A MESSAGE FROM JOHN CHIMINSKI

The fiscal year that ended June 30, 2020 included many successes amid extraordinary challenges, especially the global COVID-19 pandemic. In early 2020, as the virus spread across the globe, we pivoted and expanded operations in ways that substantially improved our ability to develop and deliver novel products and do our part in the fight against the coronavirus. Throughout, we have put people and patients first by increasing our connection with and expanding support for our employees. As we all transitioned to new ways of working and balanced tough work-life dynamics, 100% of our factories stayed online. We became one of a handful of key companies for the development and manufacture of multiple COVID-19 vaccines and treatments. We also supported our communities more than ever, deepened our environmental commitments, and delivered for our customers and their patients.

Our priority throughout the pandemic was to ensure the safety and well-being of our people, those who could transition to working remotely as well as those whose jobs required them to be on-site. Without the persistence, dedication, and flexibility of all our employees, but particularly our frontline employees, we would never have been able to maintain our operations. I want to reiterate my heartfelt gratitude to our entire team for their commitment. Working together, we ensured that we did not let our customers or patients down.

Our supply chain served as the second critical component of continuity to ensure we could continue manufacturing more than 7,000 products to help patients around the world. We tested its robustness to uncover any weak point before it affected operations, and from there we worked with our supply partners to minimize and manage future disruptions to our ongoing operations. We expanded safety stocks of raw materials and personal protective equipment (PPE) across our network and monitored our suppliers’ stock levels to assure future deliveries. I offer them my thanks for the collaborative spirit that proved so critical. The industry’s entire value chain has shown how fast, efficient, resilient, and collaborative it can be—without compromising health and safety.

Another global event commanded our attention in 2020: The social justice movement that called us to confront racism directly and to work intently to build a more inclusive and just world together. The persistence of racial inequity is unacceptable, and we are all called to do more. We will continue to listen, learn, and advance our diversity and inclusion efforts to ensure Catalent is an equitable, safe, and welcoming workplace for all employees. I sincerely appreciate our employee resource group leaders, who courageously hosted safe conversations with leaders across our network following the tragic death of George Floyd. Their efforts helped our teams process the events that we witnessed and understand their impact on our people.

In fiscal 2020, we deployed inclusive leadership training, expanded our diverse recruitment and retention strategy, expanded our employee resource groups, and conducted a gender equality workforce assessment. These efforts must continue—and they will accelerate and grow even more in the coming year and demonstrate progress.

Reflecting on the seismic events of this past year, I am inspired by what we have learned. First, we have seen the critical importance of our mission and values, which ensured we prioritized people and patients in our decisions as we adapted rapidly to meet the needs of an ever-evolving situation. Both the pandemic and the focus on social justice have made us stronger and more cohesive by requiring us to connect even more deeply with our employees and communities, execute with excellence under stress, and keep our people safe, while accelerating our support to our customers and their patients.

Second, the pharmaceutical technology and manufacturing services sector has shown how integral it is to the delivery of global health. COVID-19 led to even greater industry collaboration, and I look forward to advancing the synergies that continue to emerge.

This year has also demonstrated the importance of our corporate responsibility (CR) commitment as a proof point of our values and culture. Having a solid sense of who we are and how we make decisions has proven especially invaluable this year. Together, we have achieved so much in fiscal 2020, and I am proud to present just a few of our many CR highlights:

- Developed our first Human Rights Statement
- Proposed initial targets for reducing our waste generation and water usage, which were subsequently approved in fiscal 2021
- Transitioned 6 sites to 100% renewable electricity and completed 50 energy-efficiency projects
- Doubled the number of employee resource groups to 8, each sponsored by a member of our executive leadership team
- Made our largest-ever total philanthropic contribution of $845,000, with a substantial portion of our gifts focused on our response to the interconnected COVID-19 and social inequality crises
- Improved our industry-leading (low) recordable incident and lost workday injury rates.

As we emerge from the pandemic, I am convinced we will do better than return to normal. We have all seen the value of investing in our principles and executing on our CR commitments. I will be guiding us to make Catalent more accountable across the CR map, measuring what counts, and achieving our goals.

I am confident that Catalent will continue to play a full and vigorous role in restoring global health, as we recover and rise further from the challenges we’ve faced.

John Chiminski
Chair & CEO
Catalent, Inc.

This year has also demonstrated the importance of our corporate responsibility (CR) commitment as a proof point of our values and culture. Having a solid sense of who we are and how we make decisions has proven especially invaluable this year.
This report, covering an extraordinary year, shows how we put our people and patients first while further strengthening our focus on our communities and protecting the environment.

SHANNON TRILLI KEMPNER  
VICE PRESIDENT, CORPORATE RESPONSIBILITY AND DIVERSITY & INCLUSION

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**OUR BUSINESS**

Catalent’s strategic ambition is to power the advancement and growth of the life science industry by becoming its leading development and commercial partner in advanced technologies, scalable innovation, integrated solutions, and new therapeutic modalities. We aim to be the most trusted, reliable, and innovative development and manufacturing partner for drugs, biologics, cell and gene therapies, and consumer health products.

We help our life science customers accelerate development, delivery, and supply, efficiently bringing more high-quality products to market across biologics, cell and gene therapies, oral and inhaled medicines, and consumer health.

Above all, we are driven by our mission to help people around the world live better, healthier lives, putting patients at the center of our work to ensure the safety, reliable supply, and optimal performance of products.

Our customers include more than 1,000 pharmaceutical and biopharmaceutical companies of all sizes, and we are currently working on the latest drugs, biologics, cell and gene therapies, and consumer health products, including more than 80 unique COVID-19-related vaccine and treatment candidates. We produce approximately 74 billion doses per year through our network of more than 50 facilities and support over 3,000 different clinical trial protocols, providing more than 150,000 clinical shipments.

We are proud of our financial performance, which in September 2020 earned us global recognition when our stock joined the S&P 500 Index.

**IN FISCAL 2020, WE CONDUCTED BUSINESS WITH:**

- **83 of the top 100 branded drug companies**
- **21 of the top 25 generics companies**
- **23 of the top 25 biotech companies**
- **23 of the top 25 consumer health companies**

**ABOUT CATALENT**

Our corporate mission, vision, and values are our guiding compass.

Our mission is to develop, manufacture, and supply products that help people live better and healthier lives, united by a deep commitment to always put patients first.

**PATIENT FIRST** We put patients at the center of our work to ensure the safety, reliable supply, and optimal performance of our products.

**PEOPLE** We are committed to the growth, development, and engagement of our people.

**INTEGRITY** We demonstrate respect, accountability, and honesty in every interaction.

**CUSTOMER DEDICATION** We strive to exceed our customers’ expectations every day.

**INNOVATION** We create innovative solutions, employ superior technologies, and continuously improve our processes.

**EXCELLENCE** We have a passion for excellence in everything we do.
OUR RESPONSE & EVOLUTION THROUGH THE COVID-19 PANDEMIC

As our understanding of the risks and impacts of the novel coronavirus evolved, we focused on two clear priorities: the safety of our employees and the continuity of our operations. To achieve these priorities, we immediately implemented workplace-safety protocols so that we could continue to develop and manufacture medicines and other health products for our customers and their patients, while keeping our own people safe. We were deemed essential businesses in each of the 13 countries in which we operate, allowing us to maintain full employment for our teams throughout fiscal 2020 across our more than 50 facilities. At several sites across our business units, we rapidly scaled capacity and hired more people to meet demand for COVID-19 vaccines and treatments.

PROTECTING OUR WORKFORCE

Recognizing the severity of the pandemic, we formed a global Coronavirus Response Team in February 2020, reporting directly to the COO. The Response Team implemented extensive safety measures based on guidance from the U.S. Centers for Disease Control and Prevention, the World Health Organization, and other public health authorities across all the many jurisdictions where we operate.

To further safeguard our staff, we deployed a remote work plan for as many of our employees as possible, including by providing the requisite IT infrastructure and equipment, which enabled us to reduce on-site personnel by approximately 30%. We altered workflows within our facilities to maintain physical distancing and severely restricted visitors and business travel. All personnel working on-site received COVID-19 safety training, personal protective equipment (PPE), and access to testing. We sent reusable masks to each employee’s home to help protect their households. We provided paid leave for anyone either diagnosed with COVID-19 or required to quarantine due to possible exposure to the virus and rewarded on-site frontline employees with thank-you bonuses. We also recognized the strain of this unprecedented upheaval by encouraging all employees to access our existing and expanding programs for wellness and mental health. We continue to consider systemic approaches to minimize burnout and acknowledge the work-life balance challenges of our employees as we continuously adapt our lives to manage health, family, and work amid a historic pandemic.

A rigorous prevention and mitigation process was at the core of our COVID-19 response throughout fiscal 2020, including risk assessment through contact tracing. For each presumed or confirmed case of the virus at a site, we conduct extensive contact tracing and a product risk assessment. All our sites performed enhanced periodic disinfection as part of our risk-minimization activities. We have always employed current good manufacturing practices (CGMP) as required by regulations, and, as a result, we benefited from a solid foundation of high quality and safety standards on which to build.

It was important to us that our employees be safe and feel safe. To help ensure that they felt safe, we regularly communicated about what we were doing and why. This ongoing communication has been integral to our overall response strategy. From the beginning, our Response Team employed a much-used COVID-19 email inbox, where all employees could raise COVID-related questions and concerns, and our CEO and COO hosted a weekly virtual forum with hundreds of members of our site leadership teams and corporate managers. Our vigilance paid off. During fiscal 2020, we did not experience any significant disruption of business at any of our sites due to an outbreak of COVID-19, and we met our patient, employee, customer, and investor commitments.

Our global teams continued to review and improve our infection prevention and control processes by deploying engineering controls and minimizing reliance on administrative controls.

For more details, see the Environmental, Health & Safety section of this report.

ASSISTING OUR COMMUNITY

In response to the pandemic, we activated our disaster-response program to support COVID-19 relief efforts in our communities, with a particular focus on hospitals and food banks. Our philanthropic program is only a few years old and still maturing, but we were motivated by the economic, health, and social impacts of COVID-19 to give more than ever. In fiscal 2020, Catalent’s corporate contributions in response to COVID-19 totaled $567,000, with $486,000 in direct grants and $81,000 in Company-matched employee donations that benefited more than 200 nonprofits.

For more details, see the Connecting with Our Communities section of this report.

For updates on our holistic COVID-19 response, visit our website at www.catalent.com/covid-19.

OUR RESPONSE & EVOLUTION THROUGH THE COVID-19 PANDEMIC

MONITORING OUR SUPPLY CHAIN

Like most global businesses, our operations rely on a supply chain that includes vendors of many types and sizes, located in every part of the world. From the onset of the pandemic, we surveyed all our top suppliers to identify any risk COVID-19 posed to their normal supply schedules. It is a testament to the quality of our suppliers that, throughout fiscal 2020, we experienced no significant disruption to our supplies. We continue to keep our supply chain under constant surveillance for any potential issue that could impact the delivery of our products.

