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**symrise** 

# 20 20

— **Sustainability Record  
(GRI)**

# Sustainability Record 2020

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

The Sustainability Record was prepared in accordance with the GRI standards: Comprehensive option. It also contains our separate non-financial report in accordance with Section 289b (3) of the German Commercial Code (HGB). An overview of the related topics can be found on [page 4](#). Since this reporting year, Symrise has also been prominently highlighting its climate-related reporting via a [TCFD index](#) that precedes the statement of financial position – with references to detailed information about this topic as part of the [CDP Climate Change Questionnaire](#) at Symrise. An additional index at the beginning of the statement of financial position also refers to the reporting requirements covered by the Sustainability and Accounting Standards Board (SASB). We will provide more in-depth reporting in this regard in the next reporting cycle.

All of the sustainability disclosures marked with ✓ were audited and verified by an external review pursuant to the AA1000 Assurance Standard. The review assesses all quantitative and qualitative disclosures. The corresponding certification can be found [here](#).

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

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

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

TCFD core elements	Summary of disclosure in accordance with TCFD recommendations	Reference CDP Questionnaire 2020*	Additional references**
<b>Governance</b>	1. Executive Board responsible for climate-related risks and opportunities	C1.1b	For additional details see <a href="#">CR 2020, p. 28 ff.</a>
	2. Management's role in assessing and managing climate related risks and opportunities	C1.2, C1.2a	For additional details see <a href="#">CR 2020, p. 28 ff.</a>
<b>Strategy</b>	1. Description of climate related risks and opportunities	C2.1, C2.1a, C2.2, C2.3, C2.3a, C2.4, C2.4a,	
	2. Impact of climate-related risks on the company's business activities and strategic and financial planning	C2.3a, C2.4a, C3.1, C3.1b, C3.1d, C3.1e, C3.1f	
	3. Resilience of the organization's strategy	C3.1a, C3.1b	
<b>Risk Management</b>	1. The company's processes for identifying and assessing climate-related risks	C2.2, C2.2a	
	2. The company's processes for managing climate-related risks	C2.2	
	3. Integration of processes for identifying, assessing and managing climate-related risks into the company's general risk management system	C2.2	
<b>Key figures and goals</b>	1. Key figures with which the company assesses climate-related risks and opportunities	C4.2, C4.2a, C9.1	For additional key figures see <a href="#">CR 2020, p. 28 ff.</a>
	2. Disclosure of scope-1, scope-2 and scope-3 greenhouse gas (THG) emissions	C6.1, C6.3, C6.5	Key figures see <a href="#">GRI 305-3</a> in the Sustainability Record 2020
	3. Goals according to which the company manages climate-related opportunities and risks	C4.1a, C4.1b, C4.2, C4.2a	For additional goals see <a href="#">CR 2020, p. 28 ff.</a>

\* All information from the CDP Questionnaire 2020 is based on the 2019 fiscal year. This is due to the CDP reporting cycle.

\*\* The references to the [Corporate Report 2020](#) and this Sustainability Record 2020 refer to information from the 2020 fiscal year.

The complete CDP Questionnaire 2020 from Symrise is available on our [website](#). All Symrise policies and our [Code of Conduct](#) can also be downloaded there.

## Sustainability Accounting Standards Board (SASB) Index

Topic	Accounting Metric	Category	Code	Report Location
<b>Greenhouse Gas Emissions</b>	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Quantitative	RT-CH-110a.1	<a href="#">GRI 305-1</a>
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	RT-CH-110a.2	<a href="#">GRI 201-2</a> <a href="#">GRI 305</a>
<b>Air Quality</b>	Air emissions of the following pollutants: (1) NOX (excluding N <sub>2</sub> O), (2) SOX, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	Quantitative	RT-CH-120a.1	<a href="#">GRI 305-7</a>
<b>Energy Management</b>	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	Quantitative	RT-CH-130a.1	<a href="#">GRI 302-1</a>
<b>Water Management</b>	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	RT-CH-140a.1	<a href="#">GRI 303-3</a> <a href="#">GRI 303-5</a>
	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Quantitative	RT-CH-140a.2	<a href="#">GRI 307-1</a>
	Description of water management risks and discussion of Strategies and practices to mitigate those risks	Discussion and Analysis	RT-CH-140a.3	<a href="#">GRI 303</a>
<b>Hazardous Waste Management</b>	Amount of hazardous waste generated, percentage recycled	Quantitative	RT-CH-150a.1	<a href="#">GRI 306-2</a>
<b>Community Relations</b>	Discussion of engagement processes to manage risks and opportunities associated with community interests	Discussion and Analysis	RT-CH-210a.1	<a href="#">GRI 413</a>
<b>Workforce Health &amp; Safety</b>	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Quantitative	RT-CH-320a.1	<a href="#">GRI 403-9</a>
	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	Discussion and Analysis	RT-CH-320a.2	<a href="#">GRI 403</a>
<b>Product Design for Use-phase Efficiency</b>	Revenue from products designed for use-phase resource efficiency	Quantitative	RT-CH-410a.1	Not reported yet
<b>Safety &amp; Environmental Stewardship of Chemicals</b>	(1) Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products that have undergone a hazard assessment	Quantitative	RT-CH-410b.1	<a href="#">GRI 417-1</a> <a href="#">GRI FP5</a>
	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and /or environmental impact	Discussion and Analysis	RT-CH-410b.2	<a href="#">GRI 416</a>
<b>Genetically Modified Organisms</b>	Percentage of products by revenue that contain genetically modified organisms (GMOs)	Quantitative	RT-CH-410c.1	Not reported yet
<b>Management of the Legal &amp; Regulatory Environment</b>	Discussion of corporate positions related to government regulations and /or policy proposals that address environmental and social factors affecting the industry	Discussion and Analysis	RT-CH-530a.1	<a href="#">GRI 415</a>
<b>Operational Safety, Emergency Preparedness &amp; Response</b>	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	Quantitative	RT-CH-540a.1	Not reported yet
	Number of transport incidents	Quantitative	RT-CH-540a.2	Not reported yet
<b>Activity Metric</b>		<b>Category</b>	<b>Code</b>	<b>Report Location</b>
<b>Production by reportable segment</b>		Quantitative	RT-CH-000.A	Not reported yet



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

## GRI CONTENT INDEX

### GRI 101: FOUNDATION 2016

### GRI 102: GENERAL DISCLOSURES 2016

#### ORGANIZATIONAL PROFILE

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

Symrise Aktiengesellschaft

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

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

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

Holzminden, Germany

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

With sites in more than 40 countries, Symrise has a local presence in its most important sales markets. Symrise products are bought and sold in more than 150 countries worldwide.

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

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

##### **GRI 102-6: Markets served ✓**

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

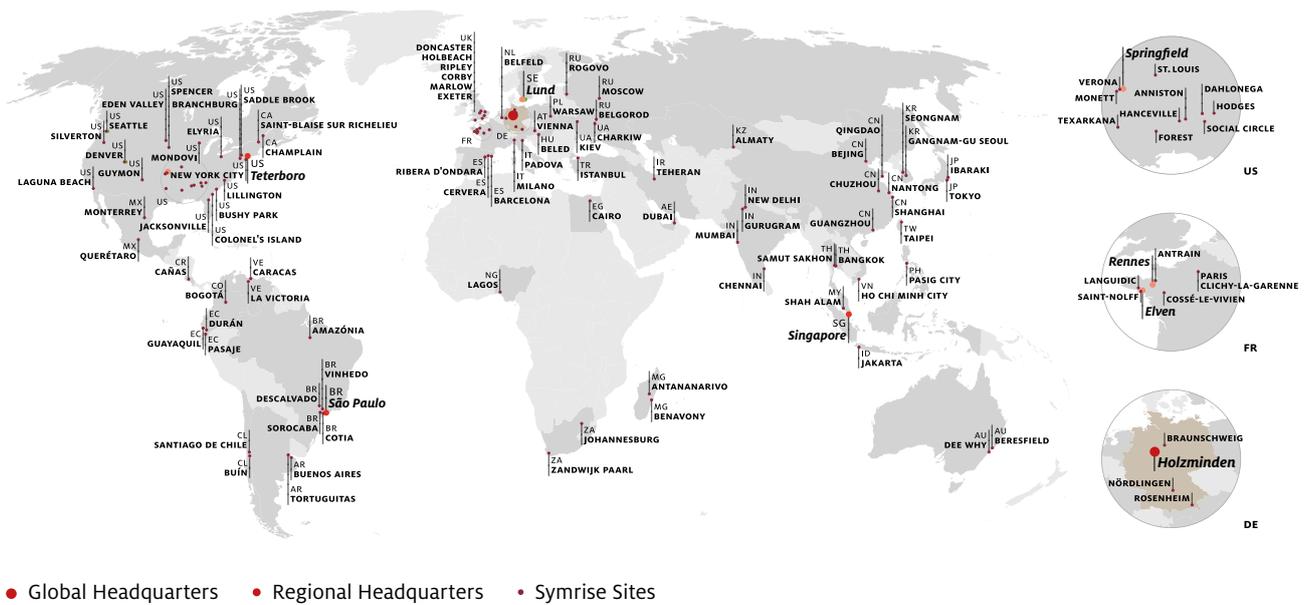
With sites in more than 40 countries, Symrise has a local presence in its most important sales markets. Symrise products are bought and sold in more than 150 countries worldwide.

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

Symrise is a global supplier of fragrances and flavorings, cosmetic active ingredients and raw materials, functional ingredients and product solutions for food production based on natural starting materials. Its clients include manufacturers of perfumes, cosmetics, food and beverages, the pharmaceutical industry and producers of nutritional supplements and pet food. With sales of more than € 3.5 billion in the 2020 fiscal year (2019: 3.4) and a market share of around 10% (2019: 10%), Symrise is one of the leading global suppliers in the flavors and fragrances market. Headquartered in Holzminden, Germany, the Group is represented by more than 100 locations in Europe, Africa, the Middle East, Asia, the United States and Latin America. The Symrise Group originally resulted from a merger between the German companies Haarmann & Reimer and Dragoco in 2003. The roots of Symrise date back to 1874 and 1919, when the two companies were founded. In 2006, Symrise AG entered the stock market with its initial public offering (IPO). Since then, Symrise shares have been listed in the Prime Standard segment of the German stock exchange. With a market capitalization of about € 14.7 billion at the end of 2020, Symrise shares are listed on the MDAX® index (2019: € 12.7 billion). Currently, about 95% of the shares are in free float.

Symrise AG’s headquarters are located in Holzminden, Germany. At this site, which is the Group’s largest, Symrise employs around 2,513 people in the areas of research, development, production, marketing as well as in the Corporate Center (2019: 2,448). The company has regional headquarters in the USA (Teterboro, New Jersey), Brazil (São Paulo), Singapore and France (Rennes, Brittany). Important production facilities and development centers are located in Germany, France, Brazil, Mexico, Singapore, China and the USA. Symrise has sales branches in more than 40 countries.

**Worldwide Locations 2020**



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

At the end of 2020, the Symrise Group had 10,531 employees worldwide, not including trainees and apprentices (2019: 10,264). A strong, stable workforce that supports and advances our company is very important to us. We place great value on the training of new employees and the continuing education of our existing staff. Therefore, we predominantly employ permanent employees (96.7% of our workforce (2019: 97.0%)). Only a small number of employees have fixed-term contracts (3.3% of the workforce (2019: 3.0%)).

Women account for approximately 34.3% of permanent employees in Germany (2019: 34.5%); of fixed-term employees, women account for 23.0% (2019: 27.0%). At our locations outside of Germany, employees work almost exclusively in full-time positions in accordance with the respective local labor laws. In Germany, there are 493 employees who work part-time (2019: 465). This amounts to around 16.6% of our German workforce (2019: 16%). All key activities at Symrise are performed by employees and thereby by supervised workers of the Symrise Group. In 2020, the percentage of temporary workers at Symrise, including Diana, was approximately 1.9% of the workforce (2019: 2.3%). At Symrise there are no noteworthy fluctuations throughout the year in the number of employees, such as seasonal workers. The following information is based on our global, monthly headcount reporting as well as our annual diversity data reporting, which comprises the following countries: Germany, France, USA, Singapore, China, India, Brazil and Mexico, thereby encompassing a total of at least 7,615 employees (2019: 7,500).

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

	2017	2018	2019	2020	Change in 2020
<b>Permanent contracts</b>					
Full time	8,270	8,721	9,308	9,499	2.05 %
Part time	633	659	707	753	6.51 %
<b>Total</b>	<b>8,903</b>	<b>9,380</b>	<b>10,015</b>	<b>10,252</b>	<b>2.37 %</b>
<b>Fixed-term contracts</b>					
Full time	346	283	298	330	10.74 %
Part time	33	31	27	24	-11.11 %
<b>Total</b>	<b>379</b>	<b>314</b>	<b>325</b>	<b>354</b>	<b>8.92 %</b>
<b>Total</b>					
Full time	8,616	9,004	9,606	9,829	2.32 %
Part time	666	690	734	777	5.86 %
<b>Total</b>	<b>9,282</b>	<b>9,694</b>	<b>10,340</b>	<b>10,606</b>	<b>2.57 %</b>

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

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

Region	2017	2018	2019	2020	Change in 2020
Germany	2,669	2,737	2,767	2,817	1.8 %
EAME (not including Germany)	2,063	2,135	2,209	2,267	2.6 %
North America	1,358	1,458	1,931	1,937	0.3 %
Asia / Pacific	1,441	1,476	1,498	1,547	3.2 %
Latin America	1,716	1,841	1,859	1,963	5.6 %
<b>Total (excluding apprentices and trainees)</b>	<b>9,247</b>	<b>9,647</b>	<b>10,264</b>	<b>10,531</b>	<b>2.6 %</b>
Apprentices and trainees	140	140	137	134	-2.2 %
<b>Total</b>	<b>9,387</b>	<b>9,787</b>	<b>10,401</b>	<b>10,665</b>	<b>2.5 %</b>

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

### GRI 102-9: Supply chain ✓

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

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

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

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

In view of the constantly increasing requirements and complexity in the areas of supply chain and sourcing and to effectively manage the processes along the entire value chain, the Flavor segment announced the establishment of the organizational unit Global Supply Chain and Procurement in 2019. The associated new strategic roadmap of the Flavor segment was adopted in 2020 and includes a review of the global production footprint and pursues various goals: This will improve our sustainability in cooperation with other segments, the measurement and management of supply risks as well as the increase of profitability through efficient and quick implementation.

In November 2019, Symrise acquired ADF / IDF, thus strengthening its leading position in the pet food sector. Headquartered in Springfield, Missouri, the company is a specialist in meat- and egg-based proteins and a pioneer in the field of all-natural nutritional ingredients. With a wide range of natural-based solutions for the food and pet food industries, ADF / IDF is an ideal addition to the Nutrition segment portfolio.

As part of the integration of Renessenz, chemical purchasing for the two Ingredients divisions – Cosmetic Ingredients and Aroma Molecules – was incorporated into the Aroma Molecules division to further strengthen the focus on sustainability in raw materials.

At the Holzminden site, a new production facility for the encapsulation of perfume oil became operational in 2019 for the Supply Chain Fragrance division – in the reporting year, this was optimized and supplemented by a new pilot plant.

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

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

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

In the reporting period, Symrise also made an impressive showing across the board in the [CDP](#) (formerly Carbon Disclosure Project) rating: For the first time, Symrise achieved the highest award of A in all three categories – climate, water and forest protection. This makes Symrise one of only ten companies worldwide on what is known as the triple A list. The A rating was achieved for the fifth time in the climate category, and for the second time in the water protection category. For the first time, Symrise achieved an A rating in the forest protection category (2019: A-). Since 2016, Symrise takes the top position in the CDP rating in the area of climate change, protection of water and forests and thus highlights its pioneering achievements in these fields.

## GENERAL DISCLOSURES

We started the CDP Supply Chain Program in 2017 to work with our suppliers on a more sustainable value chain. Our suppliers with the highest risk status on climate, water and forests were again asked to follow the CDP Supply Chain Program in 2020 – with the exception of the Nutrition segment, whose suppliers will be integrated into the program starting in 2021. Responses in all three areas – climate change, water and forests – increased compared to the previous year. In 2020, significantly more suppliers followed up on the aforementioned topics at the Executive Board level, set specific (reduction) goals, and more than 60% encouraged their own suppliers to formulate climate change goals and take action (for more information, see also management approaches to [GRI 302](#), [GRI 303](#) and [GRI 305](#)). By passing on sustainability requirements in this way, also to upstream suppliers, negative impacts are continuously reduced along the entire value chain.

As of 2030, Symrise commits itself to being climate-positive at all its global production sites based on the Scope 1+2 emissions of the GHG Protocol. In the reporting year, we were able to increase the eco-efficiency of greenhouse gas emissions (Scope 1+2), based on added value, by 13%. This means we have achieved our 2020 target of reducing greenhouse gas emissions (Scope 1+2) based on added value by 33% compared to 2010 ahead of schedule. Now we want to increase the eco-efficiency of emissions by more than 60% by 2025 compared to 2010. With this intensified climate target, Symrise is expected to reach the Science Based Target already approved in 2017 – the first in its industry – five years ahead of schedule. Symrise has also signed the Business Ambition for 1.5°C campaign launched by the Science Based Targets Initiative and is thus taking a pioneering role in the corporate commitment to a future with global warming of 1.5°C or less.

In line with our Science Based Target, we asked our key suppliers to commit to their own greenhouse gas reduction targets by 2020. 87% of our main suppliers have met this requirement and defined their own climate targets or implemented climate initiatives – we have thus met our target of a participation rate of at least 80%.

We achieve our own ambitious climate targets by, among other things, continuously increasing energy efficiency at all production sites, purchasing renewable energies, and supporting high-quality certified climate protection projects around the world.

Ongoing measures by our local Total Productive Maintenance teams are continuously replacing energy-intensive consumer equipment such as motors, ventilation or heating systems, compressed air systems and boilers for the production of steam and cooling with more efficient alternatives. In addition, we reduce our CO<sub>2</sub> emissions from energy generation by around 35% annually, in particular through our cogeneration plant at the Holzminden site (for more examples of energy efficiency measures, see management approaches to [GRI 302](#) and [GRI 305](#)).

We have been sourcing all of our external electricity from renewable sources in Germany since 2018 – our goal was to expand this measure to our sites worldwide by 2025. In view of the aggravating situation concerning climate change, we again intensified our efforts in the reporting and thus were able to reach our ambitious goal ahead of schedule. As a result, in the reporting year we already demonstrably sourced our external electricity needs worldwide from renewable sources. Furthermore, we continuously review power purchase agreements (PPAs) worldwide that support our renewable energy measures.

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

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

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

## GENERAL DISCLOSURES

In order to drive environmental and climate protection forward together with other stakeholders, Symrise is active in numerous initiatives and continuously joins new associations. After joining the Alliance for Development and Climate and the RE100 Initiative in 2019, Symrise has also been a member of the Business Ambition for 1.5°C initiative, the Alliance of CEO Climate Leaders and Together with Nature since 2020. In addition, Symrise supported the campaigns Corporate Sourcing of Renewable Energy, United in the business for a better world and Uniting Business and Governments to recover better in 2020 (for more on the initiatives and campaigns, see [GRI 102-12](#)).

Symrise was awarded the first place of the German Sustainability Award in 2019 for its ambitious program for climate protection, its commitment in shaping the supply chain and its commitment to preserving biodiversity. In the reporting year, Symrise received the Sustainability Heroes Award (formerly the DQS German Excellence Award) for its holistic integration of sustainability into corporate strategy and culture and its ambitious efforts for sustainable development along the entire value chain. Furthermore, the rating agency EcoVadis awarded Symrise the Gold status in recognition of its corporate social responsibility in 2020 for the seventh time in a row.

With its ambitious emission reduction targets and its commitment to numerous initiatives, Symrise takes a pioneer role in climate protection in our industry and acts in accordance with the resolutions of the UN climate conferences COP 21 in Paris, COP 22 in Marrakesh, COP 23 in Bonn, COP 24 in Katowice, COP 25 in Madrid and the recommendations of the current IPCC (see also [GRI 201-2](#)).

Signatory of the UN Women's Empowerment Principles: On the initiative of the Corporate Sustainability Group, Symrise signed this UN guideline and has pursued its goals ahead of many other companies of our clients (for more information on the topics of diversity and equal opportunities as well as non-discrimination, see management approaches to [GRI 405](#) and [GRI 406](#)).

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

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

Symrise became a member of the Sustainable Spices Initiative (SSI) in 2013. Both for Symrise and the SSI, the focus is on the responsible sourcing and cultivation of raw materials. Together with customers, suppliers and non-governmental organizations, we want to actively cooperate with the SSI, sharing our knowledge while also gaining new experience. Symrise is a founding member of the Sustainable Vanilla Initiative, which is committed to a long-term stable supply of high-quality natural vanilla produced in a socially, ecologically and economically sustainable manner.

Symrise has been a member of the Roundtable on Sustainable Palm Oil (RSPO) since 2015 and since then we have been continuously improving our palm oil supply chain: Since 2016, we have only used palm and palm kernel oils from 100% RSPO "Mass Balance" certified sources. In 2020, we achieved our goal of also sourcing 100% of certified primary and secondary palm oil derivatives from sustainable sources. In addition, we have converted numerous recipes to palm oil free quality in recent years.

Through our global membership of the Union for Ethical BioTrade (UEBT), we are also committed to ethical sourcing of our natural raw materials.

Since 2016, we have been a member of the Sustainable Agricultural Initiative (SAI), which underscores our commitment to the responsible sourcing of natural raw materials.

