects of Symrise into four thematic blocks: environmental protection (Footprint), employees and society (Care), raw material sourcing (Sourcing) and sustainable innovations (Innovation). They form the framework that we are required by law to certify every year. The Symrise Supervisory Board is responsible for these non-financial indicators. This involves a great deal of transparency for a listed company.

Our commitment to sustainability is based on the four pillars of environmental protection (Footprint), sustainable innovation (Innovation), raw material sourcing (Sourcing) and employees and society (Care). It is centrally rooted in our corporate strategy.



Footprint

Minimize our environmental footprint along the value chain



Innovation

Maximize positive social and environmental impacts of our products



Sourcing

Maximize the sustainability of our supply chain and raw materials



Care

Improve well-being in our stakeholder communities

Goals and management of our sustainability topics

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You can find a thorough description of our management approaches with goals and measure descriptions for all sustainability topics in our online sustainability record under: www.symrise.com/corporatereport/2020/en/sustainability-responsibility/sustainability-record.html

TOPIC	SELECTED GOALS
RESPONSIBLE SOURCING	Increase the share of main suppliers ⁴ rated according to sustainability criteria to 100 % by 2025. Responsible sourcing of all strategic biological raw materials by 2025.
CLIMATE PROTECTION & EMISSION REDUCTION	Symrise will be climate-positive starting in 2030.
RESPONSIBLE USE OF RAW MATERIALS	Annual reduction of 4 % of chemical oxygen in wastewater as well as our sensitive waste through increased eco-efficiency by 2025, or by a total of 60 % compared to 2010.
GOOD CORPORATE GOVERNANCE & COMPLIANCE	By 2025, we are planning for an above-average global tax rate of 26 to 28 % . Ensure that all Symrise sites are audited in accordance with relevant standards.
SUSTAINABLE PARTNERSHIPS	Establish and increase trust, knowledge transfer and synergies between Symrise companies and NGOs, suppliers, political institutions and local partners.
INNOVATIVE & SUSTAINABLE PRODUCT DESIGN	More than 15 % of our sales with new product developments by 2025.
RESPONSIBLE USE OF WATER	Increased water efficiency at production sites located in regions affected by water stress.
PROTECTION OF BIODIVERSITY	Responsible sourcing of all strategic biological raw materials by 2025.

ACHIEVEMENT OF TARGETS IN 2020	MANAGEMENT-METHODS	VALUE CHAIN	SDGS
<p>67% of our main suppliers⁴ assessed according to sustainability criteria.</p> <p>Sustainable sourcing of 72% of our strategic biological raw materials in 2020.</p>	<p>Supplier screening, certifications and audits; involvement in international (industry) initiatives (SAI, FSC, CDP supply chain program, Rainforest Alliance, RSPO, GIZ, Save the Children, IFFO, etc.)</p>	Raw materials	  
<p>Increase in eco-efficiency related to the reduction of greenhouse gas emissions (Scope 1 and 2)¹ by 13%. This means we have achieved our 2020 target of reducing greenhouse gas emissions (Scope 1+2) based on added value by 33% compared to 2010 ahead of schedule. Now we want to increase the eco-efficiency of emissions by more than 60% compared to 2010 by 2025.</p> <p>100% of electricity from renewable sources in 2020.</p>	<p>TCFD commitment, CDP climate change</p>	<p>Product development & manufacturing processes</p> <p>Customers and consumers</p>	    
<p>Efficiency of chemical oxygen demand in wastewater¹ sank by 22.6% in the reporting year due to the first-time consolidation of ADF/IDF, action plan started. Increase in efficiency of sensitive waste¹ by 19.8% – mainly due to process improvements at the site in Holzminden, Germany.</p>	<p>Green chemistry approach, recovery through patented SymTrap[®] process</p>	<p>Raw materials</p> <p>Products & manufacturing processes</p>	     
<p>In 2020, our effective Group tax rate was 25.6%.</p> <p>100% of Symrise sites audited in accordance with relevant standards.</p>	<p>Further development of the Integrated Management System (IMS), external certifications, internal and external audits.</p>	<p>Raw materials</p> <p>Product development & manufacturing processes</p> <p>Customers & consumers</p>	       
<p>Continuation of long-term project partnerships. Joined new initiatives in 2020, including Initiative for Sustainable Agricultural Supply Chains (INA), Business Ambition for 1.5°C, Alliance of CEO Climate Leaders, Together with Nature, IFRA-IOFI Sustainability Charter.</p>	<p>Involvement in a variety of international industry collaborations, partnerships and pre-competitive approaches.</p>	<p>Raw materials</p> <p>Product development & manufacturing processes</p> <p>Customers & consumers</p>	       
<p>With 15.4% of sales from new product developments², we have once again exceeded our target value in the reporting year.</p>	<p>Market and trend research, consideration of regulatory requirements, product sustainability scorecard, green chemistry approach</p> <p>Integrated management system, Nagoya Protocol Committee, Nagoya policy</p>	<p>Product development & manufacturing processes</p> <p>Customers and consumers</p>	    
<p>Efficiency of water consumption³ increased by 3.1% in the reporting year.</p>	<p>Symrise water policy, CDP water</p>	<p>Raw materials</p> <p>Product development & manufacturing processes</p>	     
<p>Sustainable sourcing of 72% of our strategic biological raw materials in 2020.</p> <p>100% of palm oil and its derivatives came from certified sustainable sources in 2020.</p>	<p>Sustainable supply chain management, raw material certifications, backward integration, CDP forest</p> <p>Involvement in a variety of international (industry) initiatives.</p>	Raw materials	  

