



2021 corporate responsibility report

Catalent[®]

A MESSAGE FROM JOHN CHIMINSKI



Our corporate responsibility strategy and commitments represent how we put our values into action to run our business and achieve our mission to help people live better, healthier lives. Our mission and values continued to provide critical orientation in fiscal 2021, which saw growing global health, economic and social disruptions from the pandemic, the fight for justice, and increasing urgency to act in response to climate change.

We did well—by keeping our people safe while delivering for our customers, patients, and shareholders. And we did better—by engaging with our Employee Resource Groups about timely social issues, giving back to our communities through more grants than ever before, achieving important milestones to reduce our carbon footprint and enhance sustainability, and being transparent with our Diversity & Inclusion progress.

In fiscal 2021, we invested significantly in new capabilities to manufacture COVID-19 vaccine doses at unprecedented speed, even as we continued to produce 70 billion doses of other medicines and consumer health products including numerous products across various emerging and promising treatment modalities. It was also a year of record-breaking hiring for Catalent. I am very proud of our 17,000-strong workforce, and especially of our more than 4,000 new colleagues. Thanks to their hard work, hundreds of millions of people received vaccines that Catalent had a substantial hand in developing and manufacturing.

From a social perspective, this was a milestone year:

- Our philanthropic giving set a record for us, exceeding \$1 million to support local relief efforts during the COVID-19 crisis, invest in science, technology, engineering, and math (STEM) education, and donate to organizations that serve patients, with a focus on underserved communities.
- Our strong Employee Resource Group network, comprising 45 chapters across eight global communities, continues to grow, thrive, and positively impact our inclusive culture.
- Our diverse representation in leadership increased, and we continue to work to close any gap.

Amidst a heightened global focus on long-term sustainability, I am particularly proud of our environmental accomplishments:

- We achieved our goal to reduce Scope 2 carbon emissions by 15% and set a new science-based target to reduce Scope 1 and Scope 2 emissions 42% by 2030 from a fiscal 2020 baseline.¹
- 35 sites are now powered by 100% renewable electricity and 49% of our total energy comes from renewable sources.
- Our first Task Force on Climate-Related Financial Disclosures (TCFD) Index is included as part of this report, enhancing our ESG reporting profile.

¹ Our new science-based target is pending verification with the Science Based Targets initiative.

Looking ahead, we remain committed to supplying COVID-19 vaccines and treatments, alongside investing in product diversification and innovation to give more patients access to life-enhancing treatments. And we will accelerate our efforts to tackle carbon emissions and embed human rights, diversity, and inclusion across our business activities.

I am determined for Catalent to continue to be at the leading edge of developing and supplying better medicines and consumer products, and for us to play an integral role in moving our industry toward more responsible and sustainable business.

A handwritten signature in black ink, appearing to read 'John Chiminski', with a stylized, cursive script.

[John Chiminski](#)

Chair & CEO
Catalent, Inc.

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ABOUT CATALENT & CATALENT VALUES

Responsible business practices are essential to fulfilling our mission of helping people live better, healthier lives. Our corporate values form the foundation of everything we do.

At Catalent, we share the common goal of putting patients first and helping people around the world live better and healthier lives.

As the industry's leading development and manufacturing provider, we enable pharmaceutical, biotech, and consumer health partners to optimize product development, launch, and fulfill life cycle supply for patients around the world. Our oral, biotherapeutics, cell and gene therapy, delivery technologies, and multi-modality manufacturing platforms address the full diversity of the pharmaceutical industry's evolving product landscape.

With more than 85 years of experience, we are driven by our vision to be the world's most trusted, reliable, and innovative drug development and delivery partner. We aim to uphold the highest industry standards and exceed customer expectations, while driving strong, sustained growth for our Company.

We produced more than 70 billion doses of medicines and consumer health products during fiscal 2021 through our network of more than 50 facilities. We grew to become a global workforce of 17,000 supporting nearly 7,000 products for more than 1,000 customers.

