

Welcome to your CDP Forests Questionnaire 2021

F0. Introduction

F0.1

(F0.1) Give a general description of and introduction to your organization.

Symrise is globally recognized as a leading provider of fragrances, flavors, active ingredients and aroma molecules as well as sensorial and nutritional solutions for the perfume, cosmetic, pharmaceutical, food, beverage, pet food and baby food industries.

Symrise manages a strong and diverse portfolio that consists of more than 10,000 raw materials of synthetic and natural origin, purchased from over 5,000 suppliers from all continents. These materials come from a variety of different sources. This includes raw materials from wild collections, agricultural cultivation, and forestry, including palm oil. With its diverse raw material palette Symrise can create approx. 30,000 different products for our clients in the above-mentioned markets. The diversity of our raw material and product portfolio offers a huge flexibility and various opportunities to meet changing consumer demands. At the same time, our portfolio is also exposed to and interlinked with the impacts of global change, including environmental impacts related to climate, water, soil or ecosystems and biodiversity. Our Vision is to be a leading sustainable life science company that supports pleasure, health and well-being while promoting socio-economic and ecological prosperity for mankind and nature along our value chains. With focus on the four key pillars of Symrise's sustainability approach - Footprint, Innovation, Sourcing and Care - we aim at being an environmental steward with an established, future-oriented, and holistic strategy for sourcing our forest related resources.

Being aware of the social and environmental responsibility coming along with the use of natural resources, Symrise stepped forward with ambitious sustainability goals. In regard of the emerging threat of deforestation by using forest-related resources, Symrise has set up a "zero deforestation strategy" together with a dedicated Forest Policy as well as a Palm Oil Policy. The strategy contains as a first step to ensure that 100 % of our palm-based supply come from sustainable certified sources. Long-term rising demand of customers for palm oil-related products might contradict an overall deforestation policy, thus Symrise has a parallel strategy to substitute conventionally refined Palm oil, Palm oil derivatives and Palm kernel oil derivatives by alternative oils or synthetic substitutes (for PKO derivatives) with a lower ecological or biodiversity footprint.

Symrise is an active member of the RSPO and interacts with its suppliers by raising their awareness of deforestation risks and the necessity to ensure supply from sustainable sources.

F0.2

(F0.2) State the start and end date of the year for which you are reporting data.

	Start Date	End Date
Reporting year	January 1, 2020	December 31, 2020

F0.3

(F0.3) Select the currency used for all financial information disclosed throughout your response.

EUR

F0.4

(F0.4) Select the forest risk commodity(ies) that you are, or are not, disclosing on (including any that are sources for your processed ingredients or manufactured goods); and for each select the stages of the supply chain that best represents your organization's area of operation.

	Commodity disclosure	Stage of the value chain	Explanation if not disclosing
Timber products	Not disclosing	Manufacturing	<p>Symrise again decided to exclude the commodity timber in its 2021 disclosure, because we don't see that our sourcing has an impact on deforestation/forest degradation:</p> <ul style="list-style-type: none"> - Symrise does not use timber itself, but a by-product from the pulp & paper industry (so called "Crude Sulphate Turpentine - CST") that is otherwise treated as waste and thus does not induce any forest degradation; - The major share of CST originates from well-managed plantations in countries such as Canada and Northern America where there is no danger of cutting down forests. <p>Nevertheless Symrise stepped forward and achieved an FSC Chain of custody certification for > 95 % of its timber-based raw material. We decided to rather focus our reporting efforts on the commodity Palm oil, where we might have an indirect impact on deforestation/forest degradation.</p>
Palm oil	Disclosing	Manufacturing	
Cattle products	Not disclosing	Manufacturing	<p>Symrise uses little volumes of cattle by-products as flavor ingredients. We again decided not to report on cattle products because Symrise</p> <ul style="list-style-type: none"> - does not use cattle products as such, but only by-

			<p>products from the meat industry which would otherwise be treated as waste;</p> <ul style="list-style-type: none"> - needs only very small quantities (cattle by-products make up less than 0.01% of our annual spend). These come from trusted suppliers. <p>So we believe that our sourcing of cattle derivatives has no impact on deforestation/forest degradation.</p>
Soy	Not disclosing	Manufacturing	<p>Symrise uses soybean oils and soy sauces as flavor ingredients. We again decided not to report on soy products because</p> <ul style="list-style-type: none"> - soy products are not really material for our business. We could replace them by other condiments if necessary; - Our soy raw materials represent less than 0.5% of our global annual purchasing volume. <p>So we believe that our sourcing of soy products has only have a very small impact (if any) on deforestation/forest degradation.</p>
Other - Rubber	This commodity is not produced, sourced or used by our organization		
Other - Cocoa	Not disclosing	Manufacturing	<p>Symrise decided not to report on cocoa products because</p> <ul style="list-style-type: none"> - we do not consider cocoa as material to our business: All products containing cocoa contribute less than 1% to our business revenue. - We purchase cocoa as flavor ingredient. As such cocoa represents less than 0.5% of our global annual purchasing volume, so that our sourcing quantities are very low on the market and do not have the potential of a large impact on deforestation/forest degradation. <p>Nevertheless, we are planning on conducting a full risk assessment regarding cocoa and will report on this commodity whenever we assess cocoa as reason for deforestation.</p>
Other - Coffee	Not disclosing	Manufacturing	<p>Symrise decided not to report on coffee products because</p> <ul style="list-style-type: none"> - we do not consider coffee as material to our business: All products containing coffee contribute to less than 1% to our business revenue. - Symrise purchases coffee as flavor ingredient. As such, coffee represents less than 0.5% of our global annual purchasing volume, so that our sourcing

			<p>quantities are very low on the market and do not have the potential of a large impact on deforestation/forest degradation.</p> <p>Nevertheless, we are planning on conducting a full risk assessment regarding coffee and will report on this commodity whenever we assess coffee as reason for deforestation.</p>
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F0.5

(F0.5) Are there any parts of your direct operations or supply chain that are not included in your disclosure?

No

F1. Current state

F1.1

(F1.1) How does your organization produce, use or sell your disclosed commodity(ies)?

Palm oil

Activity

Using as input into product manufacturing

Form of commodity

Refined palm oil

Palm oil derivatives

Palm kernel oil derivatives

Source

Contracted suppliers (processors)

Contracted suppliers (manufacturers)

Country/Area of origin

Indonesia

Malaysia

Thailand

% of procurement spend

1-5%

Comment

Symrise uses the following Palm-based materials as components for flavors, fragrances, and other ingredients:

- Refined Palm Oil (PO)

- Palm Oil Derivatives
- Palm Kernel Oil Derivatives

F1.2

(F1.2) Indicate the percentage of your organization's revenue that was dependent on your disclosed forest risk commodity(ies) in the reporting year.

	% of revenue dependent on commodity	Comment
Palm oil	11-20%	The figure was calculated according to the sales value of all products which contain palm oil/derivatives with a concentration >0.5%. As the material throughput of palm-based materials decreased by 6,4% in 2020 (4,447 t) compared to the previous year (4,746 t), the corresponding sales value of products decreased as well.

F1.5

(F1.5) Does your organization collect production and/or consumption data for your disclosed commodity(ies)?

	Data availability/Disclosure
Palm oil	Consumption data available, disclosing

F1.5a

(F1.5a) Disclose your production and/or consumption data.

Forest risk commodity

Palm oil

Data type

Consumption data

Volume

4,447

Metric

Metric tons

Data coverage

Full commodity production/consumption

Please explain

F1.5b

(F1.5b) For your disclosed commodity(ies), indicate the percentage of the production/consumption volume sourced by national and/or sub-national jurisdiction of origin.

Forest risk commodity

Palm oil

Country/Area of origin

Indonesia

State or equivalent jurisdiction

Specify state/equivalent jurisdiction

Kalimantan Tengah, Kalimantan Barath, Kalimantan Timur, Sumatra Selatan, Sumatra Bengkulu, Sumatra Barat, Sumatra Utara, Java Barat, Javah Banten

% of total production/consumption volume

65

Please explain

Since many years, we have been gathering traceability data from our suppliers in increasing granularity. In a first step, we have investigated countries of cultivation of our biobased materials and updated our enterprise IT accordingly. In a next step, we have analyzed raw material origins at sub-national levels. As a third step, we have been gathering GPS data of supplier locations and cultivation areas for our strategic natural raw materials with the objective to allocate raw material volumes to specific sourcing areas (via Geomapping) or – in a more standardized way – to subnational jurisdictions in the provider countries. As our portfolio is very diverse, this is still an ongoing journey.

With regards to palm oil, we have been requesting from our suppliers the locations of the mills, from which their & our palm oil supply originates. Meanwhile, we have the exact GPS data of all 4012 mills representing our palm oil supply from Indonesia, Malaysia and Thailand. As palm based raw material flows and supply chains can sometimes be very complex – esp. in case of derivatives used in the chemical industry – we understand that this information request is a significant challenge to many of our raw material suppliers. However, we are still in the process of getting from our suppliers an exact allocation of raw material volume sourced per mill.

The percentage shown are therefore calculated by an estimation method using the supplier data per country that is available so far as described above. Although we do not have the absolute numbers of volumes allocated per mill yet, we will receive this detailed information within the next year.

Forest risk commodity

Palm oil

Country/Area of origin

Malaysia

State or equivalent jurisdiction

Specify state/equivalent jurisdiction

Johor, Selangor, Pahang, Sabah, Sarawak, Perak, Terengganu

% of total production/consumption volume

30

Please explain

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Forest risk commodity**Country/Area of origin**

Thailand

State or equivalent jurisdiction

Specify state/equivalent jurisdiction

Krabi, Trang, Nakhon Si Thammarat

% of total production/consumption volume

5

Please explain

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F1.5e

(F1.5e) How does your organization produce or consume biofuel derived from palm oil?

Does your organization produce or consume biofuel derived from palm oil?

No

Data type

Volume produced/consumed

Metric

Country/Area of origin

State or equivalent jurisdiction

% of total production/consumption volume

Does the source of your organization's biofuel material come from smallholders?

Comment

Symrise does not use biofuels derived from palm oil.

F1.6

(F1.6) Has your organization experienced any detrimental forests-related impacts?

No

F2. Procedures

F2.1

(F2.1) Does your organization undertake a forests-related risk assessment?

Yes, forests-related risks are assessed

F2.1a

(F2.1a) Select the options that best describe your procedures for identifying and assessing forests-related risks.

Palm oil

Value chain stage

Direct operations

Supply chain

Coverage

Full

Risk assessment procedure

Assessed as part of an established enterprise risk management framework

Frequency of assessment

More than once a year

How far into the future are risks considered?

> 6 years

Tools and methods used

Internal company methods

External consultants

Other, please specify

WWF reports, UN reports, local geodata

Please explain

Description of tools/methods selected:

To achieve our deforestation target, we must assess our individual impact. Therefore, we have implemented a risk identification and assessment process, consisting of two steps.

1. Our internal Enterprise Information Management System (EIS) is fed with data of our suppliers that is collected by questionnaires. Data include e.g., the development of biodiversity, accessibility/scarcity of resources as well as harvesting methods.
2. These internal company data are then matched with data obtained by public tools such as Global Forest Watch Pro, WWF reports and SEDEX/SMETA. Issues that are monitored and assessed include amongst others deforestation & degradation risks, material accessibility, physical risks, biodiversity and supplier compliance, legal risks, and social & ethical standards.

Effectiveness:

By matching internally generated data from the EIS with publicly available risk data and the consideration of short-, medium- and long-term horizons, we can effectively assess the potential financial or strategic impact as well as the likelihood of occurrence of a potential risk. To guarantee a holistic analysis, this assessment process includes the whole value chain (supply chain and direct operations). Our risk analytics team meets at least 4 times/year to evaluate and assess any identified risks.

Example:

The sourcing of Palm Oil and derivatives is always linked to the risk of deforestation and legal non-compliance of suppliers. In 2020, we intensely assessed the sourcing situation in Indonesia. Our Information Management System as well as WWF Reports and the GFW Monitoring Tool confirmed, that especially in Indonesia, the risk of legal non-compliance is high due to the difficult traceability throughout the supply chains. We assessed the risk as "relevant" and decided to mitigate it by focusing our efforts on purchasing only RSPO certified products with a high performance in its traceability.

F2.1b

(F2.1b) Which of the following issues are considered in your organization's forests-related risk assessment(s)?

Availability of forest risk commodities

Relevance & inclusion

Relevant, always included

Please explain

Why we include this aspect:

Symrise purchases Palm Oil and derivatives from PO/PKO to manufacture high-quality products for the flavour and fragrance markets. If these forest-related products were not available anymore, a whole business segment would be at risk. Thus, the availability of

forest risk commodities is a current issue which is assessed and monitored along the whole value chain.

Description of used tool and assessment of issue:

We use global data tools (especially GFW), that provide information on deforestation risks, climate variability, water stress, soil degradation as well as cultivation practices in our sourcing countries and allows us to calculate the likelihood of occurrence and the financial impact of the inherent risk. Furthermore, by supplier questionnaires we can directly monitor current developments and feed the information into our Enterprise Information Management System (EIS) and the assessment process.