At the same time, we expanded our stock levels as insurance against potential delays in supply, especially critical raw materials and PPE. Even vendor-managed inventory of relatively low-cost items, such as swabs, required special attention. We intentionally stress-tested our supply chain early in the year by placing orders for all our main products through the end of calendar 2020. The signals we got back from suppliers—whether accepting, deferring, or not responding—revealed where we most urgently needed to focus our efforts and work closely with key vendors to better align delivery needs and production schedules, plan over longer-term delivery horizons, and improve supplier management programs.

PARTNERING WITH CUSTOMERS TO DEVELOP TREATMENTS & VACCINES

When the pandemic hit last year, Catalent was well positioned to become a go-to partner for COVID programs and vaccines. We are proud to support customers working on more than 80 COVID-19-related vaccine, diagnostic, and treatment programs. The strategic investments we have made in biologics capability and capacity over the last few years enable us to address this increased, critically important demand.

Our culture was purpose-built to tackle hard problems, including a pandemic. Our response to the demands of COVID-19 has further accelerated our Patient First culture, as our employees rally around the impact and significance of our work.
Our Corporate Responsibility (CR) commitment provides focus to our aim of maximizing our positive contributions to society while minimizing risk and negative impact. Our CR strategy, guided by our CR Council and informed by key stakeholders, focuses on three material areas of society for our business and prioritizes our impact on people.

Our CR strategy is more than a plan. It is who we are, and we continue to invest in a corporate culture that understands and prioritizes our impact on people, environment, and communities.

We are embedding CR ever more deeply in our operations and decision-making with our values—while creating long-term, sustainable value for all our stakeholders. We are embedding CR ever more deeply in our operations by systematically and continuously assessing the maturity and performance of CR programs at each of our sites and partnering with leaders to strengthen our people, environment, and community efforts.

The unprecedented events of the past year—including the COVID-19 pandemic that disproportionately impacted poor and minority communities, combined with global movements demanding social and racial justice—demonstrated the focus required for our sites and partnering with leaders to strengthen our people, environment, and community efforts.

With our mission, values, and CR commitment as a guide, we rose in fiscal 2020 to meet the challenge of scaling our operations to better support our customers and their patients, while simultaneously responding to the needs of our communities.

Quality is the foundation of our Patient First commitment. It helps us ensure patient safety and sustain our reputation as a leading development, delivery, and supply partner. Our Company culture is built upon the cornerstone value of Patient First. Our uncompromising approach to quality and compliance ensures we meet the highest standards for safety and efficacy as we reliably supply our customers and their patients.

Our Quality Policy defines our commitment to quality, which we meet through a documented Quality Management System (Quality System). The Quality Policy highlights key aspects of our operations—including a culture of discipline, integrity, and continuous improvement—that keep the well-being of the patient foremost in our work. This commitment is a shared responsibility, and all employees must recognize and certify their understanding of our Quality Policy annually.

Each Catalent site has a quality lead who reports to a Vice President of Quality for the site’s business unit. The site quality leader closely partners with the site’s General Manager, balancing our corporate quality and patient first expectations and performance with local context, coordination, and independent decision-making.

Ensuring Operational Excellence

We put our Quality Policy into action through our centralized Quality System, which ensures a holistic, Company-wide approach. The Quality System is our mechanism for defining, executing, and managing quality across our global operations, including supplier integrity, operational and facility performance, training, and regulatory compliance.

Our Quality System provides assurance that all products we develop, manufacture, and supply meet the required specifications for safety, quality, and efficacy. The Quality System aligns with local standards for CGMP, as well as the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use, so that all our sites worldwide remain in compliance with regulatory requirements.

We regularly review and, as necessary, update the policies and standards within our Quality System to ensure they reflect current industry guidelines and expectations. We require each individual site to align their quality practices with our policies and standards to assure that their procedures comply. At each site, the General Manager and Head of Quality produce an annual site quality plan to document specific continuous-improvement initiatives to advance our performance against quality objectives.

We track performance at our sites by monitoring quality indicators, including but not limited to:

- Batches released right the first time
- On-time delivery
- Deviation management
- Supplier integrity
- Training
- Regulatory and customer inspection performance

Quality Assessments

We aim to maintain and improve our performance against regulatory inspections. In fiscal 2020, we reviewed our inspection readiness scorecard, a tool Catalent sites use to assess overall compliance and preparedness for regulatory inspections. In fiscal 2021, we will introduce an enhanced scorecard for sites that includes additional readiness criteria.

In fiscal 2020, Catalent hosted 50 regulatory inspections from 26 different regulatory authorities, including the U.S. FDA. Zero FDA enforcement actions were taken in response to violations of CGMP.

The number of released batch records that require no deviation, rework, reprocessing, rejection, or other change prior to submission to the customer.

1 The number of released batch records that require no deviation, rework, reprocessing, rejection, or other change prior to submission to the customer.
SAFEGUARDING THE QUALITY OF CLINICAL TRIAL SUPPLY SERVICES DURING COVID-19

Clinical trials are an integral step in the development of new drugs and therapies for patients, and maximizing patient safety in clinical trials is a significant expectation of pharmaceutical and biotech companies. Catalent’s ability to provide quality clinical supply services and a high-performance, reliable supply chain is vital to supporting the important research our customers undertake and helping them to meet their obligations to patients.

Although Catalent neither conducts trials nor provides input on trial design or protocols, the products and services that we develop, manufacture, and deliver for customers are critical to the success of our customers’ clinical trials. We support these trials through our Clinical Supply Services business unit, which manufactures, packages, stores, and delivers products and materials used in clinical trials globally. We have rigorous operational, quality, and security procedures in place to fulfill this responsibility.

In fiscal 2020, Clinical Supply Services made investments in temperature-controlled storage capabilities throughout its network. These upgrades support cold-chain requirements for pivotal work, including COVID-19 vaccine trials and the growing biologics and cell and gene therapy drugs in development. Meeting cold-chain requirements will also support customer requests for accelerated trials amid COVID-19 restrictions—while ensuring quality and maintaining our Potent First commitment. Our teams continued their vital supply work throughout the pandemic to assure that patients in ongoing trials had the supplies they needed, and we took numerous precautions to protect their health when working on-site. In total, we supported 3,700 different clinical trial protocols across a multitude of therapeutic areas conducted by our customers in fiscal 2020.

DATA INTEGRITY TRAINING & COMMUNICATIONS

Creating and maintaining reliable data throughout the product life cycle is critical to upholding our quality standards, ensuring the safety and efficacy of products for patients, and meeting our Company value concerning integrity. In addition to aligning with our quality standards, our commitment to data integrity is an essential component of data security and privacy.

Catalent has a zero-tolerance policy regarding data falsification and other deceptive actions. Our Data Integrity Policy ensures our teams understand the importance of data integrity and their role in upholding it. We subscribe to the ALCOA framework, which emphasizes that data should be attributable, legible, contemporaneous, original, and accurate. To support employees in building their knowledge and skills, during fiscal 2020, we delivered data-integrity training through site town halls, group training sessions, and ComplianceWire®, an external web-based training platform designed specifically for highly regulated industries.

Along with required onboarding and routine training, we also provide reminders at every level of the organization to reinforce the requirements and assure integrity in everything we do.

SUPPLY CHAIN INTEGRITY

Our supply chain is critical to our ability to deliver safe and reliable products. We partner with suppliers that share our commitment to integrity and quality, and we communicate our expectations through our Supplier Code of Conduct.

The Catalent Global Supplier Assurance team manages our supply chain quality. The team conducts quality risk assessments to categorize suppliers according to the material or service provided, availability and criticality to Catalent, and compliance risk level. This internal risk assessment determines the type and frequency of our audits of suppliers, and we verify regulatory compliance and management practices through a defined supplier audit program. Qualified Catalent employees conduct most audits, although in some cases approved third-party auditors lead an audit. In fiscal 2020, we facilitated hundreds of quality audits to support the integrity of our Quality System.

In fiscal 2020, we introduced remote supplier audits in response to COVID-19 restrictions and to minimize the health risk to our employees and suppliers. We will continue to use remote audits in fiscal 2021 to maintain the appropriate level of supplier quality oversight and to minimize potential health risks to people and disruptions to our supply chain.

If we identify a quality risk through an audit, we notify the supplier and require it to resolve the issue within a specific timeframe. We post audit results on our internal supplier quality management tracking system, ensuring that supplier performance is visible to our teams around the world.

From the onset of the pandemic, we also surveyed critical suppliers to identify any risk to normal supply schedules posed by COVID-19. Through the end of fiscal 2020, we experienced no significant disruption to supplies.

SOCIAL & ENVIRONMENTAL RESPONSIBILITY IN THE SUPPLY CHAIN

Our approach to supply chain responsibility aims to ensure that the materials, goods, and services we receive supports our customers’ work, while also supporting our expectations through our Supplier Code of Conduct.

To help achieve this, in fiscal 2020, we assigned a Global Procurement Director to accelerate cross-functional efforts to further integrate Catalent corporate responsibility initiatives into Company operations and throughout our supply chain.

We are undertaking a collaborative approach to addressing our supply chain impacts. As a member of the Pharmaceutical Supply Chain Initiative (PSCI), we are engaging with industry peers on social and environmental best practices. Representatives of Catalent are members of PSCI subcommittees such as environmental and communications, through which we can provide input and align our work with PSCI expectations.

These expectations are currently informing the development of a new responsible supplier assessment pilot program. In fiscal 2021, our internal Procurement team will distribute social and environmental assessments to select suppliers. The results of this pilot will guide our approach to scaling our responsible supplier audit program in the future.

As part of our ongoing responsible supplier initiative, we are also working on strengthening our processes and oversight mechanisms in line with the United Nations Guiding Principles on Business and Human Rights (UNGPs) framework.

In fiscal 2020, we initiated the following plan, to be more fully executed in fiscal 2021:

1. HUMAN RIGHTS STATEMENT

   We developed our first Human Rights Statement. It establishes the basis for embedding respect for human rights at Catalent, and related expectations for employees, suppliers, and other parties directly linked to our operations, products, and services.

2. HUMAN RIGHTS IMPACT ASSESSMENT

   We engaged a third-party vendor to conduct our first corporate-level human rights impact assessment to identify and prioritize relevant human rights impacts, risks, and opportunities, and define prevention and mitigation measures.

3. DIRECT MATERIAL SUPPLIER SELF-ASSESSMENT

   We will require our key direct material suppliers to complete a self-assessment that includes questions on ethics and labor as part of our emerging responsible supplier program. We will rate those suppliers for human rights risks based on the quality of the self-assessments, their country of operation, type of business, and information in the public domain. Additionally, select suppliers will be subject to ongoing monitoring for human rights risk violations under our Third-Party Vetting and Due Diligence Program.
At Catalent, our focus is on accelerating production of new life-altering and life-enhancing treatments at scale, so that even more patients can benefit. Our innovation capabilities are critical to bringing high-quality, advanced products to market faster and more efficiently.