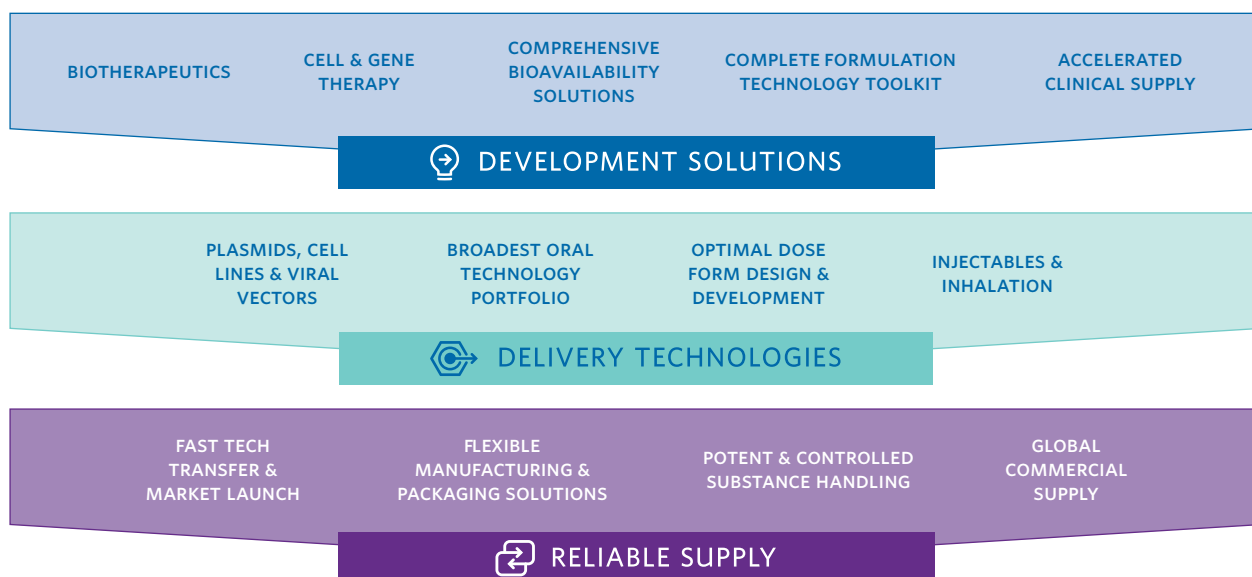
IN FISCAL 2021, WE CONDUCTED BUSINESS WITH:

87 of the top 100
branded drug companies

23 of the top 25
generics companies

24 of the top 25
biotechnology companies

17 of the top 25
consumer health companies



OUR VALUES

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.



In fiscal 2021, we began producing COVID-19 vaccine doses in facilities in the U.S. and Europe, and we expect to produce billions of doses over the next few years on behalf of our customers. We are proud to have not only maintained, but scaled our operations amid supply chain challenges to produce a range of critical treatments and therapies to patients, all while ensuring the health and well-being of our employees throughout the global pandemic.

We continued to expand our offerings in fast-growing areas such as plasmid DNA (pDNA) development and manufacturing, as well as therapies based on induced pluripotent stem cells (iPSCs).

OUR CORPORATE RESPONSIBILITY COMMITMENT

Corporate responsibility (CR) remains integral to our success as we continue to navigate ongoing challenges and opportunities resulting from the COVID-19 pandemic. We are committed to operating responsibly, with sustainability principles guiding our way forward.

Our CR strategy, embedded in our strategic plan, ensures that decisions regarding our operations and plans for the future are aligned with our values. It also requires that we meet our commitments while contributing to the long-term success of the broader biopharma industry and the communities in which we operate. We methodically and continuously assess the performance of our CR programs at each of our global manufacturing sites through a scorecard

system. By partnering with our leaders and holding them accountable, we continue to strengthen our environmental and social initiatives.

Our Corporate Responsibility Council, which is comprised of senior leadership members, continues to provide oversight and guide the implementation of our CR strategy and commitments. The CR Council meets at least quarterly, reports to our CEO, and provides regular updates to our Board of Directors.

In fiscal 2021, we began evolving our CR approach to align with priority topics identified by the [Biopharma Sustainability Roundtable](#), encompassing product quality and patient safety, innovation, environmental sustainability, human capital, and building a responsible and reliable supply chain. The structure of our 2021 CR Report reflects the evolution of our program.



A photograph of a pharmaceutical manufacturing process. In the center, a conveyor belt with multiple lanes is filled with small, pink, oblong capsules. Several pairs of hands wearing white nitrile gloves are visible, sorting and inspecting the capsules. One hand is on the left, another on the right, and a third is at the bottom right. In the top right corner, a white tray is shown, partially filled with the same pink capsules. The background is a dark, industrial setting. The entire image has a purple tint.

INNOVATION & QUALITY

Our commitment to patients drives our dedication to innovation and our focus on quality. Through innovation, investments, and partnerships, we continue to expand our portfolio and accelerate the manufacturing of drugs and treatments at scale, with quality, efficacy, and patient safety foremost in our minds.

ACCELERATING INNOVATION

Our strategic ambition is to power and accelerate innovation in the life sciences industry so more patients can benefit from transformative treatments.

The health care industry is rapidly evolving, with new and improved therapeutic modalities emerging at an unprecedented rate. Our focus is to help advance, scale, and launch these exciting new products, and ultimately supply them to patients faster. We accelerate innovation by anticipating where the industry is heading and developing, investing in, and partnering to scale new technologies. Our scientists and engineers are key drivers of our innovation success.

In fiscal 2021, we remained committed to supporting the fight against COVID-19, working with our customers to pioneer the use of viral vectors and mRNA to enable the development and manufacture of vaccines and treatments. We installed new manufacturing lines and hired and trained thousands of new employees around the world, enabling us to rapidly increase capacity and scale production to meet the urgent global demand.

IN FISCAL 2021,

we introduced 139 new products for our customers.