How information is used internally for decision-making:

Due to the assessment, we consider the likelihood of the omission of forest resources as unlikely, but the financial impact would be high. Our Global Analytic Risk Team regularly re-iterates this procedure so that any risk is immediately identified, and the information is spread across all divisions of our company which use forest based natural raw materials in their manufacturing processes. Especially the assessed likelihood of occurrence of the risk is essential for our company responding. If indicators show an increasing likelihood of occurrence, our purchasing department together with the divisional leadership teams develop and implement effective response strategies that first and foremost include the identification of alternative sourcing countries and suppliers to ensure a stable high quality raw material supply. The information is further integrated into decisions which relate to the volumes of purchased forest risk commodities. Only if it can be guaranteed, that the forest commodities can be purchased sustainably and go along with a minimal risk of availability, new contracts will be agreed on.

Quality of forest risk commodities

Relevance & inclusion

Relevant, always included

Please explain

Why we include this aspect:

High quality of forest based raw materials is crucial to meet our own commitments to supply our customers with high standard quality products. The quality of forest risk commodities is a current issue which is relevant across many business units where forest-based natural raw materials are used, especially in perfumery and cosmetics.

Description of used tool and assessment of issue:

For the quality assessment, Symrise conducts on the one hand internal quality tests and on the other hand evaluates supplier monitoring and supplier assessment results within our EMS to regularly match the actual commodity quality to the Company's requirements on sustainability as well as customer specifications. By integrating the supplier assessment, we don't only analyze the quality of the raw materials themselves but the whole value chain process including the production, transport, and processing of the commodity goods. This is conducted and reviewed at least 1x/year. Assessments cover the whole value chain because if parts of it were left out, we still could not be sure

to meet our clients' requirements. The risk has had so far no impact on our business and the likelihood is assessed as low due to our regular quality monitoring processes.

How information is used internally for decision-making:

We regularly use information about potential risk for raw material availability and quality in decision-making processes to identify effective strategies (e.g. identification of sourcing countries and suppliers) and options (e.g. identification of alternate sources and suppliers) to ensure a stable high quality raw material supply.

Impact of activity on the status of ecosystems and habitats

Relevance & inclusion

Relevant, always included

Please explain

Why we include this aspect:

Natural raw materials are the core of Symrise's business. Any harming impact on natural ecosystems and habitats would therefore in the long-term endanger the existence of the business itself. Moreover, in the short-term, the potential reputational damage induced by unsustainable sourcing strategies would highly impact our business and brand value.

This is a current issue which is relevant across all divisions of our company, where natural raw materials are used.

Description of used tool and assessment of issue:

We have elaborated detailed policies on how business and supplier activities should not impact ecosystems and habitats (forest policy, palm oil policy, biodiversity pledge, code of conduct, etc). At least 1x/year we review, if all deforestation and sustainable sourcing goals are on track and if our suppliers comply with our sustainability standards. Thus, direct operations as well as the supply chain are assessed within this process.

Data from our supplier assessment together with independent information from global databases (e.g. GFW) are used to monitor Symrise's compliance with its official sustainability targets. The implemented Risk Indexes contain information on deforestation, water scarcity, droughts, legal requirements, biodiversity, etc for countries we are sourcing in. Thanks to Symrise's high supply chain standards including the RSPO and FSC Chain of Custody certification as well as mature policies and regularly monitoring, the risk is considered as unlikely.

How information is used internally for decision-making:

We regularly use information on potential impacts of our business practices to provide guidance and support for decision making of our purchasing departments when it comes to selecting adequate suppliers for ensuring long term sustainable supply. The awareness of this potential impact has led to the important decision to further develop processes to replace risk commodities by innovative synthetic ingredients, which we achieve e.g. by implementing respective R&D programs. We are already doing so e.g. in our Menthol production and are working on expanding this approach to several production processes.

Regulation

Relevance & inclusion

Relevant, always included

Please explain

Why we include this aspect:

The natural raw materials used by Symrise are sourced in countries all over the world. In many cases country-specific regulatory frameworks exist on how sourcing of specific commodities is allowed (e.g. ISPO, MSPO, Nagoya Protocol, CITES, local biodiversity/forest legislations). This is a current issue which is relevant across all divisions of our company.

Description of used tool and assessment of issue:

In order to do business in accordance to those laws and regulations, Symrise put in place a regular legal assessment process: Our Regulatory Affairs departments uses our global regulatory monitoring process tool to provide specific information on regulatory issues in all relevant sourcing countries. Regulatory compliance is assessed and enforced along the whole value chain and for all countries Symrise sources natural or processed materials from or where it has locations in. Compliance with laws and regulations is also assessed by our annual supplier questionnaires. The answers are evaluated and analyzed by our Approval Groups.

How information is used internally for decision-making:

We regularly use this information e.g. to identify legal obligations and transaction costs relating to the implementation of legal requirements or voluntary standards and criteria in order to identify suitable strategies for sourcing and product development or to ensure proper planning of operational expenditures. In case, regulatory non-compliance is detected, our strategy "Retain & engage with the supplier" is applied. Whenever new regulations emerge, all affected Symrise departments as well as suppliers are informed and the supplier questionnaire is adapted accordingly. The non-compliance with national frameworks would as well infringe our internal sourcing policies.

Climate change

Relevance & inclusion

Relevant, always included

Please explain

Why we include this aspect:

Climate change is a threat for Symrise in a double sense: On the one hand, climate change induced phenomena like deforestation, droughts, interannual variability, ecosystem decline, water stress, biodiversity loss, etc. in our sourcing regions would put a threat on Symrise's business activities. On the other hand, Symrise could contribute to climate change itself by sourcing its resources in a non-sustainable manner. Therefore, we include climate change in our risk assessments procedures, strategic plans and forecasts to ensure, that impacts on us as well as by us be avoided / minimized, in line with our climate targets.

Description of used tool and assessment of issue:

We have recently set up a climate strategy in line with the science-based target requirements, which applies on our own operations and the whole value chain. The strategy is fully reviewed at least 1x/year. This is a current and increasingly relevant issue across all divisions (Scent & Care, Flavors, Nutrition) and has to be anticipated for all natural raw material supply chains and relating operations and products. For risk identification and assessment, we use amongst others the MapleCroft Climate Indices (Climate Change Exposure Index, Climate Change Sensitivity Index and Climate Change Vulnerability Index). In addition, we use LCA data from suppliers or databases to calculate the CO₂-intensity of our raw materials. For now, none of the indices show a high level of exposure / vulnerability to climate change-related outcomes.

How information is used internally for decision-making:

We use the information to anticipate potential climate related supply chain impacts (deforestation, droughts, interannual variability, ecosystem decline, water stress, etc.) and corresponding risks (environmental, social, operational reputation). We integrated these risks and their likelihoods into product development, portfolio management and purchasing decisions to ensure the compliance with our internal policies and sustainability targets as well as full operational stability for our customers and long-term resilience. The information provides also orientation and direction for raw material and supplier sustainability assessments as well as for the prioritization of corresponding supply chain and supplier audits, conducted by our own or on our behalf.

Impact on water security

Relevance & inclusion

Relevant, always included

Please explain

Why we include this aspect:

Many of our raw materials originate from natural products and thus depend on sufficient water availability. So monitoring the water trends in our sourcing countries and assessing their potential impacts on our supply chain and business activities is a crucial and current issue which is relevant across all divisions of our company, where natural raw materials are used.

Description of used tool and assessment of issue:

Water risks of suppliers or cultivation systems are assessed with recognized tools, such as WBCSD GWT or the MapleCroft Water risk indices in combination with supplier data or audit reports. In addition, we use LCA data from suppliers or databases to calculate water intensity of raw materials, which is then assessed in geographic context to identify local water risks. External tools and internal LCA are combined to get sufficient data granularity and accuracy according to our corporate needs.

We regularly monitor water availability and quality as well as water risks on different geographic scales with our Symrise product sustainability scorecard in conjunction with our geo-risk-assessment-tools for our whole raw material portfolio. Then, "water stress hotspots" within our raw material portfolios are identified and assessed by the Corporate

sustainability and purchasing department in order to identify environmental risks, e.g. current and future water shortages for highly water dependent ecosystems and corresponding raw materials.

How information is used internally for decision-making:

This information is then used by Symrise to deduce raw material specific intervention strategies, to anticipate and mitigate water impacts and risks for our business.

Assessment results are regularly reported to the sustainability board that decides on follow-up measures in case water risks may have significant impacts on the environment and on our business strategy.

Tariffs or price increases

Relevance & inclusion

Relevant, always included

Please explain

Why we include this aspect:

Since we rely on a stable provision of our basic ingredients, resource prices are essential to Symrise. Tariffs and price developments are constantly monitored and evaluated in a forward-looking manner in order to ensure that the corresponding financial obligations are considered in our business strategies, including financial planning and product pricing.

Description of used tool and assessment of issue:

Price monitoring is done across all divisions of our company where natural raw materials are utilized. As such it makes part of our established risk assessment process that is integrated in our Integrated Management System (IMS), which covers the whole value chain and is conducted and reviewed at least 1x/year. The data used within our IMS Tool is provided by our annual supplier questionnaires. We work closely together with all our suppliers and always make long-term agreements to ensure sustainable and future-oriented resource supply. Since we also guarantee fair payment to our suppliers, we must expect rising prices for forest related raw materials due to decreased harvest after droughts or storms.

How information is used internally for decision-making:

We regularly use this anticipating information on potential price risks to these risks in annual OPEX- and CAPEX planning as well as in price negotiations with our customers. In our long-term assessment the price risks are considered as “more likely than not” and therefore integrated into our long-term financial planning process.

Loss of markets

Relevance & inclusion

Relevant, always included

Please explain

Why we include this aspect:

The loss of markets could have severe financial impacts on our company. In order to

ensure continuation of our successful sales activities, Symrise needs to avoid operational, reputational or financial risks which could lead to a loss of markets, e.g. when it comes to meeting or not meeting customer demands regarding the supply of raw materials and ingredients from certified sustainable sources. Therefore, potential risks of market loss are always factored into our established risk assessment process which covers the whole value chain and is conducted and reviewed at least 1x/year.

Description of used tool and assessment of issue:

This is a current issue which is relevant across all divisions of our company. Within our internal Scenario Analysis, we assess various scenarios: Markets, demands and competitors are constantly monitored and long-term forecasts are modelled. Our business strategy and goals are actively amended whenever new market trends emerge. Furthermore, to control the risk of market loss, we regularly review overall market developments and act in close cooperation with our customers. The respective outcomes have led Symrise towards its highly sustainable awareness and environmental friendliness.

How information is used internally for decision-making:

We regularly use the information on potential forest-relating risks of market loss for decision-making, e.g. in order to prioritize our activities within the scope of our responsible sourcing process, including selecting adequate suppliers and sourcing countries, where Symrise can expect that requests from our suppliers prove evidence that our raw materials come from sustainable sources.

Leakage markets

Relevance & inclusion

Not relevant, explanation provided

Please explain

A "Leakage Market" describes the threat of commodities or capital 'leaking' from the supply chain into other activities than those they were intended for, with commodities or capital being redirected to other places/purposes. This presents a risk to palm oil companies as the activities they are diverted to may be non-NDPE compliant, exposing them to environmentally damaging activities.

Symrise as a manufacturer does neither own oil palm plantations nor refineries or processing facilities, but only buys palm-based products, which are already processed, from its suppliers. Palm-based resources are then manufactured in operations and sold to our customers in the food, cosmetics or perfumery industry. Therefore, Symrise is at an end-stage in the supply chain, where the leakage of palm oil is not applicable anymore.

However, we do take this issue serious and meet our responsibility by guaranteeing transparency and traceability of our raw materials. We do so by having implemented the RSPO Chain-of-custody certification by which we are able to trace all palm-based materials back to the mill. Furthermore, we conduct intense supplier audits, questionnaires, and their compliance with the RSPO certification, legal requirements

and our internal Code of Conduct. Furthermore, by our supplier questionnaires we can directly monitor current developments and feed the information into our Enterprise Information Management System (EIS) and the assessment process.

If indicators show any increasing likelihood of non-NDPE compliance, our purchasing department together with the divisional leadership teams develop and implement effective response strategies that first and foremost include the identification of alternative sourcing countries / suppliers to ensure a stable high quality raw material supply. We would instantly exclude suppliers that do not comply with NDPE and harm the environment by diverting commodities or capital to leakage markets and damaging activities. The information is further integrated into decisions which relate to the volumes of purchased forest risk commodities. Only if it is guaranteed, that the forest commodities can be purchased sustainably and in compliance with NDPE requirements, new contracts will be agreed on.

Brand damage related to forest risk commodities

Relevance & inclusion

Relevant, always included

Please explain

Why we include this aspect:

Brand damage and a loss in reputation due to poor forest management practices, linkages of our suppliers to deforestation or unsustainable sourcing must be avoided in any case as this may jeopardize our operations and reputation.

