

- By applying innovative processes, Symrise provides its customers with specific raw materials which ensure the corresponding products contribute to a significant reduction in greenhouse gas emissions over their lifecycle. We therefore take the view that certain parts of our economic activity can be described as enabling activities in the sense of 3.6 “Manufacture of other low carbon technologies.” Despite the limitation that not all taxonomy criteria can be queried automatically in the course of reporting, we report initial results in this regard.

3. DO NO SIGNIFICANT HARM (DNSH)

During the reporting year, the DNSH criteria for economic activity 3.6 “Manufacture of other low carbon technologies” and 7.2 – 7.5 from the chapter “Construction industry and real estate” were analyzed on the basis of all manufacturing sites worldwide. The outcome of our valuation is that we met the DNSH criteria concerning economic activity 3.6 in full in and largely concerning activities 7.2 – 7.5, and can verify this. The remaining shares of non-taxonomy-aligned investments were conducted for the most part at locations of more recent acquisitions, where we assume that all criteria are met but cannot yet explicitly demonstrate this. The resulting taxonomy-aligned sales, CapEx and OpEx are set out in the table below. We aim to meet all DNSH criteria by the end of 2023.

Climate change adaptation: 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. 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).

Sustainable use and protection of water and marine resources: Symrise has defined the following procedures as part of its water use strategy:

- Ensuring compliance with water-related legislation and voluntary standards in the countries in which we are active
- Sustainable use of fresh water resources, taking account of the regeneration rates of local water bodies and sources
- Regular analysis, monitoring, control and sustainable management of water quality and the number of outputs and inputs
- 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
- We inform 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
- We 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

Transition to a circular economy: The corporate guidelines of Symrise provide a fundamental direction for dealing with waste: the company prevents waste and replaces hazardous chemicals where technically and economically feasible. Symrise continuously works on reducing the negative impacts on the environment in product development.

Symrise complies with all statutory provisions for waste disposal worldwide and only hands over waste to certified companies that can verify that waste is disposed of properly with the use of electronic procedures. 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 aimed at reducing waste and promoting the circular economy. These include, for example, our initiative on the use of plastics, the development of innovative production processes and products, and our Total Productive Maintenance program.

Pollution prevention and control: As a producer of foods and preliminary consumer goods products, our activities are not generally associated with significant environmental pollution under the terms of the taxonomy regulation. Our production sites with the highest potential environmental impacts are either located in countries with strict environmental policies and/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.

We also measure the chemical oxygen demand in wastewater at all of our sites worldwide. Each site follows the local limits of their respective country around the clock. We are not aware of any significant violations.

Protection and restoration of biodiversity and ecosystems:

Six Symrise sites are located in or adjacent to protected areas. Following a detailed analysis of all relevant environmental aspects, there were no indications of any adverse impact on neighboring protected areas as a result of our operating activities at the sites in question.

Via corresponding sustainability verifications, strict use controls, efficient production processes and, not least, the development of suitable raw material alternatives, we concentrate on preventing or minimizing any negative biodiversity impact while ensuring a sustainable use of relevant species. As part of our sustainability management, we continually 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.

4. MINIMUM SAFEGUARDS

Symrise actively respects and supports the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, the Declaration on Fundamental Principles and Rights at Work of the International Labour Organisation (ILO) and the International Bill of Human Rights.

The Integrated Management System of Symrise is based on the provisions of the SA 8000 social accountability standard, which is binding throughout the company. This standard is based on the conventions of the International Labour Organization (ILO), the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child. Humane working conditions, decent employment and due consideration for the social aspects of employment are the foundation for how we act at every site. Additionally, the SMETA 4-Pillar requirements are used as a minimum standard and regularly verified by external auditors.

To implement its own due diligence as part of the German Supply Chain Due Diligence Act and improve responsible sourcing, Symrise coordinates through the Responsible Sourcing Steering Committee (RSSC). The Committee defines the processes for supplier assessments and implementation of the resulting measures to ensure that assessment criteria are completely embedded in the business processes. Operational implementation takes place in the purchasing areas, as does the monitoring of defined measures with suppliers.

Our principles for combating corruption are laid out in our Code of Conduct, which acts as a binding model for all employees. The Code applies to all countries regardless of possible conflicting cultural customs; it 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.