FISCAL 2021 INNOVATION HIGHLIGHTS

- Acquired [RheinCell Therapeutics](#), a developer and manufacturer of human induced pluripotent stem cells (iPSCs), forging a path toward industrialization of iPSC-based cell therapies
- Launched [OptiGel® DR](#), a new capsule shell technology with delayed release properties, offering a new option to innovators targeting specific sites for drug delivery
- Launched [FlexDirect™](#) as a direct-to-patient supply solution to facilitate clinical studies
- Built on the positive interim Phase 1 clinical trial results received for our SMARTag® bioconjugation platform technology, by partnering with [Exelixis](#), a leading oncology biotechnology company, on the use of our SMARTag® technology
- Continued our partnership with [Editas Medicine](#), developing and manufacturing CRISPR-based therapeutics
- Acquired [Delphi Genetics](#), a plasmid DNA (pDNA) cell and gene therapy CDMO, to expand our global pDNA development and manufacturing capabilities.

INVESTING IN NEW MODALITIES

We are advancing our manufacturing technologies, capabilities, and capacity to bring the next generation of transformative therapies to patients.

PLASMID DNA

We have made significant investments in cell and gene therapies to accelerate development of treatments for some of the rarest and hardest-to-treat diseases. In fiscal 2021, we acquired plasmid DNA (pDNA) cell and gene therapy CDMO [Delphi Genetics](#). The addition of pDNA technology and production capabilities is an exciting milestone for Catalent, allowing us to accelerate development timelines for our customers and the patients they serve. This technology is a critical raw material for advanced therapeutics, including mRNA and viral vector-based therapies and vaccines in development as treatments for diseases, including cancers and rare genetic illnesses.

HUMAN INDUCED PLURIPOTENT STEM CELLS

We also acquired [RheinCell Therapeutics](#), a developer and manufacturer of iPSCs. We believe iPSCs will power the next generation of cell therapies by providing a renewable source of different cell types. These can be used to make promising cell-based therapies more widely accessible to patients across many disease areas, such as neurodegenerative diseases like Parkinson's.

ETHICAL USE OF STEM CELLS

We believe that working with stem cells from ethical sources can uncover important scientific knowledge about human growth and cell development. This could allow scientists to develop therapies that prevent or treat diseases, thus improving and saving lives.

Catalent is fully committed to the ethical procurement and use of stem cells. We comply with all applicable regulations and best practices regarding stem cell sourcing and use.

OUR PEOPLE ARE THE ENGINE OF OUR INNOVATION

Our scientists are enablers of the rapidly advancing innovation in our industry. We strive to achieve a high level of scientific excellence by connecting, developing, and retaining our scientists. Through our Scientific Resource Center, we have created an active and vibrant community where our scientists can share, learn, and collaborate. We encourage our scientists to make the most of the cross-site support and expertise they can access and provide through the Center. This ecosystem approach ensures we have the multidisciplinary depth and diversity to resolve the most complex challenges in our industry.

In fiscal 2021, we employed 2,176 scientists and engineers at more than 30 R&D internal resource centers. We offered 31 leading-edge education programs to ensure our scientists remain experts in our field and stay informed on the latest scientific advancements. Since the launch of our Scientific Resource Center in 2018, more than 1,800 topics have been analyzed by our scientists, 10,000 posts have been exchanged on the online forum, and over 20,000 research articles are accessed every year by scientists across our network.

Catalent employees regularly participate in industry forums to share their expertise. The [Catalent Applied Drug Delivery Institute](#), predominantly funded by Catalent, provides a forum to connect industry experts so they can harness their collective knowledge and ultimately improve outcomes for patients.

