



# Human Rights Policy

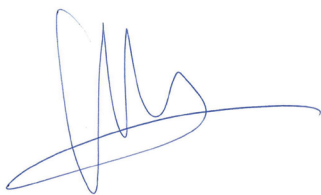
EFFECTIVE DATE: 01.07.2021

# PURPOSE

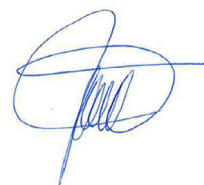
At Firmenich we operate an “Inclusive Capitalism” business model. This means that we grow our business while creating long-term value for all our stakeholders. Protecting nature, the safety of the communities we operate in, and respecting human rights sit together at the core of our business strategy and are a critical component of our company’s efforts to contribute to the Sustainable Development Goals (SDGs). Our objective is to generate positive impact on people, planet and society. Therefore, as a responsible company, it is our commitment to uphold the highest human rights standards across our activities and those of our broader value chain.

Our Human Rights Policy complements our Code of Ethics as well as our Responsible Sourcing Policy. This policy outlines our commitment and approach to human rights as well as our expectations of our business partners. We believe that collaboration between different actors is critical to promote human rights implementation and scale up positive impact.

We call on each Firmenich colleague and partner to respect our Human Rights Policy and to integrate it across all business activities, impacting the lives of people and their communities across the globe every single day.



*Gilbert Ghostine*  
Chief Executive Officer  
Firmenich



*Mieke Van de Capelle*  
Chief Human Resources Officer  
Firmenich



## II. SCOPE

This Policy is based on the International Bill of Rights (consisting of the Universal Declaration of Human rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights) and the International Labour Organization's Declaration on the Fundamental Principles and Rights at Work. In addition, the UN Guiding Principles for Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the UN Global Compact's Ten Principles help us implement our commitment. As a signatory and LEAD company of the UN Global Compact, we are also involved in the Action Platform on Decent Work in Global Supply Chains which supports implementation of our commitments.

This policy applies to every employee, officer and director of Firmenich, its subsidiaries and affiliates worldwide, as well as third parties acting on behalf of Firmenich. It is the responsibility of Firmenich's employees, officers and directors, to promote a culture where rights are understood and respected.

The policy also applies to all our suppliers including direct and indirect suppliers and invites all our business partners to uphold the principles herein and adopt similar policy within their own businesses.

Our employees and business partners are expected to abide by all national laws on human rights in the countries where they operate. Where national law and international human rights standards differ, we aim to follow the stricter one.

SMALLHOLDER  
FARMERS



SUPPLIERS



FIRMENICH'S  
OPERATIONS



DISTRIBUTION AND  
LOGISTICS



CUSTOMERS





### III. POLICY STATEMENT

Firmenich adopts a human rights due diligence approach whereby we:

1. Identify and prevent human rights risks to people in our business and our value chain;
2. Integrate findings into our internal controls, systems and processes;
3. Track the effectiveness of our actions and influence;
4. Communicate with our internal and external stakeholders

This policy will guide all human rights-related strategy, management and actions.

### IV. ELEMENTS OF A RIGHTS-RESPECTING CULTURE

#### GOVERNANCE AND ACCOUNTABILITY

This policy was approved by our CEO who oversees our work on human rights with the support of our Chief Human Resources Officer (CHRO). To ensure the integration of human rights across all divisions of the business, from Operations to Legal & Compliance, we created a cross-divisional Human Rights Committee led by our CHRO. The Committee monitors priorities and progress on our human rights work.

Ownership and management of each focus area is allocated to the relevant division and function within our company. Reporting on our commitment to human rights and activities will be made on an annual basis through our Performance and Sustainability Report published every year in October.





## ENGAGEMENT WITH STAKEHOLDERS

We engage with stakeholders, particularly with those who are most at risk of being severely impacted and refine our approach as we improve our knowledge. We nurture a close dialogue with employees through several communications and engagement activities and we engage with our suppliers through the deployment of our [Responsible Sourcing Policy](#).

## TRAINING

We continue building awareness on human rights through training and engagement with expert partners. We seek to train targeted audiences with appropriate tools so they can further integrate human rights in their day-to-day role and function.

## GRIEVANCE MECHANISMS

Firmenich employees and other stakeholders who are negatively impacted by our company's activities or business relationships are given appropriate channels to report any issue and are also provided with effective remedy when required. We use grievance mechanisms such as the [Firmenich Hotline](#) to report concerns in confidence. The Hotline is open to employees and external partners.