Symrise is also 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. Transactions within Symrise should be conducted according to market conditions and in accordance with applicable OECD principles.

Sustainable Finance Disclosure Regulation Principle Adverse Impact KPI's

The purpose of this information is to provide our financial institutions with the data they need to comply with their disclosure obligations regarding the “Statement on principal adverse impacts of investment decisions on sustainability factors” under the Sustainable Financial Disclosure Regulation (SFDR).

Topic	KPI	Reporting place
Climate and other environment-related indicators		
1. GHG emissions	Scope 1 GHG emissions	GRI 305-1
	Scope 2 GHG emissions	GRI 305-2
	Scope 2 GHG emissions	GRI 305-3
	Total GHG emissions	GRI 305-3
2. Carbon footprint	Carbon footprint	GRI 305-1
3. GHG intensity	GHG intensity per turnover	GRI 305-4
4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	GRI 2-1 , 2-6
5. Energy consumption and mix	Share of non-renewable energy consumption and production	GRI 302-1
6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	GRI 302-3
7. Biodiversity	Activities negatively affecting biodiversity-sensitive areas	GRI 304 , especially GRI 304-1 , but also GRI 304-2 , GRI 304-3 , GRI 304-4
8. Water	Emissions to water	GRI 303-3 , GRI 303-4 , GRI 303-5
9. Waste	Hazardous waste and radioactive waste ratio	GRI 306-3 , GRI 306-4 , GRI 306-5
Indicators for social and employee, respect for human rights, anticorruption and anti-bribery matters		
10. Identified cases of severe human right issues and incidents	Violations of UNGC principles and OECD Guidelines for Multinational Enterprises	GRI 2-24
11. Policies related to own workforce	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD guidelines for Multinational Enterprises	GRI 408 , GRI 414
12. Pay gap between men and women	Unadjusted gender pay gap	GRI 405-2
13. Composition of the administrative, management and supervisory bodies	Board gender diversity	GRI 405-1 , GRI 2-9
14. Exposure to controversial weapons	Sectors of activity	No

GRI 2-24: Embedding policy commitments ✓

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, where potential risks and opportunities 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. In addition, the risks and opportunities of all segments are discussed within the Sustainability Board and measures are taken as necessary.

From 2023, Symrise will be affected by the Supply Chain Due Diligence Act (LkSG). To implement its own due diligence, the company set up the Responsible Sourcing Steering Committee (RSSC) (Management approach to [GRI 204](#)). The RSSC is a decision-making body made up of representatives of the segments and the Corporate Sustainability department. The Committee defines the strategy for observing due diligence along with procedures for implementation. Operational implementation and the monitoring and tracking of defined measures with suppliers is carried out in the purchasing divisions. The RSSC is building on a solid foundation: we have been working for several years to ensure that suppliers comply with our sustainability standards through systematic supplier management. The aim of the RSSC is to establish a coherent, sustainable and continually evolving management system for responsible procurement – a system that meets the expectations and requirements of our stakeholders, makes the supply chains of Symrise robust and safeguards human rights. Working groups are defining specific measures with timelines and KPIs – thereby incorporating the SEDEX, EcoVadis and AIM progress recommendations – and laying the foundations of a roadmap for the years ahead. The strategic elements that the RSSC developed in 2021 and published at the beginning of 2022 include the introduction of our [human rights guideline](#), which also contains a complaints mechanism for suppliers and their staff as well as other business partners. Our Code of Conduct for suppliers ([Responsible Sourcing Policy and Supplier Code of Conduct](#)) explicitly sets out what we expect of suppliers. A key task of the RSSC involves integrating sustainability aspects into the qualification, evaluation, and development of suppliers.

Before a new supplier is accepted as a business partner, we ask the supplier to confirm receipt and pledge to comply with the provisions of the Symrise Supplier Code of Conduct.

Supplier Ethical Data Exchange (SEDEX) and EcoVadis, the international supplier screening platforms, are valuable tools for assessing and identifying potentially inherent and concrete sustainability risks. The results of evaluations feed into internal decision-making processes. In this way, we effectively prevent any possible negative impact on human rights. In the event that a specific adverse effect on human rights is established, we expect our suppliers to take suitable remedial measures.