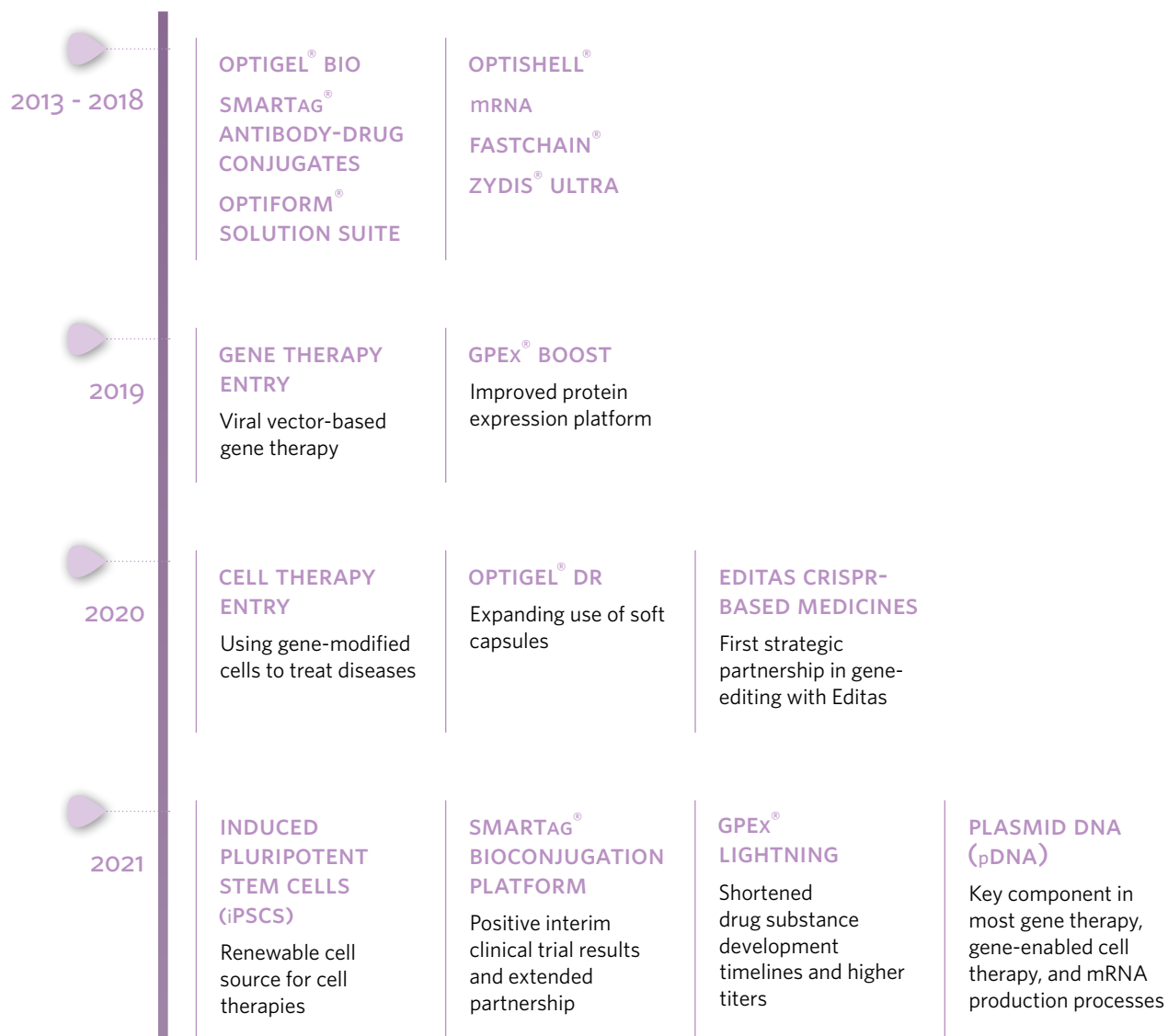
SHAPING THE FUTURE WITH CUSTOMERS

We are evolving new partnership models to position Catalent at the center of rapid and transformative innovation in our industry, even closer to customers and innovators and in alignment with their R&D visions. By deepening our participation at the onset, we aim to help bring these exciting new therapies through clinical trials to commercialization so they can benefit patients at scale.

In fiscal 2021, we expanded existing partnerships to develop and manufacture COVID-19 vaccines, including with [Johnson & Johnson](#), [Moderna](#), and [AstraZeneca](#). In addition, we formed several strategic partnerships with gene therapy companies, including [Taysha Gene Therapies](#) and [AavantiBio](#), as well as other innovators like [Exelixis](#), which is looking to develop the next generation of antibody-drug conjugates (ADCs), and adoptive T-cell specialist [T-knife Therapeutics](#).

OUR INNOVATION TIMELINE

For many decades, Catalent has been the leading global provider of advanced dosage delivery technologies and drug development and manufacturing solutions.



PRODUCT QUALITY, SAFETY, & SUPPLY

Our uncompromising approach to quality and compliance ensures the products and services we supply meet the highest standards for safety and efficacy, and helps maintain our reputation as a reliable business partner.

Our *patient first* commitment reminds us that behind every one of the more than 70 billion doses we produce is a patient depending on the safety and quality of the products. This relentless focus on patient safety and outcomes is closely aligned with our customers' values and lays the groundwork for our best-in-class offerings across drug development and manufacturing.

ENSURING OPERATIONAL EXCELLENCE

Our [Quality Policy](#) is the foundation of our culture of discipline, integrity, and continuous improvement. We require all employees to annually certify their understanding of the policy and their role in ensuring patient safety. Our Quality Management System aligns with local standards for current good laboratory practices (CGLP) and current good manufacturing practices (CGMP), as well as the guidelines of the International Council for Harmonization of Technical Requirements for Pharmaceuticals for Human Use. We regularly review and, as necessary, update our policies and standards to ensure they meet current regulatory requirements, as well as industry guidelines and expectations.

We require our sites to align their practices with our corporate policies and standards to ensure consistency and continued compliance. Each site has a dedicated quality lead that reports to a vice president or regional head of quality for the site's business unit. The site quality lead works in close partnership with the site's general manager. They produce an annual site quality plan documenting initiatives to improve quality performance.

We track performance at our sites by monitoring quality indicators, including:

- Batches released right the first time²
- On-time delivery
- Deviation (management)
- Training compliance
- Reject rate
- Regulatory and customer inspection performance.

DATA INTEGRITY

Being rigorous about the accuracy of our data helps ensure that the decisions we and our customers make are based on the best possible information. This approach helps keep patients safe and aligns with our Company value of integrity. Recording and maintaining reliable data throughout the product life cycle is a critical component of product quality.

Our Data Integrity Policy ensures our teams understand the importance of data integrity and their roles in upholding it. In fiscal 2021, we updated the policy to provide additional guidance to sites on data integrity assessments. To reinforce our requirements, we provide routine data integrity training to all employees.

Read more about [data security and privacy](#).