The pace of change and innovation in the health-care industry is unprecedented. New molecules and therapeutic modalities—ways to treat or prevent disease—are rapidly emerging. Twenty years ago, pharmaceutical innovators were developing products based on 4 to 6 main therapeutic modalities, including small molecules, peptides, therapeutic proteins, and vaccines. Today it’s risen to 8, and we think in 5 years it might be more than 15 different modalities.

Our strategic ambition is to power and accelerate innovation by supporting the growth of the pharmaceutical and biopharmaceutical industries. We aim to be the first partner and go-to developer and manufacturer that customers and other innovators look to when bringing new therapies to market. This benefits our business, customers, and especially patients.

We are making investments to enhance our technology portfolio so that we can continuously and creatively supply ever-more-innovative solutions that accelerate drug development, manufacturing, and the supply of increasingly complex therapies.

ACCELERATING INNOVATION

In fiscal 2020, we helped deliver more than 160 product launches.

FISCAL 2020 INNOVATION HIGHLIGHTS

- Announced a strategic agreement with AveXis to supply the first viral vector-based gene therapy treatment for spinal muscular atrophy—Zolgensma®.
- Launched GPEX® Boost technology to improve development and manufacture of new biologics.
- Launched FlexDirect™ as an innovative direct-to-patients supply solution for clinical studies.
- SMARTag® bioconjugation technology reached an important milestone, showing encouraging interim phase 1 trial results with improved antibody-drug conjugate (ADC) tolerability.
- Made significant progress with the commercial readiness of Zydis® Ultra technology, allowing more molecules requiring taste masking or higher drug loading to be administered to patients that benefit from the immediate, water-free administration of this system.
- Partnered with Editas Medicine to develop, manufacture, and supply CRISPR-based therapeutics as a new modality.
ACCELERATING INNOVATION

INVESTING TO ENABLE INNOVATION IN NEW MODALITIES

Advanced therapeutics, which include treatments based on tissues, cells, or genes, are uniquely driving the future. The first commercial cell and gene therapy products have transformed the way we can treat and cure diseases, while mRNA technologies have accelerated the way we can develop vaccines and more.

There is a compelling need to advance the right manufacturing technologies, capabilities, and capacity to scale up complex, advanced modalities and biotherapeutics, so that innovative treatments have the potential to reach many more people. For example, gene therapies have recently been shown to dramatically alter the course of some childhood illnesses, including spinal muscular atrophy—a genetic neuromuscular condition that causes progressive muscle weakness and loss of movement. More than 2,000 new cell and gene treatments are in development for the most difficult-to-treat and rarest diseases.

We are making significant investments to support this next generation of therapies. Between fiscal 2016 and fiscal 2020, we invested more than $4 billion in capital investments in next-generation therapies

We are extending our external partnerships accessing emerging technologies and accelerating their development. These emerging technologies offer a radical opportunity to benefit many patients if we can develop platforms that enable manufacturing at scale.

SHAPING THE FUTURE WITH OUR CUSTOMERS

Keeping pace with the fast rate of change in our industry, we are evolving new partnership models to position Catalent at the center of innovation, even closer to customers and innovators, and in alignment with their research functions. By deepening our participation at the onset of emerging therapies, such as exon-sparing-based therapeutics, we aim to bring these transformative therapies to clinics so they can benefit patients at scale.

In fiscal 2020, partnerships included multiple development and manufacturing collaborations for more than 90 potential COVID-19 treatment and vaccine candidates, including those of Johnson & Johnson, Moderna, AstraZeneca, and other leading companies. In addition, we formed several strategic partnerships with innovators and pioneers, including Editas Medicine to enable the emergence of CRISPR-based therapeutics as a new modality and accelerate the benefit these genome-editing systems could bring to patients. Beyond that, we formed partnerships with other pioneers, including biologics discovery and development company PassageBio, and biopharmaceutical company Biohaven, among many others.

We are extending our external partnerships accessing emerging technologies and accelerating their development. These emerging technologies offer a radical opportunity to benefit many patients if we can develop platforms that enable manufacturing at scale.

O UR PEOPLE ARE OUR INNOVATION ENGINE

Our R&D teams are closely linked to a larger innovation ecosystem that includes external collaborations and partnerships with leading academic and private research organizations.

In fiscal 2020, we employed 2,400 scientists and engineers at more than 25 R&D internal resource centers and across our development teams. Our scientists share their work and crowd-source ideas and solutions through our Scientific Resource Center. Working in dynamic collaboration across the Catalent network ensures we have the multidisciplinary strength and depth to collaborate to resolve the most complex challenges in our industry.

We offered more than 20 leading-edge education programs to ensure our scientists remain expert in our core scientific disciplines, and are prepared for the scientific disciplines and therapeutic modalities and innovations of tomorrow. We promote intellectual openness and a patient-focused mindset, empowering the talent pool within our scientific community to develop new technologies and scale them for the commercial market.

Catalent experts regularly participate in industry forums to share their experiences and latest innovations. To that end, the Catalent Applied Drug Delivery Institute, significantly funded by Catalent, provides a forum to engage regulators, leading innovators, academics, and industry experts to explore new and improved drug development, delivery, and manufacturing technologies.
We know that an engaged workforce, empowered by inclusive leaders, will unlock our full potential as a Company and as a leader in our sector.

**DIVERSITY, INCLUSION, & EQUITY**

We aim to be as diverse as the patients and customers we serve and the communities in which we operate. Our aim is to cultivate an inclusive culture that empowers the unique backgrounds and skills of our people as catalysts for our creativity and ingenuity. That commitment is realized through an equitable work environment, where all employees are respected, heard, and able to thrive.

**REINFORCING OUR COMMITMENT TO DIVERSITY & INCLUSION**

Our commitment to diversity and inclusion (D&I) in our workforce and communities has never been more important than it is today. In May 2020, the senseless death of George Floyd ignited a global social movement against systemic racism and inequities that persist in the U.S. and across the globe. The social justice tensions have been compounded by the inequitable health, economic, and social impact of COVID-19 on historically marginalized communities.

Immediately following the news of George Floyd’s death, John Chiminski, Chair & CEO of Catalent, made a public statement and sent a Company-wide email to reaffirm our commitment to racial equity and stand in support and empathy with our diverse employees. Our Resource for Employees of African Culture & Heritage (REACH) employee resource group (ERG) mobilized quickly to lead a series of conversations on race, sharing personal stories and humanizing the impacts of systemic racism. REACH also worked directly with the executive leadership team to accelerate our efforts to advance equity within our Company and for our communities, including:

- Educating our global leaders on difficult conversations about race and psychological safety, and hosting even more unconscious bias and inclusive leadership trainings
- Diversifying candidate pools by partnering with diverse professional associations and utilizing ERG member networks to attract even more talent
- Expanding our philanthropic giving to organizations dedicated to advancing equity
- Extending the ERG chapter networks to additional Catalent sites and ensuring their effective operation.

In response to REACH’s efforts, other ERGs wrote letters of solidarity and support, began holding their own consultations with executive leadership, and hosted conversations with employees. The listening and understanding initiated by our ERGs have deepened the dialogue on justice, race, and equity within Catalent—profoundly impacting leadership and spurring employees to action. We can and must do more.

“Catalent does not tolerate any form of discrimination—racial or otherwise. We value all people and are committed to strengthening our Company as a diverse, inclusive workplace. We are indebted to our employee resource groups, many of them newly formed, who are supporting candid conversations across our Company on these issues.”

JOHN CHIMINSKI
CATALENT CHAIR & CEO
The Catalent Global Office of Diversity & Inclusion oversees our D&I efforts globally. The Office is supported by regional D&I committees led by executives who oversee implementation of local programs. We take a holistic approach to diversity, inclusion, and equity.

Our D&I aspirations span the four focus areas of culture, people, community, and marketplace. We aim to:

- Foster an inclusive culture where every employee feels welcomed, valued, and respected and establish a work environment that supports employees to be successful in both their careers and personal lives.
- Prioritize recruitment and promotion strategies that create a strong, representative balance at all levels of the organization.
- Deliver development programs that promote equitable career flows for all employees.
- Execute rapid scale-up of foundational inclusive leadership and unconscious bias training for all employees, especially our people leaders, that will evolve into a year-round D&I learning experience.
- Enable the recognition and advancement of underserved communities through even more partnerships with external organizations.
- Advance D&I outside of our walls by better understanding the needs of our diverse customers and implementing a supplier diversity program.

### Our Actions & Progress

No year in recent history demanded we act more boldly than 2020. While we are aware that we must continue to relentlessly press to close gaps at Catalent, our progress and action highlights from fiscal 2020 include:

- Training more than 1,000 employees, including senior leaders, on inclusive leadership—a number we are continually increasing.
- Launching four new global ERGs, bringing our total global and site-based ERG chapters to more than 40 Company-wide. The ERGs support a year-round calendar of events and activities that contribute to strengthening our culture of celebrating differences and promoting belonging.
- Deploying Cultural Agility for Customer Excellence training to serve the diverse expectations of our customers.
- Initiating a major recruitment strategy that strategically leverages community, professional, and development networks aligned with our ERGs. Our strategy commits us to convening slates of candidates from diverse backgrounds for management positions.
- Strengthening our culture of inclusion and psychological safety through a series of safe conversations hosted by ERGs.

### Workforce Diversity

#### Gender

In fiscal 2020, women represented 44% of our global workforce, unchanged from fiscal 2019. Women held 38% of global roles at the level of manager and higher, an increase of 2% compared to fiscal 2019.

In fiscal 2020, we hired EDGE Strategy to conduct a formal gender equality workforce assessment for our U.S. operations. The assessment revealed strong gender representation in entry-level up to director-level positions, but women were underrepresented in roles at the level of director and above, as well as in roles with profit-and-loss responsibilities. The assessment also found that, at the beginning of the talent pipeline, women changed roles, either in upward or lateral career moves, more often than men. The reverse was true at the higher levels of the Company, where women are underrepresented.

To address these findings, EDGE provided recommendations on how Catalent can improve equitable career flows. This includes updating policies in areas such as work flexibility and childcare, as well as providing more transparency on promotion processes and requirements. These changes will continue to be incorporated into our D&I and gender equity strategy moving forward, and will be supported by our Catalent Women’s Network ERG, Human Resources, senior leadership, and external partners such as Catalyst, a nonprofit dedicated to accelerating and advancing women into leadership roles.

In early fiscal 2021, we developed a set of principles to encourage and enable the implementation of flexible work across the Company.

#### U.S. Ethnicity

In fiscal 2020, ethnically diverse talent represented 31% of our U.S. workforce, remaining consistent with fiscal 2019, the first year that we shared workforce data. In fiscal 2020, ethnically diverse talent held 23% of U.S. roles at the level of manager and above, an increase of 1% compared to the previous year. Our evolving diverse succession pools. We continue to recruit through diverse networks and community relationships. In fiscal 2021 and beyond.

#### U.S. Ethnicity

In fiscal 2020, 46% of global new hires were female, a slight increase compared to fiscal 2019. Thirty-six percent of U.S. new hires came from ethnically diverse backgrounds in fiscal 2020, an increase of 3% compared to fiscal 2019.