Goals and management of our sustainability topics

TOPIC	SELECTED GOALS
PRODUCT QUALITY & SAFETY	Maintaining a high level of product safety management .
COMPLIANCE WITH HUMAN RIGHTS	Increase the share of main suppliers ⁴ rated according to sustainability criteria to 100 % by 2025.
OCCUPATIONAL HEALTH & SAFETY	“Zero-accident culture” and reduction in frequency of accidents to MAQ <1.5 by 2025 .
FACILITY SAFETY	Maintain a high level of safety management at the facilities.
EMPLOYEE DEVELOPMENT & ADVANCEMENT	Maintenance and expansion of training courses and employee support at all sites.
DIVERSITY & EQUAL OPPORTUNITY	At least 30 % , women at the first global management level directly below the Executive Board and at least 45 % at the second global management level by 2025. Long-term target of 20 % of women on the Executive Board.
EMPLOYER ATTRACTIVENESS	Maintain and increase site attractiveness , establish Symrise as an “employer of choice” .
ANIMAL WELFARE	Fulfill animal welfare standards in our supply chain. 100 % of our chicken-based raw materials in Europe procured from sustainable sources by 2026.
SUPPORT OF LOCAL COMMUNITIES	Maintain and expand collaboration with local partners and communities.

1 All values relative to the value added
 2 Relative to market launch in the past three years
 3 Production sites in arid regions (2018–2025 increase by a total of 15%)
 4 Based on 80% (by 2020) or 90% (by 2025) of the purchasing volume: ADF/IDF main suppliers will be assessed from 2021 onwards

ACHIEVEMENT OF TARGETS IN 2020	MANAGEMENT-METHODS	VALUE CHAIN	SDGS
No significant product safety incidents in 2020.	Internal and external audits; safety certifications	Product development & manufacturing processes	  
		Customers and consumers	 
67% of our main suppliers ⁴ assessed according to sustainability criteria.	Internal and external audits and certification; supplier screening (SEDEX/EcoVadis) and supplier audits	Raw materials	  
		Product development & manufacturing processes	  
Routine management safety visits by global managers. Continuous implementation of the Drive to 100% Safety project through company-wide initiatives and training.	Management safety visits, ISO 45001 as of 2020, both internal and external audits, continuous safety training courses	Product development & manufacturing processes	  
No significant facility safety incidents in 2020.	Internal and external audits, certifications and inspections	Product development & manufacturing processes	  
2020 global, cross-divisional rollout of our career development and talent review process with a focus on 1,700 employees for whom career development plans have been created.	Talent management, personnel development and employee recruitment	Product development & manufacturing processes	  
Of the 10,665 employees worldwide in 2020, 4,166 were women. This corresponds to a proportion of 39.1% . The share of women at the first level of management beneath the Executive Board amounted to 28% in 2020; at the second level of management it amounted to 42% .	Integrated Management System, talent management, employee recruitment	Product development & manufacturing processes	  
Repeated recognition from "Capital" magazine in 2020 as one of "Germany's best instructors 2020."	Site activities, employee recruitment	Product development & manufacturing processes	  
2020 drafting a guideline on handling animal experiments . Review of the EU Better Chicken Commitment developed in 2018 by Diana Food together with the NGO Compassion in World Farming, including higher animal welfare guidelines for North America, with regard to its transferability to the new ADF/IDF business unit (after divestment of the Banks County production facility at the end of 2019).	Animal welfare policy, commitment to international animal welfare standards with partners, supplier qualification, supplier assessments and audits, traceability	Raw materials	  
Tailored support for local communities (charitable, social) in areas where Symrise sources its strategic raw materials.	Needs assessments according to site	Raw materials	  