Description of used tool and assessment of issue:

Symrise integrates these aspects into its risk assessment by several tools (e.g. our internal Risk Management System) monitoring the market situation, compliance of suppliers with our business policies, customer requirements and societal demands. As Symrise notices increasing pressure from the demand side regarding environmental awareness and climate friendliness, we always try to act one step ahead and meet the demand of our customers as leading supplier of sustainably sourced and efficiently processed goods. Though, the inherent risk of brand damage could have a high potential financial and strategic impact on Symrise. Brand damage can be induced by non-compliance anywhere along the value chain, therefore all activities along the supply chain, the direct operations and within the markets are regularly monitored as part of the assessment process. This is a current issue which is relevant across all divisions of our company where forest risk commodities are utilized.

How information is used internally for decision-making:

We use the information for decision-making on potential brand damage risks in order to avoid sourcing materials (1) from suppliers who cannot guarantee that their supply chains are free from deforestation, (2) from sourcing countries with weak (forest) law enforcement or high risks of corruption and unethical business behavior.

Corruption

Relevance & inclusion

Relevant, always included

Please explain

Why we include this aspect:

Many natural raw materials can only be sourced from countries, where bribery is a constant issue. That makes it even more important to step forward and engage in initiatives to stop corruption. Symrise is a member of the UN Global Compact and thus supports the Sustainable Development Goal number 16 with its sub-goal 16.5 aiming at “substantially reducing corruption and bribery in all its forms”. Corruption on the one hand destabilizes the economics of a country, making investments and contracts less secure and on the other hand has a negative impact on the Company’s reputation.

Description of used tool and assessment of issue:

The risk is assessed by tools monitoring compliance to legal requirements as well as voluntary standards for sustainable land management and the introduction of certifications along the supply chain. Complex supply chains, e.g. for Palm Oil, are a significant challenge and make an overall risk assessment even more important to ensure transparent and well controlled supply chains. For this reason, Symrise integrates these aspects into our established risk assessment procedures, which cover the whole value chain and are being conducted and reviewed at least 1x/year. We further integrate WWF scorecards in our risk assessment, which are published for palm oil buyers in various countries, evaluating their supply chain and beyond, their engagement in certification schemes and their commitments to interdict corruption. The risk of corruption would as well lead to brand damage and has a high potential impact on our company. As corruption strongly contradicts our Code of Conduct as well as the standards of the RSPO/FSC certification, we make every effort to prevent bribery and strive for constructive collaboration with our suppliers.

How information is used internally for decision-making:

Corruption is a current issue which is especially relevant for our Scent & Care division where raw material certification is requested for an increasing number of natural raw material supply chains (e.g. Palm Oil) with focus on tropical countries. We use the information on potential forest risks relating to corruption to identify raw materials from trustworthy suppliers and sourcing countries where corruption risks are least likely to occur.

Social impacts

Relevance & inclusion

Relevant, always included

Please explain

Why we include this aspect:

Symrise has made multiple commitments towards environmental and social sustainability as well as ethical business practices. Our key clients increasingly request our company to prove evidence, that the raw materials we source do not cause negative social impacts in the sourcing regions. Ideally, we can prove that our raw materials and

ingredients are connected to positive social impact, which would contribute to the social sustainability objectives of our key clients as well as the claims we set for ourselves. This is a current issue which is applied all over the whole value chain.

Description of used tool and assessment of issue:

For this reason, Symrise integrates information on social aspects from our monitoring tools, social audits (SMETA/SEDEX) and global databases into our established risk assessment process along the whole value chain. Those social issues are also checked against the Sustainable Development Goals and the assessment within our IMS which amongst others look at Human Rights, Social Equality, Ending Poverty, Responsible Production, Securing Indigenous Communities and Sustainable Land Use. The entire process is conducted and reviewed at least 1x/year.

How information is used internally for decision-making:

We use information about potential social forest related risks to provide orientation and direction for raw material and supplier sustainability assessments as well as for the prioritization of corresponding supply chains and supplier audits, conducted by our own or on our behalf. This is an emerging issue which is especially relevant for our Scent & Care division where our key clients are increasingly requesting Symrise to provide data regarding social sustainability of our raw materials and products.

Other, please specify

Relevance & inclusion

Not considered

Please explain

There are no other issues identified that need to be considered.

F2.1c

(F2.1c) Which of the following stakeholders are considered in your organization's forests-related risk assessments?

Customers

Relevance & inclusion

Relevant, always included

Please explain

Why we consider these stakeholders and integrate them in the risk assessment: Long-term customer relationships are the fundamental basis for Symrise as a B2B company. Our customer's requirements and expectations both regarding our products and our corporate strategy, serve as guidelines for Symrise's market activities. Thus, customers are a very important stakeholder group that is integrated in our risk assessment along the whole value chain. Symrise regularly conducts a materiality analysis that includes internal analyses, external analyses as well as an analysis of stakeholders and their respective requirements. Due to the resulting cluster, we are able to determine potential expectations not sufficiently met so far. If any deviation between

customer requirements and their compliance by Symrise is detected, it is of top priority to adjust Symrise's performance and bridge the gap. Especially the sustainability objectives of our customers are currently an important issue that Symrise needs to represent in its own corporate strategy.

Method of engagement:

As an intrinsic part of our annual stakeholder consultation process we directly discuss with our clients in the course of regular customer sales meetings current or upcoming sustainability issues that may affect our common value chains and our bottom line. Forest issues (e.g. deforestation free supply chains, supply of certified sustainable forest based materials and ingredients) have become an important element of these consultations, because major clients have made strong commitments towards responsible forest management practices in their supply chains. Of course, Symrise needs to deliver against these objectives in order to defend our excellent market position. Results of these consultations (e.g. risks and opportunities) are routinely reported to our corporate risk assessment team and integrated into our regular risk assessment procedures as well as our annual materiality analysis.

Employees

Relevance & inclusion

Relevant, always included

Please explain

Why we consider these stakeholders and integrate them in the risk assessment: Symrise employs around 10.000 people all around the world and their work and commitment is what determines the success of the business. Therefore, the business strategy has to integrate the expected values from our employees to create a pleasant working community. Our employees and their passion for sustainability are absolutely key when it comes to implementing our sustainability agenda, e.g. our corporate "zero deforestation" objective, which relates to our corporate sustainability strategy. In addition, our employees expect from their employer that the company they work for operates sustainably and does not contribute to detrimental impacts along our supply chains, e.g. by indirectly contributing to deforestation through selecting suppliers and purchasing raw materials with little proof of evidence for sustainable forest management practices. To know about our employees' values and expectations, they are integrated in our risk assessment and also are one of the key stakeholder groups in our regular materiality analysis.

Method of engagement

In the course of regularly conducted sustainability days for our employees as well as part of our annual employee satisfaction surveys, we directly and indirectly consult our employees and analyze employee expectations towards the business (e.g. regarding the sustainability strategy, corporate objectives, job satisfaction, etc.) and consider the assessment results also in our risk assessment procedures.

Investors

Relevance & inclusion

Relevant, always included

Please explain

Why we consider these stakeholders and integrate them in the risk assessment:

Investors are another important stakeholder group, considered in our materiality analysis and thus in our corporate risk assessment. Investors are central for a secure financial situation of the business and the performance of long-term business activities. Our materiality analysis revealed an increasing request from investors to integrate sustainability practices and performance into their investment decisions. Therefore, Symrise decided to participate in the CDP Climate Change, Forest and Water programs to take responsibility and present our efforts and successes publicly to our investors.

Method of engagement:

Besides our participation in the CDP disclosure programs and our active contribution as speakers and panelists at annual CDP meetings, we also directly engage with our investors in the course of regular investors meetings or capital market days, where issues like “deforestation free supply chains” are absolutely on the rise. These direct consultations of and discussions with our investors are absolutely key in order to wisely anticipate sustainability requirements of the capital market and to proof evidence that Symrise operates sustainably in forest-based supply chains, which we see as an important means to continuously increase attractiveness of Symrise AG shares to investors and the capital market.

Local communities

Relevance & inclusion

Relevant, always included

Please explain

Why we consider these stakeholders and integrate them in the risk assessment:

When it comes to natural raw materials, all our supply chains are dependent on the productive capacities of cultivation ecosystems, which are of course restricted by physical limits and carrying capacities. Therefore, raw material cultivation could always compete with the needs of local or indigenous communities, whose livelihoods may be strongly dependent on ecosystem services, which are also required for raw material cultivation. In order to avoid, that our forest based raw materials and side-streams do compete with basic local community needs, we assess this risk in our overall risk assessment. Therefore we consult local communities or local community councils and representatives in order to understand potential trade-offs and in order to get their free prior informed consent for relevant business activities (e.g. acquiring free prior informed consent for bioprospecting activities in forest areas).

Method of engagement:

Where a respective connection or relation is possible, we regularly assess local community expectations either indirectly by supplier consultations and sustainability assessments or directly by audits and socioecological impact assessments. Thereby we

focus especially on ecosystem service-related trade-offs and on obtaining informed consent for accessing and utilizing forest based raw materials.

NGOs

Relevance & inclusion

Relevant, always included

Please explain

Why we consider these stakeholders and integrate them in the risk assessment:

When it comes to ethical sourcing of natural raw materials, we directly engage with several NGOs who serve our company as consultants and critical partners to provide guidance for our sustainable supply chain management. For this reason, we closely collaborate – for instance – with the Union for Ethical Biobased Trade, a European NGO that promotes the UNCTAD Biobased Trade principles as well as the Access and Benefit Sharing Principle of the Nagoya Protocol along bio- and forest-based supply chains. These collaborations are very valuable to our company and have already significantly contributed to improved sustainability performance and increased brand reputation. Consequently, NGOs are stakeholders assessed within our regular materiality analysis and integrated into our risk assessment along the whole value chain.

Method of engagement:

We engage with our key stakeholders from the NGO sector on various occasions to anticipate forest related risks and opportunities: First, we participate in and contribute actively to relevant multi-stakeholder dialogues (e.g. as panelist speaker). Second, we have regular Telephone Conferences with NGOs and on-site meetings, where potential sustainability issues or ongoing projects and activities are critically reviewed and improved. Thereby we make sure to obey all relevant sustainability aspects recommended by NGOs along our value chain.

Other forest risk commodity users/producers at a local level

Relevance & inclusion

Relevant, always included

Please explain

Why we consider this stakeholder:

As a company with special competencies in the refinement of natural raw material side-streams within the FMCG-industry, Symrise considers users and producers at local levels as reliable partners for upcycling natural raw materials, which we then transform into valuable ingredients. Therefore, these stakeholders are always considered by Symrise in our materiality analysis and thus our overall risk assessment.

Method of engagement:

Symrise directly interacts with local resource users and producers to discuss risks and opportunities as well as options and terms of conditions for commercial collaborations when it comes to processing and utilization of forest-based raw materials and its side-streams.

Regulators

Relevance & inclusion

Relevant, always included

Please explain

Why we consider this stakeholder:

As Symrise is committed to ensure legal compliance at all our operations and along the supply chain, regulators are a key Stakeholder because they determine our operating space in terms of legal go- and no-go areas. For several years, Symrise is facing an increasing number of regulations relating to forests, e.g. national environmental protection laws or legislations implementing the Nagoya Protocol requirements at national levels.

In order to do business in accordance to those laws and regulations, Symrise utilizes a regular assessment process. Within the assessment, our regulatory monitoring procedures provide specific regulatory information for all relevant sourcing countries. Symrise then aligns supplier data of sourcing strategies with the applicable regulatory framework. Legal compliance is assessed along the whole value chain and for all countries Symrise is sourcing natural/ processed materials from or has a location in.

Method of engagement:

Besides indirect interactions with regulators through our main business associations, Symrise also directly engages regularly with regulators on different occasions, including multi-stakeholder dialogues on forest issues as well as direct consultation with public authorities at national, EU and UN levels, which are relevant to our business.

Suppliers

Relevance & inclusion

Relevant, always included

Please explain

Why we have considered this stakeholder:

The supply with natural raw and processed materials is a foundation of Symrise business activities. Further, our suppliers are the central connectors between the internal processes and the natural resources. Thus, it is our responsibility to make sure our suppliers comply with the standards and values Symrise requires. These expectations are elaborated in our various policies (e.g. palm oil policy, forest policy, sustainable sourcing policy, Nagoya Protocol policy). Non-compliance of our suppliers would make Symrise's reputation almost worthless and therefore needs to be considered in our overall risk assessment. Suppliers as stakeholders are further assessed in our materiality analysis. Next to our sourcing policies, Symrise mitigates this risk by setting targets of 100 % certification of forest related resources (by RSPO and FSC).

Method of engagement:

We directly engage with suppliers in the course of regular supplier assessments or supplier audits and also engage with key strategic suppliers in order to promote

sustainable forest management practices, e.g. through raw material and supply chain certification according to recognized standards. Further, all key suppliers are requested to disclose their activities in the CDP questionnaire. The answers disclosed are as well integrated in our supplier assessments and audits.