As we grow, we aim to diversify our workforce at all levels. We are taking deliberate measures to continue to translate this ambition into action. To improve diversity in our leadership, our Talent Acquisition team is leading the implementation of our fiscal 2019 policy, requiring diverse candidate slates for all roles at the level of manager and above, with executives and senior leadership taking action to recruit as well as develop diverse succession pools. We continue to recruit through diverse networks and community relationships. In fiscal 2021, Talent Acquisition will partner with ERG members and leading third-party organizations to improve the recruitment of diverse talent across Catalent sites.

In fiscal 2020, we initiated a training program for our Human Resources team, including Talent Acquisition, on best practices in recruiting and retaining a diverse community of employees, and will continue training into fiscal 2021 and beyond.

---

**Our D&I Priorities**

**CULTURE**
Foster an inclusive workplace where every employee feels welcomed, valued, and respected, and with our collective, distinct perspectives driving innovation and excellence.

**COMMUNITY**
Collaborate with our employees and partners to connect to our neighborhoods and communities in a strategic and responsible manner.

**PEOPLE**
Adopt talent strategies that attract, develop, and retain a diverse workforce that sustains the long-term performance of our business.

**MARKETPLACE**
Promote our businesses through initiatives linked to the diversity of customers, patients, and suppliers.
**OUR PEOPLE**

**EMPLOYEE RESOURCE GROUPS**
Our ERGs foster an inclusive culture at Catalent by providing community, support, and resources for employees from diverse and minority groups.

**STRENGTHENING OUR INCLUSIVE CULTURE**
To drive innovation and become more competitive, we must create an environment where every individual feels welcomed and respected.

In fiscal 2019, we conducted an employee engagement survey that noted diversity & inclusion and corporate responsibility as top drivers of engagement for our people. We look forward to sharing the results of the fiscal 2021 engagement survey in our next CR report, wherein we will also assess engagement differences based on backgrounds and identity to measure the success of and identify gaps in the culture of inclusion and belonging that we are committed to build.

We invest in targeted D&I training for our employees, with an initial focus on people leaders. In fiscal 2019 and continuing into fiscal 2020, we introduced inclusive leadership training for more than 1,000 employees through a number of in-person and virtual sessions across the U.S., Latin America, and Europe. Additionally, we deployed Cultural Agility for Customer Excellence training to educate on cultural competency techniques. The focus on training will continue and scale up throughout our organization in fiscal 2021 and beyond.

Catalent ERGs are key drivers of our inclusive culture, serving as engines that connect us with issues we need to tackle, bring solutions to the table, and identify opportunities for improvement. In fiscal 2020, we added ADAPT, LEAD, and SERE to our global ERG networks, which now include more than 40 ERG chapters (see call-out box). In early fiscal 2021, we launched a new ERG, Asian and Pacific Islanders Reaching for Excellence (ASPIRE), bringing our total number to eight. We will continue to enhance our culture of inclusion by strengthening and growing ERG networks, and further leveraging them across the U.S., Latin America, and Europe. Additionally, we deployed Cultural Agility for Customer Excellence training to educate on cultural competency techniques. The focus on training will continue and scale up throughout our organization in fiscal 2021 and beyond.

Members of our executive leadership team, including Catalent Chair & CEO, John Chiminski, have taken on the role of Executive Sponsors of our ERGs to support them and ensure they are well-connected with Catalent’s business, values, and priorities. The Executive Sponsors also play an important role as advocates of the communities and partnerships they support.

There is significant work to be done to move the needle on equity, and we will continue to focus our D&I efforts on initiatives that have a meaningful impact. At a site level, in fiscal 2021, our efforts will continue to focus on rolling out inclusive leadership and unconscious bias training, initially for our site and people leaders, and complement the training with a site diversity assessment workshop, to help each Catalent site design and implement a local, data-driven D&I action plan that resonates and is most relevant to its community and talent drivers.

**PAY EQUITY**
We believe that equal work deserves equal pay. We continue to benchmark and target pay based on market data. To ensure race, gender, and ethnicity have no influence on our pay, every year we conduct a gender pay gap analysis down to the manager-level and immediately address any inequalities we discover.

Due to COVID-19, the U.K. government did not require companies to publish a U.K. gender pay gap report for fiscal year 2020. Our previous reports are available here, and we will continue to comply with future reporting requirements.

**RECRUITING THE BEST TALENT**
Our ability to recruit and develop the best, highest-performing talent directly impacts our service to customers and their patients, and promotes the long-term viability of our business. Our recruitment strategy is key to attracting high-potential individuals from a wide range of backgrounds to drive our growth and success.

In fiscal 2020, we expanded our workforce through recruitment as well as mergers and acquisitions. Due to business generated by the COVID-19 pandemic, our staffing needs exceeded hiring plans for the year. We moved quickly to implement new virtual recruitment platforms and streamlined procedures to accelerate onboarding amid restrictions. We ensured the safety of new hires through training on COVID-19 protocols and requiring COVID-19 tests for those who would be working on-site, when permissible under local regulations.

Our hiring approach aims to attract talent representing diverse backgrounds, perspectives, and ideas. This approach includes:

- Engaging with potential top talent early in their careers through our college internship program
- Developing future leaders through our Global Organization Leadership Development (GOLD) program
- Providing competitive compensation and benefits
- Continuously improving recruitment processes and platforms
- Working with several recruitment partners to attract diverse profiles and advertise our open jobs.

Within our industry, recruiting technical talent is highly competitive, and, in fiscal 2020, 50% of our open positions called for STEM skills. We differentiate Catalent as a preferred employer among these candidates through our reputation as a great place to work, offering a fast-paced work environment, and providing the opportunity to be part of the COVID-19 solution.

**ENGAGING OUR PEOPLE**
Fiscal 2020 highlighted the critical importance of connecting with our people through a turbulent landscape, while recognizing the need to respect work-life balance, manage burnout, and invest in the overall well-being of our people. We communicate regularly and through a variety of channels to encourage two-way dialogue.

**INVESTING IN STEM**
STEM skills are critical to our ability to help people live better, healthier lives. In the past year, half of our open positions required these skills. We are investing in the future of STEM by aligning our internship program with nonprofit and STEM grant relationships.

In fiscal 2020, we partnered with Boys & Girls Club of Dane County (BGCD), Wisconsin, and the Madison Area Technical College to hold a workshop at their biotechnology lab for 18 students from disadvantaged backgrounds. Catalent employees took part in the workshops to provide hands-on support and advice to students as they gained laboratory experience.

As we continue this partnership, we will look to deepen our relationships with the College, BGCD, and the students, taking into consideration more employee engagement and internship opportunities.
with all employees, whether remote or on-site. The new ways we have found to engage and inspire one another have changed Catalent permanently, making us even more people-centered and more resilient than ever.

In fiscal 2020, our employee engagement initiatives focused on helping employees adapt to the unprecedented professional and personal challenges arising from COVID-19. One of our highest priorities was, and is, to stay connected with our employees reporting to our sites as well as with our employees working from home. To achieve this, we migrated our all-Company town hall meetings from in-person to virtual, and we adopted new online platforms to help our employees communicate with peers and leadership. Catalent sites implemented additional, local engagement strategies to fit their needs and connect with people. We are adapting to the pandemic in real time and believe COVID-19 on our workforce and soliciting rapid input on COVID-19. One of our highest priorities was, and distributed a quick pulse survey to all sites in May 2020. which was dedicated to understanding the impact of concern for employees amid the pandemic, and 83% felt which four areas: developing our people, building people-management and leadership skills, improving team performance, and accelerating high-potential talent.

INVESTING IN EMPLOYEE DEVELOPMENT
Our people are our most valuable assets. By investing in their growth, we expand our capabilities, enrich our culture, and position employees for long-term success. Through our learning and development programs, we’re creating a collaborative and skilled workforce that strives for excellence and drives innovation. We are focused on four areas: developing our people, building people-management and leadership skills, improving team performance, and accelerating high-potential talent.

SUPPORTING EMPLOYEE DEVELOPMENT
In fiscal 2020, we transitioned the majority of our development programs to our online Learning and Development portal and added new content to support employees who have transitioned to remote or flexible work arrangements due to COVID-19 restrictions. We also added curricula on topics such as mental health, strategies for working from home, and inclusive leadership. In fiscal 2021, we will launch online people-leader training for those managing remote teams.

We continue to offer all employees access to LinkedIn Learning™ courses, with more than 4,000 employees participating in fiscal 2020, completing more than 9,900 courses.

DEVELOPING OUR LEADERSHIP PIPELINE
We encourage employees to have long, successful careers at Catalent by providing leadership and technical training for our talent. Our Global Organization Leadership Development (GOLD) program is a two-year rotational program for recent graduates from universities around the world. GOLD employees receive assignments to strategic roles in key business initiatives, where we provide them with coaching and opportunities to interact with senior executives and contribute fresh ideas that challenge the status quo. GOLD employees participate in three rotations across different Catalent locations to learn about the Company and its different business units.

In fiscal 2020, we launched the Next Generation Global Leader program. This program is focused on preparing high-potential managers for director-level roles. We also launched a mentorship program between leadership and employees. In its first year, a combined 80 mentor/mentee participants, and we will expand this program to 300 participants in fiscal 2021.

Our partnerships with professional organizations enable us to reach diverse audiences with culturally relevant career development resources. In fiscal 2020, we worked with leading organizations such as:

- Ascend
- Catalyst
- Caliby
- The Executive Leadership Council
- Hispanic Association for Corporate Responsibility.

EVALUATING PERFORMANCE
During annual performance reviews, managers meet with team members to set goals and discuss career aspirations, while also assessing performance over the past year. This process reaches the highest levels of Catalent, with senior leaders discussing their performance and the performance of senior leaders in their teams with the Catalent CEO and CDO. In fiscal 2020, 78% of our workforce participated in a performance review. Some unionized employees and some recently integrated employees from new businesses did not complete performance reviews. We also ensure our existing leaders continue to develop their skills and serve their teams through 360-degree leadership assessments. The process is based on Catalent’s leadership competencies and enables feedback from management, peers, and direct reports. In fiscal 2020, we expanded the program from directors and above to all people leaders, growing participation from 36 to 186 participants.

IN FISCAL 2020, Catalent earned certification as a Top Employer in the U.S. by the Top Employers Institute for our human resources best practices, including talent development.
### WORKFORCE DATA

#### GLOBAL GENDER DIVERSITY & WOMEN IN MANAGEMENT\(^1\,\,2\)

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total number of employees</strong></td>
<td>13,695</td>
<td>13,695</td>
</tr>
<tr>
<td>Women</td>
<td>11,567</td>
<td>11,567</td>
</tr>
<tr>
<td>Men</td>
<td>6,055</td>
<td>6,055</td>
</tr>
<tr>
<td>Undeclared</td>
<td>5,117</td>
<td>6,450</td>
</tr>
</tbody>
</table>

1 Catalent includes manager-level and above employees in this category. We have corrected this definition from fiscal 2019, which was mistakenly noted as director-level and above.