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

We carry out audits for suppliers that pose an especially notable risk (as defined by SEDEX and EcoVadis), such as suppliers that have crucial raw materials or 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, 138 supplier audits were performed by trained and experienced internal supplier audit teams. Additionally, we ask at least 50 suppliers annually to carry out SEDEX/SMETA audits by verified, independent audit agencies. SEDEX also sends us around 200 unsolicited SMETA audit reports from our suppliers. We can track the implementation of identified corrective actions from the audits through to verification in the SEDEX database.

The current SEDEX risk report shows that the data basis of some suppliers is not sufficient for a risk assessment. Among the supplier sites assessed, 86% have low to medium sustainability risks. The suppliers with the highest risks are located in Mexico, China, India, Indonesia and Brazil. Risks were most often ascertained in the areas of occupational health and safety, inadequate management systems, and labor rights.

GENERAL DISCLOSURES

Since 2021, Symrise also assesses suppliers on the EcoVadis platform. With an average valuation of 57 % across the valuation categories, the suppliers associated with us are significantly above the EcoVadis overall average (44.9 %). Compared to the previous year, 90 % of our suppliers were reassessed and 70 % achieved an improvement over the previous year.

Symrise will continue to focus on active suppliers in order to improve the data basis on existing risks. Symrise will cooperate more closely with suppliers who exhibit high risks in order to achieve further improvements. Our main emphasis is on the area of human rights and environmental risks. With regard to the German Supply Chain Due Diligence Act, we have started to identify the risks of all our suppliers, which we will report in detail in the coming year. With regard to the German Supply Chain Due Diligence Act, we have started to identify the risks of all our suppliers, which we will report on in detail in the coming year.

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

However, human rights or environmental risks can also arise in our own division. To identify and reduce these risks, all Symrise Legacy* production sites are registered on the SEDEX platform and have been externally audited every three years since 2010 based on the SEDEX/SMETA 4 Pillar Standard. In the reporting year, to prepare for the LkSG, we started registering all other Symrise sites** on the SEDEX platform, setting ourselves the aim of performing SMETA audits at all sites by the end of 2023. At present, 71 % of all sites are SMETA-certified. In the reporting year, sites in Argentina, Egypt, Brazil, China, Germany, India, Columbia, Madagascar, Mexico, Russia, Singapore, Spain, South Africa, the United Kingdom and the United States were audited by external auditors. To date, no human rights violations have been identified in the course of audits at any of the sites.

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

In addition, several customers commissioned independent certification organizations to audit selected Symrise sites according to their own standards on social aspects.

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

To ensure that all compliance requirements are consistently met, the need for training is regularly determined, and appropriate training courses are implemented. In 2022, four training courses were held on the topics of “Protecting Intellectual Property: The New Hire Training”, “Data Protection and Privacy: Know Your Risk Training”, “The Symrise Code of Conduct: Module 2 Training” and “Global Competition: Our Responsibilities Training” Participation in the training courses is mandatory for employees who have a connection to these topics as a result of their work. In the reporting year, more than 4,600 employees took part in each of these training courses (2021: 5,500). The employees who participated in 2022 received intensive training in compliance topics. These training courses also contain repeated references to our Code of Conduct, enforcing our binding principles. As part of the training sessions, participants are made aware of the complaints mechanism (including the Symrise Integrity Hotline) in the event of violations of the Code of Conduct (see [GRI 2-26](#)).

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

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

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

GENERAL DISCLOSURES

All investment agreements and contracts include clauses on human rights. We make it very clear in our investment agreements and contracts that partner firms must uphold the regulations and rules on occupational health and safety, guidelines for the reduction of environmental impact and rules regarding hygiene. We also refer to the guidelines for minimum wage, which apply to subcontractors as well. Our [human rights guideline](#) includes a complaints mechanism for suppliers and their staff as well as other business partners. Our [Code of Conduct for suppliers](#) explicitly sets out what we expect of suppliers, including service providers and, in particular, suppliers of raw materials. Before a new supplier is accepted as a business partner, we ask the supplier to confirm receipt and pledge to comply with the provisions of the Symrise Supplier Code of Conduct.

GRI 2-25: Processes to remediate negative impacts ✓

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 2-26](#)).