Other stakeholders, please specify

Relevance & inclusion

Not considered

Please explain

There are no other stakeholders that need to be considered.

F3. Risks and opportunities

F3.1

(F3.1) Have you identified any inherent forests-related risks with the potential to have a substantive financial or strategic impact on your business?

	Risk identified?
Palm oil	Yes

F3.1a

(F3.1a) How does your organization define substantive financial or strategic impact on your business?

Definition of substantive financial impact

A substantive financial impact on our business would endanger the continuity of our operation. The assessment, that is conducted to define whether a risk is to be considered substantive, is based on so-called "inherent" risks. Inherent risks are defined as risks without taking into account mitigation measures/controls.

Measures and indicators used to identify substantive change

To identify substantive risks, we analyze the following indicators:

- the magnitude of the impact according to the company's EBIT,
- its likelihood of occurrence
- and the frequency by which we must expect it.

We define the likelihood of occurrence as:

- Low: 0 % to 24 %
- Medium: 25 % to 49 %
- High: 50 % to 74 %
- Very high: 75 % to 100 %

Thresholds of measures that indicate a substantive impact:

A risk is considered substantive if it exceeds a threshold of 500 T€ based on EBIT and in combination with a likelihood of occurrence that is at least "Medium"

All our definitions apply to both direct operations and supply chain.

All substantive forest related risks are discussed directly in our Sustainability Board and also reported to the CEO.

F3.1b

(F3.1b) For your disclosed forest risk commodity(ies), provide details of risks identified with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Forest risk commodity

Palm oil

Type of risk

Reputational and markets

Geographical scale

Global

Where in your value chain does the risk driver occur?

Direct operation

Supply chain

Primary risk driver

Availability of certified sustainable material

Primary potential impact

Disruption to sales

Company-specific description

How the impact identified will affect our operations or supply chain:

In recent years, Symrise observed an increasing customer demand for products that include palm oil and palm-based ingredients only from certified and sustainably sources. Simultaneously, the number of suppliers offering certified materials, especially derivatives, is comparatively low. Therefore, Symrise's supplier portfolio for palm-based derivatives shows little diversification. Palm oil derivatives as well as palm kernel oil derivatives are highly processed materials that are running through many production steps and complex supply chains. Therefore, only very few first-tier suppliers can offer these products with a chain-of-custody-certification. We face the risk, that in case of a supplier default, Symrise either have to invest high effort to find other suppliers that can balance out our lacked resources or we experience disruption on sales as we are not able to meet our customer's demand. The same applies if there are supply shortages or if one of our suppliers is accused to violate our Code of Conduct and does not fulfill the RSPO requirements.

Timeframe

Current - up to 1 year

Magnitude of potential impact

High

Likelihood

Unlikely

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact (currency)

75,000,000

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial

Approach to calculate figure:

Financial figure shows the “Total sales value of all products within our portfolio which (1) contain PO/Derivatives, and (2) are sold to customers with palm oil related sustainability expectations”.

Explanation:

Palm Oil & Palm based derivatives are used in little concentrations in many Flavor & Fragrance formulations. Approx. 80 % of our palm containing flavors and fragrances are sold to customers who specifically ask for certified palm oil within their flavorings or fragrances.

The financial risk figure was calculated on the basis of a “worst case scenario”, assuming that

- a. Symrise is not able to deliver any of these products with certified palm oil and
- b. that all customers purchase these products from our competitors instead of Symrise.

This

worst case scenario would result in a cumulated business loss of 75 million Euro.

Primary response to risk

Greater due diligence

Description of response

Implemented response strategy:

1. We increased our efforts to maintain our 100% certified supply of PO/Derivatives and reinforced our certification targets priority to fully meet our customers’ expectations regarding our palm oil containing products. We established new responsibilities for Palm Oil SC certification. This management position is represented in our Global Process Management department and is tasked in the coming years to solely focus on ensuring sustainable purchasing and manufacturing of oil palm-based products and to guide and advise on sustainability strategies within all relevant business units. In 2020, our Global

Process Management department, responsible for maintaining and improving our integrated management system, reviewed, and updated standard operating procedures and conducted internal audits at relevant sites to maintain our Chain of Custody RSPO certification.

2. Furthermore we negotiate only on long-term agreements to ensure a continuous high quality sustainable supply. Supplier compliance with performance standards is monitored within our risk assessment.

3. Through reformulation and substitution of ingredients containing PO-/PKO-derivatives by alternative input material we have been able to reduce our overall PO/Derivatives consumption by 6,4% in 2020.

Effectiveness of response strategy:

So far, this strategy has been highly effective as no palm-related business has been lost. We also identified further suppliers to avoid single sourcing.

Cost of response

2,500,000

Explanation of cost of response

Method for estimating the figure

Our cost of response is the cumulated sum of

1. Increased costs of 2.1 mio € to maintain a 100 % certification of PO and derivatives, based on higher purchasing prices for certified materials and long-term contracts with certified suppliers;

2. Labor expenses (0.2 mio €) for Symrise’s newly established Management Position and all employees engaged in the risk response strategy, including regulatory monitoring & assessment as well as product development.

3. Costs to further pursue our strategy to reformulate / substitute for palm-based materials towards palm oil free product solutions. These costs mainly include employee salaries and a small share for R&D (0.2 mio €).

The sum of all cost components result in the total cost of response:

2,100,000€+200,000€+200,000€ =2,500,000€

F3.2

(F3.2) Have you identified any forests-related opportunities with the potential to have a substantive financial or strategic impact on your business?

	Have you identified opportunities?
Palm oil	Yes

F3.2a

(F3.2a) For your selected forest risk commodity(ies), provide details of the identified opportunities with the potential to have a substantive financial or strategic impact on your business.

Forest risk commodity

Palm oil

Type of opportunity

Products & services

Where in your value chain does the opportunity occur?

Direct operation

Supply chain

Primary forests-related opportunity

Increased brand value

Company-specific description & strategy to realize opportunity

Explanation of company specific opportunity:

Symrise has anticipated opportunities to improve its market position against competitors and to strengthen our brand value by promoting highest-possible sustainability performance levels for palm-based raw materials and products beyond certification requirements.

Our internal market investigations show that our customers are increasingly interested in ethically sourced ingredients from nature, including palm-based materials. In addition to environmental aspects, social and cultural sustainability issues linked to smallholder farmers are becoming increasingly important.

Explanation of strategy to realize opportunity:

By systematically integrating the UNCTAD Biotrade Principles into our sourcing procedures and marketing activities, we have the chance to increase our brand value and market share with sustainability-focused key customers by creating even more sustainable palm oil, containing ingredients with positive impact for smallholder farmers in the countries of origin on the one hand, and with sustainable transparency for our customers on the other. Symrise has entered into dialogue with the RSPO Smallholder Program to investigate various modes of corporate engagement with the following objective:

1. Support livelihoods of smallholders and improve cultivation practices in the Asian oil palm sector
2. Transmit the positive impact created by Symrise to our sustainability-focused key customers and their brands.

Example of strategy in action:

By selling not only RSPO-certified ingredients but also offering a premium social sustainability transparency connected to smallholder farmers, our sales team already managed to convince 3 key customers to increase intended purchases from Symrise within 2 different product categories in our Scent & Care division. Compared to the previous reporting period and depending on the exact impacts & outcomes of our smallholder engagement, corresponding sales turnover with these 3 customers is expected to increase by 0.5-1 million € within the next 2-3 years.

Implementation stage of strategy:

The strategy described above has been successfully initiated and we are currently increasing our efforts to promote this opportunity towards further global and local customers.

Estimated timeframe for realization

1-3 years

Magnitude of potential impact

Medium-low

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

500,000

Potential financial impact figure – maximum (currency)

1,000,000

Explanation of financial impact figure

Our financial impact figure is based on customer commitments to increase their purchasing volume of Symrise ingredients over the next 2 years, provided that Symrise ensures that the impacts of the smallholder engagement activities be transferred and allocated to their products and positively communicated on product packages in an appealing way.

F4. Governance

F4.1

(F4.1) Is there board-level oversight of forests-related issues within your organization?

Yes

F4.1a

(F4.1a) Identify the position(s) of the individual(s) (do not include any names) on the board with responsibility for forests-related issues.

Position of individual	Please explain
Chief Executive	Final responsibility for forest-related issues is with the corporate board, taking into

Officer (CEO)	<p>consideration the high strategic relevance of risks and opportunities for our growth and sustainability. The CEO holds the overall responsibility and decides on investments related to forest aspects and the management strategy for substantive risks.</p> <p>Example: In 2020, the CEO and the CSO decided to join forces with major customers within globally leading multistakeholder dialogues guided by the WBCSD. As a founding member of the CEO-led One-Planet-Business&Biodiversity (OP2B) Initiative, Symrise and other globally leading companies made strong commitments towards Regenerative Agriculture and High Value Ecosystem Restoration, with special consideration of forests. With support from our CEO, Symrise also decided to become part of the WBCSD Nature Action Project in order to co-create corporate frameworks for Natural Capital Accounting (NCA).</p>
Chief Sustainability Officer (CSO)	<p>Responsibility related to forest issues: The Symrise Sustainability Board is the global cross divisional committee that helps consistently align our business model with sustainable management practices. Under the chairmanship of the Chief Sustainability Officer (CSO) who directly reports to the CEO, representatives from management come together within this framework multiple times per year to ensure that sustainability-relevant topics and the concerns of our important stakeholder groups are both considered along the entire value chain and anticipated in a way that supports business. Within the last 5 years, forest related sustainability topics have become more and more important to almost all major stakeholders, as our materiality analysis clearly indicates. Forest relevant topics discussed and decisions taken by the sustainability board range from RSPO certification or local and global forest & biodiversity regulations through to smallholder engagement in critical supply chains.</p>

F4.1b

(F4.1b) Provide further details on the board's oversight of forests-related issues.

	Frequency that forests-related issues are a scheduled agenda item	Governance mechanisms into which forests-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Overseeing acquisitions and divestiture Overseeing major capital expenditures	The Chief Executive Officer is informed on forest-related issues at least on a quarterly basis by the Chief Sustainability Officer, who leads the global environmental strategy and sustainability management system. Relevant governance mechanisms include forest-based raw material monitoring, the implementation and review of sourcing performance targets, forest related guidance with respect to annual budget plans,

	Providing employee incentives Reviewing and guiding annual budgets Reviewing and guiding business plans Reviewing and guiding corporate responsibility strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing innovation / R&D priorities Setting performance objectives	mergers, and acquisitions as well as forest related OPEX and CAPEX. Furthermore, forest related risk management and mitigation policies and strategies as well as corresponding forest-related performance objectives and goals are aligned between the CSO and the CEO. Sustainability issues including forest-related issues are always included when reviewing and guiding business plans, major plans of action and strategy. The CSO in turn receives regular updates on the above-mentioned issues from the Corporate Sustainability Team, which oversees and controls the global environmental risk assessment and management system. All the governance mechanisms described above contribute to the board's oversight of material forest related aspects by providing a substantive update on forest-related risks and opportunities, forest-based resource use and traceability practices at site level as well as with regards to existing and potential forest policies, regulations, and strategies for responsible forest stewardship.
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F4.2

(F4.2) Provide the highest management-level position(s) or committee(s) with responsibility for forests-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on forests-related issues	Please explain
Chief Sustainability Officer (CSO)	Both assessing and managing forests-related risks and opportunities	More frequently than quarterly	<p>Position: The CSO leads the sustainability board, is anchored directly under the CEO and reports regularly to the corporate board.</p> <p>Forest-related responsibilities: Our forest and palm oil policies are monitored and revised by the sustainability board and the CSO, who also governs our corporate sustainability goals, including a responsible management of forest ecosystems in our sourcing areas. In</p>

			<p>collaboration with our corporate risk management, the board & CSO provide guidance for risk assessments and develop precise action plans to improve our (forest) sustainability performance.</p> <p>Rationale for responsibility: The CSO combines the required professional expertise with the knowledge on all sustainability issues along the entire value chain. Being also responsible for the global and cross-divisional sustainability board, sustainability principles can be integrated effectively in our management and decision-making processes.</p> <p>Nature of report: After each meeting of the Sustainability Board the CSO reports on the current state and decisions to the CEO, either in written form or in an oral update. Upon request, the CSO also reports on forest related issues to the advisory board.</p> <p>Rationale for the reporting frequency: Reporting is done at least 4 times a year in order to keep the CEO up to date on all developments and achievements, so that he is fully able to determine and approve on decisions.</p>
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F4.3

(F4.3) Do you provide incentives to C-suite employees or board members for the management of forests-related issues?