QUALITY PERFORMANCE

Throughout the COVID-19 pandemic, we continued to deliver the highest quality products for customers and patients. We implemented additional workplace safety protocols, including remote working, auditing, and social distancing measures, so our teams could continue their vital work while ensuring quality and maintaining our *patient first* commitment.

² The percentage of released batch records that require no deviation, rework, reprocessing, rejection, or other change prior to submission to the customer.

We aim to maintain and improve our performance with respect to regulatory inspections. In fiscal 2021, we enhanced our inspection readiness scorecard, a tool used by sites to assess overall compliance and preparedness for regulatory inspections. All existing categories were reviewed and additional criteria were added to increase the utility of the tool.

In fiscal 2021, Catalent hosted 52 regulatory inspections from 23 different regulatory authorities, including the U.S. FDA. Most inspections were hosted remotely due to COVID-19 restrictions. No FDA enforcement action was taken against any of our sites.

CLINICAL TRIAL SERVICES

Clinical trials are critical steps in creating safe and effective treatments. We have rigorous operational, quality, and security procedures to help our customers fulfill this essential responsibility. In fiscal 2021, we supported 4,200 different clinical trial protocols conducted by our customers across a multitude of therapeutic areas.

Although Catalent itself does not conduct clinical trials of drugs under development, the clinical trial products and services we provide are vital to the success of our customers' trials. Our clinical trial services include packaging, storage, distribution, and delivery to help customers successfully conduct clinical trials around the world.

ENSURING SUPPLIER QUALITY

A reliable supply chain is critical to ensuring we provide a consistent supply of products for patients. The strength and resilience of our supply chain has been vital to our ability to continue operating during the COVID-19 pandemic.

We monitor suppliers' regulatory compliance and management practices through our supplier audit program. The Catalent Global Supplier Assurance team, responsible for managing supply chain quality, conducts supplier quality risk audits. Qualified Catalent personnel conduct most audits, with third-party auditors used when necessary. In fiscal 2022, we plan to further enhance and broaden our quality risk audits to ensure we are measuring suppliers based on business significance and risk to on-time delivery of products to customers.

If an audit reveals a potential quality risk, we promptly notify the supplier and require it to rectify the issue. We then monitor the supplier to ensure the problem is resolved and does not reoccur. We post audit results to our internal supplier quality management tracking system so the results are visible to our global network of sites.

In fiscal 2021, we conducted 274 supplier quality audits. Potential quality issues identified were remediated in line with our corrective action requirements. We developed and implemented a robust remote audit process during fiscal 2021, as most audits were conducted remotely to keep employees and suppliers safe during the pandemic.

In fiscal 2021, we expanded our responsible supply chain management program. Read more about how we are building a [responsible and reliable supply chain](#).

CATALENT FLEXDIRECT™ DIRECT-TO-PATIENT (DTP) SERVICES

During fiscal 2021, we continued to expand the use of our FlexDirect™ Direct-to-Patient services, which send clinical trial supplies directly to patients' homes, reducing or eliminating the need for patients to visit what may be a faraway or difficult-to-access clinical trial site. Even while enhancing patient convenience, we maintain strict regulatory and privacy controls to assure patient safety and security.

SUPPLY CHAIN RESPONSIBILITY

Our customers and the patients we serve depend on us to deliver. By continuously engaging our supply chain partners, we stabilize and minimize risks to our production while also extending our sustainability commitment to co-create a responsible supply chain.



RESPONSIBLE & RELIABLE SUPPLY CHAIN

Our supply chain management program ensures the business continuity that our customers expect and on which our patients depend, and integrates our social and environmental values across our global supplier network.

CONTINUALLY REFINING OUR APPROACH

As our business grows, we are strengthening our supply chain management approach to ensure a reliable, responsible, ethical, and compliant supply chain.

By investing in our supply chain management program, we ensure our network of more than 11,000 suppliers are well prepared to meet the demand for goods and services. This ensures a reliable and continuous supply of the critical materials and services we require to manufacture products for our customers. We partner with suppliers that share our values and commitment to integrity, quality, reliability, and compliance.

We actively engage with our supply chain network and partners to identify potential supply chain risks. We invest in technology that helps us detect potential risks for new and existing suppliers through ongoing monitoring. As a member of the [Pharmaceutical Supply Chain Initiative \(PSCI\)](#), a group of companies from the healthcare and pharmaceutical sector dedicated to improving the industry's social and environmental impacts, we engage with industry peers on social and environmental best practices.

ONGOING IMPROVEMENT OF OUR SUPPLY CHAIN MANAGEMENT

The Enterprise Functions team oversees supply chain strategy, connecting internal functional stakeholders to continuously improve and execute key supply chain initiatives.

Our [Supplier Code of Conduct](#) outlines our expectations for suppliers. We work with suppliers that embrace and comply with the principles of the Supplier Code of Conduct, and work accordingly with all third parties that engage in the delivery of goods and services to Catalent.