## GENERAL DISCLOSURES

In 2019, Symrise also joined the Development and Climate Alliance – a multi-stakeholder partnership consisting of hundreds of companies, associations, government agencies and civil society to promote the voluntary compensation of CO<sub>2</sub> under the auspices of the German Federal Ministry for Economic Cooperation and Development (BMZ). In 2019, Symrise also established the One Planet Business for Biodiversity (OP2B) coalition as a founding member in collaboration with 18 other globally active companies and under the leadership of World Business Council for Sustainable Development (WBCSD). The focus of the alliance is on the conservation and sustainable use of biodiversity in agriculture. The partners are committed to jointly developing more environmentally friendly cultivation practices and changing their added value accordingly. Symrise is also active in the Nature Action project, newly initiated by the WBCSD in 2020. The project supports the development of science-based targets for nature conservation (SBT for Nature), provides assistance for nature-based solutions and demonstrates business leadership to decision-makers at nature and climate events. The goal of all these measures is to reduce biodiversity loss to zero from 2020 and to make only positive contributions to the full recovery of the natural environment from 2030 – in other words, to operate “Nature net positive”.

Since the end of 2019, Symrise has also been a member of the RE100 initiative, which works to ensure that companies obtain 100% of their electricity from renewable sources by 2050. As a member, Symrise is required to set its own goals and comply with the initiative’s criteria when selecting renewable electricity sources. In the reporting year, we demonstrably sourced our external electricity needs worldwide from renewable sources, leading here by example.

In 2020, Symrise became part of the Business Ambition for 1.5°C initiative. The campaign was launched by the UN Global Compact and the Science Based Targets Initiative, among others, to further promote the adoption of ambitious climate protection targets. Companies such as Symrise, which have set ambitious Science Based goals, act as role models. In 2020, Symrise also signed the “Uniting Business and Governments to Recover Better” statement of the Business Ambition for 1.5°C campaign: This calls on governments to link their emergency financial measures taken in response to the coronavirus pandemic to more sustainable business practices and climate protection measures, or to make these a priority.

The Alliance of CEO Climate Leaders, initiated by the World Economic Forum, is a network of business leaders committed to accelerating the transition to a low-carbon and resilient economy. The Alliance also aims to bring together actions and initiatives from companies across all industry sectors to drive climate solutions and innovation in business and policy. The CEO of Symrise has been part of the initiative since 2020.

In addition, Symrise supported an open letter from RE-Source to the European Union and national governments in 2020. Signatory companies and organizations such as CDP and RE100 called on governments to integrate renewable energy support into the Union’s stimulus package to address the impact of the coronavirus pandemic – for example, with the help of public loan guarantees for high-risk renewable energy projects or through the modernization and digitalization of distribution networks and storage facilities.

Together with more than 30 companies and organizations, Symrise also spoke out prominently in the reporting year as part of the Initiative for Sustainable Agricultural Supply Chains (INA) for the German government to pass a supply chain act by early 2021. This law will create binding due diligence obligations in relation to human rights and environmental friendliness for companies. We welcome recent policy developments on the subject.

Since 2020, Symrise has also been committed to the four principles for nature-based solutions of Together with Nature, an association of stakeholders from science, nature conservation, development and business: These principles require that the reduction of emissions, the protection of biodiversity, socially just behavior – especially with regard to local communities – and ecologically responsible action should always be taken into account in the development and application of nature-based solutions.

In the reporting year, Symrise also signed the statement “United in the Business of a Better World” of the UN Global Compact. Among other things, its supporters are calling on governments to protect human rights and enable the achievement of the SDGs. At the same time, the companies are committed to ethical corporate governance, combating inequalities and cooperating with governments and civil society.

Symrise also joined the IFRA-IOFI Sustainability Charter in 2020. Signatory companies from the flavor and fragrance industry are committed to strengthening sustainability in the industry, for example through responsible procurement practices or reducing their environmental footprint.

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

Beyond the numerous existing requirements for the fragrance and flavor industry, we have made further commitments to additional standards – and we work actively on their development. This occurs, for instance, through our involvement with associations like the International Fragrance Association (IFRA), the International Organization of the Flavor Industry (IOFI) and the European Federation of Cosmetic Ingredients (EFFCI). Our managers in the areas of Sustainability, Regulatory Affairs and R&D represent Symrise in the world's largest associations for the fragrance, flavor and cosmetics industries.

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

#### IFRA:

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

#### IFRA EU:

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

#### IFRA APAC:

- China Working Group
- Technical Committee
- Korea Working Group

#### IFRA LATAM:

- CAFEPA
- ABIFRA
- ACHISAF
- ANFPA

#### IFRA-IOFI:

- Nagoya Protocol
- Sustainability Task Force

Since 2017, Symrise has been a member of the World Business Council for Sustainable Development (WBCSD) and actively participates in working groups of the Food Reform for Sustainability and Health (FReSH) project. FReSH aims to develop solutions for transforming our food system to benefit people and nature.

Our Nutrition division is also a member of the following organizations:

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

**STRATEGY**

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

Dear readers and friends of Symrise,

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

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

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

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

The Executive Board of Symrise AG

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

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

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

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

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

**GROWTH**

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

In particular, we regard the preservation of biodiversity as an important foundation for the growth of our business. Biological diversity is the basis for safe nutrition, while enabling and promoting good taste as well as health and well-being. As a result, it is at the core of our business model and is crucial to our growth opportunities (see also management approach to [GRI 304](#)). The topic of animal welfare is a second important growth factor. Increasing consumer awareness here has given rise to markets for products for which stringent standards for animal welfare exist and additional cost is accepted (see also management approach to [animal welfare](#)).

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

## GENERAL DISCLOSURES

### EFFICIENCY

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

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

With regard to our employees, our efforts to ensure a safe and healthy workplace aim to reduce illness-related absences and to increase employee motivation (see management approach to [GRI 403](#)). Conversely, potential risks may arise here from a high accident and illness rate. To improve our performance in the area of occupational health and safety, we launched the “Drive to 100% Safety” project in 2020. The focus is on establishing a shared safety culture and a uniform understanding of occupational safety. The aim is to raise awareness of the issue among all employees, including contractors, reduce the number of workplace accidents and significantly lower the MAQ.

The conduct of training to increase awareness of occupational safety is a personal target agreement for managers. In addition, there is a series of legally required annual training courses on health and safety, which is mandatory for every employee. Through these measures, our accident rate (MAQ\*) was 3.0 in 2020 after 4.3 in 2019 and 4.1 in 2018. We thus just missed our goal of MAQ < 2.5 by 2020. We still aim to achieve an industry-leading MAQ of 1.5 by 2025.

### PRODUCT PORTFOLIO

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

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

We develop our products primarily in the regions where they are sold. The different market requirements we address with this approach simultaneously also present us with challenges. For example, key sustainability topics and consumer preferences differ from region to region. Therefore, our segments consistently set different priorities for each region in order to offer tailored product solutions.

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

### EXTERNAL EVALUATIONS

Our commitment to sustainability pays off and is also positively evaluated by external organizations: In 2020, Symrise was again recognized with the ETHIBEL Sustainability Index (ESI) Excellence Europe. For seven years, Symrise has been a member of the index, which includes the shares of 200 European companies leading in corporate social responsibility (CSR). The assessment is based on analyses by the European sustainability rating agency VIGEO EIRIS.

In its regular review of the sustainability performance of Symrise, the internationally rating agency ISS ESG confirmed our company's prime status. Compared with the 169 other companies from the industry that were evaluated, Symrise is in the top 10%. The ISS ESG rating – E stands for environmental, S for social, and G for governance – covers nearly 10,000 mostly publicly traded companies worldwide. The US-based company MSCI is a leading sustainability rating agency and provider of highly regarded sustainability stock indices. Since 2015, MSCI has ranked Symrise in the A category, which attests to its above-average sustainability performance. In its analysis, MSCI highlights that Symrise has an impressive strategy to minimize the effects of its operating activities on the environment.

The international rating agency SUSTAINALYTICS continuously analyzes and evaluates companies' risks in the areas of ESG. A number of financial service providers and institutional investors across Europe use the services of the agency as a basis for decisions related to investment and credit. Out of 133 evaluated companies in the chemical industry, the risk profile of Symrise ranks 20th: 19 companies have a lower ESG risk profile; 113 have a higher one. Compared with 2019, the risk assessment of Symrise in 2020 fell by 2.9 points to an index score of 24.5, in large part because the company combated major risks with successful strategies.

Symrise is also still listed in the FTSE4Good sustainability index. The FTSE4Good includes the securities of companies that achieve outstanding results in the areas of the environment, social aspects and corporate governance. In June 2019, Symrise received the highest possible rating of "A" in most categories.

For the seventh time in a row, the rating agency EcoVadis awarded Symrise its coveted Gold status for proven sustainability. EcoVadis assesses companies worldwide in the four areas of environment, social aspects, ethics and sustainability in the supply chain. Symrise belongs to the top 2% of all companies in the chemical sector.

Additionally, for the first time in 2020, Symrise received the highest A rating in the CDP (formerly Carbon Disclosure Project) rating in all three categories climate, water protection and forest protection. This makes Symrise one of only ten companies worldwide on what is known as the triple A list.

Track Record, Goals and Events

	OUR 2020 TRACK RECORD	NOTES	GOALS FOR 2025	NOTES
 BUSINESS	2.7% organic sales growth	Sales growth remained slightly below the targeted range of 3 – 4% because a criminal cyber attack in December temporarily impacted business performance.	5 – 7% CAGR	We want to grow faster than the market overall. This allows us to gain market shares and increase the distance between us and smaller competitors.
	21.1% EBITDA margin	We achieved our targeted margin of 21 – 22% and remain one of the most profitable companies in the industry.	20 – 23%	We improve our profitability by continually increasing efficiency and optimizing the product mix.
 FOOTPRINT	+ 13.0% increase in eco-efficiency of greenhouse gas emissions (Scope 1+2) <sup>1</sup>	Global external electricity demand demonstrably obtained from renewable sources.	We achieved our goal for 2020 of reducing greenhouse gas emissions by 33% compared with 2010 ahead of schedule. Now we want to increase the eco-efficiency of emissions by more than 60% compared to 2010 by 2025.	We aim to be climate-positive starting in 2030 (see also page 28 et seq. in the Corporate Report), primarily by increasing energy and process efficiency at our production sites and by supporting high-quality and certified climate protection projects.
	-22.6% increase in efficiency of chemical oxygen demand in wastewater <sup>1</sup>	Goal missed due to first-time consolidation of ADF / IDF; action plan started.	Increase the efficiency of the chemical oxygen demand in wastewater by 4% annually by 2025 or by a total of 60% compared to the base year 2010.	We are increasing the yield of our products by changing our processes to sustainable methods.
	+19.8% increase in efficiency of sensitive waste <sup>1</sup>	Mainly due to process improvements at the site in Holzminden, Germany.	Increase the efficiency of sensitive waste by 4% annually by 2025 or by a total of 60% compared to the base year 2010.	We will use exclusively sustainable packaging materials by 2025 and recycle over 95% of the plastic we use wherever possible.
	+3.1% increase in efficiency of water consumption	Successive progress toward target for 2025.	Increase the efficiency of water consumption at all production sites in arid regions by 15% (2018 – 2025).	We continually reduce our water consumption by using water-saving technology and raising awareness in our company of the importance of using less.
	100% of electricity from renewable sources	Global external electricity demand demonstrably obtained from renewable sources.		Target remains in place in the long term, but was already achieved in 2020.
 INNOVATION	15.4% of sales from new product developments <sup>2</sup>	Decreased (previous year: 16.4%) because a product successfully launched in 2017 is no longer included.	> 15%	Networking the highly diverse areas of expertise of Nutrition (Diana), Flavor and Scent & Care
	67% of our main suppliers (80% of the procurement volume) assessed according to sustainability criteria.	Goal missed because ADF / IDF main suppliers will not be assessed until 2021.	100% based on 90% of the procurement volume.	Increase of the included procurement volume from 80% (2020) to 90% (2025)
 SOURCING	100% primary and 100% secondary palm oil derivatives from certified sustainable sources.	Goal achieved according to Symrise palm oil policy.		Target remains in place in the long term, but was already achieved in 2020.
	72% of strategic biological raw materials derived from sustainable sources	Responsible sourcing action plan launched in 2020.	100% sustainable sourcing of all strategic biological raw materials by 2025.	We aim for sustainability in the supply chain by continuing to strengthen our backward integration, intensifying cooperation with suppliers and initiating joint supply chain projects and programs.
	28% women in the first management level	2020 goal: 25% exceeded	30%	We believe in strong, diverse leadership and offer good advancement opportunities for women.
 CARE	42% women in the second management level	2020 goal: 42% achieved	45%	We promote the career development of women and provide them with freedom so they can balance career and family.
	3.0 MAQ <sup>3</sup> accident frequency	2020 goal MAQ: < 2.5 missed "Drive to 100% Safety" project launched.	Industry-leading occupational safety < 1.5 MAQ	Continuous implementation of a zero-accident culture through company-wide initiatives and training.

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

## **ETHICS AND INTEGRITY**

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

Shared values form the basis of Symrise's sustained success. Excellence, creativity and commitment are our keys for outstanding performance and innovative products. We closely link our economic goals with our everyday responsibility for the environment, our employees and society. Only when our interactions with each other are rooted in integrity can we create lasting added value for all. As a result, our values pave the path for us to become the most successful company in our industry in the long term and help us to inseparably combine business success, sustainability and social trust.

Our Code of Conduct, which was last fundamentally revised in 2016, continues to apply in order to ensure uniform and exemplary actions and conduct. This Code of Conduct applies to the Executive Board and the Supervisory Board and to all Symrise employees in Germany and abroad, i.e., to managers and all employees in the Group equally. The Code of Conduct – a binding fundamental principle – defines minimum standards and sets out behavior enabling all employees to cooperate in meeting these standards. The purpose of the Code of Conduct is to help all employees cope with the ethical and legal challenges of their everyday work and provide them with guidance in conflict situations. In the interest of all employees and the Group, noncompliance with standards will be investigated and their causes remedied. This means that misconduct will be consistently prosecuted in accordance with national laws.

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

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

As is described in our Code of Conduct, various points of contact exist for our employees when it comes to voicing questions or concerns regarding ethical and legal behavior as well as integrity-related concerns. Employees can turn to their superiors in the first instance. If an employee cannot talk to their superior about their concern, for example, because this person is also affected, the employee can discuss the issue with an HR officer, the works council or the next highest superior. Our employees can also contact the responsible Compliance Officer at their site anonymously and confidentially. Violations of the Code of Conduct can also be reported anonymously using the Integrity Hotline. Additionally, our legal department is available to advise our employees on questions regarding legal behavior.

The Integrity Hotline set up by the Group Compliance Office ensures that Symrise employees can anonymously report violations of both legal regulations and internal company guidelines from anywhere in the world. With this Hotline, employees are able to contact the Group Compliance office using toll-free telephone numbers that have been specially set up in individual countries. An intermediary service operator ensures that employees can retain anonymity and communicate in their native language.

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

## **GOVERNANCE**

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

See [Financial Report, page 8](#). The Declaration of Compliance pursuant to Section 161 of the German Stock Corporation Act (AktG) is available on an ongoing basis on our website [www.symrise.com](http://www.symrise.com).

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

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

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

In 2009, we founded the Symrise Sustainability Board – a global, cross-divisional body that aims to facilitate the integration of sustainability into our core processes. Multiple times per year, representatives from upper management come together within this framework to ensure that sustainability-relevant topics and the concerns of our important stakeholder groups are considered along the entire value chain.

In 2016, the Executive Board first established the position of Chief Sustainability Officer to strengthen their commitment to sustainable development on a broad front throughout the group of companies. The CSO reports directly to the CEO and functions as the Director of the Sustainability Board.

The Sustainability Board sets sustainability objectives, which are then directly implemented in the respective divisions. This is why the Executive Board and the Sustainability Board have appointed sustainability officers to be responsible for sustainability in the Flavor, Nutrition and Scent & Care business segments as well one representative from Human Resources, Investor Relations and Corporate Communications. The direct responsibility for strategy lies with the Chief Executive Officer of Symrise AG, who receives regular reports on the progress of all sustainability activities. The company's sustainability objectives also flow into individual performance goals and thereby into executive remuneration.

A global network of more than 120 Sustainability Ambassadors also draws the attention of Symrise employees to the sustainability agenda and, in addition to implementing the strategic, Group-wide goals, drives forward targeted initiatives at the company sites. Regional coordinators contribute to networking among the ambassadors, including through workshops and surveys.

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

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

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

The current Supervisory Board at Symrise AG includes eight independent members and four women: Ms. Buck, Ms. Härtling, Prof. Dr. Pfeifer and Ms. Püttcher.

With the support of corresponding nominations, the Supervisory Board seeks to ensure that in its future composition at least 30% of its members are female. The "Act on Equal Participation of Women and Men in Executive Positions," passed by the German Bundestag on February 6, 2015, and the Bundesrat on March 27, 2015, has been implemented since it came into force.

The Act on the Equal Participation of Women and Men in Management Positions in Private Economy and Public Service, which was passed by the German Bundestag on February 6, 2015, and the Bundesrat on March 27, 2015, has the aim of increasing the share of female managers holding upper management positions at companies and contributing to gender equality in the long term. Symrise AG aims to achieve a 20% share of women on the Executive Board in the long term. Measures related to specific persons have been agreed between the Supervisory Board and the Executive Board for this purpose. Nevertheless, we must respect current employment contracts and ensure continuity in the Executive Board. The current members of the Executive Board have contracts that extend into the years 2021 to 2024.

Generally, at least seven independent members should always be represented in the Supervisory Board. Members of the Supervisory Board who are employed by Symrise AG are not regarded as independent members of the Supervisory Board. The necessary independence is particularly lacking when a Supervisory Board has a personal or business relationship with Symrise AG, its corporate bodies, a controlling shareholder or an affiliated company which may give rise to a material, and not merely temporary, conflict of interest. This goal is currently being met. The independent members are: Ms. Ursula Buck, Mr. Horst-Otto Gerberding, Mr. Bernd Hirsch, Ms. Jeannette Härtling, Prof. Dr. Andrea Pfeifer, Mr. Peter Vanacker, Mr. Peter Winkelmann and Mr. Michael König (Chairman since 6 / 17 / 2020).

## GENERAL DISCLOSURES

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

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

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

### **Prof. Dr. Andrea Pfeifer:**

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

### **Peter Winkelmann:**

- amedes Holding GmbH, Hamburg, Vice Chairman of the Supervisory Board
- Apollo 5 GmbH, Starnberg, Vice Chairman of the Supervisory Board

### **Michael König:**

- Conzetta AG, Zurich, Switzerland, Member of the Board of Directors
- Position in Elkem / China National Bluestar Group (Group position):
  - REC Solar Group, Oslo, Norway, Chairman of the Supervisory Board

The current number of Symrise shares is 135,426,610.

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

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

A neutral and independent consulting and monitoring of the Executive Board continues to be ensured without restriction. At least one independent member has expertise in accounting or auditing.

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

In accordance with the articles of incorporation, Symrise AG's Supervisory Board has twelve members, with six representatives elected by the shareholders and six by the employees. The period of office is identical for all members. In accordance with the recommendations of the German Corporate Governance Code (DCGK) 2017, the shareholder representatives are elected individually at the Annual General Meeting.

The six employee representatives were chosen from among the German staff on February 24, 2016, in compliance with the legally prescribed election process. The next election will take place at the beginning of 2021.

The following shareholder representatives were elected to the Supervisory Board for the period lasting until the end of the Annual General Meeting that will decide on discharges for the 2020 fiscal year:

Ms. Ursula Buck, Managing Director at Top Managementberatung BuckConsult, Pössenhofen; Mr. Horst-Otto Gerberding, Owner and Chairman of the Advisory Board at Gottfried Friedrichs (GmbH & Co.) KG, Holzminden; Mr. Bernd Hirsch, Chief Financial Officer at COFRA Holding AG Neuler; Prof. Dr. Andrea Pfeifer, Chief Executive Officer at AC Immune S. A., St. Léger, Switzerland; Mr. Michael König, Chief Executive Officer at ELKEM ASA, Oslo, Norway; and Mr. Peter Vanacker, President and Chief Executive Officer at Neste Corp., Espoo, Finland.

## GENERAL DISCLOSURES

The following six employee representatives were elected to the Supervisory Board for the period lasting until the end of the Annual General Meeting that will decide on discharges for the 2020 fiscal year:

Harald Feist, Chairman of the works council and Chairman of the general works council of Symrise AG, Holzminden; Andrea Püttcher, Vice Chairperson of the works council and Vice Chairperson of the general works council of Symrise AG, Bevern; André Kirchhoff, independent member of the works council at Symrise AG, Bevern; Gerd Lösing, Vice President Quality Control Global at Symrise AG, Höxter; Ms. Jeannette Härtling, Deputy Regional Head of the IG BCE district South Lower Saxony, Burgdorf and Mr. Peter Winkelmann, Regional Head of the IG BCE district South Lower Saxony, Alfeld.

When nominating candidates for election to the Supervisory Board, particular attention was paid to the knowledge, skills and professional experience required for the duties to be performed, as well as to the principle of diversity among the Supervisory Board's members. The current Supervisory Board at Symrise AG includes eight independent members and with four women: Ms. Buck, Ms. Härtling, Prof. Dr. Pfeifer and Ms. Püttcher. The Supervisory Board will continue to attempt to implement the regulations specified in the Act on the Equal Participation of Women and Men in Management Positions in Private Economy and Public Service, which was passed by the German Bundestag on February 6, 2015, and the Bundesrat on March 27, 2015, insofar as it concerns the composition of the Supervisory Board and with the support of corresponding nominations regarding the election of the shareholder representatives by the Annual General Meeting and the election of employee representatives by the staff.

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

In accordance with Recommendation C 1 of the Corporate Governance Codex 2020, the Supervisory Board should specify concrete goals for its composition and develop a competence profile for the entire Board. In doing so, the Supervisory Board should pay attention to diversity. Taking into account the specific company situation, diversity is defined by internationality, age, gender and education or professional background, among other things. With the support of corresponding nominations, the Supervisory Board seeks to ensure that in its future composition at least 30% of its members are female. The "Act for the Equal Participation of Women and Men in Management Positions," passed by the German Bundestag on February 6, 2015, and the Bundesrat on March 27, 2015, was implemented.