	Provide incentives for management of forests-related issues	Comment
Row 1	Yes	

F4.3a

(F4.3a) What incentives are provided to C-Suite employees or board members for the management of forests-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive?	Performance indicator	Please explain

Monetary reward	Chief Sustainability Officer (CSO) Chief Purchasing Officer (CPO)	Achievement of commitments and targets Other, please specify CDP Forest Rating	<p>Details on indicators: Symrise committed itself to high sustainability targets and production standards. To support the achievement of these targets, an annual bonus is paid to relevant C-Suite Managers, depending on their engagement in promoting the environmental performance of our company. 10 % of the overall annual bonus for the Chief Sustainability and Purchasing Officers is related to the progressive approach or achievement of forest related targets.</p> <p>Threshold of success: The thresholds for obtaining the annual bonus currently are:</p> <ul style="list-style-type: none"> - 100 % Palm oil supply from sustainable RSPO sources by end of 2020 - CDP A-Score in the CDP Forest Program <p>Method for measurement & Linkage: The bonus is paid pro rata depending on the level of target achievement within the fiscal year:</p> <ul style="list-style-type: none"> - RSPO certification: If 100 % of our purchasing volume come from sustainable RSPO sources by end of 2020, the annual bonus share is paid in full. If 95 % come from sustainable sources, 80 % of the annual bonus are paid. In case of 90%, 50 % are paid. - CDP Forest Scoring: the full annual bonus share is paid for an A Score, 50 % of the bonus share for receiving an A Score.
Non-monetary reward	Chief Procurement Officer (CPO) Other C-suite Officer	Achievement of commitments and targets	<p>Besides the monetary reward, the success story of a colleague who either achieves a sustainability goal or brings it well on track, is honored in our employee magazine. Our Corporate Communication regularly highlights all sustainable impact success stories in our Intranet, leading to internal appreciation, increased personal reputation and assumingly to increased motivation.</p> <p>All engagement that leads to the implementation of key strategic targets is further presented in our annually corporate report, thus allowing public notice as well.</p>

F4.4

(F4.4) Did your organization include information about its response to forests-related risks in its most recent mainstream financial report?

No, but we plan to do so in the next two years

F4.5

(F4.5) Does your organization have a policy that includes forests-related issues?

Yes, we have a documented forests policy that is publicly available

F4.5a

(F4.5a) Select the options to describe the scope and content of your policy.

	Scope	Content	Please explain
Row 1	Company-wide	Commitment to eliminate conversion of natural ecosystems Commitment to eliminate deforestation Commitment to remediation, restoration and/or compensation of past harms Commitment to protect rights and livelihoods of local communities Commitments beyond regulatory compliance Commitment to transparency Commitment to stakeholder awareness and engagement Commitment to align with the SDGs Recognition of the overall importance of forests and other natural ecosystems Description of business dependency on forests Recognition of potential business impact on forests and other natural habitats Description of forest risk commodities, parts of the business, and	<p>How policy is reviewed:</p> <p>The policy is reviewed annually in the course of our standard management review procedures and updated once required (e.g. new criteria to be recognized). The policy is publicly available online and valid globally for all sites and value chains.</p> <p>Why the content is included:</p> <p>Our portfolio depends on a variety of forest based natural raw material which may negatively impact forest ecosystems in case of unsustainable cultivation practices. Therefore, we introduced an extensive Forest Policy with commitments, which present our awareness of business dependency on forests and forest-related raw materials and the potential impacts our business may have on natural ecosystems. We therefore decided to confirm targets that even go beyond regulatory compliance.</p> <p>What is included and why:</p> <p>As responsible company, Symrise committed to ensure zero deforestation within all supply chains as well as ethical sourcing of all natural raw materials. Symrise engages with clients, suppliers and key stakeholders to increase awareness on forest issues and ensure, that forest based natural raw materials comply with legal and ethical sustainability requirements.</p> <p>Our Forest policy requires the strict avoidance of deforestation & forest degradation along the whole value chain, including no conversion, no clear-cutting or any kind of over-exploitation of pristine forest ecosystems like Key Biodiversity Areas (KBA), High Conservation Value (HCV) areas, High Carbon Stock (HCS) forests and peatlands.</p> <p>Furthermore, we commit to adhere to the UN International Labor Principles and to respect the rights and traditional knowledge of local and indigenous communities through ensuring free prior informed consent for relevant business</p>

	<p>stages of value-chain covered by the policy</p> <p>List of timebound milestones and targets</p> <p>Description of forests-related standards for procurement</p>	<p>activities as part of our corporate commitments on the protection of human rights and also as part of our RSPO management system into which we have integrated the RSPO shared responsibility principles.</p> <p>Due to the high importance of deforestation risks, not exclusions exist.</p> <p>How this policy informs decision making: Whenever business decisions are to be taken, the CSO & Sustainability Board check whether the decision in question impacts the pledges made in our Forest Policy. Since these commitments are to be met as a principle, any decision which may contradict them will be stopped through a veto to be made by the CEO/CSO/Sustainability Board.</p>
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F4.5b

(F4.5b) Do you have commodity specific sustainability policy(ies)? If yes, select the options that best describe their scope and content.

	Do you have a commodity specific sustainability policy?	Scope	Content	Please explain
Palm oil	Yes	Company-wide	<p>Commitment to eliminate conversion of natural ecosystems</p> <p>Commitment to eliminate deforestation</p> <p>Commitment to remediation, restoration and/or compensation of past harms</p> <p>Commitment to protect rights and livelihoods of local communities</p> <p>Commitments beyond regulatory compliance</p> <p>Commitment to</p>	<p>Reviews/updates: Our palm oil policy is publicly available and reviewed 1x/year in the course of our standard management review procedures and updated on demand (e.g. new criteria to be recognized). What is included: Symrise purchases Palm Oil and derivatives as ingredients for flavors and fragrances. A suitable way to trace our supply chain back to the origins of PO and derivatives is the RSPO Certification Scheme. Thus, Symrise introduced specific certification goals including PO/derivatives. We must in no way induce deforestation or the conversion of natural ecosystems. We comply with all national legislation and as member of the Union for Ethical Bioproducts and acknowledge local rights and promote biodiversity. There is a comprehensive conception of</p>

		<p>transparency</p> <p>Commitment to stakeholder awareness and engagement</p> <p>Commitment to align with the SDGs</p> <p>Recognition of the overall importance of forests and other natural ecosystems</p> <p>Description of business dependency on forests</p> <p>Recognition of potential business impact on forests and other natural ecosystems</p> <p>Description of forest risk commodities, parts of the business, and stages of value-chain covered by the policy</p> <p>List of timebound commitments and targets</p>	<p>vulnerable ecosystems to avoid sourcing Palm Oil without certification from, e.g. the Megadiverse Biodiversity Hotspot of Indonesia. Symrise further promotes and complies with the SDGs associating to forest commodities.</p> <p>Our commitment to promote the UN International Labor Principles along our value chains includes systematic supplier assessments for labor and human rights according to SEDEX & SMETA criteria. The Policy applies company wide and does not make any exclusions.</p> <p>Why content is included:</p> <p>In recent years, the rising global demand for Palm Oil and derivatives has induced deforestation when primary forests were cut or burnt for the cultivation of oil palms. Acknowledging its responsibility in this context Symrise introduced an extensive Palm Oil Policy which is connected to our forest policy. The commitments demonstrate our awareness of business dependency on forests and forest-related raw materials and the potential impact our business may have on natural ecosystems. Because of the relevance of the subject, we decided to confirm targets that even go beyond regulatory compliance.</p> <p>How policy informs internal decision making:</p> <p>The commitments encountered in our Palm Oil Policy have to be met as precondition of each decision-making process that relates to PO/Derivatives or the products and ingredients derived from. According to our Governance Structure, the highest authority to decide whether business decisions are in line with our Policy is the CSO together with the Sustainability Board.</p>
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F4.6

(F4.6) Has your organization made a public commitment to reduce or remove deforestation and/or forest degradation from its direct operations and/or supply chain?

Yes

F4.6a

(F4.6a) Has your organization endorsed any of the following initiatives as part of its public commitment to reduce or remove deforestation and/or forest degradation?

Other, please specify

Global partnership for business & biodiversity of the UN CBD; RSPO; FSC; One Planet Business for Biodiversity; Consumer Goods Forum

F4.6b

(F4.6b) Provide details on your public commitment(s), including the description of specific criteria, coverage, and actions.

Forest risk commodity

Palm oil

Criteria

No conversion of natural ecosystems
Zero gross deforestation/ no deforestation
Zero net deforestation
No new development on peat regardless of depth
Best management practices for existing cultivation on peat
Restoration and compensation to address past deforestation and conversion
Avoidance of negative impacts on threatened and protected species and habitats
No land clearance by burning or clearcutting
No conversion of High Conservation Value areas
No conversion of High Carbon Stock forests
Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities
Adoption of the UN International Labour Organization principles
No sourcing of illegally produced and/or traded forest risk commodities
No sourcing of forest risk commodities from unknown/controversial sources
Restricting the sourcing and/or trade of forest risk commodities to credible certified sources
Recognition of legal and customary land tenure rights

Operational coverage

Direct operations and supply chain

% of total production/ consumption covered by commitment

100%

Cutoff date

2005

Commitment target date

2026-2030

Please explain

We further strengthened biodiversity and ecosystem services and committed to the UN Convention on Biological Diversity (CBD). As member of the RSPO and Global Partnership for Business&Biodiversity, Symrise published a Zero-Deforestation-Goal and implemented a Nagoya Protocol policy. All of these frameworks are especially important when it comes to the utilization of bio-based resources, e.g. derivatives of Palm Oil, Palm Kernel Oil and its production under the aspects of Prior Informed Consent (PIC) Benefit Sharing. Along with these initiatives, several specific commitments were made:

Actions taken last year:

1. No Conversion of Natural Ecosystems

In 2020, Symrise further analyzed its suppliers with an updated Sustainability Questionnaire, focusing on their biodiversity management, the traceability of natural raw materials, documentation of sourcing methods, updating the conservation status of ecosystems and assessing potential biodiversity risks. These parameters enter into our Risk-and-Opportunity Matrix which we use to assess the sustainability status of our natural materials and the habitats they grow in. To promote sustainable decision making, Symrise in 2020 has established a cross-divisional Responsible Sourcing Committee located at our HQ in Germany, which serves as interface between our sustainability board, the purchasing departments and the corporate risk management. Within this committee, forest sustainability issues, esp our palm oil supply from Southeast Asia, plays a major role on the agenda.

2. Zero Gross Deforestation/No Net Deforestation

In 2020, Symrise has further engaged within various multistakeholder initiatives on forests, including the One Planet Business for Biodiversity Initiative in order to tackle deforestation and to promote zero deforestation and ecosystem conservation across all relevant supply chains. Zero deforestation commitments have been developed by Symrise in the course of 2020 and aligned with the OP2B scientific committee to ensure robustness and reliability. These commitments together with 2030 targets will be made publicly available in the course of 2021 in parallel to the Conference of the Parties to the Un Biodiversity Convention, and focus on High Value Ecosystems and forests within global biodiversity hotspots, e.g. in Latin America, southern Africa and of course also South East Asia.

3. Integration of the FPIC Principle

To align with this commitment and the goals of the Nagoya Protocol, we have

strengthened our efforts in 2020 to analyse our suppliers from Brazil, India and South Africa, as well as our raw materials and R&D projects regarding the FPIC. The Nagoya Protocol includes the FPIC for all natural resources that originate from countries that ratified the Nagoya Protocol. Symrise made FPIC a mandatory due diligence criterion which has been integrated into our internal procedures (e.g. for R&D and purchasing) and due diligence systems.

4. Restoration and compensation to address past deforestation / conversion

Actions taken last year:

In 2020, Symrise increased its investments in various offsetting projects, including REDD+, in order to compensate for GHG emissions while promoting positive forest biodiversity impact at the same time. The certificates we purchased in 2020 promote investments into a high conservation value forest in Brazil with high biodiversity richness which is home to e.g. 54 threatened plant species. The relating climate impact resembles 5300 t of avoided CO₂ emissions and has been officially verified.