## V. POLICY REQUIREMENTS

We focus our efforts on those human rights that are most at risk of adverse impact – due to the severity of impact or where delayed response would make them irremediable – throughout our operations and supply chain. We have identified six salient issues: fair wages, child labor, forced labor, worker voice, community voice and health & safety. These areas are translated into policy requirements laid out below.

We act in accordance with the International Labor Organization's Declaration on the Fundamental Principles and Rights at Work. As a signatory of the UN Global Compact, Firmenich promotes decent work in global supply chains. We work towards this goal with our suppliers.

In line with our Responsible Sourcing Policy, we expect our suppliers to review our Human Rights Policy and develop their own commitments to respect human rights throughout their own operations. We invite our suppliers to consider the list of focus areas below as they identify the human rights that are most at risk in their operations. The list could vary slightly depending on their respective assessments. Where application of the policy requirements (e.g. living wage) depends on different benchmarks and methodologies, we invite our suppliers to contact us and will partner with them on this journey.

### FAIR WAGES

#### ⊕ WHAT IS IT?

Fair wages refer to remuneration that is set at a level that is liveable and reflects market-based practices providing adequate reward and recognition.

#### ❓ WHY IS IT IMPORTANT?

Fair wage contributes to decent work, which we commit to and promote in our operations and along the supply chain. While paying a living wage provides a decent standard of living for employees and their families, a competitive base salary reflecting market practices, benefits and recognition programs attracts, motivates and retains the finest talents.

#### POLICY REQUIREMENT

Secure a living wage – defined in line with best practices – which covers the fundamental needs of employees and their families and follow these responsible principles for fair compensation: diversity & belonging, reward for performance, business strategy alignment, market competitiveness, transparency, and affordability.

## V. | POLICY REQUIREMENTS

### WORKING HOURS

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#### Ⓢ WHAT IS IT?

Working hours reflect the maximal number of hours employees can be asked to perform their duties on a daily, monthly or annual basis.

#### ❓ WHY IS IT IMPORTANT?

We want to protect the health and safety of our employees securing they are working within the legally established working time requirements across the markets where we operate and that they benefit from annual paid time off.

#### POLICY REQUIREMENT

Respect legal guidelines and requirements related to working time and paid time off, while adopting more beneficial standards where appropriate.

### FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

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#### Ⓢ WHAT IS IT?

Collective bargaining is a channel for workers and employers to agree on issues that affect the working environment.

#### ❓ WHY IS IT IMPORTANT?

The rights to freedom of association and collective bargaining are referred to as “enabling rights” as they can assist with realizing decent working conditions but can also contribute to economic and social development. We recognize that bargained agreements can play a positive role in enhancing employees’ engagement and company’s performance by contributing to the well-being of individuals.

#### POLICY REQUIREMENT

Respect employees’ right to freely form or join a labor union and give employees a voice through

collective bargaining agreements.

### DIVERSITY & BELONGING

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#### Ⓢ WHAT IS IT?

All people, regardless of their gender, age, race, ethnicity, religion, marital status, sexual orientation, gender identity, experience, socio-economic status, abilities, must be given fair and equal opportunities when it comes to recruitment, compensation and career development.

#### ❓ WHY IS IT IMPORTANT?

At Firmenich, we deeply believe that diversity and most importantly a work environment where all our colleagues feel they belong, drives innovation and market growth. It also enables Firmenich to better understand and respond to our diverse and changing customer base around the world as well as embrace societal change. Cultivating a sense of belonging provides us competitive advantage as it helps us to attract, develop and retain the best talented and diverse people.

#### POLICY REQUIREMENT

Foster a culture of belonging and provide a thriving work environment where everyone is respected, heard and valued.

### HARASSMENT AND DISCRIMINATION

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#### Ⓢ WHAT IS IT?

Discrimination is the unfair treatment of a person in comparison with another whereas harassment can take many forms, including activity that is retaliatory or intimidating or hostile conduct such as offensive language or inappropriate jokes.



## V. | POLICY REQUIREMENTS

### ② WHY IS IT IMPORTANT?

Harassment is destructive to the team environment we seek to foster and can result in loss of motivation, reduced productivity and lack of trust in colleagues at work.

#### POLICY REQUIREMENT

Employees' right to freely form or join a labor union and give employees a voice through collective bargaining agreements.

## CHILD LABOR

### ④ WHAT IS IT?

Child labor is work that deprives children of their childhood, their potential and dignity, and that is harmful to physical and mental development. While 15 is the minimum age at which a child may be employed, this age goes up to 18 in case of hazardous work<sup>1</sup>.