Sustainability along the value chain

“We keep a sustainable view on every single stage of our value chain: from the cultivation and decomposition of our raw materials, our local partners and suppliers around the world, product development and optimization of our manufacturing processes at the Symrise sites, and sale of our products to our customers and consumers. In doing so, we are guided by the Sustainable Development Goals of the United Nations.”

Mark Birch, Head of Sustainability, Flavor

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■ The 17 global sustainability objectives pave the way for sustainable development and provide the framework for what we as a company can and must achieve to guarantee successful operations in the future as well. Due to our broad positioning and our multilayered business model, we ultimately have to keep an eye on all of the goals. However, we are aware that we cannot tackle every goal equally but must focus on those where we can make the most effective contribution. On the basis of the SDG subgoals, we identified six SDGs (8, 12, 13, 14, 15, 17) in 2018, with which we at Symrise, in collaboration with our partners, can achieve a particularly high impact with regard to our business activities and the effects of our actions on the environment and society – throughout our entire value chain.

17

17.16

Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries

17.17

Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships

15

15.1

By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements

15.5

Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species



14

14.1
By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution

14.2
By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans

13

13.1
Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

13.2
Integrate climate change measures into national policies, strategies and planning

12

12.2
By 2030, achieve the sustainable management and efficient use of natural resources

12.4
By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment

12.5
By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

8

8.2
Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors

8.4
Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead

8.5
By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

8.8
Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment



Raw materials

Global biodiversity is an indispensable source of inspiration and natural raw materials for Symrise when it comes to creating new flavors, fragrances and other products in customer industries. Protecting biodiversity and thus natural habitats on land and in water is therefore an essential concern for Symrise. With the sustainable sourcing of our raw materials, the assessment of our main suppliers in accordance with sustainability criteria and our involvement in international initiatives and partnerships for biodiversity and supply chain transparency, we as a global company have an effective lever for helping to achieve SDGs 14 and 15. Throughout the process, we also respect the working conditions of our employees, partners and suppliers in order to make a direct contribution to humane economic growth in accordance with SDG 8.



8.5
8.8



14.1
14.2



15.1
15.5



Customers & consumers

The central concern of Symrise is to meet basic human needs for health, nutrition and well-being. Due to our sustainable product solutions in line with SDGs 12 and 13 (see previous stage of the value chain), we thus have the responsibility and potential influence – at our own sites and beyond – on future consumption patterns and behaviors of our customers and consumers.



12.2
12.4
12.5



13.1
13.2



Product development & manufacturing processes

The core business of Symrise and its products are closely linked with sustainable production cycles, the efficient use of natural resources, environmentally compatible use of chemicals and waste minimization, thanks to avoidance, reduction, recycling and reuse. We and our partners have a direct impact on SDG 12 particularly in the product development phase. As a production company in a high-energy industry, we also have considerable responsibility and leverage when it comes to SDGs 8 and 13 and implementing humane working conditions, comprehensive climate protection measures and concrete reductions in CO₂ at our production facilities and sites around the world.



8.2
8.4
8.5



12.2
12.4
12.5



13.1
13.2

Knowledge transfer and synergies between the company, suppliers, political institutions, actors from civil society and local partners form the basis of the business activities of Symrise and thus all of our operations.



17.16
17.17

Sustainability along the value chain – focus on human rights

“Establishing responsible and transparent traceable supply chains is an important basis for our business. In the process, we focus on our human rights obligations to our employees and partners worldwide – in line with the global sustainability objectives SDG 8, humane work and economic growth – in addition to our resource-efficient and resource-friendly approach to nature. Beyond our voluntary commitment, we are actively supporting a legal basis in the form of a supply chain act and welcome recent policy developments on the subject.”

Dr. Helmut Frieden, Corporate Sustainability

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Dr. Helmut Frieden, Vice President Corporate Sustainability at Symrise, is certain: Consumers take the origin of goods very seriously. That is why the procurement of sustainable raw materials is of central importance to our long-term corporate success.