Symrise has also set up an internal complaints mechanism for external stakeholders and rights holders with a view to reporting problems and providing remedies. The complaints mechanism will be available from 2023 onward. Symrise will also abide by any national grievance mechanisms or laws, and work with the relevant authorities where needed, to address any grievances of relevance to Symrise that may arise. External informants can contact the Symrise Human Rights Officer directly via Sustainability.Office@symrise.com.

GRI 2-26: Mechanisms for seeking advice and raising concerns ✓

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, or with employees of the legal department. Our employees can also contact the responsible Compliance Officer at their site anonymously and confidentially. The Integrity Hotline set up by the Group Compliance office ensures that Symrise employees can anonymously report violations of both legal regulations and internal company guidelines from anywhere in the world. The Group Compliance office can be reached by all employees via a dedicated toll-free telephone number. An intermediary service operator ensures that employees can retain anonymity and communicate in their native language.

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

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

Symrise has also set up an internal complaints mechanism for external stakeholders and rights holders with a view to reporting problems and providing remedies. The complaints mechanism will be available from 2023 onward. Symrise will also abide by any national grievance mechanisms or laws, and work with the relevant authorities where needed, to address any grievances of relevance to Symrise that may arise. External informants can contact the Symrise Human Rights Officer directly via Sustainability.Office@symrise.com.

GRI 2-27: Compliance with laws and regulations ✓

Integrity together with lawful 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.

GENERAL DISCLOSURES

Our binding principles are laid out in our Code of Conduct, which guides the actions of all employees. The principles apply to all countries. The Code of Conduct not only regulates behavior toward key Symrise partners, but also ensures transparent and reliable processes. It 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.

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

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

On average, one suspected violation per month was reported to the Compliance Office via the Integrity Hotline worldwide. 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.

GRI 2-28: Membership associations ✓

Symrise wants to increase the value and sustainability of its business activities over the long term. With this in mind, we have made further commitments to additional standards beyond the numerous existing requirements for the fragrance and flavor industry, and we work actively on their development. 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. In addition, Symrise is a member of two organizations that promote alternatives to animal testing: European Partnership for Alternative Approaches to Animal Testing (EPAA) and Animal-Free Safety Assessment Collaboration (AFSA).

Symrise is involved in the following expert groups:

International Fragrance Association (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

In this connection, we conduct risk and performance evaluations of suppliers from economic, ecological and social perspectives. In view of the Supply Chain Due Diligence Law, we have expanded the goal for evaluating our suppliers. By 2025, the group of suppliers making up 90 % of our procurement volume will be assessed according to sustainability criteria. We carry out audits for suppliers who pose an especially high risk (as defined by SEDEX and EcoVadis), who have crucial raw materials, or who have had problems flagged during assessment (see also [GRI 2-23](#) and Management approach to [GRI 408](#)).

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

Symrise has set up an internal complaints mechanism for external stakeholders and rights holders with a view to reporting problems and providing remedies. The complaints mechanism will be available from 2023 onwards. Symrise will also abide by any national grievance mechanisms or laws, and work with the relevant authorities where needed, to address any grievances of relevance to Symrise that may arise. External informants can contact the Symrise Human Rights Officer directly via Sustainability.Office@symrise.com.

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

One of the principles we rely on to influence sustainability performance more directly along the supply chain is backward integration. With regard to important core competences, we have deliberately chosen locations for our international production facilities where the raw materials primarily used are available locally. As well as purchasing our raw materials locally, we are integrated in the local economy, producing and creating value on site. This approach enables us to support local socioeconomic structures and improve compliance with our ethical and environmental principles. One example is our sourcing in Brazil under the Amazon Program in partnership with Natura and GIZ: our supply chains under the program are traceable and we have already provided support including training to more than 1,200 participating families (for more on the Amazon Program, see Management approach to [GRI 413](#); for more information on procurement practices, see Management approaches to [GRI 308](#), [GRI 408](#), [GRI 409](#) and [GRI 414](#)).

Symrise obtains the majority of onions, one of our main raw materials, from farmers who live near the plants where the vegetables are processed. This applies both to Germany and France, where the main production sites are located. Purchasing the onions from the region ensures low transport and energy costs, while simplifying joint development work. To give one example, Symrise set up the "Onion Ring": working closely with farmers, the Lower Saxony Chamber of Agriculture and the Saxony State Office for the Environment/Agriculture and Geology, we test good agricultural practices with a view to increasing revenue and minimizing losses. We also experiment with different onion varieties to optimize revenue.