In fiscal 2021, we launched a third-party vetting and due diligence program, utilizing an external platform to monitor new and key existing suppliers. The platform screens suppliers for risks related to human rights, workplace health and safety, corruption, and regulatory and environmental violations. If a supplier is flagged as a risk, we internally assess the type and level of risk and implement countermeasures where necessary. In fiscal 2022, we will execute a customized assessment questionnaire for high-risk suppliers that will enhance the initial vetting and due diligence that determines our potential future relationship with the supplier.

We evaluate supplier performance using our internal supplier qualification process, regular supplier audits, and our external supplier vetting and due diligence platform. Suppliers are monitored through two programs:

- **SUPPLIER RELATIONSHIP MANAGEMENT PROGRAM**

Our new Supplier Relationship Management (SRM) program for key strategic materials is a formal process using what is known as the VIPER Model: delivering Value, driving Innovation, Performance improvement, Effectiveness, and Risk reduction.

- **SUPPLIER QUALITY MANAGEMENT PROGRAM**

The Catalent Global Supplier Assurance team monitors supplier quality, including conducting quality audits on all suppliers that must meet CGMP standards. Read more about how we audit suppliers to ensure quality in the [Product Quality, Safety, and Supply](#) section.

As a member of the [PSCI](#), we commit to a set of [shared principles](#) for our own operations and those of our supply partners.

In fiscal 2021, as part of our PSCI commitment we piloted a self-assessment for direct materials suppliers to evaluate five key aspects of supplier performance: ethics, human rights and labor, health and safety, environment, and management systems. We identified a small initial group to participate in the pilot based on criteria that included location, importance to Catalent's business, and risk. The selected suppliers were located on four continents, sourcing six different pharmaceutical ingredients.

OUR COMMITMENT TO HUMAN RIGHTS

Our [Human Rights Statement](#) captures our commitment to respect human rights in our own operations and throughout our supply chain. These obligations include treating employees with dignity and respect, paying fair wages, respecting workers' rights to organize, demonstrating responsible environmental stewardship, and prohibiting child and forced labor.

In fiscal 2021, we worked with a third party to initiate a human rights impact assessment for our own operations and that of our supply chain, covering areas such as product safety, occupational health and safety, and working conditions. In fiscal 2022, we will establish an internal working group, directed by our Corporate Responsibility Council, to develop an action plan that strengthens our policies, processes, and oversight mechanisms to identify and address adverse human rights risks and impacts in our value chain. In fiscal 2022, we will join the Responsible Minerals Initiative (RMI) to help identify and support our due diligence and regulatory compliance against conflict mineral sourcing in our supply chain.

SECURING OUR SUPPLY CHAIN

We evaluate suppliers' security programs to proactively identify physical and digital risks that could negatively impact our business. All suppliers are regularly vetted against regulatory, industry, Catalent, and customer security standards and requirements, and we only work with suppliers that meet these criteria.

To protect personal data, we restrict supplier access to our data systems so only those who require the data can access it. In accordance with our Supplier Code of Conduct, when suppliers collect personal information on our behalf for legitimate business purposes, we require them to:

- Only use data for the purpose for which it was collected
- Only share data with those authorized to access it
- Protect the data in accordance with appropriate security protocols, including the specific requirements of the local country or region, such as the General Data Protection Regulation (GDPR) in the EU
- Only retain the data for as long as is necessary.

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 Program in the U.K. and EU
- U.S. Customs Trade Partnership Against Terrorism
- Singapore Known Consignor Regime.

In response to the heightened security risk we face as a COVID-19 vaccine manufacturer, we have implemented additional supply chain security initiatives. In fiscal 2021, we engaged with U.S. state and federal officials, most notably the Operation Warp Speed Task Force, to help better secure our supply chain. Catalent facilities operating in the U.S. worked closely with the U.S. Department of Defense and various federal law enforcement agencies to provide supply chain protection, visibility, tracking, improved perimeter controls, and response capabilities to goods leaving Catalent facilities. Our facilities outside the U.S. partnered with local law enforcement to ensure the physical protection of goods in their location.

We continually work to enhance the digital security protocols our suppliers follow. We take a hybrid approach to monitoring and responding to malicious activities and security threats, using data-mining tools and partnering with third-party resources and law enforcement networks.

A low-angle photograph of a dense bamboo forest. The bamboo stalks are tall, slender, and dark green, rising vertically from the bottom of the frame towards the top. The canopy is thick with green leaves, and sunlight filters through the center, creating a bright starburst effect. The entire image is framed by a thin white border.

ENVIRONMENTAL SUSTAINABILITY

A sustainable, healthy planet is a priority for us because it is a priority for our employees, communities, customers, and patients. We are committed to achieving science-based targets that will reduce our emissions, while better managing waste and stewarding water resources, making the efficiency of our operations best in class.

ENVIRONMENTAL SUSTAINABILITY

Our environmental sustainability program is helping us become more efficient: decreasing our carbon footprint, reducing water usage, minimizing waste, and ensuring we meet or exceed environmental regulations.

HOW WE MINIMIZE OUR ENVIRONMENTAL FOOTPRINT

Our environmental sustainability program focuses on mitigating our impacts related to climate, water, and waste. Our Corporate Responsibility Council provides executive oversight for the environmental program and endorses our long-term sustainability strategy. Our Global Environment, Health, Safety, and Sustainability (EHS&S) function drives the sustainability strategy and implementation across our matrix and to the sites. EHS&S collaborates with several other functions, including engineering, procurement, and continuous improvement.