F5. Business strategy

F5.1

(F5.1) Are forests-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are forests-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, forests-related issues are integrated	11-15	<p>Description how forests-related issues are integrated: In recent years, the global demand for natural raw materials has induced an over-exploitation of natural ecosystems, endangered species, and biological habitats. Symrise is highly dependent on natural raw materials for the manufacturing of flavors and fragrances and has thus a high interest in long-term and sustainable ecosystem conservation.</p> <p>Meeting its responsibility, Symrise took efforts to include more forest-related issues in the business objectives. In 2019, Symrise became one of 19 founding members of the “One Planet Business for Biodiversity” (OP2B) initiative, introduced at the UN Climate Conference in New York. This initiative aims at achieving the UN Convention on Biological Diversity (CBD) 2050 vision (“mankind living in harmony with nature”). In 2020, the members of the initiative were asked to formulate corporate goals which correspond to and support the UN CBD’s objectives and its strategic plan. For Symrise this</p>

			<p>means to become “nature positive” by 2030 and to support the full regeneration of nature by 2050, as envisaged by the CBD & OP2B targets.</p> <p>Example: Aligning with the goals of the UN CBD and OP2B, Symrise implemented three new forest-related long-term business objectives. These goals support the already existing ones (e.g, Zero-Deforestation), and include considerations inside our company as well as along the whole value chain of our company (e.g., development of policy asks & proposals). Aiming at achieving these goals results in a simultaneous reduction of all different kinds of forest-related risks. These newly introduced forest-related goals are:</p> <ol style="list-style-type: none"> 1. Scaling up regenerative agricultural practices to protect soil health 2. Developing product portfolios to boost cultivated biodiversity and increase the resilience of food and agricultural models 3. Eliminating deforestation, enhancing the management, restoration and protection of high value natural ecosystems. <p>Following these three long-term objectives will contribute to a protection and restoration of the world’s most biodiversity-rich and fragile ecosystems, including grasslands, wetlands and forests.</p> <p>Further ambitious, measurable and time-bound commitments as well as policy proposal will be announced during the next World Conservation Conference as well as at the Conference of the Parties of the CBD, taking place 2021 in China.</p>
Strategy for long-term objectives	Yes, forests-related issues are integrated	11-15	<p>Description how forest issues are integrated: The objectives of Zero-Deforestation, Preservation of Biodiversity and being “nature-positive” in the long-run can only be achieved, if the portfolio of raw-materials and resources, incl. forest-based resources, is analyzed and strategically reviewed on long term resilience & sustainability. Our business strategy needs to be adapted according to the availability of raw-materials and the long-term environmental impact the sourcing of these materials might have.</p> <p>Based on the strategic review, we can adapt our processes by e.g. substituting ingredients; increase certification or even increase the use of resources that have a positive impact on the environment.</p>

			<p>In 2020, a dedicated sustainability & risk team received the internal target to review by 2025 latest our entire raw material portfolio for long-term environmental impacts and risks. The time horizon for the portfolio assessment is from 2025 to 2030 as first milestone and up to 2050 in total.</p> <p>An in-depth review is conducted by analyzing different long-term scenarios (horizons 2030-2050) to assess the impact of climate change, changing water patterns, and deforestation on our natural and forest-based raw materials. The objective is to identify long-term operational risks and tipping points for raw material availability to deviate adaptation strategies with regards to raw material diversity and supplier base.</p> <p>Example: In 2020, we have identified a set of natural materials where supply is expected to decrease within the next 10-15 years because of increasing environmental pressures, such as rising temperatures or water scarcity. Through extrapolation we identified a condensed subset of materials with a significant likelihood of supply chain disruption after 2030. On this basis, we identified a portfolio of synthetic substances, serving as a substitute for their risk-related natural counterparts. As conclusion, we decided to strengthen these synthetic substances within our portfolio despite a decreasing customer demand for synthetic materials. Hitherto, our business strategy did foresee a stronger development from synthetic to natural ingredients. The strategy has been reviewed and partially adapted as the synthetic ingredients will remain part of our production processes as long as we cannot guarantee the availability of the natural materials in the long run.</p>
Financial planning	Yes, forests-related issues are integrated	11-15	<p>Description how forests-related issues are integrated: Whenever environmentally sustainable, Symrise increases its efforts to transform from a mainly "chemical" towards a "bio-based" company. This process requires significant financial investment at all scales, including mergers and acquisitions to extend the natural raw material base within our portfolio. This may relate to significant investments of multiple million EUR with long-term ROI indicated.</p> <p>Further, we raise our financial expenses for forest specific initiatives, smallholder engagement, reforestation projects and activities to support our forest-based raw</p>

			<p>material suppliers. Though there is no dedicated budget for forest issues, Symrise annually increases the investments in environmental welfare and forest protection.</p> <p>Example: CST is a forest-based material that occurs as waste product during the pulp and paper production. Symrise developed an innovative process that uses the CST for the manufacturing of flavors and fragrances and improves the Life Cycle Assessment and environmental impact of these products by using a waste product as ingredient. Therefore, we decided to take over the largest US based CST supplier. This Mergers & Acquisition activity had to be analyzed and assessed regarding operational, financial as well as reputational risks and potential impacts on the Return Of Investments (ROI). For this multi-million Euro acquisition, long-term timeframes up to 2040 were applied as financial planning horizon. The same approach was applied in 2020 when we acquired a European Fragrance manufacturer with a very diverse and unique natural raw materials portfolio.</p>
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F6. Implementation

F6.1

(F6.1) Did you have any timebound and quantifiable targets for increasing sustainable production and/or consumption of your disclosed commodity(ies) that were active during the reporting year?

Yes

F6.1a

(F6.1a) Provide details of your timebound and quantifiable target(s) for increasing sustainable production and/or consumption of the disclosed commodity(ies), and progress made.

Target reference number

Target 1

Forest risk commodity

Palm oil

Type of target

Third-party certification

Description of target

According to our Palm Oil policy, Symrise has committed to purchase all our palm oil and palm-based products from sustainable (certified) sources.

Linked commitment

Zero net/gross deforestation

Traceability point

Third-party certification scheme

RSPO Identity Preserved
RSPO Segregated
RSPO Mass Balance

Start year

2015

Target year

2020

Quantitative metric

Target (number)

Target (%)

100

% of target achieved

100

Please explain

Why the target has been chosen:

Symrise declared an overall Zero-Deforestation goal to ensure that the company in all its operations and supply chain does in no case contribute to the reduction of forest ecosystems. One intermediary milestone is the target to maintain 100% sustainable palm-related supply from certified sources. The RSPO third-party certification at our levels guarantees the sustainable cultivation of oil palm plantations, the prohibition of illegal harvesting and provides detailed traceability.

How we met & maintain this target:

The supply chains for palm oil are extremely long and complex. Thus, we are applying a step-by-step approach to ensure a longstanding and deep-rooted introduction and safeguarding of RSPO certification for all our palm oil supplies. The process contains the sustainability assessment of all our suppliers as well as the indirect suppliers by our

annual assessment questionnaire (1). We are striving for long-term agreements with our suppliers, so we first enter a dialogue to show our interest in sustainability certification (2) and animate our suppliers for change (3). Therefore, our purchasing department engages with palm oil suppliers to promote RSPO certified supply chains. This includes financial incentives for certified suppliers by paying higher raw material prices. Further, we promote the RSPO COC certification for all our production sites (4). Our selection of suppliers is always integrated into the CDP Forest supply chain program to report on progress, issues, and risks (5). Information is given to product developers to only use RSPO certified materials, including the conduction of a feasibility check for PO free ingredient as potential alternatives/substitutes.

Symrise has also established new responsibilities for Palm Oil Supply Chain certification. This management position is represented in our Global Process Management department and is tasked in the coming years to solely focus on the purchasing and manufacturing of sustainable Palm Oil and to guide and advise on sustainability strategies within all relevant business units. An important focus will be on the preservation of the overall certification status as well as on the improvement of certification standard to Segregated/ IP

Thanks to these efforts we have achieved our target of 100% sustainable palm oil supply in 2020 (see Corporate Report, p. 35).

Target reference number

Target 2

Forest risk commodity

Palm oil

Type of target

Engagement with smallholders

Description of target

The smallholders who cultivate oil palms are the first actor of each supply chain. To promote our Zero Deforestation Goal, Symrise must increase its efforts to directly interact with these plantation smallholders who own and manage the plantations where Symrise's raw materials originate from. By bilateral dialogues, we make sure to achieve our zero-deforestation objective and ensure that no palm oil comes from plantations, derived from former rain forests. We can further better support our smallholders by e.g. offering price-premiums/ on-site training/ investments in pilot projects if they actively contribute to our long-term Zero Deforestation Goal and Palm Oil Policy Commitments. Until 2030 we want to achieve a direct collaboration with and positive impact for at least 100 palm oil growing smallholders.

Linked commitment

Zero net/gross deforestation

Traceability point

Third-party certification scheme

Start year

2018

Target year

2030

Quantitative metric

Target (number)

100

Target (%)

% of target achieved

25

Please explain

Why the target has been chosen for the company:

Symrise declared an overall Zero-Deforestation goal to ensure that the company in all its operations does in no case contribute to deforestation or degradation of forest ecosystems. Even though we have already introduced and are working on our overall RSPO certification, we need to take our responsibility seriously. Therefore, we want to increase our smallholder engagement and hence establish smallholder corporations which support our Zero Deforestation Commitment side by side with the RSPO certification. We have chosen the intermediate target of 25% of smallholders, due to the fact, that traceability back to plantation is extremely complicated in case of derivatives of PO and PKO. Thus, 25 % is so far an achievable number of smallholders and as soon as we have engaged with that many farmers, we can further increase our efforts and strive for a higher percentage.

How we are planning to meet this target:

In recent years, Symrise has successfully established several projects with smallholders all over the world and for all kinds of commodities. The projects implemented all focus on improving the value creation for the local farmers, increasing the sustainability of managed plantations and contributing to the conservation of ecosystems. In the coming years, we will use the experiences from these different projects and structured project schedules in order to plan and implement more engagements with oil palm smallholders. Especially for these palm oil projects, we will focus on the commitments of our Zero Deforestation Goal and Palm Oil Policy and can even go beyond the mandatory principles of the RSPO certification. In 2020, we also entered discussions with the RSPO-smallholder initiative to investigate different forms of collaboration (from buying credits through to direct supply chain interventions) in order to establish the projects required to create positive impacts on the ground. Our discussions with RSPO smallholder initiative are still ongoing in 2021. In addition to providing (financial) support

to palm oil growing smallholders in SE-Asia, we are investigating options to implement oil palm cultivation in other supply chains where we are directly connected to smallholder farmers to diversify our supply base.

Target reference number

Target 3

Forest risk commodity

Palm oil

Type of target

Assess and/or verify compliance

Description of target

We introduced the target to regularly assess our own compliance with RSPO requirements (along with our RSPO certification target) as well as our compliance with our Zero Deforestation Commitment and national regulations.

Linked commitment

Zero net/gross deforestation

Traceability point

Third-party certification scheme

Start year

2015

Target year

2020

Quantitative metric

Target (number)

Target (%)

100

% of target achieved

100

Please explain

Why the target has been chosen for the company:
Symrise committed to various targets within its Forest Policy, Palm Oil Policy and its internal business objectives. To achieve those targets, we must regularly reflect on our

own strategies, measures and progress towards our own Zero-Deforestation Goal. This is done by verifying and assessing our own compliance with these self-imposed targets, including our compliance with RSPO certification requirements and all national regulations. Furthermore, we communicate our targets to all clients and stakeholders. That makes it even more important to be transparent on our targets and their verification strategies. Thus, a regular re-iterative assessment became a target on its own.

How we are planning to meet this target:

Symrise has an extensive Enterprise Management System which collects all information regarding:

- Supplier compliance with requirements set by legislation, certification schemes or Symrise itself (due to the sustainability questionnaire)
 - Status-quo of certification of raw materials (incl. Palm Oil)
 - Results of the potential risks assessment on deforestation, water scarcity or ethical sourcing
 - Monitoring of resource traceability, emerging regulation and stakeholder requirements.
- Based on this information, our Sustainability Approval Team regularly assesses the performance of Symrise according to the RSPO certification requirements, our overall Zero-Deforestation commitment and the achievement of our sustainability business objectives.

F6.2

(F6.2) Do you have traceability system(s) in place to track and monitor the origin of your disclosed commodity(ies)?

	Do you have system(s) in place?	Description of traceability system	Exclusions	Description of exclusion
Palm oil	Yes	<p>Methods used to trace back Palm Oil:</p> <p>Certification schemes for natural resources offer an comprehensive traceability concept to define a link between producer of sustainable products and end users of products. Symrise therefore relies on the RSPO certification scheme and its traceability systems. This system allows tracing back palm oil and derivatives to the mill under the supply chain models "Identity Preserved", "Segregated" and "Mass Balance".</p> <p>Our internal company traceability system integrates our global trade activities into our Enterprise IT. We use a supplier web-interface to identify not only the country of cultivation but go even further by requesting our suppliers to disclose subnational provenance data at regional and –where possible – local level with updated GPS data. This allows us</p>	Not applicable	

		<p>to trace our materials back to the source. Therefore, we request our suppliers to provide us GPS-data about the mill locations where their palm oil supply is processed and to allocate our raw material purchases to these mills. With the help of this system, we succeed in better managing our global trade activities, ensuring ongoing trade compliance, and optimizing our cross-border supply chain. It furthermore includes a risk management process regarding resource supply, which supports us to be always in compliance with the constantly changing international legal regulations that are further encompassed in the principles of the RSPO traceability scheme. Symrise sources Palm Oil only from countries that support the RSPO traceability scheme and have furthermore a national legislation on the cultivation of palm oil in force (e.g. MSPO, ISPO).</p> <p>Example: Symrise already achieved a 100% Palm Oil Mass balance certification and has therefore a good overview of the mills since then. Today, we are indirectly connected through our suppliers with mills in Indonesia, Malaysia and Thailand and strongly engaged in getting a “real-time overview” of raw material flows from the mills to Symrise. Together with the RSPO certification, this enables us to monitor legality, environmental & social responsibilities, and business practices. This has bound the entire supply chain to become committed to transparency and an ethical conduct in business operations and transactions.</p>		
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F6.2a

(F6.2a) Provide details on the level of traceability your organization has for its disclosed commodity(ies).