2 Data as of June 30, 2020.

3 Data has been restated from the FY19 report due to a change in data parameters.

4 Data are not available for fiscal 2019.

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>% of global employees who are women</strong></td>
<td>44%</td>
<td>44%</td>
</tr>
<tr>
<td><strong>% of global management who are women</strong></td>
<td>38%</td>
<td>38%</td>
</tr>
<tr>
<td><strong>% of global technical roles across all levels who are women</strong></td>
<td>43%</td>
<td>43%</td>
</tr>
</tbody>
</table>

#### GLOBAL NEW HIRE - GENDER DIVERSITY

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total number of new hires</strong></td>
<td>2,366</td>
<td>2,862</td>
</tr>
<tr>
<td>Women</td>
<td>1,327</td>
<td>1,535</td>
</tr>
<tr>
<td>Men</td>
<td>1,088</td>
<td>1,327</td>
</tr>
<tr>
<td>Undeclared</td>
<td>1,278</td>
<td>1,535</td>
</tr>
</tbody>
</table>

1 Data has been restated from the FY19 report due to a change in data parameters.

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>% of new hires who are women</strong></td>
<td>46%</td>
<td>46%</td>
</tr>
</tbody>
</table>
### U.S. Ethnically Diverse Talent

<table>
<thead>
<tr>
<th>Total Number of U.S. Employees</th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6,881</td>
<td>6,881</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% of U.S. Employees Who Are Ethnically Diverse</th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31%</td>
<td>31%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% of U.S. Management Who Are Ethnically Diverse</th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>22%</td>
<td>23%</td>
</tr>
</tbody>
</table>

1 Data as of June 30, 2020.
2 Data has been restated from the FY19 report due to a change in data parameters.
3 Catalent includes manager-level and above employees in this category. We have corrected this definition from fiscal 2019, which was mistakenly noted as director-level and above. The data has been restated from the FY19 report.

### U.S. New Hires - Ethnic Diversity

<table>
<thead>
<tr>
<th>Total Number of New Hires</th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,255</td>
<td>2,099</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% of U.S. New Hires Who Are Ethnically Diverse</th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>36%</td>
<td>36%</td>
</tr>
</tbody>
</table>

### U.S. Workforce - Ethnic Diversity

<table>
<thead>
<tr>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Native American</td>
<td>0.2%</td>
</tr>
<tr>
<td>Asian</td>
<td>10%</td>
</tr>
<tr>
<td>Black or African American</td>
<td>10%</td>
</tr>
<tr>
<td>Hispanic or Latino</td>
<td>9%</td>
</tr>
<tr>
<td>Native Hawaiian or Other Pacific Islander</td>
<td>1%</td>
</tr>
<tr>
<td>White</td>
<td>67%</td>
</tr>
<tr>
<td>Two or More Races</td>
<td>2%</td>
</tr>
<tr>
<td>Unspecified</td>
<td>1%</td>
</tr>
</tbody>
</table>

1 Percent may not add up to 100 due to rounding.
2 Data has been restated from the FY19 report due to a change in our data parameters.
3 At time of publication, ethnic diversity data was unavailable for a significant number of employees from recently integrated businesses resulting in a large jump in the percentage of unspecified.

### Global Employee Turnover

<table>
<thead>
<tr>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Turnover (% of Employees)</td>
<td>14.7%</td>
</tr>
<tr>
<td>Voluntary Turnover (% of Employees)</td>
<td>9.9%</td>
</tr>
<tr>
<td>Involuntary Turnover (% of Employees)</td>
<td>4.8%</td>
</tr>
</tbody>
</table>

1 Involuntary turnover includes end of fixed-term contract, unsatisfactory performance or misconduct, failure to return from leave of absence or long-term disability, position elimination, mandatory retirement, or deceased while active.
Our global EHS program exists to protect the environment, promote well-being, and, most critically at this time, create safe working conditions for all employees.

**EHS AT CATALENT**

Our global manufacturing organization depends on the effectiveness of our Environment, Health, and Safety (EHS) program to operate consistently and robustly at all times. Our EHS Policy Statement commits us to a culture of excellence, with environmentally and socially responsible operations, global regulatory compliance, and safe working conditions. In fiscal 2020, our EHS program helped us maintain our high performance standards for environment, health, and safety, as we rapidly expanded our manufacturing capacity in response to increased demand related to the COVID-19 pandemic.

**COMMITTING TO THE HEALTH & SAFETY OF OUR PEOPLE**

The health and well-being of our employees is always a top priority. We responded quickly to the COVID-19 pandemic by enhancing our protocols to protect essential workers, transitioning 30% of our workforce to remote working, and providing well-being resources to help our people through this challenging time.

As an essential business on the front line of the COVID-19 response, we take very seriously our responsibility to keep our workforce safe. Our senior, multidisciplinary Coronavirus Response Team, reporting directly to our COO, is leading our COVID response. With the team’s guidance, we’ve rapidly adapted our EHS program to the new reality of working during COVID-19.

Our strategy includes establishing remote and flex-working arrangements to reduce on-site personnel as well as new procedures and practices at our manufacturing facilities that minimize contact between critical operational staff. To reduce the spread of the virus, we require on-site employees to self-report any symptom as soon as it occurs, which helps us quickly contact trace, identify cases of possible infection, and minimize exposure. If we confirm an employee is affected, we require that employee to quarantine for 14 days, unless local rules and regulations require a longer period of quarantine, and we maintain their pay to ensure the quarantine period does not cause financial hardship.

We’re prioritizing mental health and well-being as part of our COVID-19 response. Our approach includes more frequent outreach to ensure employees feel connected, and communications that remind employees how to access Company-sponsored resources, such as counseling. In fiscal 2020, we established a well-being forum, a cross-functional group of leaders focused on identifying opportunities to continue our investment in our people’s health and wellness.

**A CULTURE OF SAFETY & ACCOUNTABILITY**

ISO accreditation remains the backbone of our EHS management system, helping us optimize health and safety standards, operating procedures, and employee training. In fiscal 2020, we increased the scope of our OHSAS 18001 program to 33 manufacturing sites, up from 24 in fiscal 2019. Manufacturing sites are defined as those where we manufacture, develop, and/or package products. We are transitioning our accreditation to the new ISO 45001 standard, with formal accreditation expected by September 2021. We monitor compliance with the EHS management system and ISO accreditation with an annual risk-based internal audit program and formal sample-based audits by an external third-party accreditation body.

Dedicated EHS leaders manage health and safety at all our sites, reporting to each site’s General Managers, and our global EHS function oversees all activities. We require all Catalent sites to participate in a comprehensive EHS risk-assessment program, during which teams perform hazard assessments, identify issues, and implement control measures.

Our employees receive regular EHS training to educate them about work-related hazards and ensure compliance. Each site has an EHS training matrix that identifies and assigns the necessary trainings for each employee based...
on their role. HR partners are responsible for delivering monthly training and monitoring participation. During the pandemic, we are providing additional training and guidance on COVID-19 and the control measures we put in place.

HEALTH & SAFETY PERFORMANCE
In fiscal 2020, Catalent had a recordable incident rate of 0.52, down from 0.68 in fiscal 2019, and significantly below the pharmaceutical and medicine manufacturing industry average of 1.6. Our lost workday case rate was 0.21, down from 0.26 in fiscal 2019, and also below the industry average of 0.5.

Both our recordable incident rate and lost workday case rate decreased in fiscal 2020 due to more employees reporting opportunities to improve, as described below. We are proud of these results and will continue to strive to achieve our goal of an injury-free working environment.

For the second year running, we received a silver award from the Royal Society for the Prevention of Accidents for our health and safety performance at our U.K. sites.

As part of our health and safety culture, we encourage employees to report concerns. In fiscal 2020, we identified and remediated more than 29,000 safety concerns within 60 days of identification, in line with our corrective action requirements. Safety concerns reported by our employees led to significant improvements, including ppe’s decontamination.”

environmental performance goals

• 15% reduction in carbon emissions by fiscal 2023[a,b]
• Water intensity reduction to 500 m³/M³ revenue by fiscal 2024
• No residual active pharmaceutical ingredients (API) above predicted no effect concentration level[e] (PNEC) in wastewater by fiscal 2024
• Zero waste sent to landfill by fiscal 2024

Read more about our engagement initiatives, which connect our sites and strengthen our culture of sustainability, in Connecting with Our Communities.

reducing our carbon footprint

Our strategy for reducing our carbon footprint comprises sourcing renewable electricity and investing in energy efficiency projects. In fiscal 2020, we began our transition to clean energy sources, which we anticipate will result in significant emissions reductions in fiscal 2021.

In fiscal 2020, we emitted 220,000 metric tons (MT) of carbon dioxide equivalent. Compared to our fiscal 2018 baseline, our total emissions have increased 7.3% due to the Company’s recent acquisitions, expansion of existing sites, and increased production output.

In fiscal 2020, we used 740,000 megawatt-hours (MWh) of energy. Our energy intensity was 249 MWh per million dollars of revenue, a 21.9% decrease compared to fiscal 2018. The trend reflects improved energy efficiency in manufacturing, our growing renewable energy sourcing initiative, and an increase in revenue.

While our carbon emissions have increased due to changes in our business, our energy efficiency has improved and we expect to achieve our fiscal 2023 carbon reduction target by transitioning the Company to renewable energy sources.

Renewable grid electricity is increasingly available, making it an attractive alternative to traditional sources. By the end of fiscal 2020, we had transitioned 6 Catalent sites to 100% renewable electricity and derived 6% of our total energy use from renewable sources.

Environmental Performance Goals[a]

<table>
<thead>
<tr>
<th>Environmental Performance Goals</th>
<th>Fiscal 2018 Baseline</th>
<th>Fiscal 2023 Baseline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carbon Emissions</td>
<td>220,000 MT CO2e</td>
<td>15% reduction</td>
</tr>
<tr>
<td>Water Intensity</td>
<td>500 m³/M³</td>
<td>500 m³/M³</td>
</tr>
<tr>
<td>No Residual API</td>
<td>Above PNEC</td>
<td>Below PNEC</td>
</tr>
<tr>
<td>Zero Waste</td>
<td>To Landfill</td>
<td>To Landfill</td>
</tr>
</tbody>
</table>

[a] Environmental Performance Goals are for 34 Catalent manufacturing sites.
[b] From fiscal 2018 baseline.
[c] Catalent's carbon intensity includes Scope 1 and Scope 2 emissions.
[d] Definitive FDA Guidance (October 2020) regarding the concentration of a substance below which adverse effects in the environment are not expected to occur.
We plan to exceed our carbon reduction goal by powering more sites with renewable electricity as our existing electric contracts expire. Our ambition is to transition six sites to renewable electricity in fiscal 2021 and three additional sites in fiscal 2022. We are also evaluating other solutions, including Virtual Power Purchase Agreements and verifiable carbon offsets.