Generally, at least seven independent members should always be represented in the Supervisory Board. Members of the Supervisory Board who are employed by Symrise AG are not regarded as independent members of the Supervisory Board. The necessary independence is particularly lacking when a Supervisory Board has a personal or business relationship with Symrise AG, its corporate bodies, a controlling shareholder or an affiliated company which may give rise to a material, and not merely temporary, conflict of interest. This goal is currently being met. The independent members are Ursula Buck, Horst-Otto Gerberding, Bernd Hirsch, Jeannette Härtling, Prof. Dr. Andrea Pfeifer, Peter Vanacker, Peter Winkelmann and Michael König (Chairman as of 06 / 17 / 2020).

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

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

## GENERAL DISCLOSURES

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

The Personnel Committee is responsible for matters pertaining to the Executive Board. These matters particularly include making resolution recommendations at the full Supervisory Board meetings regarding the appointment of Executive Board members or regarding components of Executive Board members' employment contracts. This committee is also responsible for succession planning at the Executive Board level. The Personnel Committee deals with the development of the Executive Board remuneration system – specifying the amount of remuneration and the related target agreements and making corresponding recommendations at the full Supervisory Board meetings. The Personnel Committee additionally resolved to incorporate the criterion of diversity when appointing future Executive Board members, striving in particular to give appropriate consideration to women. The Personnel Committee currently has six members, of which three members are chosen by the shareholder representatives and three are chosen by the employee representatives in the Supervisory Board. The members are: Michael König (Chairman as of 06/17/2020), Harald Feist, Horst-Otto Gerberding, Prof. Dr. Andrea Pfeifer, Gerd Lösing (as of 06/17/2020) and Peter Winkelmann.

The Auditing Committee mainly focuses on matters relating to the annual financial statements and consolidated financial statements, which includes monitoring the accounting process, the effectiveness of the internal controlling system, the risk management system, the internal auditing system and the audit of annual accounts. It also monitors the independence and qualifications of the auditor as well as additional services provided by the auditor. Furthermore, the Auditing Committee discusses the interim reports in detail and approves them before they are published. The Auditing Committee prepares the Supervisory Board's decision on the approval of the annual financial statements and its approval of the consolidated financial statements. To this end, it is responsible for pre-auditing the annual financial statements, the consolidated financial statements, the management report and the proposal regarding appropriation of earnings. The regular agenda items also include the receipt of the reports from Internal Auditing and the Group Compliance office as well as the risk report. At least one member of the Auditing Committee must be independent and possess expertise in accounting or auditing. The Auditing Committee currently has six members. Three members are shareholder representatives on the Supervisory Board and three are employee representatives on the Supervisory Board. The members are: Bernd Hirsch (Chairman), Ursula Buck, Harald Feist, Jeannette Härtling, Michael König and Peter Winkelmann.

The Auditing Committee prepared the Supervisory Board's proposal to the Annual General Meeting to nominate Ernst & Young GmbH of Hanover as the auditor. Furthermore, the Auditing Committee solicited a statement of independence from the auditor. It commissioned the auditor, established the main focuses of the audit and prepared the resolution for the Supervisory Board regarding the auditing fees. Additionally, the Auditing Committee drew up its own regulation regarding its concrete procedure.

Shareholders and employees are equally represented on the Arbitration Committee pursuant to Section 27 (3) of the Codetermination Act. The Arbitration Committee has four members. The current four members are Michael König (Chairman as of 06/17/2020), Ursula Buck, Harald Feist and Gerd Lösing (as of 06/17/2020).

The Nominations Committee consists exclusively of shareholder representatives from the Supervisory Board. Its task is to recommend shareholder representatives to the Annual General Meeting who would be suitable Supervisory Board members for upcoming Supervisory Board elections. Three Nominations Committees consist of three members. Currently, these are Michael König (Chairman), Horst-Otto Gerberding and Prof. Dr. Andrea Pfeifer.

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

As in the previous year, conflicts of interest of members of the Executive and Supervisory Boards, which must be disclosed to the Supervisory Board without delay and reported to the Annual General Meeting along with their underlying circumstances and a report of how they will be handled, did not occur in 2020.

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

The direct responsibility for strategy lies with the Chief Executive Officer of Symrise AG, who receives regular reports on the progress of all sustainability activities. The Supervisory Board advises and oversees the Executive Board in the management of the company. It is involved in strategy and planning as well as all other decisions of fundamental significance to the company.

The Corporate Sustainability department coordinates our global sustainability management. Together with the business divisions involved, it develops guidelines and procedural instructions based on the global principles defined by the Executive Board and assesses compliance with legal requirements and obligations set by Symrise. The Executive Board and the Corporate Sustainability department define goals for the four focus areas (footprint, innovation, sourcing and care) that apply for the entire Group.

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

When nominating candidates for election to the Supervisory Board, particular attention was paid to the knowledge, skills and professional experience required for the duties to be performed, as well as to the principle of diversity among the Supervisory Board's members. The current Supervisory Board at Symrise AG includes eight independent members and four women: Ms. Buck, Ms. Härtling, Prof. Dr. Pfeifer and Ms. Püttcher. The Supervisory Board will continue to attempt to implement the regulations specified in the Act on the Equal Participation of Women and Men in Management Positions in Private Economy and Public Service, which was passed by the German Bundestag on February 6, 2015, and the Bundesrat on March 27, 2015, insofar as it concerns the composition of the Supervisory Board and with the support of corresponding nominations regarding the election of the shareholder representatives by the Annual General Meeting and the election of employee representatives by the staff.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

In accordance with Section 87 (1) of the German Stock Corporation Act (AktG), the Supervisory Board decides on the remuneration system for the Executive Board and sets the remuneration of the individual Executive Board members. It aligns remuneration to the sustainable and long-term development of the company. At around 66% of total remuneration, the performance-related, variable component significantly exceeds the weight of the non-performance-related, fixed remuneration components. As the performance criteria for the respective fiscal year are derived from the rolling medium-term plan, the short-term incentive (STI) also supports the pursuit of long-term, multi-year corporate goals. This is how we ensure that the pursuit of operational goals is in line with the long-term orientation of our business goals.

The non-performance-related remuneration consists of the fixed remuneration, which is paid out in twelve equal monthly amounts as annual fixed remuneration. The performance-based remuneration components comprise the short-term, one-year remuneration (STI) and the long-term, multi-year remuneration, the long-term incentive plan (LTIP). For both the STI and the LTIP, a cash bonus is agreed as a benefit in the event of 100% goal attainment.

The fixed annual remuneration plus the cash bonus in the STI and the cash bonus in the LTIP (each based on 100% goal attainment) result in the target total remuneration of the individual Executive Board member. At Symrise, the target is that 35% of the target total remuneration will be accounted for by the fixed remuneration, 30% by the one-year variable remuneration and 35% by the multi-year variable remuneration. The actual payment, based on one year, depends on the actual achievement of the performance-related remuneration components.

In one-year variable remuneration, financial and thus quantitative performance criteria are taken from the annual business planning of Symrise. Specifically, these are exchange rate-adjusted EBITDA and exchange rate-adjusted net sales in absolute terms. They generally account for 80% of the 100% bonus targets. The remaining 20% of the annual bonus is derived from non-financial and therefore qualitative performance criteria. Topics from the area of the sustainability strategy that are important for the long-term and sustainable development of Symrise are used as non-financial targets. These can be topics from the area of environmental and climate protection (CO<sub>2</sub> emissions, water consumption, electricity from renewable energies), occupational safety or employee development and promotion.

In 2020, we focused on optimizing our working capital. In addition, certain items are also incentivized, such as the reduction of our direct and energy-indirect (Scope 1 + 2) CO<sub>2</sub> emissions, the sustainable orientation of our innovation process or the sourcing of raw material from sustainable sources.

## GENERAL DISCLOSURES

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

In 2020, there were no clawback claims against any Executive Board member, neither for performance-related reasons (performance clawback), nor for behavior-related reasons (compliance clawback).

When an Executive Board member's contract expires, we offer no termination benefits. If a change-of-control situation happens to arise, then the Executive Board member's contract provides for termination benefits that comply with the German Corporate Governance Code.

We offer a company pension in the form of deferred compensation. This applies to the Executive Board as well as to the entire management. We provide our remaining employees with either a retirement benefit plan in the form of a membership in a retirement fund (today's standard) or a suitable retirement plan (old cases).

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

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

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

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

In the event of significant changes to the Executive Board remuneration system, but at least every four years, the Executive Board remuneration system will in the future be presented to the shareholders for approval at the Annual General Meeting. Most recently, the Symrise Executive Board remuneration system received approval of around 93% at the Annual General Meeting in May 2015. Since then, it has been in effect without change. It is intended to put the Executive Board remuneration system and the Supervisory Board members remuneration system to a vote at the Annual General Meeting on the 2020 business results.

The personnel committee evaluates the individual performance of the Executive Board members once a year based on the approved remuneration system, determining the target total remuneration of the respective Executive Board member. The last review occurred in March 2020. The personnel committee also annually reviews the performance-related variable remuneration based on individual goal attainment and ensures that the maximum remuneration specified in the system (the cap) is not exceeded.

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

There is no personal relationship between Symrise and the professional consulting company. Commissioning is done in each individual case by the Supervisory Board. In 2020, the Swiss financial research firm Obermatt advised the Supervisory Board on the review of the remuneration-relevant Symrise peer group and made recommendations to expand it.

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

The Chairman of the Supervisory Board reports extensively on the remuneration of Executive Board members at the Annual General Meeting. The current remuneration system was put to a vote at the Annual General Meeting in 2015 and approved by 92.96% of shareholders. This remuneration system has been in effect without change since then, so another resolution has not been required. It is intended to put the Executive Board remuneration system and the Supervisory Board members remuneration system to a vote at the Annual General Meeting on the 2020 business results. Furthermore, in accordance with German codetermination, employee representatives in the Supervisory Board participate as stakeholders in determining remuneration.

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

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

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

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

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

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

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

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

The remuneration for our Executive Board members is essentially fixed for the duration of the three-year or five-year contract. In principle, this means that no annual adjustments are made. In Germany, the remuneration of all employees was last increased in July 2020 thanks to a new collective bargaining agreement. The next general remuneration adjustment will take place in July 2021 in accordance with the collective bargaining agreement for the chemical industry. The salaries of our employees in Brazil were increased by 2.55% in November 2019 in line with the collective wage agreement for Brazil.

## **STAKEHOLDER ENGAGEMENT**

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

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

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

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

Globally, 60% (2019: 60%) our workforce is covered by collective bargaining agreements, and about 84% of the workforce in Germany is covered by our collective bargaining agreements. Our non-collective bargaining employees excluding executives and senior management (around 10% of our German workforce) are treated in the same way as our collective bargaining employees when it comes to wage increases.

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

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

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

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

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

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

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

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

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

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

## **REPORTING PRACTICE**

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

In addition to Symrise AG as parent, the scope of consolidation includes all domestic and foreign companies that Symrise AG directly or indirectly controls or where it has significant influence over their activities. A comprehensive overview of all consolidated companies is provided in the [Financial Report, pages 137-139](#).

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

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

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

Where appropriate, we revised the names and focus of material topics. For example, what used to be the “compliance” topic is now “good corporate governance and compliance”. Due to its high relevance, reporting on the latter was supplemented in the 2020 reporting year to include disclosures on the new GRI standard “taxes” and “political influence”. The topics “sustainable forestry”, “sustainable agriculture and aquaculture” and “biodiversity” will be combined into “protection of biodiversity” as of 2019 due to overlapping areas of focus. “Excellence in the supply chain” has been integrated into related topics. The climate protection activities of Symrise are now explicitly addressed with the topic of “climate protection and emission reduction”, which has extended since 2019 beyond the mere reduction of emissions.

The three central topics of focus identified in 2019 among all of the stakeholders were “responsible sourcing”, “climate protection and emission reduction” and “responsible use of raw materials”. During the qualitative interviews, external experts also emphasized dependence on natural raw materials in the “race for resources” and the importance of a company’s climate protection activities. This impression was confirmed again in 2020 during discussions with external stakeholders for corporate reporting.

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

The results of the 2019 materiality analysis were then discussed and validated by the Sustainability Board. The Sustainability Board critically reviewed our materiality analysis in the reporting year. Potential negative effects of the coronavirus pandemic on our material topics, particularly regarding the cooperation with our employees, partners and suppliers, were countered by the fast and targeted action of our crisis management team and specific measures taken on site, and existing processes were jointly developed in a secure and resilient manner. See the [summary table in the Corporate Report 2020 on page 112](#) for an overview of all the material topics, their definitions, goals, goal attainment, and management methods.



Footprint



Innovation



Sourcing



Care

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

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

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

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

None.

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

See [GRI 102-46](#).

**GRI 102-50: Reporting period ✓**

January 1, 2020 – December 31, 2020

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

March 11, 2020

**GRI 102-52: Reporting cycle ✓**

We have reported on our sustainability activities annually since 2006.

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

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

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

**GRI 102-55: GRI content index ✓**

This Sustainability Record reflects the content of the GRI index. We follow the guidelines of the Global Reporting Initiative (GRI) from the version "GRI Standards" (2016), including updates on taxes (207, 2019), water and wastewater (303, 2018), waste (306, 2020) as well as occupational health and safety (403, 2018).

**GRI 102-56: External assurance ✓**

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

## MATERIAL TOPICS

### GRI 200 – ECONOMIC

#### GRI 201: ECONOMIC PERFORMANCE 2016

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

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

We combine commercial success with sustainability by constantly ensuring that every step in the value chain relates back to what we are doing. This starts with the raw materials. We source them from around the world and often from less developed nations. Take vanilla, for example. Here, we ensure that the farmers are paid a fair price for their goods and that environmental aspects are considered in the growing process. We also ensure that absolutely no child labor occurs. Over the past ten years, we have been committed to improving education and health care in Madagascar, where our vanilla is grown. We have established production facilities there that meet the environmental standards of the developed world. Our local business activity contributes to the livelihood of nearly 50,000 people. Something similar has just been implemented in the Amazon region in Brazil. We established a site in the rainforest that researches new, sustainable raw materials for perfumes in close cooperation with Brazil’s top cosmetics manufacturer Natura. At the same time, many families in the region are benefiting from our commitments there.

We established a site in the Amazon region that researches new, sustainable raw materials for cosmetics in close cooperation with Brazil’s top cosmetics manufacturer Natura. The supply chains of all raw materials used at this site are reviewed in accordance with the UEBT guidelines. At the same time, many families in the region are benefiting from our commitments there.

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

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

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

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

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

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

A complete description can be found in the 2020 Financial Report:

- [Financial Report \(overview of the 2020 fiscal year, page 3\)](#)
- [Financial Report \(Consolidated Financial Statements, pages 71 ff.\)](#)

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

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

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

The main criteria for setting priorities with regard to climate change-related opportunities are new business opportunities that address climate change through new technologies and products, which lead to possible new sales, selling points and an improved reputation. Opportunities typically require investments in facilities, R&D or M&A. To make each investment decision, we consider alignment with our business strategy (e.g., the strengthening of our core business), financial performance indicators like ROIs and the impact of our business on sustainability.

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

**RISK EXAMPLE:**

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

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

**OPPORTUNITY EXAMPLE:**

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

Currently, up to 8% of our sales (this corresponds to € 272 million) are accounted for by customers who explicitly pay attention to climate aspects and ask us to participate in Supply Chain CDP. Accordingly, we expect sales growth of 6% for climate-sensitive products but assume that we can still increase this figure by a quarter to 7.5%. This results in an annual financial impact of € 20.4 million.

As one of the now over 1,700 companies all over the world Symrise supports the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD) since 2018. You can find a brief description of our activities in this area in the [2020 Corporate Report on p. 28 ff.](#)

Since this reporting year, the [TCFD Index](#) has been used to prominently highlight our climate-related reporting in this sense, and we refer directly to our detailed responses in the [CDP Climate Change Questionnaire](#) for a more detailed description of our approach and details on risks and opportunities.

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

Information about this can be found in the [Financial Report on pages 57 ff.](#) as well as in the notes to the [consolidated financial statement on pages 90, and 114 ff.](#)

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

In total, Symrise received about € 13 million in subsidies, including in France, in 2020 (2019: € 9 million). You can find additional information in the [Financial Report on page 103 ff.](#)

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

**Omissions:**

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

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

We rely on an open and honest straightforward cooperation with the people who live in and around our locations. This is how we successfully operate and also attract new employees to our company. In a globalized world economy, in the midst of an international competitive environment, and with regard to local demographic developments, the topic of market presence is becoming increasingly important for corporate success. Accordingly, attractiveness as an employer as a material topic and its effects, in particular for Symrise itself, were also included in the materiality analysis carried out in 2019.

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

To new sharpen the focus on our profile as an employer of choice, we collected data on the perception of Symrise as an employer in 2020 as part of a global survey of more than 1,245 employees. The results of this survey supersede the findings from our last global employee engagement survey in 2016. Specifically, the focus of questions in 2020 were on communication, corporate culture and leadership behavior within the company. The surveyed employees come from all regions, all hierarchical levels (36% managers, 64% general employees) and all functional business units such as production, product application development, marketing and sales.

65% of employees feel well to very well informed by the company. However, 46% would like to see more communication via digital channels. The internal corporate culture and external image of Symrise are perceived as authentic and consistent by 81% of employees. Solid scores were given for the aspects of diversity and internationality and for employee leadership and development, each with an average rating of 3.22 on a scale of 5. We are pleased with the convincing importance of sustainability for our company. 87% of the employees surveyed gave sustainability a very high rating, averaging 4.8 points on a scale of 5. Pride in Symrise, expressed in the likelihood of recommending Symrise as an employer, is therefore also strong, with an average score of 7.87 on a scale of 10. We can now build on these results to further raise our profile as an employer of choice.

We also conduct what is known as Pulse Surveys on a topic and area specific basis. At the end of 2018, for example, we conducted a focused survey within the global Fragrance organization involving around 650 employees. Main topics included the reorganization of this division according to global business units (fine fragrances, consumer fragrances and oral care) and the processes between these business units and sales. The results showed that the employees see a significant need for adjustment in the regional management of the business (visibility of regional management) as well as the strategic orientation of the global business units toward product development (use of crucial resources, such as perfumers and evaluators). The results of the survey were communicated in a transparent manner.

Through various recruitment marketing activities at local schools or university job fairs in our extended regional environment, we promote ourselves as an employer and training company and succeed in signing on well-qualified young people. Symrise was recognized in 2020 as one of the best training companies in northern Germany by respected German business newspapers.

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

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

The wages that an employee receives for his work at Symrise when initially employed are determined by our collective bargaining agreements if the employee is governed by the CBA while those workers not governed by the CBA receive wages based on our job grade concept. The wages are based on the wage agreements concluded for the chemical industry and are above the statutory minimum in the individual countries in which we have employees.

Symrise pays its employees on the basis of collective wage agreements concluded with the responsible labor unions in each country. Each initial classification to a tariff wage or subsequent wage increase is subject to review by the works council. Through this doublechecking (Human Resources department and works council), we make sure that gender plays no role in determining remuneration.

Every year, we conduct analyses at all our major sites to prevent gender-specific disadvantages in remuneration. In 2019, we conducted a detailed analysis down to the individual remuneration of female employees at our sites in Germany, Mexico and Brazil. The example of our site in Germany, which has the most employees, shows that the average remuneration of women does not significantly deviate from the average remuneration of men in the respective collective bargaining or non-collective bargaining pay categories (statistically insignificant differences of < 2%). As part of this analysis, we adjusted the results to account for the personal decision of each employee to work part time and thereby to earn less than a full-time employee. A similar picture emerged when analyzing the remuneration of men and women in Brazil. If, in individual cases, a difference in arithmetical remuneration was identified that could not be explained by figures, budget measures were taken to bring the remuneration of a defined group of women in line with the median remuneration of men.

In the cases that men are paid more than women in individual collective wage groups, the reason for this discrepancy is that we have nearly no women in production so women do not benefit from production-specific components of remuneration. These production-specific components of remuneration, such as hardship allowances and paid washing times or activity-related wages including foremen's or shift supervisor's allowances, are thereby legitimate causes of different levels of remuneration. Traditional career models and roles therefore lead to different levels of remuneration.

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

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

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

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

The share of management staff from local areas is over 90% (2019: 90%). Respective national working conditions apply to this group. In addition, we employ expatriates for the primary purpose of ensuring know-how transfer from the central research and development units. In 2020, 110 employees worldwide worked in a different country than their original home country (2019: 120). The slightly lower number is due to travel restrictions because of the coronavirus pandemic.

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

**GRI 204: PROCUREMENT PRACTICES 2016****GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

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

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

We ensure that suppliers also comply with our comprehensive sustainability standards through systematic supplier management and compliance with our [responsible sourcing strategy](#). This means that new suppliers must provide information about their sustainability program and the assumption of ecological and social responsibility along their supply chain.

To date, we have screened our key suppliers via the SEDEX platform on the topics of human rights, environment, health & safety, and business integrity. In 2020, we started to include suppliers on the EcoVadis platform. Thus, we leverage the benefits of both platforms to identify risks and opportunities for our suppliers. The procedure is described in our [responsible sourcing strategy](#).

We require the protection of general human rights, the commitment to not engage in any child or forced labor of any type and compliance with statutory requirements for safeguarding health and safety in the workplace. Furthermore, we expect our suppliers to allow their employees the right to freedom of association and collective bargaining, to observe the statutory provisions on working times and pay and to make a clear commitment against abuse. We also do not tolerate discrimination based on gender, ethnic identity, skin color, nationality, age, religion, sexual orientation, disability or any other personal characteristic by our suppliers. These principles are set out, among other things, in our Code of Conduct, which applies to all employees and business partners – we obtain written confirmation of compliance from our direct suppliers.

In 2020, “Safeguarding Confidential Company Information”, “Ethical Leadership” and “International Trade Compliance” were addressed in three training courses. Participation in the above training courses is mandatory for employees who have a connection to these topics as a result of their work. These training courses also contain repeated references to our Code of Conduct, enforcing our binding principles. As part of the training sessions, attention is also drawn to the complaints mechanism, including the internal Integrity Hotline at Symrise, in the event of violations of the Code of Conduct (see [GRI 102-17](#)).