Raw materials

Natural raw materials often form the basis of our products – and our long-term business success. When it comes to sourcing, we rely on an environment rich in biodiversity as well as the collaboration and trust of local communities and small-scale farmers. This is closely linked to respecting human rights and ensuring humane working conditions and rights for all our direct and indirect employees – with a special focus on vulnerable groups on site such as women and their families or disabled people. Symrise is expressly committed to respecting these rights: see our position paper on human rights and ethical sourcing and the declaration on human trafficking and slavery. Our suppliers must sign a code of conduct for this purpose, which includes factors such as human rights, the environment, health and safety, and integrity, in addition to transparent disclosures on the source of raw materials. As a member of SEDEX, we are able to evaluate the performance of our key suppliers according to these factors and additional ethical criteria. By 2025, we have set goals of sourcing all strategic biological raw materials from sources that are sustainably produced in this sense.



Product Development

Manufacturing processes

Innovation is a core competence of our business. Every day, our employees and partners around the world create the basis for new, sustainably successful products and consumption patterns through the productive use of environmentally friendly chemistry and new technologies, as well as resource-efficient manufacturing. The Product Sustainability Scorecard illustrates this progress. Diversity in our teams, equal treatment and equal participation of our employees are a matter of course for us – for example, through gender-independent remuneration. The integrated management system of our HR policy is based on the requirements of the Group-wide binding Social Accountability 8000 (SA 8000) standard, which 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. In order to exemplify equal opportunities in a prominent position, we set the goal of increasing the proportion of women at the first global management level below the Executive Board to at least 30% by 2025, and at the second global management level to at least 45%. The long-term goal is also to achieve a 20% share of women on the Executive Board.



Customers

Consumers

We respond responsibly and effectively to trends such as our customers' and consumers' desire for natural, nutritious ingredients and products manufactured under fair conditions through our product solutions – and thus make a decisive contribution to more sustainable consumption patterns. Through Good Manufacturing Practice (GMP) guidelines, independent testing and certification, we also ensure the highest product safety and quality standards for customers and consumers.



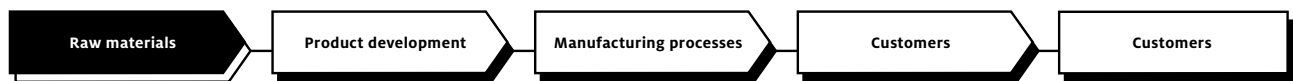
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Together for human rights

Symrise is involved in the Initiative for Sustainable Agricultural Supply Chains (INA) and in July 2020 issued a joint statement in favor of the German government drafting a national supply chain act based on the UN Guiding Principles on Business and Human Rights and the National Action Plan for Business and Human Rights (NAP). In the alliance, a total of 33 companies and organizations are campaigning for binding human rights due diligence requirements for companies along their supply chains – and thus for greater legal certainty and a level playing field that goes beyond voluntary initiatives. The initiative was founded in 2018 on the initiative of the Federal Ministry for Economic Cooperation and Development (BMZ) and is run by the German Society for International Cooperation (GIZ).

Raw materials

The basis of our products are natural raw materials. For their sourcing, an environment rich in species is just as important as a trusting relationship with local communities and small-scale farmers – this is particularly evident in times of crisis. We promote both in cooperation with nonprofit organizations and through close exchange with our partners and local communities.



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Resilient supply chains as an investment

■ The coronavirus pandemic has put global supply chains to the test and made us aware of the importance of resilience and crisis security. Capital management company Union Investment recognized this relevance early on. “We are always interested in long-term investments. In this respect, Symrise is the right choice for us,” explains Arne Rautenberg, portfolio manager for equities at Union Investment. When it comes to investment decisions, the three factors of environmental, social and responsible corporate governance (ESG) are playing an increasingly important role.

“At Symrise, sourcing is central – the supply chain is where the main ESG footprint lies.”

ARNE RAUTENBERG,
Portfolio Manager at Union Investment

Rautenberg expects ESG factors to continue to grow in importance in the future. “The impact of the coronavirus pandemic reinforces this trend,” says Rautenberg. The pandemic accelerated trends such as digitalization or responsible consumption and underscored the importance of crisis-proof supply chains. Symrise is also placing an important focus on improving conditions in raw material sourcing. “In the future, the company wants to analyze 100% of its suppliers according to sustainability criteria. We welcome this goal.” Nevertheless, Rautenberg sees a need for further action: “We would like Symrise to make even greater use of its good partnerships with suppliers to improve their sustainability performance.” After all, dialogue and joint efforts could lead to long-term improvements that benefit all sides.