In fiscal 2020, a solar array was installed on our Madison, Wisconsin site, which generates 113 MWh of electricity per year.

ENERGY EFFICIENCY
Our energy management program is aligned with the ISO50001:2018 energy management standard. In fiscal 2020, we completed 50 site-based energy efficiency projects, ranging from replacing major equipment to installing more efficient LED lighting. Third-party verification confirmed that these initiatives resulted in energy savings of 20,000 MWh per year.

In addition, we avoided approximately 9,500 MT of carbon dioxide equivalent by implementing more than 60 energy efficiency projects between fiscal 2018 and fiscal 2020.

WATER STEWARDSHIP
We aim to minimize our water usage and to meet or exceed regulatory requirements for wastewater discharge. Our goal is to reduce our water intensity to 500 cubic meters (m³) per million dollars of revenue by fiscal 2024. We plan to achieve this by investing in water reduction, recycling, and reuse initiatives at our most water-intensive facilities. These projects will build on existing water conservation programs.

In fiscal 2020, our Winchester, Kentucky, U.S. site implemented a heat recovery system on a regenerative thermo oxidizer, an essential utility, to capture waste heat and use it for pre-heating boiler water. This new technology is expected to reduce the site’s natural gas usage by 1,720 MWh per year and is an example of how our sites contribute to the Company’s overall energy efficiency.

More information is available in Catalent’s 2020 CDP Climate Change response.
Our total water use was 1.9 million m³, an 11.8% increase compared to the prior year. In fiscal 2020, our investment in water efficiency included projects such as:

- Bloomington, Indiana, U.S. HVAC cooling tower water reuse
- Indaiatuba, Brazil. Reverse osmosis system automation and manufacturing water reuse
- Madison, Wisconsin, U.S. Process water reuse
- Somerset, New Jersey, U.S. Cooling tower leak repair
- Winchester, Kentucky, U.S. HVAC cooling tower water reuse.

In fiscal 2021 and beyond, we will prioritize investment in additional projects at our most water-intensive sites. The aim is to reduce water use and intensity by increasing the efficiency of our manufacturing and cleaning processes and by reusing wastewater.

**MINIMIZING ACTIVE PHARMACEUTICAL INGREDIENTS IN WASTEWATER**

Responsible disposal of residual active pharmaceutical ingredients (APIs) in wastewater poses a critical challenge for the pharmaceutical and biotech sectors. Materials used to produce drugs and treatments can harm the environment if released into ecosystems through wastewater.

Catalent takes a risk-based approach to minimizing API in wastewater. We focus on sites in our Softgel & Oral Technologies and Oral & Specialty Delivery business segments, where the risk is greater due to the APIs used and type of manufacturing processes employed. To meet legal permit requirements, our sites measure, test, and control discharges. Read more about Environmental Compliance.

We see an opportunity to go beyond legal requirements by reducing API in wastewater to the Predicted No Effect Concentration (PNEC) level. The PNEC level is defined by the European Chemicals Agency REACH regulation as the concentration of a substance below which adverse effects are not expected to occur.

In fiscal 2020, we assessed wastewater discharge against the PNEC level at 24 sites. Twenty-one sites were determined to be low risk and three sites had levels of API that, while meeting regulatory requirements, were above the PNEC level.

We plan to install UV-oxidation pre-treatment technology at those three sites to bring concentrations below the PNEC levels. Our expansion of the UV-oxidation pre-treatment technology at our Eberbach, Germany site will be operational in fiscal 2022. We are installing a new system at our Swindon, U.K. site and our Malvern, Pennsylvania, U.S. site. In fiscal 2021, we will assess the PNEC levels at 11 additional sites.

Our goal is that by fiscal 2024, all sites will discharge wastewater with API concentrations below PNEC levels.

1 Fiscal 2018 and fiscal 2019 data are restated from Catalent’s fiscal 2019 CR report. We are improving our data collection and review processes and replacing estimated data with actual data, where possible.

2 The data reported come from 34 Catalent facilities that manufacture, develop, and/or package products. Not reporting are office-based sites that do not manufacture, develop, or package products and sites where sufficient data were unavailable, usually because the sites are relatively new to the Catalent group. Estimates were used where actual data were not available.
In fiscal 2020, we sent 23% of our waste to landfill, compared to 27% in fiscal 2019. Our nonhazardous waste generation was 15,100 MT, a 19.8% increase compared to fiscal 2019. Our hazardous waste generation was 4,000 MT, a 11.1% increase compared to fiscal 2019.

Our total waste generation increased 17.5% from fiscal 2019 to fiscal 2020. We attribute the increases to the Company’s recent acquisitions, expansion of existing sites, and increased production output.

**Waste Diversion Initiatives**

Seventeen sites in our network, representing 50% of our manufacturing sites, no longer send waste to landfills. To reach our fiscal 2024 goal, we are finalizing plans at our remaining sites to divert landfill material to recycling, reuse, or incineration.

We produce billions of softgel doses per year and, in the process, generate nearly 6,000 MT of uncontaminated gelatin byproduct annually. In fiscal 2019, we piloted a gelatin-repurposing program that diverted the gelatin byproduct from three sites for the manufacture of new products such as glue. In fiscal 2020, we diverted 1,122 MT of gelatin, equivalent to approximately 20% of the total gelatin byproduct we generated during the year. We plan to expand the program in fiscal 2021.

In fiscal 2020, we continued our PPE recycling program at our facility in Madison, Wisconsin, diverting 2 MT of nitrile glove waste from landfill. We conducted feasibility trials at all U.S. sites that will allow us to expand our PPE recycling program to additional sites in fiscal 2021.

**Compliance**

We strive for 100% compliance with environmental regulations. Catalent sites are responsible for identifying legal requirements and implementing EHS programs to ensure compliance and environmental performance.

Our audit program utilizes a risk-based approach. A sampling of sites undergoes annual audits from internal auditors or, for sites with ISO-based management systems, by third-party auditors. If auditors discover any noncompliance issue at a site, we require that site to take prompt corrective and preventative actions.

In fiscal 2020, Catalent received three U.S. EPA Notices of Violation for chloroform effluent permit exceedance at a site acquired during the fiscal year. To resolve the issue, we identified and removed ethanol waste from the process to minimize chloroform discharges. Our actions resolved the issue with the regulatory authority without financial penalty. We are reviewing other treatment technologies with the aim of eliminating recurrence completely.
Connecting with Our Communities

Building better, healthier communities is a key element of our stakeholder commitment. Through our Catalent Cares philanthropy and volunteer programs, employees make an ongoing impact on our communities.

Catalent Cares is complemented by our corporate grant and partnership program with nonprofit organizations that focus on patient health or science, technology, engineering, and mathematics (STEM).

In response to the devastating impact of COVID-19 around the world, we gave back more to our communities in fiscal 2020 than ever before. Our philanthropic contribution totaled $845,000, supporting approximately 500 community organizations, from international nonprofits to local charities.

The employee-driven Catalent Cares program includes matching gifts, volunteer grants, and corporate events such as Catalent Month of Service and our annual Earth Month celebration.

Through partnerships and site-driven grants, we provide resources for initiatives and nonprofits that improve the delivery of health-related services and treatments to patients or advance STEM education and training, especially for underserved populations. We also support our communities when impacted by disasters including the global COVID-19 pandemic.

Catalent increased philanthropic giving 141% in fiscal 2020.

Strategic Philanthropy

COVID-19 & Social Justice Philanthropy

In fiscal 2020, we responded rapidly to the interconnected COVID-19 and social inequity crises by:

- Directing community grants to nonprofit partners addressing urgent local needs, especially health centers and food banks
- Donating to international non-governmental organizations (NGOs) working in COVID-19 impacted regions around the world
- Expanding our matching gift program by offering a 2-for-1 match for employee donations to COVID-19 relief organizations
- Promoting civil rights organizations as part of our Catalent Cares matching gift program.

Our corporate and employee donations to COVID-19 response totaled $567,000 in fiscal 2020.

Community Partnerships

At the corporate level, we manage various partnerships with national and international organizations focused on improving the delivery of health-related services to patients or promoting STEM education and training.

In January 2020, Catalent launched a partnership with Engineers Without Borders USA (EWB), a nonprofit connecting volunteer engineers to critical infrastructure projects globally. EWB’s focus is on improving medical facilities through engineering resonates with our commitments to serve patients and promote STEM.

In fiscal 2020, a Catalent grant funded ventilators and software for Glasgow’s neonatal units and an emergency COVID-19 grant supported the hospital during the pandemic.

Matching Gifts

We encourage our employees to give back to causes they care about by matching their donations of up to $1,000 a year to health, human services, and environmental nonprofits. In fiscal 2020, employees prioritized support for underserved communities. In the wake of disturbing examples of police racism and violence in the U.S., many employees chose to use our Matching Gifts Program to support civil rights organizations advocating for social and racial justice. Additionally, our employees organized on-site events in honor of awareness days for diseases such as breast cancer and lung cancer.

Disaster Response

Natural disasters have a devastating impact on communities where we live and work. Catalent supports local relief efforts in the wake of these emergencies through community grants, matching gifts, and volunteering.

In fiscal 2020, a grant to one of our longstanding disaster relief partners, American Red Cross, contributed to the distribution of protective equipment for health-care workers globally.

<table>
<thead>
<tr>
<th>Philanthropic Giving</th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Giving</td>
<td>$350,000</td>
<td>$845,000</td>
</tr>
</tbody>
</table>
VOLUNTEERING

We encourage employees to volunteer for organizations that serve patients, expand STEM education, and protect the environment. Although COVID-19 disrupted in-person volunteering in the latter part of fiscal 2020, we continue to adapt to the restrictions and give back to our communities.

Community ambassadors in each of our locations coordinate volunteering and donation drives. They collaborate with the Corporate Responsibility team, define the local partnership and giving strategy, and connect employees to local causes and nonprofits. In fiscal 2021, we will launch an awards program to recognize community ambassadors and sites that have made an outstanding contribution to Catalent Cares in the initial years of the program.

COMPANY-ORGANIZED VOLUNTEERING

Each year, we celebrate two Company-wide volunteer events to engage and unite our global community:

CATALENT MONTH OF SERVICE

We celebrated our third annual Catalent Month of Service during November 2019. In fiscal 2020, more than 1,200 volunteers participated, a 50% increase from fiscal 2019. Teams from 30 sites organized 59 volunteering activities in their local communities and dedicated more than 3,000 hours to community service projects globally. Volunteering activities included tutoring students, visiting hospital patients, and working shifts at local food banks. In light of continuing uncertainty surrounding COVID-19, the Catalent Month of Service will mostly be virtual in fiscal 2021, with opportunities for our employees to volunteer and fundraise.

EARTH MONTH

In April 2020, soon after sweeping restrictions went into place to manage COVID-19, our Green Teams quickly pivoted to take our Earth Month celebration online. Employees at nine sites organized online events, including tutorials and awareness sessions focused on reducing our footprint. Our Green Teams, employee volunteer groups currently active at 13 of our sites, helped organize the online activities to mark this important month and celebrate our environmental commitments and initiatives. We plan to increase the size and number of Green Teams across our growing network.