Forest risk commodity	Point to which commodity is traceable	% of total production/consumption volume traceable
Palm oil	Mill	100

F6.3

(F6.3) Have you adopted any third-party certification scheme(s) for your disclosed commodity(ies)?

	Third-party certification scheme adopted?	% of total production and/or consumption volume certified
Palm oil	Yes	100

F6.3a

(F6.3a) Provide a detailed breakdown of the volume and percentage of your production and/or consumption by certification scheme.

Forest risk commodity

Palm oil

Third-party certification scheme

RSPO Mass Balance

Chain-of-custody model used

% of total production/consumption volume certified

100

Form of commodity

Refined palm oil

Palm oil derivatives

Palm kernel oil derivatives

Volume of production/ consumption certified

4,447

Metric for volume

Metric tons

Is this certified by more than one scheme?

No

Please explain

We purchase 100% of our palm-based supply from sustainable, certified sources (100% from Mass Balance, < 5% Identity preserved), in accordance with our Palm Oil Policy (see Corporate Report 2020, p. 35).

Action taken in the last year to maintain third-party certification:

Symrise has established new responsibilities for Palm Oil supply chain certification. This management position is represented in our Global Process Management department and is tasked in the coming years to solely focus on ensuring sustainable purchasing and manufacturing of oil palm-based products and to guide and advise on sustainability strategies - including RSPO certification - within all relevant business units. In 2020, our

Global Process Management department, responsible for maintaining and improving our integrated management system, reviewed and updated standard operating procedures and conducted internal audits at relevant sites to maintain our Chain of Custody RSPO certification. At the same time, our purchasing departments were advised to only purchase PO from certified sources and trusted suppliers, who had been systematically informed in previous years on our company targets and expectations towards 100% sustainable PO supply (info exchange has also been achieved through intensified engagement in CDP supply chain program). We also identified further PO suppliers to avoid single sourcing for 3 strategically relevant PO based raw materials in order to increase supply chain resilience. Finally, a project was initiated to increase traceability and supply chain transparency by requesting from our suppliers a detailed geographic overview of GPS data of the mills from which our oil palm-based materials originate; so these now allow us to improve granularity of our forest risk assessment procedures in order to guide purchasing decisions.

According to our foreseeing supplier management, we feel confident of being able to maintain the third-party certification system status and to diversify our supplier base in the long run.

F6.4

(F6.4) For your disclosed commodity(ies), do you have a system to control, monitor, or verify compliance with no conversion and/or no deforestation commitments?

A system to control, monitor or verify compliance	
Palm oil	Yes, we have a system in place for our no conversion and/or deforestation commitments

F6.4a

(F6.4a) Provide details on the system, the approaches used to monitor compliance, the quantitative progress, and the non-compliance protocols, to implement your no conversion and/or deforestation commitment(s).

Forest risk commodity

Palm oil

Operational coverage

Supply chain

Description of control systems

The Control System consists of various components:

1. Implementation of the RSPO Certification Scheme (= First-party verification). It provides traceability back to the mill and all suppliers are committed to fulfil RSPO principles as well as national regulations.
2. Our risk management procedures enable Symrise to constantly monitor its suppliers and collect information on compliance to national regulations as well as Guidelines on third-party standards & certifications.

3. Our supplier monitoring and assessment questionnaire is annually sent to our suppliers. The responses on legal compliance are integrated into the EIS and further processed in our supplier assessment.

We use geospatial monitoring tools from reliable sources (e.g. the GFW Tool) to put traceability data from suppliers into its geo-ecological context. We therefore use ground-based monitoring to assess risk exposure on various risk drivers in different sustainability dimensions, including deforestation and biodiversity.

Monitoring and verification approach

Geospatial monitoring tool
 Ground-based monitoring system
 First-party verification

% of total volume in compliance

100%

% of total suppliers in compliance

91-99%

Response to supplier non-compliance

Retain & engage
 Exclude

Procedures to address and resolve non-compliance with suppliers

Developing time-bound targets and milestones to bring suppliers back into compliance
 Providing information on appropriate actions that can be taken to address non-compliance
 Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics
 Re-integrating suppliers back into supply chain based on the successful and verifiable completion of activities

Please explain

At least 2-3 times every quarter when new raw material is contracted, an internal Expert-Group (Sustainability Approval Group), first checks the supplier's questionnaire answers on compliance to legal requirements and our sustainability expectations. Only if the supplier complies with laws and commitments, the Group gives approval to purchase its materials.

For all existing suppliers, the Group annually wraps up a global evaluation of all newly received Sustainability Questionnaires. When issues arise, our non-compliance protocol triggers actions depending on the severity of non-compliance. In case of high forest risk, our first step is to stop the supplier, enter an open dialogue on the deviations and required corrective actions. By providing information and necessary steps of actions, we engage with our supplier until compliance is given. We also offer technical and financial support. In case the supplier is not willing or able to solve issues within a given timeframe, our second step is to exclude the supplier from our portfolio.

If there is a case when a supplier commits a severe infringement of our values, an escalation procedure is triggered, usually directly leading to an exclusion of the supplier without the chance of resolving the issues later. Such severe infringement includes all

kinds of illegal/criminal activities such as child labor or illegal forest clearing and other activities with severe detrimental impacts on humans and/or ecosystems/biodiversity.

F6.6

(F6.6) For your disclosed commodity(ies), indicate if you assess your own compliance and/or the compliance of your suppliers with forest regulations and/or mandatory standards.

Assess legal compliance with forest regulations	
Palm oil	Yes, from suppliers

F6.6a

(F6.6a) For you disclosed commodity(ies), indicate how you ensure legal compliance with forest regulations and/or mandatory standards.

Palm oil

Procedure to ensure legal compliance

Procedure incl. Tools and Methods:

Symrise's procedure to ensure legal compliance with individual national regulations goes along with our Corporate Code of Conduct as well as with our Zero-Deforestation strategy. We set time-bound targets, are in constant dialogue with suppliers and implement approaches to avoid non-compliance with international conventions and local laws on nature protection and forest preservation.

The compliance-process includes several steps:

- 1) All relevant (inter-) national regulations are monitored within our internal compliance management and Risk Identification & Assessment Process (Current & Emerging Regulation Risk).
- 2) The compliance of suppliers with laws and regulation is monitored as part of our supplier assessment procedure.
- 3) The resulting information is evaluated and assessed by our Sustainability Approval Group.
- 4) Whenever new regulations emerge our suppliers are informed, and the supplier assessment framework is adapted accordingly.

We have tools and methods (e.g. Supplier Questionnaires, EMS and RSPO certification) in place to maintain the certification status as well as compliance with applicable local law in our sourcing countries. Our Global Process Management department has updated and implemented standard operating procedures and conducts regular audits to ensure compliance with all voluntary standards and legal provisions.

Why our procedures in place are sufficient:

The RSPO certification in combination with our internal supplier assessments is a sufficient tool to ensure legal compliance because of the extensive principles, both tools rely on. The RSPO as well as the ISPO/MSPO cover a set of general themes such as

legality, environmental & social responsibilities, and business practices. The ISPO/MSPO have far fewer criteria than the RSPO, which requires companies to go beyond national regulations. The greatest differences are the inclusion of directives for business practices and plantation management, the requirement of a commitment to transparency and an ethical conduct in business operations and transactions. RSPO is also far more transparent in its standard development and auditing results than ISPO and MSPO. Thus, we consider the RSPO certification – in conjunction with regulatory monitoring and supplier assessment & audits - as sufficient standard for ensuring legal compliance of our supply chain.

Country/Area of origin

Indonesia

Malaysia

Thailand

Law and/or mandatory standard(s)

ISPO

MSPO

Comment

F6.7

(F6.7) Are you working with smallholders to support good agricultural practices and reduce deforestation and/or conversion of natural ecosystems?

	Are you working with smallholders?	Type of smallholder engagement approach	Smallholder engagement approach	Number of smallholders engaged	Please explain
Palm oil	Yes, working with smallholders	Capacity building	Offering on-site technical assistance and extension services Organizing capacity building events Prioritizing support for smallholders in high-risk deforestation regions	69	Main strategy of engagement: In addition to our supply chain risk and sustainability assessments, we identify strategic supply chains where intervention projects can be implemented to achieve our corporate commitments towards zero deforestation. Example of smallholder engagement activities completed in last year: On Sulawesi, Indonesia, together with one of our key

				<p>strategic patchouli suppliers, we have progressed with an intervention project in a high risk deforestation region aiming at avoiding deforestation by providing capacity building to smallholder communities. The main strategy of engagement consists of trainings in good cultivation techniques to maintain & improve soil health and productivity as well as income diversification. We consider this strategic approach as key to stop slash-and-burn practices for farm extension into native forests, which is still common practice on Sulawesi.</p> <p>In order to provide opportunities for income diversification to these smallholder communities, we started checking the feasibility of setting up agroforests as a means to increase climate resilience of the cultivation system by planting shadow trees (including oil palms) to improve the local microclimate on the one hand, while diversifying our palm oil supply on the other.</p> <p>In addition to the technical assistance provided in our pilot lighthouse project, we are committed to long term relationships & engagement and also committed to paying fair prices, which are</p>
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					<p>intended to secure living incomes of smallholder communities, so that they do not need to expand farm areas into native forests. In 2020 Symrise in addition entered an ongoing dialogue with the RSPO Smallholder Program to investigate various modes of direct corporate smallholder engagement with the following objectives:</p> <ol style="list-style-type: none"> 1. Support livelihoods of smallholders and improve cultivation practices in the Asian oil palm sector 2. Transfer the positive impact created by Symrise to our sustainability-focused key customers and their brands.
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F6.8

(F6.8) Are you working with your direct suppliers to support and improve their capacity to comply with your forests-related policies, commitments, and other requirements?

	Are you working with direct suppliers?	Type of direct supplier engagement approach	Direct supplier engagement approach	% of suppliers engaged	Please explain
Palm oil	Yes, working with direct suppliers	Supply chain mapping Capacity building Financial and commercial incentives	Organizing capacity building events Paying higher prices linked to best agricultural practices	81-90%	Engagement strategy : In addition to our supply chain mapping activities, we also engage with 25 direct suppliers (responsible for major volumes of our palm oil supply) in multi-stakeholder initiatives or through providing capacity building events to establish deforestation-free supply chains. To improve the capacity of our strategic suppliers of forest related natural raw materials, we have conducted in



				<p>2020 regular capacity building events in the course of the CDP SC program.</p> <p>The activities completed in the last reporting year include multiple webinars as well as follow-up calls and meetings to (1) explain to our suppliers the importance of intact forests for sustainable development, (2) enable them to analyze, assess, monitor and report their forest-related impacts to our company and the general public, (3) raise awareness and capacity to avoid negative impacts and to increase positive impacts on forests (e.g. through risk assessment, raw material certification or voluntary offsetting projects). In addition, we ask strategic suppliers to support and engage within multi-stakeholder initiatives on sustainable forest management (including FSC & RSPO) and to provide proposals for common supply chain projects focusing on forest issues in the last reporting year.</p> <p>Example of activities last year: We increased our engagement with suppliers by requesting them to take part in the CDP forest program. We aided with answering the questionnaire and the disclosing of the data. In the end of 2020, >67% of our strategic suppliers had implemented their own forest risk assessment procedures and set forest-related sustainability targets to address deforestation and forest degradation.</p> <p>To further strengthen supplier engagement and improve the forest footprint of our value chain,</p>
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					we are also offering financial incentives for those suppliers able to provide Symrise with certified sustainable natural raw materials (including palm oil) by paying higher prices for those sustainable materials, linked to best cultivation practices which are externally verified by competent 3rd party certification bodies. Our overall ambition is to increasingly move to Segregated or IP materials, which we intend to reward accordingly – in financial terms as well as through granting preferred supplier status for the expected sustainability performance according to our forest policies&targets.
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F6.9

(F6.9) Are you working beyond your first-tier supplier(s) to manage and mitigate deforestation risks?

	Are you working beyond first tier?	Type of engagement approach with indirect suppliers	Indirect supplier engagement approach	Please explain
Palm oil	Yes, working beyond first tier	Supply chain mapping Capacity building	Supplier questionnaires on environmental and social indicators Supplier audits Investing in pilot projects	<p>Main strategy of engagement: In addition to (i) our holistic supplier analysis, assessment & engagement procedures and (ii) RSPO certification of palm-based materials – as described in the answers to questions above – our main strategic tool to ensure that our zero-deforestation commitments are cascaded down the value chain is the CDP Supply chain C program.</p> <p>For this reason, in 2020 we sent again our supplier questionnaire to all our strategic suppliers of oil palm-based materials to</p> <ul style="list-style-type: none"> -engage in the CDP SC program; -speed up with the implementation of their own corporate forest policies, risk assessment procedures & mitigation

			<p>strategies; and -to disclose their performance data. As almost all of these suppliers are not directly connected to oil palm plantations, we request them to also engage with their suppliers to enforce our zero deforestation targets and commitments. Thanks to our efforts, meanwhile 2/3 of our suppliers have implemented their own forest policies and set their own zero-deforestation targets, meaning that our sustainability requirements regarding responsible forest management are cascaded further down the value chain beyond our 1st tier suppliers.</p> <p>Example: In Indonesia, we have set up a supply chain intervention program with a strategic supplier as a pilot project where we provide training and capacity building to promote good cultivation techniques in order to simultaneously increase farmer income and promote soil health to keep cultivation areas productive. We consider this pilot project approach as effective to avoid slash & burn practices and farm area extension. As a result, any further deforestation by smallholder farmers can be avoided and that the land use change helps to build sustainable value creation. Our efforts will be verified in 2021 by the Union for Ethical Biobased Trade, which we contracted in 2020 for an on-site audit on ethical biobased principles and criteria (incl. sustainable forest management). Of course, this audit will take into account the entire supply chain, so that smallholder farmers will be visited and assessed as well – besides biodiversity and forest management, we requested to put special emphasis on human rights issues.</p>
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F6.10

(F6.10) Do you participate in external activities and/or initiatives to promote the implementation of your forests-related policies and commitments?