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

We also require that our suppliers conserve resources, reduce and avoid air emissions, ground emissions or wastewater, commit themselves to the preservation and sustainable use of biological diversity and avoid environmental risks effectively. These aspects constitute part of our Group-wide risk management system. In this connection, we conduct risk and performance evaluations of suppliers from economic, ecological and social perspectives. We set the goal of assessing our main suppliers according to sustainability criteria by 2025. We carry out audits for suppliers that pose an especially notable risk (as defined by SEDEX and EcoVadis), that have crucial raw materials or that have had problems flagged in the assessment. In the reporting year, 142 supplier audits were performed by trained and experienced internal supplier audit teams. Additionally, we request at least 50 suppliers annually to carry out SEDEX / SMETA audits by verified, independent audit agencies. We also receive between 50 to 100 SMETA unsolicited audit reports from our suppliers from SEDEX. We can track the implementation of identified corrective actions from the audits through to verification in the SEDEX database.

With our specially developed Product Sustainability Scorecard (PSS), we evaluate some of our raw materials and products according to sustainability performance criteria. Ten dimensions and KPIs are used, including “Green Chemistry Principles” and “Planetary Boundaries”. This scorecard system offers internal and external stakeholders better guidance for decision-making in order to improve sustainability.

At the same time, we are working with multi-stakeholder initiatives, such as the Sustainable Spices Initiative or the Sustainable Agriculture Initiative, so that we are able to influence sustainability performance along the supply chain more directly. This also applies to our backward integration approach. With regard to important core competences, we have deliberately chosen locations for our international production facilities where the raw materials primarily used are available locally. We not only purchase our raw materials there but are also integrated in the local economy, produce there and create value there. This approach enables us to support local socio-economic structures and maximizes our ability to monitor and improve compliance with our ethical and environmental principles. One example is our sourcing in Brazil under the Amazon Program in cooperation with Natura and GIZ: 100% of our supply chains under the program are traceable and verified through Ethical Sustainable Sourcing (ESS). More than 1,200 participating families have already been supported, including through training (for more on the Amazon Program, see management approach to [GRI 413](#); for more information on procurement practices, see management approaches to [GRI 308](#), [GRI 408](#), [GRI 409](#), [GRI 412](#) and [GRI 414](#)).

Symrise obtains the majority of one of its main raw materials, the onion, from farmers within 50 kilometers of the plants where the vegetables are processed. This applies both to Germany and France, where the main production sites are located. Purchasing the onions from the region ensures low transport and energy costs. At the same time, it makes joint development work easier, for example, Symrise has established what is known as the “onion ring”: In close cooperation with farmers, the Lower Saxony Chamber of Agriculture and the Saxony State Office for the Environment / Agriculture and Geology, we are testing good agricultural practices to increase revenue and minimize losses. We are also experimenting with different onion varieties to optimize revenue.

Symrise has also been a member of the Roundtable on Sustainable Palm Oil (RSPO) since 2015 and since then we have been continuously improving our palm oil supply chain: Since 2016, we have only used palm and palm kernel oils from 100% RSPO “Mass Balance” certified sources. In 2020, we achieved our goal of also sourcing 100% of certified primary and secondary palm oil derivatives from sustainable sources. In addition, we have converted numerous recipes to palm oil free quality in recent years.

We moreover enter into sustainable partnerships and participate in a variety of initiatives that promote responsible sourcing practices. Symrise is a member of the Sustainable Spices Initiative (SSI), the Union for Ethical Biobased Trade (UEBT), the Sustainable Agricultural Initiative (SAI) Platform and the Alliance for Development and Climate. As a founding member, Symrise was also involved in the creation of the Sustainable Vanilla Initiative and the One Planet for Biodiversity Initiative, in cooperation with The World Business Council for Sustainable Development (WBCSD), among others. Since 2020, we have been active in the WBCSD’s new Nature Action initiative and are committed to the principles of the multi-stakeholder Together for Nature initiative. After joining the RE100 initiative in 2019, since 2020 Symrise has also been part of the Business Ambition for 1.5°C and the Alliance of CEO Climate Leaders. In addition, in 2020 Symrise supported the campaigns Corporate Sourcing of Renewable Energy and United in the business of a better world and advocated for the adoption of a supply chain law by 2021 as part of the Sustainable Agricultural Supply Chain Initiative (INA) (for more information on these and other initiatives, see [GRI 102-12](#)).

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

During the reporting period, in terms of volume, 81.7% of the goods and services at our sites were sourced from local suppliers (2019: 75.3%). Symrise characterizes suppliers as local suppliers if they come from the same country.

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

In 2020, 100% of key suppliers in the Scent & Care and Flavor segments, based on procurement volume, were assessed according to SEDEX, SMETA 4 Pillar. The Nutrition segment is continuously working on expanding the assessment of its key suppliers. We are not aware of any violations of our supplier code.

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

We are purchasing an increasing number of natural raw materials with certified origins. For instance, we established a progressive strategy for the responsible sourcing of oils and derivatives from palm fruits in 2015. Since 2016, we have only used palm and palm kernel oils from 100% RSPO "Mass Balance" certified sources. In 2020, we achieved our goal of also sourcing 100% of certified primary and secondary palm oil derivatives from sustainable sources.

**GRI 205: ANTI-CORRUPTION 2016**

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

We do not tolerate any form of corruption in our company. Accepting or providing money or other services in an attempt to gain a competitive advantage do not belong to our business practices. Bribery and money laundering are criminal offenses that we strongly condemn.

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

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

To guard against any breach in legal and ethical standards, the Group Compliance office installed an Integrity Hotline in the summer of 2008. This ensures that Symrise employees can anonymously report any breaches in legal regulations and internal company guidelines at any Symrise locations around the world. With this hotline, employees are able to contact the Group Compliance office using toll-free telephone numbers that have been specially set up in individual countries. Of course, reports are treated confidentially, and whistle-blowers are not prosecuted. We consistently pursue misconduct within the scope of the applicable national legislation (for more on the complaints mechanism, see [GRI 102-17](#)).

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

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

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

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

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

In 2020, “Safeguarding Confidential Company Information”, “Ethical Leadership” and “International Trade Compliance” were addressed in three training courses. Participation in the above training courses is mandatory for employees who have a connection to these topics as a result of their work. These training courses also contain repeated references to our Code of Conduct, enforcing our binding principles. As part of the training sessions, attention is also drawn to the complaints mechanism, including the internal Integrity Hotline at Symrise, in the event of violations of the Code of Conduct (see [GRI 102-17](#)).

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

There were no confirmed cases of corruption at Symrise in 2020.

**GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016**

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

For Symrise, transparency and credibility are the basis for a reliable and constructive relationship with the company’s key stakeholders: employees and colleagues, customers and suppliers, shareholders and investors, neighbors and society, national and local governments as well as government agencies, the media and the concerned public. The significance of “Good Corporate Governance & Compliance” for Symrise as well as its relevance and impact on external stakeholders is also reflected in the high rating of the topic in our materiality analysis conducted in 2019.

In order to ensure uniform and exemplary actions and conduct, we continue to adhere to the Code of Conduct, which was introduced in 2006 and fundamentally revised in 2016. This Code of Conduct applies to the Executive Board and the Supervisory Board and to all Symrise employees in Germany and abroad, i.e., to managers and all employees in the Group equally. The Code of Conduct – a binding fundamental principle – defines minimum standards and sets out behavior enabling all employees to cooperate in meeting these standards. The purpose of the Code of Conduct is to help all employees cope with the ethical and legal challenges of their everyday work and provide them with guidance in conflict situations. In the interest of all employees and the Group, noncompliance with standards will be investigated and their causes remedied. This means that misconduct will be consistently prosecuted in accordance with national laws.

In 2020, “Safeguarding Confidential Company Information”, “Ethical Leadership” and “International Trade Compliance” were addressed in three training courses. Participation in the above training courses is mandatory for employees who have a connection to these topics as a result of their work. These training courses also contain repeated references to our Code of Conduct, enforcing our binding principles. As part of the training sessions, attention is also drawn to the complaints mechanism, including the internal Integrity Hotline at Symrise, in the event of violations of the Code of Conduct (see [GRI 102-17](#)).

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

There were no cases involving anticompetitive behavior at Symrise in 2020.

**GRI 207: TAX 2019**

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

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

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

We have internal policies, processes and compliance programs in place to ensure that we act consistently in all areas of our company and meet our tax obligations. Training concepts for our employees are currently being developed. Advice may also be sought from external advisors to support the decision-making process.

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

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

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

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

We pay taxes where we create value, thus contributing to enabling state and municipal investments in infrastructure and the common good. By 2025, we are basically planning for a global tax rate of an above-average 26–28%. In 2020, the effective Group tax rate was 25.6% (2019: 27.3%). Our effective tax rate thus lies above the average tax rate for stock-listed companies in Germany.

Symrise consistently works on improving its tax compliance management system. In 2020, the implementation of the sixth amendment to the EU Directive on Administrative Cooperation (DAC 6), along with significantly stricter reporting requirements for cross-border tax arrangements, was also highly significant for the European region.

For more information on our approach to taxes, see the [Symrise's Approach to Tax](#) from 2019.

### **GRI 207-1: Approach to tax ✓**

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

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

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

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

To ensure that, in addition to compliance with statutory provisions, the internal instructions of Symrise on handling taxes are always adhered to, we will in future have training courses for employees who work in the area of taxes.

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

We do not provide tax information to any person or institution other than tax authorities. All legally required information on income taxes is provided in our [Group management report](#) and [consolidated financial statements](#) (see [management report p. 31 ff.](#), [consolidated financial statements p. 105](#), and [independent auditor's report](#)).

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

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

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

A detailed presentation of country-by-country reporting is omitted, as disclosure of this data would reveal information relevant to competition. All legally required information on income taxes is provided in our [Group management report](#) and [consolidated financial statements](#) (see [management report p. 31 ff.](#), [consolidated financial statements p. 105](#), and [independent auditor's report](#)).

## GRI 300 – Environment

### **GRI 301: MATERIALS 2016**

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

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

Within our environmental management system, we evaluate the entire value chain. At every site, a senior manager is responsible for environmental management. The goal is to avoid or reduce the impact of our activities, products and services on the environment through a site-specific environmental program that complies with national and local legal regulations and provisions.

Our goal is to conserve resources, consistently avoid or minimize harmful effects on the environment and prevent risks. Our production sites with the greatest potential environmental impacts are either located in countries with strict environmental policies or operate according to an environmental management system that is ISO 14001 certified. In addition, the SEDEX platform or the SMETA 4-pillar requirements are adopted as the minimum standard and its compliance is regularly reviewed by external auditors. To gain a deeper understanding of our energy consumption, an energy audit in accordance with EN 16247 was also performed at all European sites of the Scent & Care and Flavor segments and at some of the Nutrition segment sites. All German sites have an ISO 50001 energy management system certificate as part of the matrix certification.

In the reporting year, our [plastics policy](#) created a framework for more consistently avoiding waste in the future and maximizing recycling. We have set clear goals in this area: We aim to recycle more than 95% of recyclable plastics by 2025, provided local capacities are available. Starting in 2025, 100% of our packaging materials are to be sustainable. Our goal is to phase out the use of single-use plastics in Germany by the end of 2020 and at all sites before mid-2021. An interdisciplinary team comprising employees from technical purchasing, packaging engineers and managers from operations and research and development is responsible for implementing the plastics policy.

Our goal was to generate more than 12% of our sales with new product developments that meet sustainability criteria by 2025. In the reporting year, we again achieved this goal with 15.4%. By 2025, we have set new goals of generating more than 15% of our sales with new product developments. Our research and development teams continuously work on switching to alternative raw materials and manufacturing processes to improve the sustainability performance of products and counteract availability bottlenecks. This involves applying the principles of green chemistry – especially in our specialized catalysis laboratory – biotechnological processes and digital solutions. Wherever possible, recipes are converted to raw materials from renewable sources. For example, the Fragrances division again expanded its portfolio in the reporting year to include a fragrance that is made from 100% renewable raw materials. The Cosmetic Ingredients division also annually launches products based on the principles of green chemistry or manufactured using biotechnology – in fiscal year 2020, for example, the SymControl® Scalp ingredient for hair care products, which is derived from microalgae and won the BSB Innovation Award. In the reporting year, Symrise also received further awards for sustainable product innovations at the BSB Innovation Award and the Ringier Innovation Award.

The efficient use of raw materials is also the focus of the continuous refinement of our manufacturing processes. For example, we use a process that allows us to completely extract active taste components from the byproducts of raw materials processing – and thereby achieve a maximum yield from raw materials while simultaneously conserving energy. This approach helps us, for example, to recycle co-products from the processing of cranberries. In 2020, Symrise received a prize for this at the BSB Environment Award.

Increasing efficiency not only has a positive impact on the environment, but also reduces costs and shows our Synchronize® initiative in action. In collaboration with our customers, we have developed this integrated supply chain management system, which helps to identify fields of action and topics with the potential not only to reduce the consumption of energy, water and resources but also our emissions. Within the framework of our Total Productive Maintenance program, we involve our employees in a targeted manner and learn from their proposals.

We are also concerned with the sustainable cultivation of raw materials. Through the Onion Ring, which we initiated, we are working with farmers and other local stakeholders to optimize the cultivation of onions and reduce the use of fertilizers and pest control (see [GRI 204](#)).

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

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

Since 2016, we have only used palm and palm kernel oils from 100% RSPO “Mass Balance” certified sources. In 2020, we achieved our goal of also sourcing 100% of certified primary and secondary palm oil derivatives from sustainable sources.

#### **Omissions:**

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

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

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

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

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

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

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

## **GRI 302: ENERGY 2016**

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

In order to produce our products, both we and our suppliers require a sufficient supply of energy, which is of course connected with CO<sub>2</sub> emissions. In the face of climate change, we feel obligated to create an increasingly efficient energy supply. This will continue minimizing risks associated with rising energy costs, reduce our CO<sub>2</sub> emissions and avoid any climate-related risk to our reputation, especially given increasing shareholder expectations. Among all of the stakeholders, the significance of the topic is also underlined by the result of our materiality analysis conducted in 2019 – with the high rating of the topic “climate protection and emissions reduction” for Symrise as well as its relevance and impact on external stakeholders.

That's why we not only analyze our energy consumption and CO<sub>2</sub> emissions inside our organization, but we also analyze this along every link in the entire supply chain including in our own products. To gain a deeper understanding of our energy consumption, an energy audit in accordance with EN 16247 was performed at all European sites of the Scent & Care and Flavor segments and at some of the Nutrition segment sites. All German sites have an ISO 50001 energy management system certificate as part of the matrix certification.

Again in 2020, we focused on decoupling our dynamic growth in various business units from their possible environmental impacts. We further optimized our energy balance in key areas through additional measures and building upon our energy aspect analysis, while placing a stronger focus on reducing emissions as part of Total Productive Maintenance.

CO<sub>2</sub> emissions within our organization (Scope 1+2) act as an important control quantity in our company sustainability management. We demonstrate our progress regarding resource conservation and emission reduction in a number of ways, one of them being our annual participation in the CDP independent investor initiative.

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

We started the CDP Supply Chain Program in 2017 to work with our suppliers on a more sustainable value chain. Our suppliers with the highest risk status on climate, water and forests were again asked to follow the CDP Supply Chain Program in 2020 – with the exception of the Nutrition segment, whose suppliers will be integrated into the program starting in 2021. The response rate in the area of climate has once again risen significantly from 52% in the previous year to 87%, and the answers also paint a positive picture: Overall, participating suppliers saved three million tons of CO<sub>2</sub>. Of the suppliers who participated in the CDP Supply Chain Program, 73% have set active goals. 86% of participating suppliers included climate-related issues in long-term goals – nearly all of which track goals at the Executive Board level. In addition, many suppliers are in turn engaging their own suppliers on climate-related issues: over 60% of participating suppliers motivated their own suppliers to set goals.

As of 2030, Symrise is committed to being climate-positive at all its global production sites based on the Scope 1+2 emissions of the GHG Protocol. In the reporting year, we were able to increase the eco-efficiency of greenhouse gas emissions (Scope 1+2), based on added value, by 13%. This means we have achieved our 2020 target of reducing greenhouse gas emissions (Scope 1+2) based on added value by 33% compared to 2010 ahead of schedule. Now we want to increase the eco-efficiency of emissions by more than 60% by 2025 compared to 2010. With this intensified climate target, Symrise is expected to reach the Science Based Target already approved in 2017 – the first company in its industry – five years ahead of schedule. Symrise also signed the Business Ambition for 1.5°C campaign launched by the Science Based Targets Initiative and is thus taking a pioneering role in the corporate commitment to a future with global warming of 1.5°C or less.

We achieve our ambitious climate targets by, among other things, continuously increasing energy efficiency at all production sites, purchasing renewable energies and supporting high-quality certified climate protection projects around the world.

Through various energy efficiency measures, we saved more than 68,000 metric tons of CO<sub>2</sub> in the reporting year: These include our combined heat and power plant at the Holzminden site, which reduces our CO<sub>2</sub> emissions from energy generation by around 35% annually. By expanding our production capacities for synthetic menthol, we avoid emitting around 25,000 metric tons of CO<sub>2</sub> each year. The reason for the high savings is the approximate ten times smaller CO<sub>2</sub> footprint of the synthetic variant compared with natural menthol. Ongoing measures by our local Total Productive Maintenance teams are continuously also replacing energy-intensive consumer equipment such as motors, ventilation or heating systems, compressed air systems and boilers for the production of steam and cooling with more efficient alternatives. We also consider emissions from logistics and packaging: The subsidiary Symotion in Holzminden, which is responsible for logistics processes, aims to reduce the use of diesel fuel by 2% per transport unit every year. We also carried out a pilot project in 2020 as part of our zero-waste strategy to offset the carbon footprint of cardboard boxes – plans are in place to extend this to other packaging materials. In total, this pilot project saved 12,000 tons of CO<sub>2</sub>. Another ten measures are currently being planned and implemented, through which we aim to achieve additional savings of almost 60,000 tons of CO<sub>2</sub> by 2021.

We have been sourcing all of our external electricity from renewable sources in Germany since 2018 – our goal was to expand this measure to our sites worldwide by 2025. In view of the aggravating situation concerning climate change, we again intensified our efforts in the reporting and thus were able to reach our ambitious goal ahead of schedule. As a result, in the reporting year we already demonstrably sourced our external electricity needs worldwide from renewable sources. Furthermore, we continuously review power purchase agreements (PPAs) worldwide that support these renewable energy measures.

In order to drive environmental and climate protection forward together with other stakeholders, Symrise is active in numerous initiatives and continuously joins new associations. After joining the Alliance for Development and Climate and the RE100 Initiative in 2019, Symrise has also been a member of the Business Ambition for 1.5°C, the Alliance of CEO Climate Leaders and Together with Nature since 2020. In addition, in 2020 Symrise supported the campaigns “Corporate Sourcing of Renewable Energy”, “United in the business of a better world” and “Uniting Business and Governments to recover better” (for more on the initiatives and campaigns, see [GRI 102-12](#)).

Symrise was awarded the first place of the German Sustainability Award in 2019 for its ambitious program for climate protection, its commitment in shaping the supply chain and its commitment to preserving biodiversity.

With its ambitious emission reduction targets and its commitment to numerous initiatives, Symrise takes a pioneer role in climate protection in our industry and acts in accordance with the resolutions of the UN climate conferences COP 21 in Paris, COP 22 in Marrakesh, COP 23 in Bonn, COP 24 in Katowice, COP 25 in Madrid and the recommendations of the current IPCC (see also [GRI 201-2](#)).

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

#### OVERALL ENERGY CONSUMPTION BY ENERGY SOURCE

Type of energy	Amount in TJ			
	2017	2018	2019	2020
Steam	162	176	241	273
Gas	2,658	3,179	3,292	4,876
Fuel	1,375	1,272	1,242	1,019
Electricity in total	743	786	819	1,053
Share of nuclear	106	105	108	0
Share of renewables	83	96	94	1,053
Share of nonrenewables	554	584	616	0
<b>Total</b>	<b>4,938</b>	<b>5,413</b>	<b>5,590</b>	<b>7,221*</b>

\* The significant increase compared to the previous year is due to the acquisition and first-time introduction of ADF / IDF. In the reporting year, we have already initiated measures to increase energy and process efficiency.

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

Energy consumption outside of Symrise, mainly meaning significant up / downstream activities in connection with our business activities, is not separately disclosed in these figures for 2020. Instead, CO<sub>2</sub> emissions are considered authoritative for this because Symrise uses these as control quantities (see [GRI 305-3](#)).

**GRI 302-3: Energy intensity ✓**

The energy consumption per € million added value amounted to 5.5 TJ in 2020 (4.6 TJ in 2019). The significant increase compared to the previous year is due to the acquisition and first-time introduction of ADF / IDF. In the reporting year, we have already initiated measures to increase energy and process efficiency.

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

In 2020, energy consumption per € million of added value increased by 20.4% compared to the previous year (2019: 5.3%). The significant increase compared to the previous year is due to the acquisition and first-time introduction of ADF / IDF. In the reporting year, we have already initiated measures to increase energy and process efficiency.

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

Innovation is a key driver of sustainability at Symrise. In 2012, we introduced a process for recording, assessing and managing our sustainability performance in product development. Using specific indicators based on the concept of planetary boundaries, we assess how our products and projects contribute to sustainability. A key component for efficient processes and environmentally friendly products is our systematic application of the green chemistry approach: We are constantly refining our existing products while also concentrating on process redesigns and complete overhauls incorporating green chemistry and innovative technologies. For instance, part of our integrated approach to environmental protection can be found in our new catalysis laboratory where we optimize existing chemical processes in a targeted manner using innovative catalysis methods (for more on our product innovations, see management approach to [GRI 301](#)). Changes to the product mix can also have a negative impact on the energy balance, because in some cases we have to use substances such as menthol or hydrolites that are manufactured using very high levels of energy. Nevertheless, in individual cases this can be the more climate-friendly option, for example, the CO<sub>2</sub> emissions of our synthetic menthol are ten times lower than those of natural menthol.