Symrise also joined the Roundtable on Sustainable Palm Oil (RSPO) in 2015, since when 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 sourcing 100 % of certified primary and secondary palm oil derivatives from sustainable sources as well. Since we regularly source new primary and secondary palm oil derivatives and therefore eliminate existing certified palm oil derivatives, we work continuously to meet our demand. In addition, we have converted numerous recipes to palm oil free quality in recent years.

We also enter into sustainable partnerships and participate in a variety of initiatives that promote responsible sourcing practices. Symrise is a member of the Sustainable Spices Initiative (SSI), the Union for Ethical Biobased Trade (UEBT), the Sustainable Agricultural Initiative (SAI) Platform and the Alliance for Development and Climate. As a founding member, Symrise was also involved in the creation of the Sustainable Vanilla Initiative and the One Planet for Biodiversity Initiative, in cooperation with the World Business Council for Sustainable Development (WBCSD), among others. We are active in the WBCSD's Nature Action initiative and committed to the principles of the Network for Nature multi-stakeholder initiative (for more information on these and other initiatives, see [GRI 2-28](#)).

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

In terms of volume, 85 % (2021: 93.1 %) of goods and services at our sites were sourced from local suppliers during the reporting year. Symrise characterizes suppliers as local suppliers if they come from the same country.

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

Our Code of Conduct not only applies to our employees but also to our business partners. We obtain written confirmation of compliance with the Code of Conduct from our direct suppliers. As part of our preparations for the LkSG that comes into force in 2023, we published a [Responsible Sourcing Policy with a Supplier Code of Conduct](#), which is being sent successively to our suppliers. We have also published a [Human Rights Policy](#), which demonstrates our responsibility towards upholding human rights.

Symrise has declared its goal to source all materials and services on the basis of sustainable criteria. The [Responsible Sourcing Policy and Supplier Code of Conduct](#) therefore stipulate that all new suppliers must be assessed on the basis of sustainability criteria. In view of the Supply Chain Due Diligence Law, we have expanded the goal for evaluating our suppliers. By 2025, the group of suppliers making up 90 % of our procurement volume will be assessed according to sustainability criteria. In the reporting year, we already assessed 87 % (2021: 72.7 %) of our suppliers, based on 90 % of the procurement volume according to sustainability criteria.

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

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

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

GRI 205: ANTI-CORRUPTION 2016

GRI 3-3: Management of material topics ✓

We do not tolerate any form of corruption in our company. Our business practices do not include accepting or providing money or other services in an attempt to gain a competitive advantage. Bribery and money laundering are criminal offenses that we strongly condemn. Our principle is therefore clear and applies to all countries: "Any business that cannot align with our fundamental principles is not a business for Symrise."

The significance of "Corporate Governance and 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 2022.

Our principles for combating corruption are laid out in our Code of Conduct, which acts as a binding model for all employees. The Code applies to all countries regardless of possible conflicting cultural customs; it 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 the causes thereof.

To guard against any breach in legal and ethical standards, an Integrity Hotline has been installed. This allows Symrise employees to report anonymously any breaches in legal regulations and internal company guidelines at any Symrise location around the world. By means of this hotline, all our employees are able to contact the Group Compliance office using toll-free telephone numbers that have been specially set up in the individual countries. Reports are of course 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 2-26](#)).

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 observance of 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 undertake training. Subsequent tests confirm not only that a training course has been completed, but also that its content has been understood.

In addition to the requirements of their positions, new Symrise employees are given comprehensive training on the fundamental principles of our Code of Conduct when they join the company. 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 2022, training courses were held on the topics of "Protecting Intellectual Property: The New Hire Training", "Data Protection and Privacy: Know Your Risk Training", "The Symrise Code of Conduct: Module 2 Training" and "Global Competition: Our Responsibilities Training". Participation in the training courses is mandatory for employees with a connection to these topics through their roles. In the reporting year, more than 4,600 employees took part in each of these training courses (2021: 5,500). The employees who participated in 2022 received intensive training in compliance topics. These training courses also contain repeated references to our Code of Conduct, enforcing our binding principles. As part of the training sessions, participants are made aware of the complaints mechanism (including the Symrise Integrity Hotline) in the event of violations of the Code of Conduct (see [GRI 2-26](#)).