**questions for Maria Julia Oliva,
Deputy Director and Senior Coordinator
for ABS and Policy at UEBT.**

Together for responsible sourcing

In 2018, Symrise became the first flavor and fragrance company to become a global member of the Union for Ethical BioTrade (UEBT). The nonprofit organization promotes sourcing that treats people and biodiversity with respect. Together with UEBT, Symrise works to make its supply chain environmentally and socially sustainable.

What challenges do companies like Symrise face with regard to biodiversity in their supply chains?

Consumer demand for natural raw materials is growing – but biodiversity loss is affecting their availability. Long-term and transparent partnerships with suppliers are crucial. The activities of Symrise in Madagascar are a good example: Combining research with close relationships with local people, the company is working to improve conditions in vanilla cultivation. Such initiatives are important, even if they require time, resources and a strong commitment from management.

What role do social aspects play here?

The social and environmental conditions in supply chains are directly linked – people are part of biodiversity! At UEBT, we work with our members to preserve and regenerate nature through the ethical sourcing of natural ingredients, ensuring a better future for us humans. This includes fair prices for local suppliers, respect for human rights, support for local development and working conditions along the supply chain. This holistic approach is central to addressing the challenges.

Where do you see further need for action for Symrise?

In light of the biodiversity crisis, more needs to be done faster – and Symrise is no exception. More attention needs to be paid to biodiversity, regenerative practices and living wages and incomes in the myriad supply chains around the world. We are pleased to support Symrise on this journey.

Product development & manufacturing processes

We have explicitly integrated sustainability aspects in the development of our products and in our manufacturing processes – from climate-friendly production and the environmentally compatible use of chemicals to resource efficiency and low waste volumes to the reuse of co-products and new packaging alternatives. To achieve this, Symrise employees are applying innovative approaches to solutions and continuously developing them further.

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The circular economy in aquaculture

Alongside oil and bananas, shrimp are one of Ecuador's most important export products. Since some buyers want the shrimp without the head and shell, the animals are peeled directly after being caught in the factories on site. This results in over 5 tons of shrimp waste each month. "These waste materials were a big problem for the industry until a few years ago," says Hiroshi Ozeki, head of the Business Unit Aqua for the Latin and North America regions. "It frequently ended up on surrounding fields." An environmentally friendly solution was needed.

"We saw these catch leftovers as more of an opportunity than a problem," says Ozeki. The shrimp heads are particularly rich in nutrients. The experts in the

Business Unit Aqua thus developed a process to produce a high-quality ingredient for fish feed from the shrimp waste. The result: the nutritious powder Actipal HP 1. It maintains the health of fish, has a long shelf life and is easy to transport – ideal for the needs of fish feed producers.

Especially in commercial farming, Actipal HP 1 has clear benefits: Due to its high nutritional value, fish farmers need fewer wild fish as feed. The ingredient in the feed pellets attracts the animals and they ingest the feed before it can sink to the bottom and become an environmental burden. Hiroshi Ozeki is convinced: "With Actipal HP 1, we are helping to make commercial fish farming more sustainable in the long term."



Plant-based milk

At the supermarket, an increasing number of people are avoiding milk these days and reaching for alternative plant-based products. There are multiple reasons for this: “For about ten years now, awareness of healthy eating has been growing in Western countries,” explains Renaud Allaire, the Global Account Director at Symrise. At the same time, awareness for animal welfare has also increased. “And as a third point, concern has been growing for several years about the impact of livestock farming on global warming,” says Allaire.

To achieve a higher acceptance of plant-based milk alternatives in the broader population the taste must be just right. “I often hear the prejudice that plant-based milk alternatives don’t taste good. That is completely incorrect. Many people in Europe and the USA like almond milk, as well as drinks made from nuts or cereals,” says Allaire. In the Asia/Pacific region rice drinks are very popular.

In addition to the interaction between flavor and source material, Symrise can also influence the perception of the product in the mouth – by blocking receptors of unwanted taste tones. We have also succeeded in applying this process to neuroreceptors in the brain that influence the intensity of taste experiences. “This is, so to speak, the magic of our industry,” says Allaire. The goal is it to impress not only vegans but also flexitarians when it comes to plant-based alternatives. The perfect flavor alone is not enough – what counts is the overall experience of a food. Moreover, the price must be reasonable and the supply chain sustainable.