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

We are also continuously working in other areas on further optimizing our products' sustainability performance. For instance, a key focus for developing improved flavor solutions is optimizing existing agriculturally and aquacultural based products. At the same time, we are successfully working on integrating suitable byproducts from agricultural, aquacultural or food production, thereby increasing added value. Here, biotechnological approaches and new physical separation technologies are also being tested. Typical examples include already existing products made from onions, for which the entire process chain has been reevaluated: from the choice of onion type to the agricultural cultivation to processing and waste reduction. Here, Symrise is working in partnership with public research institutes and highly specialized partner companies. This radical approach opens up game-changing opportunities. For instance, it eliminates byproducts, improves raw material efficiency and significantly reduces the carbon footprint of our products.

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

Over the coming decades, many regions on the planet will experience severe shortages of fresh water, an essential resource. This is a topic we've analyzed as having a high social value for materiality in 2019. The physical availability of water as it relates to our supply chain is important, and acting responsibly towards the water is bound together with growing regulations and the significance of our company's reputation.

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

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

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

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

To ensure that we're able to identify and actively manage potential water risks early on, we also systematically assess our supply chain and maintain regular contact with our suppliers. This is why in 2017, we began working with the CDP Supply Chain Program. Our suppliers with the highest risk status on climate, water and forests were again asked to follow the CDP Supply Chain Program in 2020 – with the exception of the Nutrition segment, whose suppliers will be integrated into the program starting in 2021. The response rate increased to 54% from 44% in the previous year. Of the suppliers who participated in the CDP Supply Chain Program, 81% have set active water goals. An above-average 68% of participating suppliers reported having a water-related policy, and 70% of suppliers reported information from their water footprint. In addition, many suppliers are in turn engaging their own suppliers on water-related issues: almost one third of participating suppliers motivated their own suppliers to set goals.

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

The total amount of water recycled and reused by Symrise in 2020 is not worth mentioning.

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

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

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

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

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

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

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

- Increase the efficiency of water consumption at all production sites in arid regions by 15% (2018–2025).

In the reporting year, we recorded successive progress toward this target value – efficiency of water consumption increased by 3.1%. In 2018 and 2019, we performed a global water risk screening and found no significant changes between the two years. Since water stress is primarily dependent on geographical location, but also on sociopolitical influences, a site-specific approach makes sense. We therefore began assessing all Symrise sites in 2020 using a risk matrix. The sites with water risks that have already been identified must define water-saving targets and programs and initiate specific implementation measures that are regularly evaluated. In this way, they contribute to the achievement of our reduction goals.

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

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

Since 2010, we have pursued the goal of continuously reducing the chemical oxygen demand (COD) in our wastewater. By 2025, we would like to increase in the efficiency of the chemical oxygen demand in wastewater by 4% annually or by a total of 60% compared to the base year 2010. We missed this goal due to the acquisition and first-time introduction of ADF / IDF in the reporting year, which is reflected in a 22.6% decline in efficiency. For this purpose, we initiated measures and launched an action plan in 2020 to increase process efficiency.

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

**GRI 303-3: Water withdrawal ✓**

**WATER WITHDRAWAL**

Source	Amount (in 1,000 m³)			
	2017	2018	2019	2020
Surface water	825	761	871	849
Municipal water	1,676	1,689	1,635	2,697
Groundwater	2,554	2,880	2,453	2,871
Other	19	15	12	41
<b>Total</b>	<b>5,074</b>	<b>5,345</b>	<b>4,947</b>	<b>6,458*</b>

\* The significant increase compared to the previous year is due to the acquisition and first-time introduction of ADF / IDF. In the reporting year, we have already initiated measures to increase process efficiency.

**GRI 303-4: Water discharge ✓**

**WATER RECIRCULATION\* BY DESTINATION**

Water Recirculation by Destination	Amount (in 1,000 m³)			
	2017	2018	2019	2020
Surface water	3,279	3,372	3,501	4,517
Groundwater	0	0	0	0
Seawater	0	0	0	0
<b>Total</b>	<b>3,279</b>	<b>3,372</b>	<b>3,501</b>	<b>4,517**</b>

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

\*\* The significant increase compared to the previous year is due to the acquisition and first-time introduction of ADF / IDF. In the reporting year, we have already initiated measures to increase process efficiency.

**WATER RECIRCULATION BY QUALITY**

Water Recirculation by Quality	Amount (in 1,000 m³)	
	2019	2020
Freshwater in all areas	3,501	4,517
of which in areas with water stress	320	158
Other water all areas	0	0
of which in areas with water stress	0	0
<b>Total</b>	<b>3,501</b>	<b>4,517*</b>

\* The significant increase compared to the previous year is due to the acquisition and first-time introduction of ADF / IDF. In the reporting year, we have already initiated measures to increase process efficiency.

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

**GRI 303-5: Water consumption ✓**

**WATER CONSUMPTION IN AREAS WITH WATER STRESS**

	Amount (in 1,000 m³)	
	2019	2020
Total water consumption in all areas	4,947	6,459*
of which water consumption in areas with water stress	398	216

\* The significant increase compared to the previous year is due to the acquisition and first-time introduction of ADF/IDF. In the reporting year, we have already initiated measures to increase process efficiency.

The identification of areas with water stress occurred as part of the annual risk analysis. The classification of areas with water stress is based on the Verisk Maplecroft risk assessment. This currently affects our sites in Mexico, India, and Egypt.

**GRI 304: BIODIVERSITY 2016**

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

For Symrise, the global diversity of species is not only a source of raw materials, but also an invaluable source of inspiration and innovation for the development of unique flavors, fragrances and cosmetic or functional ingredients. Among all the stakeholders, the significance of the topic “biodiversity protection” is also underlined in our materiality analysis conducted in 2019. However, the global and local impact of human activities has led to a sustained worldwide reduction in biological diversity. The potential effects of this are systematically analyzed and evaluated as part of our sustainability management. The material impact of our business activities on biodiversity is usually indirect and occurs in the supply chain – particularly during raw materials production. This potentially includes instances where our suppliers deplete natural populations or employ methods of cultivation or aquaculture that are not sustainable for soil and forestry. Impacts from our own production sites, for example, occur through sealing the soil or emitting pollutants into the air or water, which we monitor as part of our operational environmental and site management.

Depending on the specific topic, biodiversity is managed and addressed at Symrise partly at the corporate level and partly at the division level in conjunction with Corporate Sustainability. The Chief Executive Officer is directly briefed on biodiversity several times per year. As core goals of the UN Convention on Biodiversity, the preservation and sustainable use of biodiversity and fair distribution of advantages from the use of genetic resources are essential components of our sustainability strategy and our environmental and sustainability management. Our 2020 [Forest Conservation Strategy](#) and 2016 [Land Use Policy](#) provide us with a framework for action. By signing the “Business and Biodiversity Pledge” of the UN Convention on Biodiversity, we have committed ourselves to acting sustainably in accordance with the core goals of the Convention.

In the implementation of our biodiversity goals, we work closely with skilled external stakeholders, such as the Biodiversity in Good Company Initiative or the Union for Ethical Bioproducts. Furthermore, we are involved with other member companies of the World Business Council for Sustainable Development (WBCSD) in multi-stakeholder forums, such as the One Planet Business for Biodiversity Initiative. In 2020, Symrise became a member of the WBCSD’s new initiative: Nature Action. The project supports the development of science-based targets for nature conservation (SBT for Nature), provides assistance for nature-based solutions and demonstrates business leadership to decision makers at nature and climate events. The goal of all these measures is to reduce biodiversity loss to zero from 2020 and to make only positive contributions to the full recovery of the natural environment from 2030 – in other words, to operate Nature net positive.

Since 2020, Symrise has also been committed to the four principles for nature-based solutions of Together with Nature, an association of stakeholders from science, nature conservation, development and business: According to these principles, the reduction of emissions, the protection of biodiversity, socially just behavior, especially with regard to local communities, and ecologically responsible action should always be taken into account in the development and application of nature-based solutions.

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

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

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

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

In the reporting period, Symrise also made an impressive showing across the board in the CDP (formerly Carbon Disclosure Project) rating: For the first time, Symrise achieved the highest award of A in all three categories – climate, water and forest protection. This makes Symrise one of only ten companies worldwide on what is known as the triple A list. In 2020 for the first time, Symrise achieved an A rating in the forest conservation category (2019: A-).

In the Forest category of the CDP Supply Chain program, Symrise recorded a response rate of 48% in the reporting year (2019: 47%). 67% of participating suppliers reported pursuing goals related to deforestation issues and conducting deforestation risk assessments. 83% of participating suppliers reported integrating forest-related issues into long-term business goals, well above the 61% average for Symrise suppliers. For more information on the forests category, see [CDP website](#) on the topic as well as the current [CDP results in this category](#) of Symrise. For more information on the CDP Supply Chain program, please see [GRI 102-11](#) and the management approaches [GRI 302](#), [GRI 303](#) and [GRI 305](#).

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

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

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

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

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

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

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

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

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

Due to our stable customer and product portfolios, there are still only a few raw materials being used in small volumes at Symrise AG that are obtained from threatened species (according to CITES definitions). Through corresponding sustainability verifications, strict use controls, efficient production processes and, last but not least, the development of suitable raw material alternatives, we concentrate on avoiding or minimizing negative biodiversity impacts on endangered species and natural populations.

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

**GRI 305: EMISSIONS 2016**

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

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

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

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

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

In the reporting period, Symrise also made an impressive showing across the board in the [CDP](#) (formerly Carbon Disclosure Project) rating: For the first time, Symrise achieved the highest award of A in all three categories – climate, water and forest protection. This makes Symrise one of only ten companies worldwide on what is known as the triple A list. In the area of climate, this is already our fifth A rating. (For further information relating to the water and forest conservation categories, see management approaches to [GRI 303](#) and [GRI 304](#), respectively)

We started the CDP Supply Chain Program in 2017 to work with our suppliers on a more sustainable value chain. Our suppliers with the highest risk status on climate, water and forests were again asked to follow the CDP Supply Chain Program in 2020 – with the exception of the Nutrition segment, whose suppliers will be integrated into the program starting in 2021. The response rate in the area of climate has once again risen significantly from 52% in the previous year to 87%, and the answers also paint a positive picture: Overall, participating suppliers saved three million tons of CO<sub>2</sub>. Of the suppliers who participated in the CDP Supply Chain Program, 73% have set active goals. 86% of participating suppliers included climate-related issues in long-term goals – nearly all of which track goals at the Executive Board level. In addition, many suppliers are in turn engaging their own suppliers on climate-related issues: over 60% of participating suppliers motivated their own suppliers to set goals. Symrise compiles the CO<sub>2</sub> emissions of its operating activities according to the internationally recognized Greenhouse Gas (GHG) Protocol Corporate Standard. We report on them according to direct emissions (Scope 1), energy-indirect emissions (Scope 2) and other indirect emissions (Scope 3).

As of 2030, Symrise is committed to being climate-positive at all its global production sites based on the Scope 1+2 emissions of the GHG Protocol. In the reporting year, we were able to increase the eco-efficiency of greenhouse gas emissions (Scope 1+2), based on added value, by 13%. This means we have achieved our 2020 target of reducing greenhouse gas emissions (Scope 1+2) based on added value by 33% compared to 2010 ahead of schedule. Now we want to increase the eco-efficiency of emissions by more than 60% by 2025 compared to 2010. With this intensified climate target, Symrise is expected to reach the Science Based Target already approved in 2017 – the first in its industry – five years ahead of schedule. Symrise also signed the Business Ambition for 1.5°C campaign launched by the Science Based Targets Initiative and is thus taking a pioneering role in the corporate commitment to a future with global warming of 1.5°C or less.

We achieve our ambitious climate targets by, among other things, continuously increasing energy efficiency at all production sites, purchasing renewable energies and supporting high-quality certified climate protection projects around the world.

Through various energy efficiency measures, we saved around 68,000 metric tons of CO<sub>2</sub> in the reporting year: These include our combined heat and power plant at the Holzminden site, which reduces our CO<sub>2</sub> emissions from energy generation by around 35% annually. By expanding our production capacities for synthetic menthol, we avoid emitting around 25,000 metric tons of CO<sub>2</sub> each year. The reason for the high savings is the approximate ten times smaller CO<sub>2</sub> footprint of the synthetic variant compared to natural menthol. Ongoing measures by our local Total Productive Maintenance teams are continuously also replacing energy-intensive consumer equipment such as motors, ventilation or heating systems, compressed air systems and boilers for the production of steam and cooling with more efficient alternatives. We also consider emissions from logistics and packaging: The subsidiary Symotion in Holzminden, which is responsible for logistics processes, aims to reduce the use of diesel fuel by 2% per transport unit every year. We also carried out a pilot project in 2020 as part of our zero-waste strategy to offset the carbon footprint of cardboard boxes. In total, this pilot project saved 12,000 tons of CO<sub>2</sub>. Plans are in place to extend this to other packaging materials. Another ten measures are currently being planned and implemented, through which we aim to achieve additional savings of almost 60,000 tons of CO<sub>2</sub> by 2021.

We have been sourcing all of our external electricity from renewable sources in Germany since 2018 – our goal was to expand this measure to our sites worldwide by 2025. In view of the aggravating situation concerning climate change, we again intensified our efforts in the reporting and thus were able to reach our ambitious goal ahead of schedule. As a result, in the reporting year we already demonstrably sourced our external electricity needs worldwide from renewable sources. Furthermore, we continuously review power purchase agreements (PPAs) worldwide that support these renewable energy measures.

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

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

In order to drive environmental and climate protection forward together with other stakeholders, Symrise is active in numerous initiatives and continuously joins new associations. After joining the Alliance for Development and Climate and the RE100 Initiative in 2019, Symrise has also been a member of the Business Ambition for 1.5°C, the Alliance of CEO Climate Leaders and Together with Nature since 2020. In addition, in 2020 Symrise supported the campaigns Corporate Sourcing of Renewable Energy, United in the business of a better world and Uniting Business and Governments to recover better (for more on the initiatives and campaigns, see [GRI 102-12](#)).

Symrise was awarded the first place of the German Sustainability Award in 2019 for its ambitious program for climate protection, its commitment in shaping the supply chain and its commitment to preserving biodiversity.

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

#### SCOPE 1 EMISSIONS

Category	Amount (in t)			
	2017	2018	2019	2020
CO <sub>2</sub> Scope 1	204,369	217,828	214,050	299,119*

\* The significant increase compared to the previous year is due to the acquisition and first-time introduction of ADF / IDF. In the reporting year, we have already initiated measures to increase process efficiency.

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

#### SCOPE 2 EMISSIONS

Category	Amount (in t)			
	2017	2018	2019	2020
CO <sub>2</sub> Scope 2	116,066	100,066	107,591	1,360*

\* The significant decrease compared to the previous year is due to the fact that Symrise demonstrably sourced its global external electricity from renewable sources in the reporting year. The remaining Scope 2 emissions are attributable to purchased steam generation.

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

#### SCOPE 3 EMISSIONS

Category	Amount (in t)			
	2017	2018	2019	2020
CO <sub>2</sub> Scope 3	2,383,146	2,120,475	3,368,704	1,747,178*

\* The CO<sub>2</sub> footprints of the Diana Petfood raw materials portfolio have been reevaluated in the course of 2020 according to the Product Environmental Footprint (PEF) economic allocation method in order to take into account the valorization of co-products from the meat industry in line with circular economy principles. This leads to significantly lower Scope 3 emissions compared to previous years, where the entire Symrise raw materials portfolio, including by-products, had been assessed according to a physical / volume based allocation approach. In future, Symrise endeavours to apply an economic allocation method for all upcycled by-products within our portfolio in order to fully reflect our corporate contribution to a resource effective economy.

Scope 3 Categories	Anteil			
	2017	2018	2019	2020*
Transport sales	2%	0.4%	0.6%	2.4%
Transport sales via air	3%	5%	3.5%	0.9%
Transport supplier	2%	0.3%	0.8%	2.7%
Business travel (train, plane, car)	0.4%	0.4%	0.9%	0.1%
Commuting	0.4%	0.5%	0.4%	0.7%
External waste disposal	0.6%	2%	1.4%	1.4%
Raw materials	92%	91%	92.5%	91.9%

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

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

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

The intensity greenhouse gas (Scopes 1+2) emissions per € million value added totaled 229.3 tons in 2020 (2019: 263.2 tons).

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

In 2020, the eco-efficiency of greenhouse gas emissions (Scope 1+2) per million euros of added value increased by 13% compared to the previous year (2019: 7.2%).

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

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

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

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

VOCs < 500 t/year

CH<sub>4</sub> approx. 46.8 t/year

NO<sub>x</sub> approx. 2.7 t/year

**GRI 306: WASTE 2020**

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

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

The corporate policy of Symrise provides a fundamental direction for dealing with waste: The company prevents waste and replaces hazardous chemicals where technically and economically feasible.

Within our environmental management system, we evaluate the entire value chain. Worldwide, a senior manager is responsible for environmental management at each site, including the handling of waste. The goal is to avoid or reduce the impact of the activities, products and services on the environment through a site-specific environmental program that complies with national and local legal regulations and provisions. In accordance with our [environmental policy](#), the impact of various environmental aspects, including waste, is identified, assessed, monitored and reported on a quarterly basis. If necessary, measures are taken and their results monitored. In addition, our employees receive regular training in the proper handling of waste. In Germany alone, all employees received between three and seven hours of training per year from 2019, depending on their function. These trainings also included topics on quality, environment, health and safety at work.

Our goal is to conserve resources, consistently avoid or minimize the harmful effects on the environment, and prevent risks. Our production sites with the highest potential environmental impacts are either located in countries with strict environmental policies or operate according to an environmental management system that is ISO 14001 certified or based on this environmental standard. Additionally, the SMETA 4-Pillar requirements are used as a minimum standard and regularly verified by external auditors – in the reporting year, this is not yet the case for all production sites in the Nutrition segment; the remaining production sites are expected to follow by the end of fiscal year 2021. All German sites have an ISO 50001 energy management system certificate as part of the matrix certification.

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

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

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

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

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

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

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

In the reporting year, our [plastics policy](#) created a framework for more consistently avoiding waste in the future and maximizing our recycling quota. We have set clear goals in this area: We aim to recycle more than 95% of recyclable plastics by 2025, provided local capacities are available. Starting in 2025, 100% of our packaging materials are to be sustainable. Our goal is to phase out the use of single-use plastics in Germany by the end of 2020 and at all sites before mid-2021. An interdisciplinary team comprising employees from technical purchasing, packaging engineers, and managers from operations and research and development is responsible for implementing the [plastics policy](#).

We also aim to increase the efficiency of sensitive waste by 4% annually by 2025, or by a total of 60% relative to the base year 2010. In the reporting year, we exceeded this goal with an increase in efficiency of 19.8%. This is mainly due to process improvements at the site in Holzminden, Germany.

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

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

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

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

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

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

**GRI 306-3: Waste generated ✓**

**TOTAL WASTE VOLUME: HAZARDOUS AND NONHAZARDOUS WASTE\***

Type	Amount (in t)			
	2017	2018	2019	2020
Hazardous waste	15,691	16,163	16,950	14,577
Nonhazardous waste	42,631	19,602	22,880	211,624
<b>Total Waste Volume</b>	<b>58,322</b>	<b>35,765</b>	<b>39,830</b>	<b>226,201**</b>

\* In comparison to the presentation of the Sustainability Record 2019, the wastewater figures can be found under [GRI 303-4](#). The waste volumes of nonhazardous waste and the total waste volumes for 2017, 2018 and 2019 have been adjusted accordingly in this table.

\*\* The significant increase compared to the previous year is due to the acquisition and first-time introduction of ADF / IDF. In the reporting year, we have already initiated measures to increase process efficiency.

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

Disposal Method	Amount (in t)					
	2017	2018**	2019	2020		
	total	total	total	total	onsite	offsite
Composting	796	1,064	2,919	62,079	20%	80%
Incineration	13,167	13,287	15,158	17,019	10%	90%
Recycling	13,375	6,074	7,716	18,552	10%	90%
Chemical-physical treatment	3,315	3,483	3,660	2,951	10%	90%
Biogas plant	4,346	3,344	2,361	3,912	0%	100%
Landfill	21,379	8,404	7,860	121,610	0%	100%
Other waste processing	1,944	109	156	78	0%	100%
<b>Total</b>	<b>58,322</b>	<b>35,765</b>	<b>39,830</b>	<b>226,201***</b>	<b>7%</b>	<b>93%</b>

\* In comparison to the presentation of the Sustainability Record 2019, the wastewater figures can be found under [GRI 303-4](#). The waste volumes of nonhazardous waste and the total waste volumes for 2017, 2018 and 2019 have been adjusted accordingly in this table.

\*\* In the recycling, biogas plants and landfills categories corrections had to be made for 2018 due to input errors at 2 major production sites.

\*\*\* The significant increase compared to the previous year is due to the acquisition and first-time introduction of ADF / IDF. In the reporting year, we have already initiated measures to increase process efficiency.

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

See [GRI 306-3](#).

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

See [GRI 306-3](#).

**GRI 307: ENVIRONMENTAL COMPLIANCE 2016**

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

Our activities impact the environment in ways that extend from the extraction and processing of raw materials to product development, production and logistics. For this reason, we monitor and evaluate the entire value chain. The significance of correspondingly well-established governance and compliance structures is also reflected in the high rating of the topic in our 2019 materiality analysis. Our goal is to conserve resources, to consistently avoid or to reduce harmful effects on the environment, to prevent risks and, in this manner, to ensure our long-term business success. Our production sites with the highest potential environmental impacts are either located in countries with strict environmental policies or operate according to an environmental management system that is ISO 14001 certified or based on this environmental standard. All Symrise production sites in the Scent & Care and Flavor segments and around half of the Nutrition segment are now registered with SEDEX. By the end of 2021, all production sites should be registered on the SEDEX platform and externally verify compliance with SMETA 4 Pillar requirements.