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

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

There were no confirmed cases of corruption at Symrise in 2022.

GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016

GRI 3-3: Management of material topics ✓

For Symrise, transparency and credibility are the basis for reliable and constructive relationships 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 "Corporate Governance and 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 2022.

To ensure consistently exemplary actions and behavior, we continue to adhere to our Code of Conduct. The Code of Conduct applies equally to the Executive and Supervisory Boards as well as Symrise employees in Germany and abroad, i.e. to all managers and employees of the Group. 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, non-compliance with standards will be investigated and causes remedied. This means that misconduct will be consistently prosecuted in accordance with national laws.

In 2022, training courses were held on the topics of "Protecting Intellectual Property: The New Hire Training", "Data Protection and Privacy: Know Your Risk Training", "The Symrise Code of Conduct: Module 2 Training" and "Global Competition: Our Responsibilities Training". Participation in the training courses is mandatory for employees who have a connection to these topics as a result of their work. In the reporting year, more than 4,600 employees took part in each of these training courses (2021: 5,500). The employees who participated in 2022 received intensive training in compliance topics. These training courses also contain repeated references to our Code of Conduct, enforcing our binding principles. As part of the training sessions, participants are made aware of the complaints mechanism (including the Symrise Integrity Hotline) in the event of violations of the Code of Conduct (see [GRI 2-26](#)).

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

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

There were no cases involving anti-competitive behavior at Symrise in 2022.

GRI 207: TAX 2019

GRI 3-3: Management of material topics ✓

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

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

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

In the reporting year, we developed training on tax reporting based on International Financial Reporting Standards (IFRS) and the sixth amendment to the EU Directive on Administrative Cooperation (DAC6). The training is conducted annually. Senior executives will receive additional training on transfer prices in another training course.

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. Transactions within Symrise should be conducted 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 these as intended.

The overall objective of the tax policy of Symrise is to comply with the rules and regulations of the tax jurisdictions in which Symrise operates. In addition, tax risks need to be mitigated in a timely and cost-efficient manner and a sustainably effective tax rate achieved. Therefore, in accordance with our internal tax policy as 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 appropriate tax payments and expenses are paid in accordance with the corporate strategy and the tax regulations.

We pay taxes where we create value, thus helping to enable state and municipal investments in infrastructure and the common good. By 2025, we are basically planning for a global tax rate of 25 – 27 %; in 2022, our effective Group tax rate was 32.6 % owing to the impairment of the investment in Swedencare AB. Without the Swedencare effect, the tax rate would have been 25.2 % (2021: 25.4 %). Our effective tax rate is average for listed companies in Germany.

Symrise consistently works on improving its tax compliance management system. In the reporting year, preparing for the implementation of Pillar II of the international BEPS 2.0 tax system of the OECD was a major topic. For more information on our approach to taxes, see the [Approach to Tax](#) of Symrise.

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, control to integration 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 legal entities of Symrise are required to prepare a report on tax risks at least once a year. These are centrally monitored and assessed.

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

As described in our Code of Conduct, various channels of contact exist for employees wishing to voice concerns about ethical and legal behavior as well as matters of integrity, whether or not in relation to taxes. For example, our employees can anonymously and confidentially contact the relevant Compliance Officer at their location, or make use of our Integrity Hotline (for more on the complaints mechanism, see [GRI 2-26](#)). External informants who wish to report violations of our Code of Conduct by a Symrise employee or our business partners need not fear reprisals; in fact, 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 or the Compliance Officer Corporate Sustainability.

We do not provide tax information to any person or institution other than tax authorities. All legally required information on income taxes is provided in our Group management report and consolidated financial statements (see [management report p. 54](#), [consolidated financial statements p. 100](#) and the [independent auditor's report, p. 144ff](#)).

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 main jurisdictions to respond proactively to potential future changes in tax law.

GRI 207-4: Country-by-country reporting ✓

A detailed presentation of country-by-country reporting is omitted, as disclosure of this data would reveal information relevant to competition. All legally required information on income taxes is provided in our Group management report and consolidated financial statements (see [management report p. 54](#), [consolidated financial statements p. 100](#) and the [independent auditor's report p. 144ff](#)).