Across our global network, we streamline operating standards, procedures, and training through an ISO 14001-accredited environmental management system. In fiscal 2021, we increased the scope of our accreditation to 46 sites, up from 33 in fiscal 2020.



We empower our employees to take an active role in achieving the Company's environmental goals. Site-based employee groups, known as Green Teams, organize local sustainability initiatives, raise awareness, and exchange best practices across the network.

We extend our approach beyond our direct operations, working with suppliers and customers to support their sustainability goals and advance our objectives. Read more about how we work with our suppliers in [Responsible and Reliable Supply Chain](#).

ENVIRONMENTAL PERFORMANCE GOALS^[3]

- 42% reduction in Scope 1 and Scope 2 carbon emissions by fiscal 2030^[4,5]
- Water intensity reduction to 500 cubic meters per million dollars of revenue (m³/M\$) by fiscal 2024
- No residual active pharmaceutical ingredients (API) above Predicted No-Effect Concentration (PNEC)^[6] in wastewater by fiscal 2024
- Zero waste sent to landfill by fiscal 2024

³ Environmental performance goals are for 33 Catalent manufacturing sites.

⁴ We signed a commitment letter with the Science Based Targets initiative (SBTi) in fiscal 2021 and within two years will submit this target for review by SBTi.

⁵ From fiscal 2020 baseline.

⁶ Defined by the European Chemicals Agency REACH Regulation as the concentration of a substance below which adverse effects in the environmental sphere of concern are not expected to occur.

REDUCING OUR CARBON FOOTPRINT

Our Scope 2 carbon reduction strategy involves sourcing renewable electricity, investing in energy efficiency projects, and replacing on-site equipment with more energy-efficient models.

In fiscal 2021, we achieved our initial carbon reduction goal to reduce our Scope 1 and Scope 2 carbon emissions 15% by fiscal 2023, compared to our fiscal 2018 baseline. Reaching our first carbon goal ahead of schedule allowed us to take the next step: we signed a letter of commitment with the [Science Based Target initiative \(SBTi\)](#) and, following SBTi protocol, set a new science-based target to reduce our Scope 1 and Scope 2 emissions by 42% by 2030 (from a fiscal 2020 baseline). We are implementing systems to measure and assess our Scope 3 emissions and will establish a science-based Scope 3 target by fiscal 2024. We will submit these targets to the SBTi for review, with verification expected in fiscal 2023.

In fiscal 2021, our combined Scope 1 and 2 emissions were 220,000 metric tons (MT) of carbon dioxide equivalent, a 0.45% decrease from the prior year. Compared to our fiscal 2018 baseline, our total emissions have decreased 20.1%, surpassing our goal to achieve a 15% reduction by 2023. This success was primarily the result of our transition to [renewable electricity sources](#), as well as continuous improvements through onsite engineering, equipment, and facilities management.

SCIENCE-BASED TARGETS

We are setting a new carbon-reduction goal, to be submitted to, and validated by, the Science Based Targets initiative, that aligns us with the goals of the Paris Agreement to keep global warming below 1.5°C. We recently set a new science-based target to reduce our Scope 1 and Scope 2 emissions by 42% by 2030.^[7]

⁷ Compared to 2020 baseline.

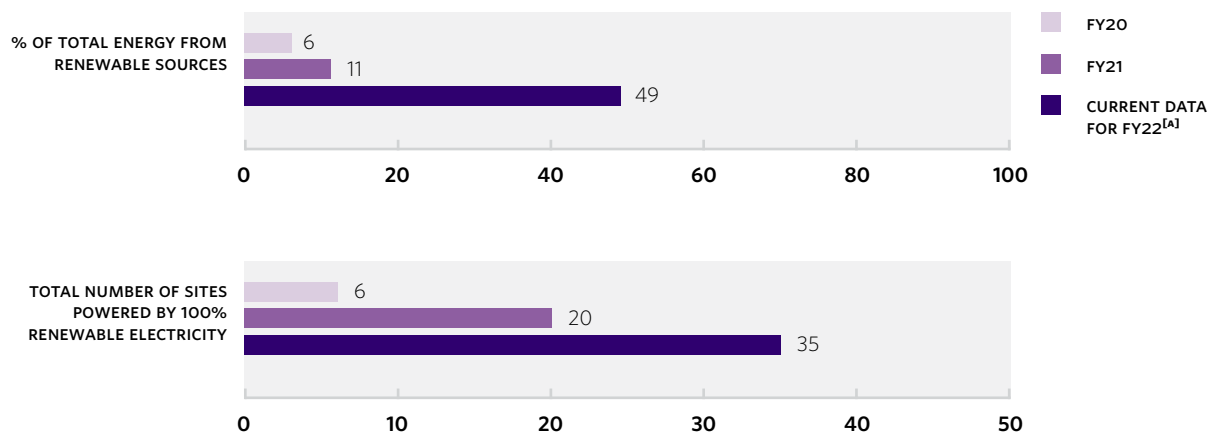
RENEWABLE ENERGY

We derived 11% of our total energy use from renewable sources during fiscal 2021.