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

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

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

**GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016**

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

For our portfolio of approximately 30,000 products, we use some 10,000 different natural and synthetic raw materials sourced from over 100 countries. As a result, we face an array of challenges ranging from negative environmental effects from the sourcing of raw materials to protecting social standards in countries that experience, to some degree, problematic sociopolitical conditions. The reasons for this are not least because of inadequate transparency, the high level of complexity of material flows and the different objectives of the parties involved along the value chain. As a result of measures for responsible sourcing, we can contribute to the achievement of sustainable production patterns (SDG 12) as well as to the preservation of ecosystems (SDG 15). The significance of responsible sourcing and the protection of biodiversity for Symrise and its external stakeholders is accordingly underlined by the high to very high rating of the topics in our materiality analysis performed in 2019. We are constantly adapting the organizational structure of our purchasing department to the changing conditions on the market. Procurement at Symrise is organized in a decentralized manner in our segments Scent & Care, Flavor and Nutrition. This way we can manage purchasing processes in a more targeted manner and continually optimize the supply chain.

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

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

We can best achieve our goal of responsible sourcing if we can exert direct influence on the upstream stages of our value chain. Therefore, we pursue the goal of strategic backward integration for our key raw materials. As we demonstrated in the case of vanilla production in Madagascar, we can create immediate value for all participants: We are working in a very targeted manner on the improvement and implementation of environmental and social standards through various joint projects, thus ensuring the consistent high quality of raw materials for our customers. With this integrative approach, we support local socioeconomic structures and can directly monitor compliance with our principles. For the backward integration of our supply chain, we have defined corresponding processes that also consider environmental and social risks.

As part of our Science-Based Target, we aim to have 80% of our strategic suppliers define climate targets or measures to reduce emissions by 2020 – we achieved this goal with a participation rate of 87%. With this in mind, our suppliers had the opportunity to participate in training courses on climate management, water conservation and forest protection via the CDP (formerly Carbon Disclosure Project), thus building knowledge on topics that play a key role in our [responsible sourcing strategy](#).

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

All new suppliers must provide information on environmental aspects and their sustainability program and obligate themselves to adhering to our CSR guidelines.

Our goal is to assess our main suppliers according to sustainability criteria by 2025, based on 90% of our procurement volume. For this reason, all Symrise Legacy suppliers (100%) are evaluated based on sustainability criteria. The assessment of the suppliers of the newly acquired ADF / IDF started at the end of 2020. Accordingly, 67% of our main suppliers, based on 80% of the procurement volume, have already been assessed according to sustainability criteria in the reporting year.

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

The international platform of the Supplier Ethical Data Exchange (SEDEX) is a valuable tool with which we can more easily assess suppliers and deliver our own data to customers. We have been publishing information on environmental aspects and other topics on this platform since 2006. All Symrise production sites in the Scent & Care and Flavor segments are now SEDEX-registered. In the Nutrition segment, around half of the production sites are currently registered on the SEDEX platform – the remaining production sites are to follow by the end of 2021.

Since 2012, we've been strongly encouraging our most important suppliers to register with SEDEX and disclose their data there.

Our goal is to assess our main suppliers according to sustainability criteria by 2025, based on 90% of our procurement volume. For this reason, all Symrise Legacy suppliers (100%) are evaluated based on sustainability criteria. The assessment of the suppliers of the newly acquired ADF / IDF started at the end of 2020. Accordingly, 67% of our main suppliers, based on 80% of the procurement volume, have already been assessed according to sustainability criteria in the reporting year.

We carry out audits for suppliers that pose an especially notable risk, that have crucial raw materials or that have had problems flagged in the assessment. In the reporting year, 142 supplier audits were performed by trained and experienced internal supply audit teams. Additionally, we request at least 50 suppliers annually to carry out SEDEX / SMETA audits by verified, independent audit agencies. The focus here is on environmental issues in addition to product safety, quality management, work safety, health and social responsibility. If suppliers don't meet our defined standards, we jointly develop and implement improvement measures. If these standards are still not upheld after such attempts, the business relationship is terminated as a last resort. All new suppliers fill out a supplier survey that contains questions on environmental issues. During the risk assessment process, we rely on environmental criteria to evaluate existing suppliers as well as the socioeconomic and ecological situation in their respective countries. In 2020, there were no cases of our suppliers causing any notable negative environmental impact.

## GRI 400 – SOCIAL

### GRI 401: EMPLOYMENT 2016

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

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

Symrise has defined its human capital strategy, which is part of the company's sustainability strategy and integrated in the Symrise sustainability strategy under the "Care" pillar. One aspect of the "Care" pillar is the consistent orientation of HR policy on Symrise as a preferred employer (employer-of-choice strategy). The implementation of the human capital strategy and HR policy is the responsibility of the global HR organization, which consists of around 85 managers and is coordinated by the Corporate VP Human Resources. In the course of this process, we have focused our HR policy on five main areas:

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

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

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

Like other companies, we also have to tackle the task of positioning ourselves as an appealing company in regard to demographic changes. This includes a high initial training rate of around 5% apprentices as a percentage of our German workforce. In order to qualify our next generation of managers, we regularly conduct what we call the Future Generation Leadership Development Program. In 2019, 25 participants started in the Future Generation Program, which spans 18 months and was designed as a strategy and leadership training program in cooperation with a renowned business school.

We pay attention to a high participation rate of women (at least 40% of participants) in order to specifically promote the proportion of female senior executives in our organization.

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

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

The number of employees for the 2020 fiscal year increased by 2.6% from the end of 2019 (2019: 6.6%). The global fluctuation rate at Symrise is 4.3% (2019: 5.6%). At the same time, significant differences can be observed among the individual countries. While in Germany the fluctuation rate amounts to only 1.4%, it is relatively high in countries like India or China with about 6.8%, but at the same time also typical for these rapidly developing countries.

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

	2017	2018 absolute	2018	2019 absolute	2019	2020 absolute	2020
<b>REGION</b>							
Germany	1.6 %	60	2.1 %	63	2.2 %	40	1.4 %
EAME (not including Germany)	4.0 %	104	4.9 %	111	4.9 %	113	4.9 %
North America	10.2 %	88	7.0 %	126	8.9 %	132	7.5 %
Asia / Pacific	7.0 %	142	9.7 %	132	8.9 %	105	6.8 %
Latin America	6.1 %	111	6.2 %	125	6.6 %	59	3.0 %
<b>Total</b>	<b>5.0 %</b>	<b>505</b>	<b>5.3 %</b>	<b>557</b>	<b>5.6 %</b>	<b>449</b>	<b>4.3 %</b>
<b>GERMANY BY GENDER</b>							
Women	0.4 %	19	0.7 %	28	1.0 %	12	0.4 %
Men	1.2 %	41	1.4 %	35	1.2 %	28	1.0 %
<b>Total</b>	<b>1.6 %</b>	<b>60</b>	<b>2.1 %</b>	<b>63</b>	<b>2.2 %</b>	<b>40</b>	<b>1.4 %</b>
<b>WORLDWIDE BY GENDER</b>							
Women	2.1 %	230	2.4 %	240	2.4 %	189	1.8 %
Men	2.9 %	275	2.9 %	304	3.0 %	260	2.5 %
<b>Total</b>	<b>5.0 %</b>	<b>505</b>	<b>5.3 %</b>	<b>544</b>	<b>5.4 %</b>	<b>449</b>	<b>4.3 %</b>

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

**Omissions:**

Regarding employee turnover, we see neither gender- nor age-specific trends. The age groups affected by turnover correspond to the overall structure of our workforce. A detailed breakdown of the turnover rate by age therefore does not make sense for Symrise.

Age and gender are not deciding factors when hiring new employees. Disclosures on newly recruited employees by region, gender and age are correspondingly not material for Symrise and are not listed.

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

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

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

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

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

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

The effectiveness of our measures is regularly evaluated by internal audits based on ISO 19011. Regular external audits by customers, authorities and independent certification companies further verify the constant improvement of our management systems. In addition, we have a monthly reporting system that indicates the status and performance of our occupational safety efforts. The most frequently occurring types of bodily injuries in 2020 involved back pain, muscle disorders and injuries caused by twisted ankles, tripping, falling, sprayed liquids and injuries due to the handling of tools and forklifts.

To improve our performance in the area of occupational health and safety, we launched the “Drive to 100% Safety” project in 2020. The focus is on establishing a shared safety culture and a uniform understanding of occupational safety. The aim is to raise awareness of the issue among all employees, including contractors, reduce the number of workplace accidents and significantly lower the MAQ. In addition, as part of the project we will optimize the organization of occupational safety at Symrise, implement new KPIs and processes, and analyze and, where necessary, improve our occupational health management system. The project is currently in the pilot phase at our subsidiary TESIUM and is to be rolled out in fiscal 2021, initially at our German sites and then globally.

The conduct of training to increase awareness of occupational safety is a personal target agreement for managers. In addition, there is a series of legally required annual training courses on health and safety, which is mandatory for every employee. Through these measures, our accident rate (MAQ\*) was 3.0 in 2020 after 4.3 in 2019 and 4.1 in 2018. We thus just missed our goal of MAQ < 2.5 by 2020. We still aim to achieve an industry-leading MAQ of 1.5 by 2025.

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

In the reporting year, these measures were redefined and expanded against the backdrop of the global coronavirus pandemic. Team leaders on site, union representatives and notices in the local company languages provided low-threshold information on the hygiene measures that have been in place since spring 2020 and were intensified again in October 2020: For example, distances between workplaces at our sites around the world have been adjusted as far as possible to the recommended minimum distances of at least one meter and cleaning measures have been implemented, and employees have been offered easily accessible personal health protection via antibacterial disinfectants and personal protective clothing, as well as regular health checks. Wearing a mask is mandatory throughout the factory site. In addition, COVID-19 rapid tests have been procured and a process for preventive testing has been installed. This is performed by medical professionals and the result is available after just 15 minutes.

Furthermore, employee contact has been minimized via adjusted timing of transport and shift schedules and shared work and leisure areas have been closed. In the event of suspected illness, a process has been established for employees to directly contact the appropriate supervisor, as well as on-site medical professionals. In the event of confirmed illness, employees and all workers in contact with them are required to call in sick and place themselves in self-isolation as directed by the Health Department. Essentially, working from home has been actively recommended and made possible wherever possible – business trips are avoided as far as possible. Commuters and Symrise employees who reside outside the country in which they are currently working were supported in finding and staying in local accommodations where the basic requirements for the respective work assignment (e.g. Internet access) as well as employee health are guaranteed.

We are committed to regular training and continuing education programs on the topic of health, just as we promote diversity among the workforce and help employees balance their professional and private life. Information about healthy nutrition and healthy sleep patterns or the offering of massages rounds out these preventative measures. Through our worldwide sensitizing and intervention program “symply healthy,” we help our employees take a conscious approach to their health, for example through targeted smoking cessation programs.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

To improve our performance in the area of occupational health and safety, we launched the Drive to 100% Safety project in 2020. The focus is on establishing a shared safety culture and a uniform understanding of occupational safety. The aim is to raise awareness of the issue among all employees, including contractors, reduce the number of workplace accidents and significantly lower the MAQ. In addition, as part of the project we will optimize the organization of occupational safety at Symrise, implement new KPIs and processes, and analyze and, where necessary, improve our occupational health management system. The project is currently in the pilot phase at our subsidiary TESIUM and is to be rolled out in fiscal 2021, initially at our German sites and then globally.

However, Symrise is working hard to achieve its ambitious goal of an MAQ < 1.5 by 2025. In the Nutrition business unit, for example, a five-year program was defined for this purpose, which already showed clear successes in the first year: For example, the number of accidents in the workplace was reduced by 45% in fiscal year 2020 compared to the previous year.

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

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

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

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

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

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

Through our worldwide sensitizing and intervention program “simply healthy,” we help our employees take a conscious approach to their health, for example through targeted smoking cessation programs.

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

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

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

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

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

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

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

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

Our management system is reviewed annually by internal audits and certified by external auditors at selected sites. All our products in the Scent & Care and Flavor segments are produced at sites that have been verified according to sustainability criteria (SEDEX / SMETA) and have thus also been checked for compliance with occupational health and safety standards. In the Nutrition segment, all production sites must also be registered on the SEDEX platform by the end of 2021; currently, around half of the Nutrition production sites are covered.

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

To improve our performance in the area of occupational health and safety, we launched the “Drive to 100% Safety” project in 2020. The focus is on establishing a shared safety culture and a uniform understanding of occupational safety. The aim is to raise awareness of the issue among all employees, including contractors, reduce the number of workplace accidents and significantly lower the MAQ. In addition, as part of the project we will optimize the organization of occupational safety at Symrise, implement new KPIs and processes, and analyze and, where necessary, improve our occupational health management system. The project is currently in the pilot phase at our subsidiary TESIUM and is to be rolled out in fiscal 2021, initially at our German sites and then globally.

However, Symrise is working hard to achieve its ambitious goal of an MAQ < 1.5 by 2025. In the Nutrition business unit, for example, a five-year program was defined for this purpose, which already showed clear successes in the first year: For example, the number of accidents in the workplace was reduced by 45% in fiscal year 2020 compared to the previous year.

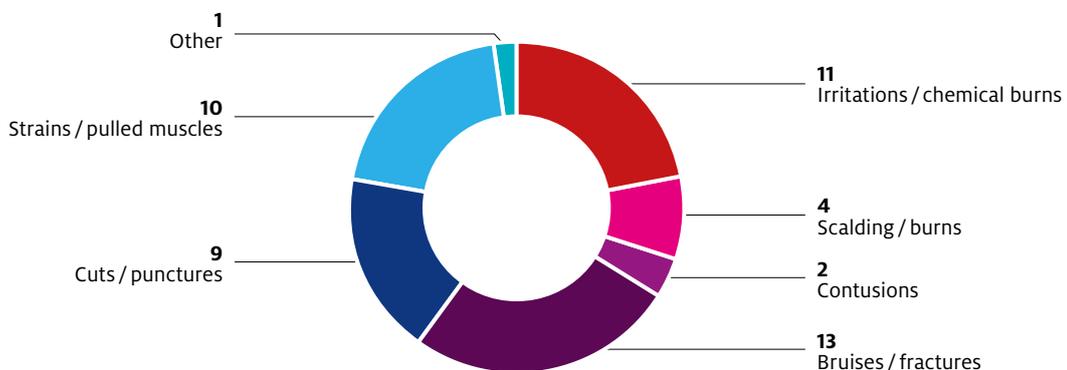
We monitor our absences due to work-related and non-work-related illnesses and injuries through monthly reports on absenteeism. We use average sick leave for the company health insurance funds of the chemical industry as a benchmark for evaluating sick leave in the company. The rate of paid illness-related absences of Symrise AG employees in Germany amounted to 4.5% in 2020 (2019: 4.8%). This puts us below the absenteeism rate for the chemical industry of 5.08% (2019: 5.8%) (disclosures by the German umbrella organization of company health insurance funds / chemical industry).

	2014	2015	2016	2017	2018	2019	2020
Number of Accidents (MAQ)*	4.8	3.9	3.8	4.7	4.1	4.3	3.0
Accident Severity (USQ)*	112	49	50	64	56	65	48

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

**WORKPLACE ACCIDENTS 2020**

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



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

We are aware that work-related illnesses exist at Symrise, such as strains to the back or musculoskeletal system or psychological strain through stress. The most frequently occurring types of bodily injuries in 2020 involved back pain, muscle disorders and injuries caused by twisted ankles, tripping, falling, sprayed liquids and injuries due to the handling of tools and vehicles. Both at the senior corporate level and through our local operational health teams, we are working intensively on minimizing the existing risks and introducing targeted measures. We monitor our absences due to work-related and non-work-related illnesses and injuries through monthly reports on absenteeism. We use average sick leave for the company health insurance funds of the chemical industry as a benchmark for evaluating sick leave in the company. The rate of paid illness-related absences of Symrise AG employees in Germany amounted to 4.5% in 2020 (2019: 4.8%). This puts us below the absenteeism rate for the chemical industry of 5.08% (2019: 5.8%) (disclosures by the German umbrella organization of company health insurance funds / chemical industry).

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

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

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

**Omissions:**

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

**GRI 404: TRAINING AND EDUCATION 2016**

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

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

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

As of Thursday, December 31, 2020, a total of 134 apprentices and trainees were employed at our sites in Germany (2019: 137). This corresponds to a training rate of around 4.7%.

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

We have structured our training capacity in a way that allows around 35-40 young people to begin their training at Symrise every year. Of these, 24 are trained for chemical-technical professions, another 10 for technical and logistics occupations and 10 young people for commercial occupations. Some of the business trainees are also trained at our European sites as part of their training. In 2020, we again received the award from the magazine "Capital" as one of "Germany's best instructors 2020."

Beyond initial training, we open up prospects through dual studies in the field of business administration (currently 16 employees from all three years are studying for a Bachelor of Business Administration). Through our training efforts, we are clearly working to mitigate the demographic change in our company.

In addition, we qualify our employees through comprehensive training measures, which, however, had to be reduced by around two-thirds in 2020 due to the coronavirus pandemic. Classroom training took place only under special conditions if it was required by law (e.g., occupational health and safety, technical safety training). Only in exceptional cases could classroom training be converted into online training.

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

When it comes to organizing training, we perceive a significant trend toward e-learning, which has intensified once again due to the coronavirus pandemic. In 2020, for example, a large number of training measures were conducted online, especially during the peak phase of the pandemic, when many employees were working from home. This made it easier for us to continuously provide the training required by law, as well as training to further qualify employees, and to expand our offerings. In addition, this form of training is a climate-friendly, as it is less travel-intensive, supplement to our face-to-face events.

In addition to traditional training programs, we also train our employees via international assignments. In 2020, the number of international assignments with 110 employees remained at a high level (2019: 122). However, due to the coronavirus pandemic and associated travel restrictions, a number of assignments have been postponed until next year.

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

At our flavorist and perfumer school, we are constantly developing experts who are trained over a period of around three years and then can be successfully inserted into our product development teams. In addition, our employees have diverse opportunities for completing a bachelor's, master's or doctoral degree alongside their work through cooperation agreements with universities, academies and institutes. In 2020, 21 Symrise employees were supported in such qualification measures.

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

In principle, Symrise pursues a strategy of qualifying our employees for their daily work through comprehensive training measures. Lifelong learning should support our employees throughout their careers.

Due to the coronavirus pandemic, detailed reporting on training efforts is not possible for 2020 that could be used for comparison with the previous year. Classroom training was canceled or postponed until 2021 to protect the health of our employees. We made e-learning courses available to employees outside of our learning management system in order to make sensible use of time when work volumes are down due to the pandemic.

In addition to traditional training programs, we also train our employees via international assignments. In 2020, the number of international assignments remained at a high level of around 110 employees, although here too the decline in assignments was due to pandemic-related travel and visa restrictions (2019: 122).

We have also intensified investments in the training of future specialists. For one thing, we accepted 43 young people for initial apprenticeship training in 2020. For another, in cooperation with the local job center, we have trained unemployed individuals from outside the field as chemical production specialists. This apprenticeship training lasts about two years. In 2019, we launched a new initiative for the training of 16 people as chemical production specialists. We hereby pursue our social responsibility to provide educational opportunities for those groups of individuals leaving school without a certificate who otherwise would not have been given a trainee position and who, as unskilled workers, would only have been employed in auxiliary work.

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

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

Symrise consistently orients the qualification of its employees toward professional and work-related skill sets. As a result, each employee receives skills-oriented feedback as part of their annual performance review. The underlying skills here are entrepreneurial spirit and leadership, creativity and innovative spirit, business and customer orientation as well as integrity and sustainability. The supervisor also provides constructive professional feedback once a year.

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

Once a year, we ask our employees and senior executives to conduct a development meeting, which we call a Career Development Review, where we invite our employees to openly communicate their professional ambitions to their supervisor. We base our development assessment on a skills matrix, which is specially designed for managerial development and evaluates transactional and transformational leadership skills.

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

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

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

Our flavorist and perfumer school has enjoyed great success around the world. Every year, young employees complete their training as junior flavorists or perfumers. We currently have six candidates in our perfumer school and five candidates in our flavorist school who are completing their training.

Our Future Generation Leadership Program provides our next generation of managers for senior leadership positions with tailor-made training opportunities. In 2020, the fourth group of training participants completed their training strategy and leadership training. This training is designed with a European business school and extends modularly over about 18 months with various training focal points.

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

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

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

Symrise conducts an open and honest dialogue with its employees on a global basis. We have created a performance review for this purpose. All of the approximately 8,590 (previous year: 7,150) employees of the worldwide Symrise Group receive feedback once a year regarding their performance and the skills that they used to achieve their goals. Individual development goals that are derived from this feedback are established by the supervisor and the employee for the following year and documented in a development plan.

Our performance and talent management software program, which was introduced worldwide, supports this process. Currently 9,400 active employees are registered in this system with their performance and development activities. With this system, we help our supervisors manage their personal development work efficiently.

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

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

**GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016**

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

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

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

We put our commitment to diversity into practice with specific measures. These include our family-oriented HR policy designed to support young women and their families, the deliberate overrepresentation of women in our Future Generation Leadership Development Program and the targeted hiring of women given the same qualifications. Our quantitative goals and current diversity key figures can be found at [GRI 405-1](#).

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

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

We also promote the national and cultural diversity of our country through our at least 85 expatriates\* who come from foreign countries and work for a period here in Germany based on a work permit. Our organization has around 110 expatriates worldwide at the end of 2020.

A focus in the area of “Diversity” in 2020 was the review of the equal treatment of men and women in remuneration (equitable remuneration). At all major corporate locations (Germany, Singapore, USA, Mexico and Brazil), we have conducted a statistical comparison of the salaries of men and women in the respective country-specific pay categories.

Additionally, we conducted a detailed analysis down to the remuneration of individual female employees at our sites in Germany, Mexico and Brazil. We formed comparable job groups and analyzed pay differences on the basis of an internal and external remuneration comparison to determine whether there was any discrimination. For this purpose, aspects such as length of service, age, schooling and vocational training as well as the level of requirements, professional position and individual performance were considered.

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

As part of our managerial development and succession planning, we develop and encourage women in a targeted manner through coaching and mentoring in order to achieve a higher proportion of women in management positions, including in the Executive Board. By 2025, we aim to have at least 30% women at the first global management level directly below the Executive Board, while the second global management level should consist of at least 45% women. Compared with 2015, when the percentage of women was reported for the first time, we have improved significantly: While 16% of employees at the first management level were women in 2015, the figure was 28% in 2020. At the second management level, the proportion of female managers increased from 22% in 2015 to 42% in 2020. For the Executive Board, Symrise AG aims to achieve a 20% share of women in the long term.