<table>
<thead>
<tr>
<th>ENGAGEMENT IN CATALENT MONTH OF SERVICE</th>
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<tbody>
<tr>
<td>FY19</td>
</tr>
<tr>
<td>NUMBER OF VOLUNTEERS</td>
</tr>
<tr>
<td>NUMBER OF PROJECTS</td>
</tr>
</tbody>
</table>

SPOTLIGHT ON OUR BUENOS AIRES COMMUNITY AMBASSADOR

Our network of community ambassadors plays a vital role in connecting our sites to local communities. Manuela López Cotón, an HR business partner and community ambassador from our Buenos Aires site, exemplifies the invaluable contribution of our ambassadors.

Manuela helped establish a partnership with Fundación Caminando Juntos (United Way Worldwide), a civil society organization improving the lives of children in Argentina. A Catalent grant that Manuela initiated supports Fundación Caminando Juntos to implement a “Scientists of the Future” program, which helps teachers become stronger in teaching science. Caminando Juntos students visited the Catalent plant for a career day and presented their science projects to a panel of Catalent employees.

“It is gratifying to work on projects that involve future generations,” said Manuela. “These programs are so important because they have a real impact on students’ future career decisions.”
CORPORATE GOVERNANCE
Our strong governance provides structure, informs effective decision-making, and ensures that our actions align with our values.

Our Board of Directors provides overall direction to and oversight of our business, guided by the Board’s Chair, John Chiminski, and its independent lead director, Jack Stahl. Other than Mr. Chiminski, all of our Board members are considered independent under applicable legal and stock exchange standards.

Operating under a clear set of published corporate governance guidelines, which define director qualification standards and other appropriate governance procedures, our Board of Directors leads with strategic vision, proven and relevant expertise, and exemplary ethical behavior.

In fiscal 2020, our Board membership included one member who identified as ethnically diverse, two women, and one member based outside the U.S.

Our Executive Leadership Team oversees the strategic and operational execution of the Company and cultivates an enabling, values-driven corporate culture. During fiscal 2020, there were four women on our Executive Leadership Team, including our Presidents of Clinical Supply Services, Biologics, and Cell & Gene Therapy. Two members of our Executive Leadership Team lead with strategic vision, proven and relevant expertise, and exemplary ethical behavior.

In fiscal 2020, our Board membership included one member who identified as ethnically diverse, two women, and one member based outside the U.S.

Our Corporate Responsibility (CR) Council, composed of members of our senior leadership, guides the implementation of our corporate responsibility strategy and commitments. The CR Council meets at least quarterly and reports to our CEO.

ETHICS: THE FOUNDATION OF OUR RESPONSIBLE CULTURE
Integrity guides our actions and decisions and we work hard to demonstrate respect, accountability, and honesty in every interaction. By maintaining high ethical standards, we safeguard our relationships with employees, customers, business partners, and investors.

Our ethics and compliance program ensures we operate with integrity, a core Company value. The program is designed to prevent, detect, and promptly investigate instances of misconduct, as well as educate all Catalent employees and relevant contractors and vendors on our expectations for conducting business. Our ethical standards and legal requirements are set out in our Standards of Business Conduct (the “Code”). The Ethics and Compliance team, led by our Chief Compliance Officer (CCO) and General Counsel, is responsible for overseeing policy development, implementing training, and monitoring compliance. The CCO reports directly to the CEO and the Audit Committee of the Board of Directors.

We provide ethics training and ongoing communication to make all employees aware of their ethical and legal responsibilities, and we encourage employees to seek guidance if they encounter an ethically challenging situation. Upon joining the Company, new employees receive training on the Code and must sign and certify their understanding of its principles. Thereafter, we assign all employees regular ethics training sessions delivered in multiple formats, including online learning modules, live presentations, manager-led trainings, videos, and webinars. Trainings covering our main ethics policies are reassigned to the entire workforce at regular intervals, with the Code of Conduct covered every two years. In fiscal 2020, 100% of new employees received Code of Conduct training and 100% of employees participated in an annual ethics refresher training. Our Legal & Compliance department also offers ad hoc trainings to address topics specific to functional areas. For example, our Sales teams receive anti-trust and anti-bribery trainings.

In fiscal 2021, we will implement a new Respectful Workplace Policy to reinforce our commitment to providing a workplace free from discrimination, harassment, bullying, and retaliation, where everyone is treated with dignity and respect. The policy will outline what Catalent considers unacceptable behavior in the workplace, and will be written in accordance with applicable legal, regulatory, and social responsibility standards.

All suppliers must adhere to applicable laws and standards of business behavior as laid out in our Supplier Code of Conduct, which details our expectations for our suppliers and their employees. In fiscal 2021, we will partner with an external company to improve our monitoring of supplier adherence to this code and assess supplier performance on issues such as working conditions and environmental management. For more information on our supply chain practices, see our Product Quality, Safety, & Supply section.

Our Global Ethical Business Practices Policy establishes our principles and approach to addressing the specific issues of corruption and bribery—ever-present risks for a company that operates globally. The policy incorporates principles laid out in the U.S. Foreign Corruptions Practice Act and the U.K. Bribery Act.

MONITORING ETHICS
We encourage employees to report suspected violations of our Code or legal requirements. Anyone, including third parties, can report concerns through one of the following channels:

- Their manager
- Site leadership
- Human resources
- Ethics & Compliance team email inbox, ethics@catalent.com
- Independent third-party Business Conduct Helpline available 24 hours a day at catalentMWV.com or by a toll-free telephone number.

During fiscal 2020, we improved our ethics monitoring system by making it easier to file an ethics concern through our Business Conduct Helpline website, now accessible at catalentMWV.com. The Ethics and Compliance team also implemented an awareness campaign to remind Catalent employees about the channels they can use to raise concerns. Upon notification of a potential violation, the Ethics and Compliance team partners with relevant subject-matter experts and immediately undertakes an internal investigation. This involves reviewing relevant documents and interviewing witnesses. If a violation is confirmed, we identify and implement corrective measures to prevent a recurrence. Employees found to have violated our Code are required to comply with corrective measures ranging from retraining and counseling to dismissal in serious cases. We consult with our senior leaders regularly and they formally recommit their support to the investigation process every year.

PUBLIC POLICY ENGAGEMENT
We engage with public policymakers directly and through industry associations to increase their understanding of our sector and create a business environment that fosters effective and ongoing development, delivery, and supply of products for patients.

Because we operate in a highly visible, large, and regulated sector of the economy, public policy can have significant implications for our business. As a development, delivery, and supply partner to the pharmaceutical and biotechnology industries, our business model differs significantly from those of our customers. We help our customers develop products, innovative and generic drugs, biologics and biosimilars, cell and gene therapies, and consumer health products but we do not generally discover or develop our own. We educate regulators and legislators on these differences to ensure that public policies are equitable and foster growth and innovation in contract development and manufacturing organizations (CDMOs). We also engage policymakers to create greater visibility and awareness of the benefits that our business brings to customers, patients, and communities.

With Catalent and other CDMOs playing a significant role in the fight against COVID-19, interest in our business has increased. As a result, in fiscal 2020, we engaged with a greater number of U.S. state and federal officials than in previous years, most notably the Operation Warp Speed Task Force.

We collaborate with others in our industry to inform decision-makers. For this reason, Catalent belongs to multiple industry associations around the world. We are an active member of the Pharma & Biopharma Outsourcing Association, which represents the regulatory, legislative, and general business interests of CDMOs.

In fiscal 2020, Catalent made no political donation.
FULFILLING TAX RESPONSIBILITIES
Meeting our tax responsibilities secures our social license to operate and reinforces our reputation as a reliable company. Doing our share to support the fiscal health and development of communities is part of being a responsible corporate citizen. The taxes and other government fees we pay help fund programs and infrastructure in the places we operate, benefitting people who live there and enabling businesses to operate in a stable and secure society.

As a large multinational corporation with operations in the U.S., Canada, Europe, South America, and the Asia-Pacific region, we are subject to many different tax laws and regulations. We work transparently and collaboratively with tax authorities in the locations where we operate to fulfill our taxation responsibilities.

DATA SECURITY & PRIVACY
Our vigorous IT security controls defend valuable data in a rapidly evolving cybersecurity landscape. By staying ahead of threats, we protect data and privacy for our Company and stakeholders.

Our role in the global race to produce a COVID-19 vaccine requires a heightened security imperative. Our IT Security Program protects our business, our customers, and the highly sensitive information entrusted to us. Anticipating that our involvement in the COVID-19 vaccine race would increase the threat level we face, we proactively upgraded our program in fiscal 2020 to further boost our defenses against cybersecurity risks across our operations. Our program remains in a state of continuous improvement to meet our high standards and to mitigate any identified risk.

In fiscal 2020, we upgraded our IT Security Program, strengthening our cybersecurity protection. We utilize several network protection frameworks and technologies to safeguard customer, personal, and company information from unauthorized access. These technologies also allow us to monitor our digital environment for malicious activity and respond appropriately. As part of our program upgrade, we enhanced protections within these systems and also:

• Introduced a third-party 24/7 security operations center
• Implemented heightened access restrictions within our data framework
• Strengthened authentication requirements for critical information
• Enhanced our intrusion prevention systems
• Ensured all sites are fully integrated with the program.

Additionally, we’ve provided refresher security training for employees to ensure they understand the increased cybersecurity threat we face currently. To keep our data safe while our employees are working from home, we have implemented an ongoing cybersecurity education program focused on email phishing.

We monitor compliance with our program through internal audit and assessment processes. We routinely conduct both formal and informal assessments and test our security controls and environment. Additionally, we are subject to audits by our customers as well as other external bodies. Through our membership in the Health Information Sharing and Analysis Center (H-ISAC) and other equivalent threat intelligence groups, we keep abreast of evolving security risks, learn from leading experts, and continuously improve our systems.

Our IT Security Policy forms the basis of our program. It details the physical, procedural, and technology-based controls we employ to protect the data under our guardianship. We require all employees, consultants, contractors, temporary workers, and third-party data processors to act in compliance with the policy. Every employee completes annual security training to help them understand risks and recognize threats. We keep employees engaged with IT security issues throughout the year through bimonthly phishing email simulations and other ad hoc communications and trainings on topics such as social engineering and emerging cyber threats and scams.

Before integrating acquired companies or working with new vendors, we assess their security programs to ensure they meet our high standards and to mitigate any identified risk. We comply with external standards, adhering to the World Customs Organization (WCO) SAFE Framework, and engage with the following governmental programs:
• WCO Authorized Economic Operator (AEO) Program
• U.S. Customs Trade Partnership Against Terrorism
• Singapore Known Consignor Regime.

SAFEGUARDING PRIVACY
Privacy is paramount to our stakeholders, so we handle business and personal data with the utmost care. As a CDMO, we are primarily a business-to-business provider. However, we are developing direct-to-patient capabilities within our Clinical Supply Services business, which expands the scope of our privacy responsibilities.