“For the past decade or so, awareness of healthy eating has been growing in Western countries.”

RENAUD ALLAIRE,
Global Account Director at Symrise

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“With Actipal HP 1, we are helping to make commercial fish farming more sustainable in the long term.”

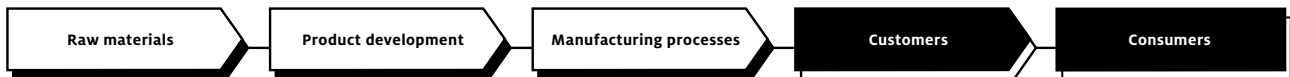
HIROSHI OZEKI,
Head of Business Unit Aqua for Latin and North America



Customers & consumers

The exchange with our customers and consumers is central for us. Global trend studies and surveys help us to know and understand consumer needs and design our products accordingly. In collaboration with our customers, we work on supply chain improvements and more sustainable products – and evolve together.

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Together with customers for more sustainable mint

Long and stable business relationships can bring about lasting changes throughout the supply chain. This is proven by the cooperation between Symrise and its customer Mars.

“The pandemic has been a wake-up call: Interventions with those communities in our value chain that were already at risk are just as necessary now as they were before.”

DAVID PENDLINGTON,
Global Sustainable Sourcing Director at Mars Wrigley

In 2017, Mars launched the Shubb Mint program to improve the conditions of mint farmers in Uttar Pradesh, India. Alongside many other organizations, including the German Society for International Cooperation (GIZ), Symrise is also part of the project. “Only by working closely with partners like Symrise can we address supply chain challenges to make a real difference by mobilizing and scaling financial resources and support,” says Jeremy Schifeling. As a result, the public-private partnership has enabled € 4.5 million in programmatic investments.

The program focuses on reducing the water footprint in the growing areas and increasing yields and thus farmers’ incomes. “We also work closely with women in Uttar Pradesh to build their confidence through financial literacy. These women, who have been empowered and gained confidence, can thus make informed decisions for their family’s livelihood,”

Knowing consumer wishes and serving them sustainably

Symrise attaches great importance to designing its products according to consumer needs. Dr. Dariah Lutsch, Research Manager of the Sensory & Consumer Insights EAME department, gives an insight into her work and the world of consumers. >>

“We share common values – for example, our mutual commitment to the SDGs. With the same goals in mind, we can make bigger impact for the entire industry.”

JEREMY SCHIFELING,
Sustainable Sourcing Manager at Mars Wrigley

explains Meenal Bahirwani, Sustainable Sourcing Manager at Mars Wrigley in India. Last year, the coronavirus pandemic created new challenges for the team led by Shubh Mint. “We were no longer able to conduct face-to-face trainings,” says Schifeling. “But we responded quickly and developed solutions to give farmers the support they needed.” So WhatsApp videos, phone calls and text messages became the new normal.



Dr. Lutsch, how do you and your team know consumers' preferences?

■ To identify developments early on and properly understand consumers, we regularly conduct tastings, surveys and trend studies. Based on the results, we follow a standardized process: Product development is adjusted accordingly and new, needs-oriented solutions are developed.

What do consumers actually look for when choosing products?

■ We were able to identify three core drivers that are particularly important to consumers: taste, price and brand. But sustainability aspects are also significant when it comes to the popularity of a product. However, how important these are rated depends heavily on the product category, the market and the individual consumer. In the future, the sustainability component will probably move from the niche into the mainstream – if it tastes good and the price is right.

What impact is the coronavirus pandemic having on consumer preferences?

■ Changing consumption patterns can already be observed. Many people have a need for safety and health right now. This drives the trend toward increased consumption of regional products, alternative proteins and natural foods.

Financial Calendar 2021

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Forward-Looking Statements

This Corporate Report contains forward-looking statements that are based on current assumptions and forecasts by Symrise AG. The future course of business and the results actually achieved by Symrise AG and its affiliates are subject to a large number of risks and uncertainties and may therefore differ substantially from the forward-looking statements. Many of these factors are outside of Symrise AG's sphere of influence and cannot be assessed in detail ahead of events. They include, for example, unfavorable development of the global economy, a change in consumer behavior, and changes to laws, regulations and official guidelines. Should one of these uncertainty factors, named or otherwise, occur or should the assumptions on which the forward-looking statements are based prove to be incorrect, the actual results may differ significantly from the results anticipated. Symrise undertakes no obligation to update forward-looking statements continuously and to adjust them to future events or developments.