Our annual diversity data reporting, which takes into account our large sites and thereby about 73% of our workforce (about 7,520 employees), documents the progress of our HR diversity policies.

\* as of October 2020

Symrise Brazil and Symrise in Asia expanded a specific diversity and inclusion program in 2020 with a focus on origin & ethnicity, gender, people with disabilities and LGBTI+. In the reporting year, KPIs were defined, all managers were trained on unconscious bias, among other things, and employee leadership training was conducted. In Brazil, nine virtual dialogues were held and all employees received a comprehensive diversity guide. Also, employees there meet monthly in the Diversity Committee and the Race & Ethnic Affinity Group to drive internal engagement and implement measures. During the coronavirus pandemic, employees at Symrise were also involved in solidarity campaigns, such as providing food and hygiene products to over 400 disadvantaged families.

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

Symrise consciously embraces an HR policy that views diversity in the workplace as a benefit to creativity and integrity. This is why we have committed ourselves to several Group-wide projects that promote diversity. This means that at least 40% of the participants in our Future Generation Leadership Development Program must be female. Our objective is to qualify women for management positions. In addition, we provide targeted support to individual women in senior leadership positions through mentoring in order to prepare them for executive positions. By 2025, we aim to have at least 30% women at the first global management level directly below the Executive Board, while the second global management level should consist of at least 45% women. The share of women at the first level of management beneath the Executive Board amounted to 28% in 2020. At the second level of management it amounted to 42% (2019: 24% and 41%).

For the Executive Board, Symrise AG aims to achieve a 20% share of women in the long term. Measures related to specific persons have been agreed between the Supervisory Board and the Executive Board to promote potential candidates. Nevertheless, we must respect current employment contracts and ensure continuity in the Executive Board. The current members of the Executive Board have contracts that extend into the years 2021 to 2024.

Our annual diversity data reporting, which takes into account our large sites and thereby 73% of our workforce (about 7,520 employees), documents the progress of our HR diversity policies.

According to the latest diversity report, women make up 39% of our workforce today. When it comes to new hires from outside the company, women are well represented with 41% of total new hires. In our fragrances area, the share of newly employed women is disproportionately high at 54%, in the area of flavors and food supplement 37% (2019: 51% and 43%).

Gender diversity is also evident in our internal promotions. Women account for 45% of all promotions (2019: 47%). Our fragrances area also stands out here with an above-average share of 53% (2019: 56%), and in the Flavor & Nutrition segment it is 39% (43%).

Across all company levels, the proportion of women in management positions comes to approximately 44% (2019: 43%), in the Scent & Care segment to 45% (2019: 51%) and in the Flavor and Nutrition segment to 42% (2019: 45%). This overreaching trend gives us confidence that we will be able to reach the goals we have set for the medium term.

In our efforts to promote international diversity, we always strive to have internationally mixed teams when training our managers. Our executive ranks include Dr. Jean-Yves Parisot, from France, who represents the Nutrition segment in the Executive Board of Symrise AG. All other Executive Board members have distinct international management experience as a result of working abroad for many years. As a member of the Executive Board for our Scent & Care segment, Achim Daub is based in the USA, where important major customers have their purchasing area and which, following our acquisition of Renessenz, has been crucial to our backward integration of fragrance raw materials.

Even though Symrise remains a German company, we recognize the increasing importance of international diversity. In addition to around 28% German employees (2019: 28%), the French represent the second-largest employee group at 16%. The percentage of US-American employees is also 16%. Employees from Spanish-speaking countries, especially Mexico and Ecuador, also account for a high share of 13%. Our Brazilian employees constitute 7% of the total workforce, unchanged since the previous year, while Chinese employees amount to 6%.

## GLOBAL SHARE OF WOMEN IN MANAGEMENT POSITIONS AT SYMRISE

	2017	Share	2018	Share	2019	Share	2020	Share
Share of women in total workforce worldwide	3,597	38.7%	3,806	39.3%	4,059	38.5%	4,166	39.1%
Share of women in upper management worldwide	20	30.8%	22	33%	25	32.5%	26	35.6%

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

## EMPLOYEE CATEGORIES ACCORDING TO GENDER IN GERMANY

	2017	Share	2018	Share	2019	Share	2020	Share
<b>MANAGER</b>								
Men	304	72.0%	313	71.8%	312	70.3%	313	69.7%
Women	118	28.0%	123	28.2%	132	29.7%	136	30.3%
<b>Total</b>	<b>422</b>	<b>100.0%</b>	<b>436</b>	<b>100.0%</b>	<b>444</b>	<b>100.0%</b>	<b>449</b>	<b>100.0%</b>
<b>NON-MANAGER</b>								
Men	1,571	65.8%	1,589	64.9%	1,606	65.1%	1,661	65.8%
Women	816	34.2%	859	35.1%	861	34.9%	865	34.2%
<b>Total</b>	<b>2,387</b>	<b>100.0%</b>	<b>2,448</b>	<b>100.0%</b>	<b>2,467</b>	<b>100.0%</b>	<b>2,526</b>	<b>100.0%</b>
<b>TOTAL WORKFORCE</b>								
Men	1,875	66.7%	1,902	66.0%	1,918	65.1%	1,974	66.4%
Women	934	33.2%	982	34.0%	993	34.9%	1,001	33.6%
<b>Total</b>	<b>2,809</b>	<b>100.0%</b>	<b>2,884</b>	<b>100.0%</b>	<b>2,911</b>	<b>100.0%</b>	<b>2,975</b>	<b>100.0%</b>

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

## EMPLOYEE CATEGORIES ACCORDING TO AGE IN GERMANY

Age	2017		2018		2019		2020	
	Manager	Non-manager	Manager	Non-manager	Manager	Non-manager	Manager	Non-manager
20 - 29	0.2%	17.3%	0.0%	17.4%	0.0%	17.5%	0.0%	18.2%
30 - 39	15.8%	20.3%	14.0%	20.8%	13.7%	20.8%	11.1%	21.7%
40 - 49	29.9%	27.6%	29.1%	25.7%	27.5%	25.0%	29.6%	23.1%
50 - 59	44.1%	28.8%	45.2%	29.1%	49.8%	31.5%	50.6%	31.9%
>= 60	10.0%	6.0%	11.7%	7.1%	9.0%	5.1%	8.7%	5.1%
<b>Total</b>	<b>100.0%</b>							

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

## EMPLOYEE AGE STRUCTURE SYMRISE GLOBAL

Age	2018	2019	2020
20 - 29	15.4%	15.7%	15.3%
30 - 39	28.4%	28.0%	28.4%
40 - 49	27.2%	26.9%	26.7%
50 - 59	23.0%	23.4%	23.3%
>= 60	6.0%	6.0%	6.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Basis: Core workforce and fixed-term employees, without apprentices; as of December 31, 2020.

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

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

As of December 31, 2020.

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

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

As of December 31, 2020.

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

Equal pay for both men and women is a matter of course for us. The amount of remuneration is determined exclusively by the employee's qualification and value contribution to the company.

Symrise pays its employees on the basis of collective wage agreements concluded with the respective labor unions. Each initial classification or later reclassification is subject to review by the works council. Through this double-checking, we make sure that gender plays no role in determining remuneration. As we do every year, we carried out a gender-specific analysis of the wages for male and female employees at our major sites in 2020. Additionally, we conducted a detailed analysis based on individual remuneration at our sites in In Germany, Mexico and Brazil. For this purpose, aspects such as length of service, age, schooling and vocational training as well as the level of requirements, professional position and individual performance were considered.

The analysis shows that the average remuneration of women does not significantly deviate from the average remuneration of men (statistically insignificant differences of < 2%). As part of this analysis, we adjusted the results to account for the personal decision of each employee working part time. The remaining insignificant differences result from production-specific components of remuneration such as hardship allowances or activity-related wages such as foremen's or master craftsmen's allowances, or are prescribed by the various remuneration levels specified by wage agreements for commercial or technical professions. In 2020, we received a request to review remuneration in accordance with the Remuneration Transparency Act (Entgelttransparenzgesetz), but a deviation in the allocation of the individual remuneration could not be found. We are therefore confident that all our efforts to prevent discrimination will be successful.

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

**GRI 406: NON-DISCRIMINATION 2016**

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

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

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

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

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

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

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

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

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

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

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

Symrise consistently adheres to all local labor laws. In addition, Symrise places great importance on having a company culture where employees actively contribute to what happens at the company, which is reflected in our Code of Conduct. A clear commitment to freedom of association and the right to membership in a labor union are a matter of course for us. This includes the formation of works councils or the joining of unions. At those locations where there is no collective agreement due to legal regulations or memberships in employers' associations, we look to the predominant working conditions that are standard in the industry. In addition, employment agreements define collective rules for working conditions in the respective countries. Globally, 60% of our workforce is covered by collective bargaining agreements, and about 84% of the workforce in Germany is covered by a wage agreement.

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

The abuse of employee rights is not tolerated in any form at Symrise and its suppliers. For violations of our Code of Conduct, our employees can anonymously and confidentially contact the relevant Compliance Officer at their location or our Integrity Hotline (for more on the complaints mechanism, see [GRI 102-17](#)). External informants who wish to report violations of our Code of Conduct by a Symrise employee or our business partners do not have to fear reprisals. Rather, we actively encourage dialogue. They can contact the police, the public prosecutor's office, the media and the relevant supervisory authorities or write to the Executive Board or the Supervisory Board of Symrise.

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

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

In 2020, there were no strikes against Symrise in our group of companies.

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

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

**GRI 408: CHILD LABOR 2016**

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

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

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

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

We welcome and expressly support corresponding laws against forced labor or human trafficking, such as the California Transparency in Supply Chains Act or the UK Modern Slavery Act and the German government's National Action Plan for Business and Human Rights (NAP). Symrise therefore voluntarily participated in the monitoring of the implementation of the NAP requirements by companies in 2019 and 2020. We also spoke out prominently in the reporting year as part of the Initiative for Sustainable Agricultural Supply Chains (INA) for the German government to pass a supply chain law by early 2021. It will create binding due diligence obligations in relation to human rights and environmental friendliness for companies. We welcome recent policy developments on the subject.

Since 2010, all Symrise production sites have been externally audited in three-year intervals based on the SEDEX SMETA 4-pillar standard. In the reporting year, sites in China, Egypt, Japan, Mexico, the USA, Germany and the United Kingdom were audited by external auditors: No significant deviations from specifications were identified. All identified deviations and potential improvements were promptly implemented at the respective sites and verified in a follow-up audit, if necessary.

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

We also require our suppliers and business partners to uphold basic human rights. Before a new supplier is accepted as a business partner, it must pledge in writing that it will maintain and comply with the provisions of the Symrise Code of Conduct. The international supplier rating platforms Supplier Ethical Data Exchange (SEDEX) and EcoVadis, to which we added the supplier rating section in the reporting year, are valuable tools with which we can more easily assess suppliers and disclose our own data to customers. Since 2006, we have been publishing relevant information on working conditions and employee rights, health and safety as well as on environmental and ethical business practices via this platform for Symrise. All Symrise production sites in the Scent & Care and Flavor segments and around half of the Nutrition segment are now registered with SEDEX. All production sites are to be registered on the SEDEX platform by the end of 2021.

Since 2012, we have requested that our most important suppliers register with SEDEX and disclose their data there. We carry out audits for suppliers that pose an especially notable risk (as defined by SEDEX and EcoVadis), that have crucial raw materials or that have had problems flagged in the assessment. In the reporting year, 142 supplier audits were performed by trained and experienced internal supplier audit teams. Additionally, we request at least 50 suppliers annually to carry out SEDEX/SMETA audits by verified, independent audit agencies.

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

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

Symrise does not permit any form of child labor at its operations or at suppliers. No anomalies were found at the Symrise sites and suppliers that were inspected by SEDEX / SMETA in the reporting year (see also management approach to [GRI 408](#) and [GRI 414-1](#)).

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

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

The guiding principles of the United Nations for the economy and human rights emphasize business responsibility. After all, the activities of companies can have unintended negative effects on human rights. This applies above all to globally operating corporations with complex supply chains. Particularly threatened by human rights violations in supply chains are those population groups who are already marginalized in their respective country and therefore are exposed to higher risk, such as children, women and religious or ethnic minorities. At the same time, a precarious human rights situation also weakens companies since their success depends on a stable and predictable environment. Within the framework of SDG 8, humane working conditions are emphasized as the prerequisite for sustainable and inclusive economic growth. Our materiality analysis conducted in 2019 underscores the importance of the topic in the context of respecting human rights via a high rating, especially for our external stakeholders.

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

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

We welcome and expressly support corresponding laws against forced labor or human trafficking, such as the California Transparency in Supply Chains Act or the UK Modern Slavery Act and the German government's National Action Plan for Business and Human Rights (NAP). Symrise therefore voluntarily participated in the monitoring of the implementation of the NAP requirements by companies in 2019 and 2020. We also spoke out prominently in the reporting year as part of the Initiative for Sustainable Agricultural Supply Chains (INA) for the German government to pass a supply chain law by early 2021. It will create binding due diligence obligations in relation to human rights and environmental friendliness for companies. We welcome recent policy developments on the subject.

Since 2010, all Symrise production sites have been externally audited in three-year intervals based on the SEDEX / SMETA 4-pillar standard. In the reporting year, sites in China, Egypt, Japan, Mexico, the USA, Germany and the United Kingdom were audited by external auditors: No significant deviations from specifications were identified. All identified deviations and potential improvements were promptly implemented at the respective sites and verified in a follow-up audit, if necessary.

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

We also require our suppliers and business partners to uphold basic human rights. Before a new supplier is accepted as a business partner, it must pledge in writing that it will maintain and comply with the provisions of the Symrise Code of Conduct. The international supplier rating platforms Supplier Ethical Data Exchange (SEDEX) and EcoVadis, to which we added the supplier rating section in the reporting year, are valuable tools with which we can more easily assess suppliers and disclose our own data to customers. Since 2006, we have been publishing relevant information on working conditions and employee rights, health and safety as well as on environmental and ethical business practices via this platform for Symrise. All Symrise production sites in the Scent & Care and Flavor segments and around half of the Nutrition segment are now registered with SEDEX. All production sites are to be registered on the SEDEX platform by the end of 2021. Since 2012, we have requested that our most important suppliers register with SEDEX and disclose their data there. We carry out audits for suppliers that pose an especially notable risk (as defined by SEDEX and EcoVadis), that have crucial raw materials or that have had problems flagged in the assessment. In the reporting year, 142 supplier audits were performed by trained and experienced internal supplier audit teams. Additionally, we request at least 50 suppliers annually to carry out SEDEX / SMETA audits by verified, independent audit agencies.

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

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

Symrise does not permit any form of forced or compulsory labor at its operations or at suppliers. No anomalies were found at the Symrise sites and suppliers that were inspected by SEDEX / SMETA in the reporting year (see also management approach to [GRI 409](#) and [GRI 412-1](#)).

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

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

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

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

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

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

No incidents are known in the reporting period.

**GRI 412: HUMAN RIGHTS ASSESSMENT 2016****GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

The guiding principles of the United Nations for the economy and human rights and their national implementation in the German government's National Action Plan for Business and Human Rights (NAP) explicitly emphasize corporate responsibility. After all, the activities of companies can have unintended negative effects on human rights. This applies above all to globally operating corporations with complex supply chains. Particularly threatened by human rights violations in supply chains are those population groups who are already marginalized in their respective country and therefore are exposed to higher risk, such as children, women and religious or ethnic minorities. At the same time, a precarious human rights situation also weakens companies since their success depends on a stable and predictable environment. Within the framework of SDG 8, humane working conditions are emphasized as the prerequisite for sustainable and inclusive economic growth. Our materiality analysis conducted in 2019 underscores the importance of the topic "respecting human rights" via a high rating, especially for our external stakeholders. This topic is also becoming increasingly important in regular investor and customer discussions in 2020, particularly regarding an expected supply chain law.

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

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

We welcome and expressly support corresponding laws against forced labor or human trafficking, such as the California Transparency in Supply Chains Act or the UK Modern Slavery Act and the German government's National Action Plan for Business and Human Rights (NAP). Symrise therefore voluntarily participated in the monitoring of the implementation of the NAP requirements by companies in 2019 and 2020. We also spoke out prominently in the reporting year as part of the Initiative for Sustainable Agricultural Supply Chains (INA) for the German government to pass a supply chain law by early 2021. It will create binding due diligence obligations in relation to human rights and environmental friendliness for companies. We welcome recent policy developments on the subject.

Since 2010, all Symrise production sites have been externally audited in three-year intervals based on the SEDEX SMETA 4-pillar standard. In the reporting year, sites in China, Egypt, Japan, Mexico, the USA, Germany and the United Kingdom were audited by external auditors: No significant deviations from specifications were identified. All identified deviations and potential improvements were promptly implemented at the respective sites and verified in a follow-up audit, if necessary.

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

We also require our suppliers and business partners to uphold basic human rights. Before a new supplier is accepted as a business partner, it must pledge in writing that it will maintain and comply with the provisions of the Symrise Code of Conduct. The international supplier rating platforms Supplier Ethical Data Exchange (SEDEX) and EcoVadis, to which we added the supplier rating section in the reporting year, are valuable tools with which we can more easily assess suppliers and disclose our own data to customers. Since 2006, we have been publishing information pertinent to Symrise on working conditions and employee rights, health and safety as well as on environmental and ethical business practices on the Sedex platform. All Symrise production sites in the Scent & Care and Flavor segments and around half of the Nutrition segment are now registered with SEDEX. All production sites are to be registered on the SEDEX platform by the end of 2021. Since 2012, we have requested that our most important suppliers register with SEDEX and disclose their data there. Furthermore, since 2014, numerous suppliers of natural substances that are strategically important for Symrise have been evaluated via the Union for Ethical Biobased Trade (UEBT), thus ensuring ethical sourcing of the products.

We carry out audits for suppliers that pose an especially notable risk (as defined by SEDEX and EcoVadis), that have crucial raw materials or that have had problems flagged in the assessment. Suppliers from whom we require certification by specific audit companies such as UEBT, SAI or FSC are also visited on site if high risks are present. Suppliers with medium and low risks are subject to regular assessment by SEDEX and /or EcoVadis or by audit companies such as UEBT, SAI and FSC. In the reporting year, 142 supplier audits were performed by trained and experienced internal supplier audit teams. Additionally, we request at least 50 suppliers annually to carry out SEDEX /SMETA audits by verified, independent audit agencies.

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

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

Every year we increase the share of our worldwide sites that are inspected according to human rights criteria. As a result of the acquisition and first-time introduction of ADF / IDF, this share fell to 67% overall in the reporting year. Excluding ADF / IDF, the share would have been 96% in the reporting year – 16 percentage points higher than in the previous year. To date, no human rights violations have been identified in the course of audits at any of the sites.

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

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

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

In 2020, more than 5,000 training sessions, which also covered human rights aspects, were held for employees from Sales, Business Support, Purchasing, Finance, Accounting, Marketing, Legal, Business Unit, Research & Development, Management Logistics, Corporate areas, Investor Relations and Human Resources.

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

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

**GRI 413: LOCAL COMMUNITIES 2016**

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

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

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

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

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

We strive to dialogue with the communities and inhabitants at our company locations, to be a good neighbor and to make an effort to avoid the negative impacts surrounding our business activities, while at the same time generating societal added value. For example, at our company location in Holzminden, we let our neighbors know about topics of local interest and our social commitment by regularly publishing and distributing a local newsletter. For more than ten years, we have been committed to improving education and health care in Madagascar. We have established production facilities there that meet strict environmental standards. Our local business activity contributes to the livelihood of more than 40,000 people.

We established a site in the Amazon region that researches new, sustainable raw materials for cosmetics in close cooperation with Brazil's top cosmetics manufacturer Natura. The supply chains of all raw materials used at this site are reviewed in accordance with the UEBT guidelines. At the same time, many families in the region are benefiting from our commitments there. In partnership with the GIZ, the goal is to restore the natural vegetation along the Trans-Amazonian Highway and in the Northeastern Pará and Ponta do Albuna regions through changed cultivation of the land and reforestation measures. The farmers and cooperatives will learn how to cultivate the land more effectively with the help of the latest technology and thus increase their yields. A total of 16 cooperatives and more than 1,200 families have already participated in the Amazon Program. Since the start of the project in 2017, the cooperatives have achieved sales growth of over 40%.

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

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

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

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

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

**GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016**

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

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

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

In view of the constantly increasing requirements and complexity in the areas of supply chain and sourcing and to effectively manage the processes along the entire value chain, the Flavor segment announced the establishment of the organizational unit Global Supply Chain and Procurement in 2019. The associated new strategic roadmap of the Flavor segment, adopted in 2020, includes a review of the global production footprint and pursues various goals: This will improve our sustainability in cooperation with other segments, the measurement and management of supply risks as well as the increase of profitability through efficient and quick implementation.

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

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

We can best pursue and maintain our goal of sustainable sourcing if we can exert direct influence on the upstream stages of our value chain. Therefore, we pursue the goal of strategic backward integration for our key raw materials. As we demonstrated in the case of vanilla production in Madagascar, we can create immediate value for all participants: We are working in a very targeted manner on the improvement and implementation of environmental and social standards through various joint projects, thus ensuring the consistent high quality of raw materials for our customers. With this integrative approach, we support local socioeconomic structures and can directly monitor compliance with our principles. For the backward integration of our supply chain, we have established corporate guidelines on due diligence and defined corresponding processes that also consider environmental and social risks. The backward integration into the fragrance and flavoring manufactured from natural, renewable raw materials at our US sites in Jacksonville, Florida, and Colonels Island, Georgia, secures valuable and strategic ingredients for Symrise and ultimately reduces our risk of supply bottlenecks.

For more information on responsible sourcing, see management approach to [GRI 204](#).