Our privacy program is managed by a cross-functional team that includes senior leaders from Legal & Compliance, IT, and HR. The program ensures compliance with global privacy laws, including the European Union’s General Data Protection Regulation (GDPR) and the California Consumer Privacy Act (CCPA), which came into effect in fiscal 2020.

Our Privacy Policy is aligned to NIST CF guidance and details our Company-wide procedures for protecting data. We require employees to complete annual privacy training that covers the policy and explains their role in ensuring we meet our privacy obligations. We provide supplemental CCPA training annually to members of our Legal & Compliance, HR, and California-based teams so all relevant employees understand how to support compliance with California data privacy regulations.

In fiscal 2021, we will develop a framework to assess the privacy risks of new projects and formalize our protocol for responding to situations we identify as high-risk.

SUPPLY CHAIN SECURITY
We assess our suppliers’ IT security programs using a risk-based model to determine any area of concern. We manage this information through our Tradeshift platform. To protect international data, we restrict supplier access to our data systems so that only those who require the data can access it.

We comply with external standards, adhering to the World Customs Organization (WCO) SAFE Framework, and engage with the following governmental programs:
• WCO Authorized Economic Operator (AEO) Program
• U.S. Customs Trade Partnership Against Terrorism
• Singapore Known Consignor Regime.
The content of this report is informed by the reporting requirements of the Sustainability Accounting Standards Board (SASB) standard for Biotechnology and Pharmaceuticals. SASB sets business sustainability disclosure standards that are industry-specific and focused on environmental, social, and governance (ESG) matters that are financially material and, therefore, relevant to investors. Please refer to the SASB Index on pages 49-52 of this document for further information concerning the Company’s reporting in alignment with the standard’s metrics.

This CR report also highlights our commitment and performance relating to ESG areas important to a broader range of stakeholders, including employees, communities, and customers. The additional ESG areas covered in this report include:

- Occupational health and safety
- Product quality
- Diversity and inclusion
- Community investment and philanthropy
- Energy use and climate change
- Waste generation
- Water use
- Product innovation
- Talent recruitment and retention

SCOPE & DATA

Unless otherwise stated, all performance reporting covers our fiscal year 2020, from July 1, 2019 through June 30, 2020. The report consolidates data from Catalent, Inc. and its subsidiaries.

The scope of our data is indicated in footnotes throughout the report. All financial information is reported in U.S. dollars.

TRADEMARKS

Catalent®, FastChain®, GPEX®, MaSTherCell®, OptiForm®, OptiGel®, OptiShell®, SMARTag®, and Zydis Ultra® are registered trademarks of R.P. Scherer Technologies, LLC, a wholly owned subsidiary of Catalent, Inc. We use certain other trademarks and service marks including More products. Better treatments. Reliably supplied.™ and FlexDirect™ on an unregistered basis in the U.S. and abroad. This CR report also includes trademarks and trade names owned by other parties, including Zolgensma®, ComplianceWire®, and LinkedIn Learning®, and these trademarks and trade names are the property of their respective owners.

FORWARD-LOOKING STATEMENTS

In addition to historical information, this report contains forward-looking statements, which generally can be identified by the use of phrases such as “will,” “intend,” “anticipate,” “likely,” or other phrases with similar meanings. Similarly, statements that describe Catalent’s objectives, plans, or goals are, or may be, forward-looking statements. These statements are based on current expectations of future events, and actual results could vary materially from our expectations and projections. Factors that could cause actual results to differ, see the “Special Note Regarding Forward-Looking Statements” and “Risk Factors” sections of our Annual Report on Form 10-K for the fiscal year ended June 30, 2020, filed August 31, 2020. All forward-looking statements speak only as of the date of this report, and we do not undertake to update any forward-looking statement as a result of new information or future events except to the extent required by law.

We welcome comments. To provide feedback or request further information, please email corporateresponsibility@catalent.com.

### SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

**BIOTECHNOLOGY & PHARMACEUTICALS STANDARD**

Catalent is a technology and services partner to companies in the pharmaceutical and biotechnology industry. Our SASB index is aligned with the Biotechnology and Pharmaceuticals standard and includes our response to the metrics that apply to our business as a contract development manufacturing organization (CDMO).

<table>
<thead>
<tr>
<th>SASB CODE</th>
<th>METRIC</th>
<th>RESPONSE FOR FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>HC-BP-210a.1</td>
<td>Discussion, by world region, of management process for ensuring quality and patient safety during clinical trials</td>
<td>Although Catalent neither conducts trials nor provides input on trial design or protocols, the products and services that we deliver, develop, or manufacture for customers are frequently used in clinical trials. We support our customers’ trials through our Clinical Supply Services (CSS) business unit, which manufactures, packages, stores, and delivers products and materials used in clinical trials globally. We have rigorous operational, quality, and security procedures in place to fulfill this responsibility. In total, we supported 3,700 different clinical trial protocols across a multitude of therapeutic areas conducted by our customers in fiscal 2020.</td>
</tr>
<tr>
<td>HC-BP-210a.2</td>
<td>Number of FDA Sponsor Inspections related to clinical trial management and pharmacovigilance that resulted in: (1) Voluntary Action Indicated (VAI) and (2) Official Action Indicated (OAI)</td>
<td>Zero. See above.</td>
</tr>
<tr>
<td>HC-BP-210a.3</td>
<td>Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries</td>
<td>Zero.</td>
</tr>
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## Access to Medicines

<table>
<thead>
<tr>
<th>SASB CODE</th>
<th>METRIC</th>
<th>RESPONSE FOR FY20</th>
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</thead>
<tbody>
<tr>
<td>HC-BP-240a.1</td>
<td>Description of actions and initiatives to promote access to health-care products for priority diseases and in priority countries as defined by the Access to Medicine Index</td>
<td>Not applicable. As a contract development and manufacturing organization (CDMO), Catalent has no patient-facing activity.</td>
</tr>
<tr>
<td>HC-BP-240a.2</td>
<td>List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)</td>
<td>See above.</td>
</tr>
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</table>

## Affordability & Pricing

<table>
<thead>
<tr>
<th>SASB CODE</th>
<th>METRIC</th>
<th>RESPONSE FOR FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>HC-BP-240b.1</td>
<td>Number of settlements of Abbreviated New Drug Application (ANDA) litigation that involved payments and/or provisions to delay bringing an authorized generic product to market for a defined time period</td>
<td>Zero.</td>
</tr>
<tr>
<td>HC-BP-240b.2</td>
<td>Percentage change in: (1) average list price and (2) average net price across U.S. product portfolio compared to previous year</td>
<td>Not applicable. As a CDMO, Catalent does not determine the price of drugs or treatments to consumers.</td>
</tr>
<tr>
<td>HC-BP-240b.3</td>
<td>Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous year</td>
<td>Not applicable. As a CDMO, Catalent does not determine the price of drugs or treatments to consumers.</td>
</tr>
</tbody>
</table>

## Drug Safety

<table>
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<tr>
<th>SASB CODE</th>
<th>METRIC</th>
<th>RESPONSE FOR FY20</th>
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</thead>
<tbody>
<tr>
<td>HC-BP-250a.2</td>
<td>Number of fatalities associated with products as reported in the FDA Adverse Event Reporting System</td>
<td>Not applicable. As a CDMO, Catalent does not sponsor any product listed on the FDA’s Adverse Event Reporting System.</td>
</tr>
<tr>
<td>HC-BP-250a.3</td>
<td>Number of recalls issued, total units recalled</td>
<td>In fiscal 2020, there was no recall for any Catalent-owned application.</td>
</tr>
<tr>
<td>HC-BP-250a.4</td>
<td>Total amount of product accepted for takeback, reuse, or disposal</td>
<td>Not reported.</td>
</tr>
<tr>
<td>HC-BP-250a.5</td>
<td>Number of FDA enforcement actions taken in response to violations of Current Good Manufacturing Practices (CGMP), by type</td>
<td>In fiscal 2020, no FDA enforcement action was taken in response to violations of Current Good Manufacturing Practices.</td>
</tr>
</tbody>
</table>

## Employee Recruitment, Development, & Retention

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<tr>
<th>SASB CODE</th>
<th>METRIC</th>
<th>RESPONSE FOR FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>HC-BP-330a.1</td>
<td>Description of talent recruitment and retention efforts for scientists and research and development personnel</td>
<td>Within our industry, recruiting technical talent is highly competitive, and, in fiscal 2020, 50% of our open positions called for STEM skills. We differentiate Catalent as a preferred employer among these candidates through our reputation as a great place to work, offering a fast-paced work environment, and providing the opportunity to be part of the COVID-19 solution. Read more about our recruitment efforts on page 23.</td>
</tr>
<tr>
<td>HC-BP-330a.2</td>
<td>(1) Voluntary and (2) involuntary turnover rate for: (a) Executives/Senior Managers, (b) Mid-level Managers, and (c) Professionals and (d) all others</td>
<td>In fiscal 2020, Catalent’s total employee turnover globally was 12.6%, with a voluntary turnover of 8.5% and involuntary turnover of 4.1%. For further details, see table on page 29 of this report.</td>
</tr>
</tbody>
</table>
### SASB INDEX (CONT’D)

<table>
<thead>
<tr>
<th>SASB CODE</th>
<th>METRIC</th>
<th>RESPONSE FOR FY20</th>
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<tbody>
<tr>
<td><strong>SUPPLY CHAIN MANAGEMENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HC-BP-430a.1</td>
<td>Percentage of (1) entity’s facilities and (2) Tier I suppliers’ facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent third-party audit programs for integrity of supply chain and ingredients</td>
<td>While Catalent does not participate in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program, as a CDMO and member of the Pharmaceutical Supply Chain Initiative (PSCI), we share audit reports for Catalent sites and some suppliers on PSCI’s online auditing platform.</td>
</tr>
</tbody>
</table>

| BUSINESS ETHICS | | |
| HC-BP-510a.1 | Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery | Zero. |
| HC-BP-510a.2 | Description of code of ethics governing interactions with health-care professionals | For a general discussion of our code of ethics, see page 44. In addition, Catalent complies with the requirements of the U.S. Physicians Payments Sunshine Act. |

| ACTIVITY METRICS | | |
| HC-BP-000.A | Number of patients treated | As a CDMO, Catalent does not treat patients. Across both development and delivery, our commitment to reliably supply our customers’ and their patients’ needs is the foundation for the value we provide; annually, we produce approximately 74 billion doses for nearly 7,000 customer products, or approximately 1 in every 20 doses of such products taken each year by patients and consumers around the world. |
| HC-BP-000.B | Number of drugs (1) in portfolio and (2) in research and development (Phases 1-3) | Catalent owns the marketing rights, in one or more jurisdictions around the world, to approximately 50 products, although, in all cases, we license such marketing rights to our customers and do not market any product ourselves. In addition, as of June 30, 2020, we were engaged in clinical stage research or development of more than 80 products for our own account. In fiscal 2020, including our customers’ products, we manufactured over 7,000 products including approximately 1,200 development projects. |