### ② WHY IS IT IMPORTANT?

Child labor is widespread throughout Africa, Asia, Latin America and the Caribbean and is common in all agriculture sub-sectors. A major challenge to tackle child labor is to actually detect whether it exists or not.

#### POLICY REQUIREMENT

Prohibit child labor and collaborate with other actors in the supply chain to identify potential issues. In the event of children found to be working, Firmenich and business partners shall ensure remediation and support children in attending school.

## FORCED LABOR

### ④ WHAT IS IT?

Forced labor is often referred to as modern slavery or human trafficking and refers to work or service that is forced on a person under threat of a penalty and which the person has not offered him/herself voluntarily.

### ② WHY IS IT IMPORTANT?

We are aware that instances of modern slavery in companies' operations and supply chains are on the rise and strive to make this a point of attention when auditing and reviewing practices across our value chain.

#### POLICY REQUIREMENT

Prohibit forced labor, collaborate with supply chain actors to identify associated risks and seek out remedies in the event where forced labor could be a risk.

## LAND RIGHTS

### ④ WHAT IS IT?

For many people, land is a source of livelihood and is central to economic rights. Each person relies on land to some degree for the provision of basic human needs such as water, food, housing, etc.

<sup>1</sup> Defined by Article 3 (d) of ILO Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour, 1999 (No. 182) as: (d) work which by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.

## V. | POLICY REQUIREMENTS

### ① WHY IS IT IMPORTANT?

Business activities (e.g. plant expansion, new infrastructure, crop production, etc.) can lead to forced eviction, displacement and food insecurity. It is important that Firmenich's development plans and sourcing activities do not have an adverse impact on local communities or individuals.

### POLICY REQUIREMENT

Respect the rights and title to property and land of individuals, indigenous people and communities. In cases where issues are raised, we collaborate with other actors in the supply chain to identify associated risks and seek out remedies while upholding the principles of free, prior and informed consent.

## OCCUPATIONAL HEALTH & SAFETY

### ④ WHAT IS IT?

Occupational Health & Safety is the maintenance and promotion of workers' health and working capacity; the improvement of working environment and work to become conducive to safety and health; and the development of work organizations and working cultures in a direction which supports health and safety at work<sup>1</sup>.

### ① WHY IS IT IMPORTANT?

Human rights start with the occupational health and safety of all our employees from offices and labs to our production sites. Our goal is zero harm to our employees, their families, the communities in which we operate, our business partners and customers.

### POLICY REQUIREMENT

Provide a safe, healthy and secure workplace and strive for continuous improvement to achieve and maintain best in class health, well-being, safety, and security standards.

## MENTAL HEALTH

### ④ WHAT IS IT?

Mental health is a state of well-being in which an individual realizes his or her own abilities, can cope with the normal stresses of life, can work productively and is able to make a contribution to his or her community<sup>2</sup>.

### ① WHY IS IT IMPORTANT?

In any one year, over one in four people in the general population and one in six workers is likely to be suffering from a mental health condition. We aim to build awareness to break the stigma on mental health, enhance resilience and coping capacity, and provide access to treatment and services.

### POLICY REQUIREMENT

Foster a healthy work environment where our people can be themselves at work, feel positive and confident to embrace the future with agility.

<sup>1</sup> As defined by the International Labor Organization (ILO) and the World Health

<sup>2</sup> As defined by the World Health Organization (WHO).



## VII. SUPPORTING DOCUMENTS

This policy should be read in conjunction with the following documents:

- Code of Ethics;
- General Policy on Diversity and belonging;
- Responsible Procurement Policy;
- Statement on Modern Slavery.

You can find our policies on this link : <https://www.firmenich.com/company/about-us/policies-position-statements>

## VIII. APPENDIX

### DEFINITIONS

**Child labor:** The ILO and the Ethical Trade Initiative Base Code define a child as any person that is younger than 18 years of age and that 15 is the minimum age at which a child may be employed unless local minimum age law stipulates a higher age for work or mandatory schooling, in which case the higher age shall apply.

**Forced labor:** Forms of forced labor include prison labor, bonded labor and any forms of modern trafficking.

**Supplier:** Any external party with whom we have (or plan on having) business-related relationships that creates value for our business and customers.

**Direct supplier:** An individual/organization that supplies raw and packaging materials

**Indirect supplier:** An individual/organization that provides supplies and services

**UN Guiding Principles:** Set of guidelines for States and companies to prevent, address and remedy human rights abuses committed in business operations.