#### **GRI 414-1: New suppliers that were screened using social criteria ✓**

Symrise has declared its goal to source all raw materials on the basis of sustainable criteria. The [responsible sourcing strategy](#) therefore recommends that all new suppliers worldwide must be evaluated based on sustainable criteria. For this reason, all Symrise Legacy suppliers (100%) are evaluated based on sustainability criteria. The assessment of the suppliers of the newly acquired ADF / IDF started at the end of 2020. Accordingly, 67% of our main suppliers, based on 80% of the procurement volume, have already been assessed according to sustainability criteria in the reporting year.

#### **GRI 414-2: Negative social impacts in the supply chain and actions taken ✓**

Symrise has declared its goal to review all suppliers in terms of social criteria. Our goal is to assess our main suppliers, based on 90% of the procurement volume, according to sustainability criteria by 2025. For this reason, all Symrise Legacy suppliers (100%) are evaluated based on sustainability criteria. The assessment of the suppliers of the newly acquired ADF / IDF started at the end of 2020. Accordingly, 67% of our main suppliers, based on 80% of the procurement volume, have already been assessed according to sustainability criteria in the reporting year.

To further expand the evaluation of our suppliers, we started to evaluate additional suppliers via the EcoVadis platform in 2020, as not all of our suppliers use SEDEX. With this step, we aim to be able to identify further risks and opportunities of our suppliers early on.

We carry out audits for suppliers that pose an especially notable risk (as defined by SEDEX and EcoVadis), that have crucial raw materials or that have had problems flagged in the assessment. In the reporting year, 142 supplier audits were performed by trained and experienced internal supplier audit teams. Additionally, we request at least 50 suppliers annually to carry out SEDEX/SMETA audits by verified, independent audit agencies. The focus here is on environmental issues in addition to product safety, quality management, work safety, health and social responsibility. If suppliers don't meet our defined standards, we jointly develop and implement improvement measures. If these standards are still not upheld after such attempts, the business relationship is terminated as a last resort. All new suppliers fill out a supplier survey that contains questions on social issues. During the risk assessment process, we rely on environmental criteria to evaluate existing suppliers as well as the socioeconomic and ecological situation in their respective countries. In 2020, there were no cases of our suppliers causing any notable negative environmental impact.

## **GRI 415: PUBLIC POLICY 2016**

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

Dialogue with politicians and participation in public discourse are important foundations and drivers for the future-oriented plans of the sector and its associated industries – food, pet food and personal care. This exchange must take place with integrity and transparency for all parties involved; we clearly exclude the corrupt gaining of advantage through political influence. The significance of “Good Corporate Governance & Compliance” for Symrise as well as its relevance and impact on external stakeholders is accordingly also reflected in the high rating of the topic in our materiality analysis conducted in 2019.

In exchanges with relevant stakeholders, we express our interest, share our views and at the same time raise awareness of specific issues in the political discourse and legislative process. In doing so, we attach great importance to a fact-oriented and fact-based presentation and ensure both compliance with the applicable legal standards and legal framework as well as an open, participatory culture of dialogue – with all stakeholders who share our values (see [Corporate Report 2020, p. 24 ff.](#)).

Party donations or donations to political or religious associations, public officials and public bodies must be approved by our Chief Compliance Officer. The Symrise Code of Conduct is the basis for all our actions in this regard and, in its statements on business relationships with external parties, donations and contributions, also applies to our conduct toward politics; see [GRI 102-16](#). Violations of the Code of Conduct can be reported by our employees via a low-threshold, transparent complaints mechanism; see [GRI 102-17](#).

Symrise actively participated in political and social dialogue during the reporting year through events and personal contact with decision makers as well as through our media channels. In our exchange with external stakeholders, we also see ourselves as a voice for corporate responsibility that actively exemplifies the compatibility of climate protection, supplier relationships based on partnership, and sustainable competitive corporate success.

In the reporting year, the focus was particularly on the topics of supply chain responsibility and climate protection. For example, we joined with more than 30 companies and organizations as part of the Initiative for Sustainable Agricultural Supply Chains (INA) for the German government to pass a supply chain law by early 2021. It will create binding due diligence obligations in relation to human rights and environmental friendliness for companies. We welcome recent policy developments on the subject. For additional initiative in the reporting year, see [GRI 102-12](#).

### **GRI 415-1: Political Contributions ✓**

Symrise is nonpartisan and did not support any political parties in the reporting year.

**GRI 416: CUSTOMER HEALTH AND SAFETY 2016****GRI 103: Management Approach 2016 (Disclosure 103-1, 103-2, 103-3) ✓**

Every one of the 30,000 various Symrise products is subject to strict quality requirements. We concentrate our research and development activities particularly on the creation of products that contribute to satisfying human needs. Here an important focus is on green chemistry, natural raw materials and resource-efficient production processes along with innovative technologies. The significance of “Product Quality & Safety” for Symrise as well as its relevance and impact on external stakeholders is also reflected in the high rating of the topic in our materiality analysis conducted in 2019.

Good manufacturing practice forms the general foundation for responsibly handling products and production processes. These guidelines serve to ensure quality in production processes and production environments and apply to the manufacturing of medicines and active ingredients as well as to the manufacturing of cosmetics, food and animal feed products. They are defined by the laws governing pharmaceuticals, cosmetics and foods.

Many requirements apply across product groups, such as quality requirements, clear product labeling and hygiene requirements. Moreover, legislators have passed corresponding regulations that define requirements specifically for individual product groups. Here, Symrise particularly differentiates between the product groups flavors, pharmaceutical agents and pharmaceutical additives as well as cosmetic active ingredients and raw materials.

In the reporting year, these measures were redefined and expanded against the backdrop of the global coronavirus pandemic and extended to include further hygiene measures. In this way, contact between employees, suppliers, and customers could be minimized via adjusted timing of transport and shift schedules. In the event of suspected illness, a process has been established for employees to directly contact the appropriate employee, as well as on-site medical professionals to minimize the risk of infection along the value chain of Symrise. In the event of proven illness, employees and all persons in contact with them are required to go into quarantine for two weeks or present a negative coronavirus test. For further employee health measures, see management approach to [GRI 403](#).

**GRI 416-1: Assessment of the health and safety impacts of product and service categories ✓**

We guarantee the safety of our products throughout their entire life cycle. To do this, we integrate all relevant steps into our product safety policy, from supplier orders to customer delivery. Symrise ensures compliance with legislation, requirements laid down by associations and internal standards and continuously monitors this compliance. At Symrise, the Regulatory Affairs department is responsible for ensuring that Symrise products are in compliance with the relevant legislation. Our products are subject to strict regulatory scrutiny based on the food, pharmaceutical, and cosmetics law or the REACH directive.

Our customers are informed about technical characteristics and how to safely handle our products via corresponding data sheets, product specifications and additional, individually tailored informational materials.

**GRI 416-2: Incidents of non-compliance concerning the health and safety impacts of products and services ✓**

There were no breaches of safety or health regulations in relation to our products at Symrise in 2020.

The intensive cooperation between the regulatory departments, the purchasing departments and sales ensures that no violations or complaints arise in connection with health impacts. Legislative changes are promptly implemented through the intensive cooperation of these areas and using a proactive approach, supported by robust product and consumer-protection processes. This approach has been received by customers as exemplary.

In the case of product defects that could endanger consumers, a dedicated product crisis process is initiated with local, regional and global crisis teams within the Quality & Regulatory organization.

All customer complaints regarding quality and service are carefully reviewed. If necessary, measures are taken and their execution is carefully monitored. In a monthly report, the responsible individuals are informed about the development of complaints and their processing.

**GRI FP5: Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards ✓**

More than 91% of our production sites are certified at least in accordance with ISO 9001 as well as a standard applicable to the food industry (ISO 22000) or animal feed industry. All of these standards are recognized by the Global Food Safety Initiative.

**GRI FP6: Percentage of total sales volume of consumer products, by product category, that are lowered in saturated fat, trans fat, sodium and added sugars ✓**

The focus of our research and development strategy is our enhanced commitment to consumer well-being, which, for example, includes issues such as skin protection and healthier nutrition. Our ongoing aim is thus to continuously increase the share of these products in our sales volume. We work closely with our key customers to increase the contribution that end products make to promoting health.

**Omissions:**

For reasons of confidentiality, we do not publish figures on sales volumes or shares.

**GRI FP7: Percentage of total sales volume of consumer products, by product category, that contain increased nutritious ingredients like fiber, vitamins, minerals, phytochemicals or functional food additives ✓**

For further information see [FP6](#).

**GRI 417: MARKETING AND LABELING 2016**

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

Ensuring the highest level of product safety is a material topic both for Symrise and our stakeholders. The significance of “Product Quality & Safety” for Symrise as well as its relevance and impact on external stakeholders is accordingly also reflected in the high cross-stakeholder rating of the topic in our materiality analysis conducted in 2019. Our product safety policy and good manufacturing practice form the global basis for responsible behavior with products and manufacturing processes. These guidelines steer quality control for both production processes and the production environment and apply to the manufacture of pharmaceuticals and active ingredients as well as for cosmetics, food and animal feed products. They are defined by the laws governing pharmaceuticals, cosmetics and foods. Many requirements apply across product groups, such as quality requirements, clear product labeling and hygiene requirements. Independent audits and recognized certifications provide us with support as we strive to reach the highest standards and provide transparent evidence for our achievements. The Quality & Regulatory division organizes product safety at Symrise. Its reporting channel leads to the CEO is via Global Operations area.

**GRI 417-1: Requirements for product and service information and labeling ✓**

The hazardous substance / dangerous goods labeling of our products is based on regional and global requirements such as CLP Regulation 1272 / 2008 and / or the Globally Harmonized System of Classification and Labeling of Chemicals (GHS). All incoming raw materials are consistently checked for conformity and classified and graded accordingly. If necessary, additional clarifications are made directly with the supplier or in-house analyses, for example regarding the composition of raw materials, are conducted or their physical and chemical properties are determined analytically. In addition to the disclosures from the material safety data sheets of the raw material suppliers, the available information from the REACH registrations (dissemination page of ECHA) is used for the causality test.

We also have a team of toxicologists / ecotoxicologists at our disposal to clarify relevant issues internally. Furthermore, we are in close coordination with the International Fragrance Association via the Label Manual and the International Organization of the Flavor Industry. In addition, Symrise offers a worldwide 24-hour service in the event of an accident via the emergency number on the material safety data sheets.

Symrise uses both Verisk 3E Legal Content information and SAP EH&S regulations on the system side and creates material safety data sheets for raw materials, product mixtures and other relevant information fully automatically on a global level.

The labeling of our products in the Flavor segment is based on statutory food regulations. The requirements of EU Regulations 1169/2011 concerning food allergens and Article 14 of Regulation 1334/2008 concerning the labeling of flavorings that are not intended for sale to the final consumer apply.

**GRI 417-2: Incidents of non-compliance concerning product and service information and labeling ✓**

In 2020, there were no incidents of non-compliance concerning product and service information and labeling.

**GRI 419: SOCIOECONOMIC COMPLIANCE 2016**

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

Integrity, legal and compliant behavior are the basis of sustainable success for companies. Violations can result in personal liability and reputational damage for the company, as well as negative effects for business partners and suppliers through price agreements and market imbalances. The significance of “Good Corporate Governance & Compliance” for Symrise as well as its relevance and impact on external stakeholders is also reflected in the high rating of the topic in our materiality analysis conducted in 2019.

Our binding principles are laid out in our Code of Conduct, which guides the actions of all employees. The principles apply for all countries regardless of possible conflicting cultural customs. It not only regulates behavior toward key Symrise partners, but it also ensures transparent and reliable processes. The Code of Conduct also references ethical and legal challenges that can arise in the workplace, as part of business relationships or when handling information. In the interest of all employees and the company, we react swiftly to violations against our Code of Conduct and rectify their causes. In the event that our ethical and legal standards are breached, the Group Compliance office has installed an Integrity Hotline that can be used by all Symrise employees worldwide to report anonymously and in their native language any breaches of legal regulations or internal company guidelines. Misconduct is consistently prosecuted in accordance with the applicable national laws.

**GRI 419-1: Non-compliance with laws and regulations in the social and economic area ✓**

In 2020, worldwide one case per month on average was reported via the Integrity Hotline. In all cases, investigations were initiated and corrective measures were applied on a case-by-case basis pursuant to the applicable legal system and Group-internal regulations. No material damage was caused to third parties or to our company.

**ANIMAL WELFARE**

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

Animals and raw materials of animal origin serve man in many ways, especially in food production. Unique taste and nutrition solutions are also part of Symrise’s product portfolio - which is why we see our commitment to improving animal welfare as an important part of our corporate policy. Beyond the ethical demands we place on ourselves and our activities, irresponsible treatment of animals could lead to a considerable loss of reputation for Symrise among important stakeholders and thus to high economic damage. We share the growing concerns of consumers and customers about the circumstances in which animals are kept and treated, and also clearly see the interaction with food quality. Animal welfare is a natural obligation for Symrise and was accordingly also identified as a material issue in our materiality analysis carried out in 2019.

The Sustainability Board briefs the Executive Board several times per year on current developments. In the reporting year, we formulated a [global policy on animal testing](#) and are currently developing a procurement policy that regulates the handling of animals used in the production of animal raw materials. With the acquisition of ADF / IDF and the sale of the production facility in Banks County at the end of 2019, the aim and content of recent local activities of Diana Food is to gradually extend the implementation of these guidelines to the new business units.

Ingredients and flavors based on raw materials made from chicken represent the largest share of animal intermediate products in terms of volume at Symrise. That is why we have developed a guideline for high animal welfare standards in the area of poultry, specifically for chickens, as the first building block for the Nutrition division Diana Food. It includes clear minimum requirements for care, breeding, transport and slaughter. The guideline provides for regular reviews of farms, continuous improvement in livestock farming and an annual progress report. For example, we aim to source 100% of our chicken-based raw materials required in the Nutrition division Diana Food in Europe from sustainable sources by 2026. In line with our guidelines, we conducted a survey over the past 18 months to uncover areas for improvement between the current practices of our suppliers and our animal welfare targets by 2026. Through a regional screening, we were also able to identify potential suppliers who already meet the requirements of our animal welfare guidelines. In June 2018, the Nutrition division Diana Food received the Good Chicken Award for our ambitious sourcing targets. Since there are no uniform internationally recognized standards for animal welfare, Symrise has involved the internationally highly respected animal welfare organization Compassion in World Farming (CIWF) to achieve a rapid implementation of its guideline in the supply chain. Beyond this cooperation, Symrise networks with other stakeholders by participating in conferences and discussions on animal welfare. In 2019, we participated in an event organized by the Global Coalition for Animal Welfare in the Netherlands and in the European Broiler Chicken Animal Welfare Summit in London, organized by Compassion in World Farming (CIWF). In the reporting year, we participated in three workshops on animal welfare as part of the Association Nationale des Industries Agroalimentaires (ANIA).

We obtain animal raw materials and byproducts exclusively from suppliers that comply at a minimum with European laws or local regulations regarding animal welfare. Usually only byproducts of the food industry are used here, thereby ensuring the utmost raw-material efficiency and reduction of food waste.

To measure the tastiness of pet food, Symrise Nutrition maintains Panelis expert centers in Elven (France), Hodges (USA) and Descalvado (Brazil) to provide its customers with studies on the feeding behavior of cats and dogs, as well as an understanding of the influence of the emotional bond between pets and their owners.

The expert centers follow a strict animal welfare policy. During selection, breeds are preferred that are not susceptible to health or behavioral problems. The dogs and cats have ongoing access to an open-air enclosure and fresh water and are regularly fed according to sensory assessment protocols as well as their respective natural eating behavior. Since the time spent housing the animals may only be a part of their entire life, an adoption program has been introduced which allows the adoption of the animals by families after an average of five years. Thus, the animal population is renewed by about 15 % per year.

In case of lengthy animal transportation, a special truck is used that is equipped with temperature monitoring and ventilation. The responsible employees hold the "Transport des animaux vivants" certificate approved by the French authorities. In addition, independent and external veterinarians take care of the animals and, if necessary, provide them with medication.

Many employees hold the "Certificat de capacité," a professional certification that is issued by the French authorities and qualifies them for the responsible treatment of animals.

In the Nutrition business unit Diana Aqua, we conduct product tests of fish and shrimp to investigate tastiness, nutritional values and health benefits. These benefits support the development of more efficient, sustainable and secure aquacultures. These tests are performed subject to the following principles: compliance with the laws of animal welfare, a strong training program for the scientists responsible for planning the test series, and validation of all protocols by independent ethics committees.

**GRI FP9: Percentage and total of animals raised and /or processed, by species and breed type ✓**

As a company, we are not involved in animal husbandry nor do we slaughter any animals ourselves (regarding the supply chain, see [GRI 414-2](#)). The dogs and cats kept by our Nutrition division in the Nutrition division Diana Pet Food are primarily used to provide expertise in sensory and behavioral assessment of pet food and care. Fish and shrimp are used in the Nutrition business unit Diana Aqua to assess product performance.

Every year, breeders and owners select dogs and cats according to set criteria. Our goal is to provide a representative cross-section of breed diversity on the various continents. Wherever possible, the animals do not belong to certain breeds that are known for their tendency to develop health or behavioral problems. Our dogs and cats are acquired after a weaning period and are identified by tattoos and microchips. All animals remain in quarantine before they join the Panelis program.

At the nutrition division Diana Aqua, we conduct product tests of fish and shrimp primarily in order to investigate growth behavior. For each test design, the 3R rule (reduce, refine and replace) is used to enable a more ethical approach to animals. Overall, the annual growth weight of the fish and shrimp used in the tests is less than 250 kg.

**GRI FP10: Policies and practices, by species and breed type, related to physical alterations and the use of anaesthetic ✓**

As a company, we are not involved in animal husbandry nor do we slaughter any animals ourselves (regarding the supply chain, see [GRI 414-2](#)). The dogs and cats kept by our Nutrition division in the Nutrition division Diana Pet Food are primarily used to provide expertise in sensory and behavioral assessment of pet food and care. Fish and shrimp are used in the Nutrition business unit Diana Aqua to assess product performance. Our dogs and cats receive only treatment for care; no invasive measures are taken. There are no breeding activities. In order to manage our animal population, dogs and cats are spayed or neutered. The operation is carried out by a veterinarian in accordance with generally accepted practical recommendations regarding anesthesia and analgesic protocols. If one of the animals must undergo a surgical procedure, a painful examination or medical treatment, the attending veterinarian supplies the appropriate narcotic and analgesic treatment. When a product test is completed, fish and shrimp used for product testing in the Nutrition division Diana Aqua are treated as legally required and in accordance with the ethical guidelines of our testing procedures.

**GRI FP11: Percentage and total of animals raised and /or processed, by species and breed type, per housing type ✓**

As a company, we are not involved in animal husbandry nor do we slaughter any animals ourselves (regarding the supply chain, see [GRI 414-2](#)). The dogs and cats held by our Nutrition segment are primarily used to provide expertise in sensory and behavioral assessment of pet food and care, while fish and shrimp in the nutrition Diana Aqua segment are used to assess product performance.

The dogs and cats that are kept in the expert centers live in groups. Depending on building size, cats are housed in groups of 3, 8, 10 or 20 cats per room with plenty of natural light and controlled ventilation, while dogs are housed in pairs in kennels.

Cats have constant access to a small outdoor area and fresh water through cat flaps. Dogs have free access to indoor and outdoor areas and spend several hours every day outdoors in parks. They are divided into groups of 4 to 10 animals depending on breed, body size and individual affinity.

Dogs and cats are fed once or twice a day. Feeding frequency is the same as for pet owners at home.

In each of our facilities, we not only comply with the minimal prescribed treatment regulations, but also provide larger premises than necessary since the well-being of animals is crucial to the success of our sensory and behavioral tests of pet food and care.

For example, the smallest room for ten individual cats is 28 m<sup>2</sup> (15 m<sup>2</sup> for the indoor area and 13 m<sup>2</sup> for the outdoor area). For dogs, the accommodation depends on the size of the respective animal. We calculate more than 9 m<sup>2</sup> for small dogs and 12 m<sup>2</sup> for larger breeds. We design the environment for cats in three dimensions in order to enlarge the available space. Portions of the outdoor areas are also roofed.

We do not breed the fish and shrimp that are used for product testing by the nutrition Diana Aqua segment ourselves, but obtain them from commercial breeders. The fish and shrimp are held in facilities in which we ensure optimal conditions in terms of water quality, nutritional needs and low animal density.

**GRI FP12: Policies and practices on antibiotic, anti-inflammatory, hormone, and / or growth promotion treatments, by species and breed type ✓**

As a company, we are not involved in animal husbandry, nor do we slaughter any animals ourselves (regarding the supply chain, see [GRI 414-2](#)). The dogs and cats housed by our Nutrition segment Diana Petfood are primarily used to provide expertise in sensory and behavioral assessment of pet food and care. Fish and shrimp in the Nutrition Aqua segment are used to assess product performance.

If needed, our dogs and cats receive antibiotics and anti-inflammatory treatment. The animals are kept exclusively as subjects for pet food and care tests. After an average of five years, the animals enter the adoption program to live with families.

Any treatments comply with the legal provisions of the attending veterinarian. They are always performed by animal caretakers and trained specialists. All treatments are documented in the respective individual files and the general register for each facility.

The nutrition division Diana Aqua does not use antibiotics, anti-inflammatory drugs or hormones. The goal of fish and shrimp tests is rather to demonstrate the advantages of our products. Achieving this goal would be impaired or invalidated by the use of such substances for the reduction of mortality rates or resistance to environmental influences in breeding.

**GRI FP13: Total number of incidents if significant non-compliance with laws and regulations, and adherence with voluntary standards related to transportation, handling, and slaughter practices for live terrestrial and aquatic animals ✓**

No instances of non-compliance with laws and regulations were reported.

Transport of our dogs and cats take place when they are brought to our facilities, during visits to the veterinary clinic or during any trips to beauty shows or competitions.

Special spacious transport cages are used during transport. In case of longer trips, we ensure that the trip is interrupted regularly for free movement and the supply of fresh water. The responsible employees hold the "Transport des animaux vivants" certificate approved by the French authorities.

Many employees hold the Certificat de capacité, a professional certification that has been issued by the French authorities and qualifies them for the responsible treatment of animals. In the US, the Animal Welfare Act governs regulations on transport to and from our sites there.