Forest risk commodity

Palm oil

Do you participate in activities/initiatives?

Yes

Activities

Involved in multi-partnership or stakeholder initiatives

Initiatives

Roundtable on Sustainable Palm Oil (RSPO)

Jurisdictional approaches

Please explain

Symrise's role within the activity provided:

Symrise became member of the RSPO to promote the RSPO certifications in our value chains for CPO, PKO and respective derivatives. Although already 100% of our Palm Oil is certified by the RSPO Mass Balance, we want to spread this certification and even improve it by RSPO Segregated and Identity Preserved.

Within the membership, we annually publish our "Annual Communication of Progress" (ACOP) to inform external stakeholders about respective corporate activities, performance and progress regarding our palm oil policy objectives.

How activity selected fits within Symrise's environmental strategy:

Symrise has published a Palm Oil Policy, including the commitment to eliminate deforestation. The RSPO is a valuable initiative that supports Symrise along its realization of the goal by providing an encompassing certification scheme. That scheme guarantees a clear cut-off date, the traceability of natural resources back to the mill, ethical sourcing conditions for farmers, sustainable cultivation as well as compliance with legal requirements.

Forest risk commodity

Palm oil

Do you participate in activities/initiatives?

Yes

Activities

Involved in multi-partnership or stakeholder initiatives

Initiatives

UN Global Compact

Jurisdictional approaches

Please explain

Symrise's role within the activity provided:

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.

A key requirement for participation in the Global Compact is the annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the principles. We support public accountability and transparency and therefore annually report our process according to the Global Compact COP policy.

How the activity selected fits within Symrise's environmental strategy:

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 multi-layered business model, we must keep an eye on all the goals and focus on those where we can make the most effective contribution. Based on the SDG subgoals, we identified six SDGs (8, 12, 13, 14, 15, 17), where Symrise can, with regard to our business activities and the effects of our actions on the environment and society, achieve a particularly high impact throughout our entire value chain - especially in collaboration with our partners.

Forest risk commodity

Palm oil

Do you participate in activities/initiatives?

Yes

Activities

Involved in multi-partnership or stakeholder initiatives

Initiatives

Other, please specify

One Planet Business for Biodiversity

Jurisdictional approaches

Please explain

Symrise's role within the activity provided:

In 2018, Symrise was one of 19 founding members of the One Planet- Business for Biodiversity Initiative. This initiative is an international cross-sectional, action-oriented business coalition with a specific focus on agriculture and forest ecosystems. Symrise as member committed on the overall 2030 goal that is, amongst other, to eliminate deforestation along the whole value chain. Further, the initiative, with Symrise actively participating, is determined to drive transformational systemic change, engage with

institutional and financial decision-makers and develop and promote policy recommendations. First reports and measures will be presented at the United Nations World Conference on Nature Conservation, held in Beijing in 2020.

How the activity selected fits within Symrise´s environmental strategy:

Symrise has developed a corporate biodiversity agenda and published a forest policy as well as a palm oil policy several years ago and in both defined the overall Zero-Deforestation-Goal. The initiative OP2B is now a further step to support this goal. Symrise is member of the RSPO and the FSC and both initiatives, together with company internal approaches already offer several perspectives and opportunities on how to eliminate deforestation. Now, with the OP2B initiative, even more valuable approaches and concepts are provided. Objective of the OP2B initiative is to conserve ecosystems and biodiversity, e.g. through the mandatory commitment of all member companies to protect high value ecosystems and to stop deforestation from supply chains. Symrise is committed to collaborate with all OP2B members to achieve this goal by defining commitments and collaboration projects across our common value chains, including for deforestation risk commodities, Symrise appreciates to profit from these initiatives and takes the opportunity to achieve the company´s objectives whilst sharing our internal expertise and values with others.

F6.11

(F6.11) Is your organization supporting or implementing project(s) focused on ecosystem restoration and protection?

Yes

F6.11a

(F6.11a) Provide details on your project(s), including the extent, duration, and monitoring frequency. Please specify any measured outcome(s).

Project reference

Project 1

Project type

Natural regeneration

Primary motivation

Voluntary

Description of project

In Madagascar, Symrise has implemented an industry leading supply chain intervention program to promote a sustainable vanilla sourcing model to the benefit of people and nature. The overall objective of this program is to ensure a sustainable and traceable vanilla supply chain, to support farmer's self-subsistence and governance plus the promotion of forest conservation and reforestation. Intact forests are a pre-requisite for a

sustainable vanilla supply chain, as vanilla orchids can only grow under shadow trees in a healthy, semi-natural environment. Our holistic approach is based on 4 pillars and corresponding activities:

1. Income security: Farm management training and crop diversification program
2. Health safety: Ensure health insurance
3. Education: Support primary and professional education
4. Environment: conservation of natural resources & biodiversity.

Within our sustainable vanilla program, we currently partner with 84 local village communities and are engaging with >7,000 smallholder farmers to guarantee utmost sustainable cultivation practices. In addition, about 500,000 seeds of merbau trees (a tropical timber) were distributed and planted by the Malagasy people to support reforestation and income diversification at the same time.

We offer our partners higher incomes, greater independence, health benefits and improved continued education. To do so, Symrise re-invests 10 % of the revenue from vanilla operations in education, training, reforestation and health care. Symrise further investigates cultivation methods to improve yield and quality of farmland's soil.

Reason for voluntary engagement:

Vanilla cultivation is one of Symrise's core competences and has always had a central role in the company since the company's founders invented synthetic vanillin in 1874. Hence, our involvement in Madagascar and the sustainable supply chain is a keystone to our expertise. Symrise introduced this project voluntarily to keep competency in vanilla products high, to profit from long-term contracts and high-quality products.

Next to creating shared value with the local farmers, Symrise took advantage of the existing project to commit to reforestation targets.

The project presents a long-term engagement, so no target date is defined. Hence, no target area is set but a continuous integration of the surrounding farmers will increase the joint project area.

Start year

2016

Target year

Indefinitely

Project area to date (Hectares)

10,000

Project area in the target year (Hectares)

10,000

Country/Area

Madagascar

Latitude

-14.908715

Longitude

50.269252

Monitoring frequency

Six-monthly or more frequently

Measured outcomes to date

Biodiversity
Carbon sequestration

Please explain

Measured outcome regarding biodiversity:

Within our sustainable vanilla program, we currently partner with 84 local village communities. More than 5,000 of engaged smallholder farmers have already achieved Rainforest Alliance, Fairtrade and/or UTZ/UEBT certification to guarantee utmost sustainable cultivation practices and protect the unique Malagasy biodiversity.

Measured Outcomes regarding carbon sequestration:

More than 500,000 tree seedlings to support reforestation have been given to and planted by the farmers.

Madagascar is increasingly harmed by climate change (e.g. droughts, extreme weather events) and forests can improve the local resilience against climate change on the one hand while further reduce the company's carbon footprint on the other hand. Estimating a carbon sequestration of 10 kg CO₂ per tree and year (conservative estimation due to literature), a total of 5,000 tones CO₂ captured due to the project each year can be assumed. In addition to that, in 2020 we have again invested in Carbon Offset projects in Madagascar in order to combine the creation of positive impacts for nature & biodiversity with the compensation of unavoidable CO₂ emissions at our operations.

F7. Verification

F7.1

(F7.1) Do you verify any forests information reported in your CDP disclosure?

No, we are waiting for more mature verification standards/processes

F8. Barriers and challenges

F8.1

(F8.1) Describe the key barriers or challenges to eliminating deforestation and/or conversion of other natural ecosystems from your direct operations or from other parts of your value chain.

Forest risk commodity

Palm oil

Coverage

Supply chain

Primary barrier/challenge type

Limited availability of certified materials

Comment

In order to increase resilience and adaptive capacity of our raw material portfolio, we are constantly trying to diversify our supplier base and to avoid single sourcing as part of our diversification strategy in order to spread operational risks (e.g. climate change impact on raw material availability & price) to different suppliers and geographies. For some oil palm-based derivatives, only a very limited number of companies is in a position today to provide RSPO certified qualities, esp. when it comes to IP or Segregated material flows. Therefore, it is in some cases very hard to identify a sufficient number of suppliers required to achieve our above-mentioned diversification objectives. For this reason, we constantly try to motivate former suppliers of strategic oil palm-based derivatives to strongly consider RSPO certification, despite the cost impacts. By regularly making our supplier network aware of changing stakeholder expectations regarding certified sustainable natural raw materials, we hope that an increasing number of these companies will intensify their engagement in this regard so that the supply situation for RSPO certified derivatives from IP or Segregated sources will constantly improve over time.

F8.2

(F8.2) Describe the main measures that would improve your organization's ability to manage its exposure to deforestation and/or conversion of other natural ecosystems.

Forest risk commodity

Palm oil

Coverage

Supply chain

Main measure

Greater stakeholder engagement and collaboration

Comment

Although our industry (specialty chemicals) is confronted by almost all major customers (from food & FMCG industry) to only sell RSPO conform ingredients, Symrise and its competitors are still working hard to impart these sustainability requirements down the supply chain to enforce RSPO principles and criteria globally. Today, we see significant success regarding certified & traceable oil palm-based derivatives, which usually come from very complex supply chains. Nevertheless, we know that there is still room for improvement when it comes to motivating former suppliers to move forward with RSPO certification for derivatives. In this regard, we believe it would be very helpful if the activities and guidance for companies developed by the RSPO working group on derivatives would not only reach the big players in the specialty chemicals industry, but

also the smaller ones, who are often located in countries with poor enforcement of sustainability standards & criteria. Once, transparency, traceability, and intrinsic motivation of all value chain actors to strive for RSPO certified derivatives and transparent supply chains has become the new normal, we believe that former raw material suppliers may adopt best practices for palm oil processing and supply chain certification so that we may revitalize suspended business relations. This would help our company to significantly increase supplier diversity also for our oil palm-based derivatives portfolio in order to reduce operational risk and comply with our diversification strategy & targets, which includes avoidance of single sourcing.

F17 Signoff

F-FI

(F-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

F17.1

(F17.1) Provide the following information for the person that has signed off (approved) your CDP forests response.

	Job Title	Corresponding job category
Row 1	CEO	Chief Executive Officer (CEO)

SF. Supply chain module

SF0.1

(SF0.1) What is your organization's annual revenue for the reporting period?

	Annual revenue
Row 1	3,520,000,000

SF0.2

(SF0.2) Do you have an ISIN for your organization that you are willing to share with CDP?

Yes

SF0.2a

(SF0.2a) Please share your ISIN in the table below.

	ISIN country code	ISIN numeric identifier (including single check digit)
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Row 1	DE	000SYM9999
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SF1.1

(SF1.1) In F6.3 you were asked “Have you adopted any third-party certification scheme(s) for your disclosed commodity(ies)? Indicate the volume and percentage of your certified production and/or consumption”. Can you also indicate, for each of your disclosed commodity(ies), the percentage of certified volume sold to each requesting CDP supply chain member?

Yes

SF1.1a

(SF1.1a) For each of your requesting CDP supply chain members, indicate the percentage of certified volume sold per disclosed commodity(ies).

Requesting member

Forest risk commodity

Form of commodity

Third-party certification scheme

Total volume of commodity sold to member

Metric

What % of the volume reported in column 5 is certified?

Comment

We provide the allocated figures upon request.

SF2.1

(SF2.1) Please propose any mutually beneficial forests-related projects you could collaborate on with specific CDP supply chain members.

SF2.2

(SF2.2) Have requests or initiatives by CDP supply chain members prompted your organization to take organizational-level action to reduce or remove deforestation/forest degradation from your operations or your supply chain?

No

SF3.1

(SF3.1) For your disclosed commodity(ies), do you estimate the GHG emission reductions and/or removals from land use and land use change that have occurred in your direct operations and/or supply chain?

Palm oil

Estimate GHG emissions and removals from land use and land use change

No

Please explain

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain questions?
I am submitting my response	Investors Customers	Public	Yes, I will submit the Supply Chain questions now

Please confirm below

I have read and accept the applicable Terms