In fiscal 2021, 20 sites were powered by 100% renewable electricity, including 14 sites that transitioned during fiscal 2021. In early fiscal 2022, we transitioned an additional 15 sites, increasing the total number of sites powered by 100% renewable electricity to 35.

We continue to evaluate other renewable energy solutions, including virtual power purchase agreements.

TRANSITIONING TO RENEWABLE ENERGY



^A Accurate at time of publication.

CARBON EMISSIONS & INTENSITY^[A,B,C,D,E]



^A Data does not include office-based or recently acquired sites (we report on newly acquired sites following one full fiscal year of ownership). Estimates were used where actual data was not available.

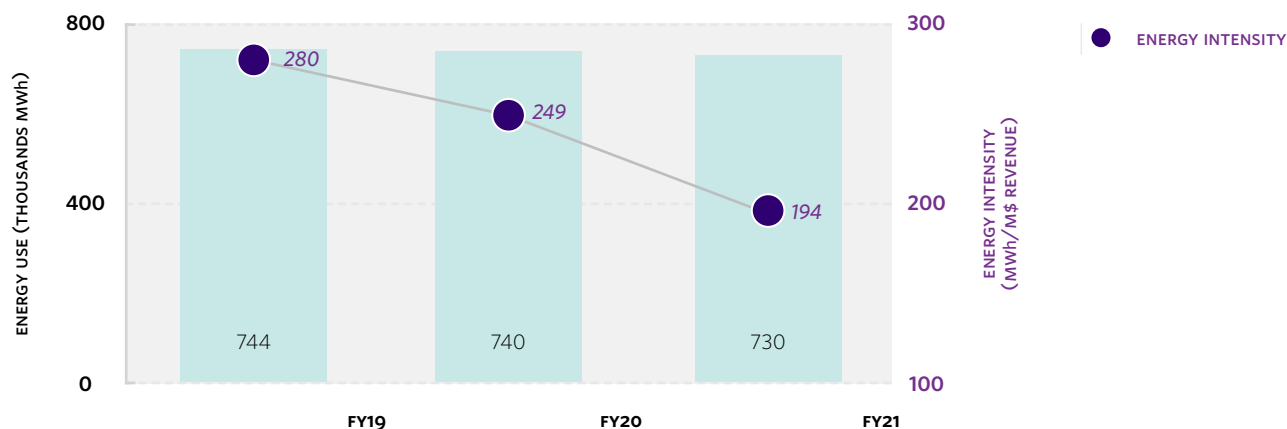
^B The calculation used to quantify our carbon emissions linked to energy use aligns with the Greenhouse Gas Protocol. Our carbon emissions conversions from available energy usage data are based on the International Energy Agency and Environmental Protection Agency conversion factors.

^C We are improving our data collection and review processes and replacing estimated data with actual data where possible. As a result, our historical footprint data has been updated since our 2021 CDP submission and fiscal 2020 CR report.

^D Scope 1 direct emissions include combustion of natural gas for heating. Scope 2 indirect emissions include electricity purchased for operations. We will validate and report Scope 1 and Scope 2 calculations with SBTi standards in fiscal 2023.

^E Data are from 29 facilities for fiscal 2019, 34 facilities for fiscal 2020, and 33 facilities for fiscal 2021.

ENERGY USE & INTENSITY^[A,B,C,D]



^A Data does not include office-based or recently acquired sites (we report on newly acquired sites following one full fiscal year of ownership). Estimates were used where actual data was not available.

^B Energy use figures include electricity and natural gas use.

^C Energy intensity figures were calculated using revenue aligned with the same 33 manufacturing sites and includes intercompany revenue.

^D Data are from 29 facilities for fiscal 2019, 34 facilities for fiscal 2020, and 33 facilities for fiscal 2021.

ENERGY EFFICIENCY

Our energy management program is aligned with the ISO 5001:2018 energy management standard. We aim to achieve accreditation to this standard across our sites by fiscal 2024.

In fiscal 2021, we used 730,000 megawatt-hours (MWh) of energy, a 1.4% decrease from fiscal 2020. Our energy intensity was 194 MWh per million dollars of revenue, a 22% decrease compared to fiscal 2020. The trend reflects a combination of increased revenue and improved energy efficiency in our operations.

In fiscal 2021, we completed 114 site-based energy efficiency projects. Through third-party verification, we confirmed these initiatives resulted in energy savings of 27,500 MWh per year. Significant energy efficiency projects included upgrading our chiller and HVAC systems to more efficient models and optimizing HVAC settings.

Softgel & Oral Technologies, Biologics, and Oral & Specialty Delivery business segments, where manufacturing processes are most water-intensive.

In fiscal 2021, our total water use was 1.9 million m³, unchanged from fiscal 2020. In fiscal 2021, our water intensity was 515 m³ per million dollars of revenue, a 21% decrease compared to fiscal 2020. The reduction in intensity was primarily due to an increase in revenue. Our investments in water-efficiency projects, including optimizing processes for washing equipment, also contributed to the decrease.

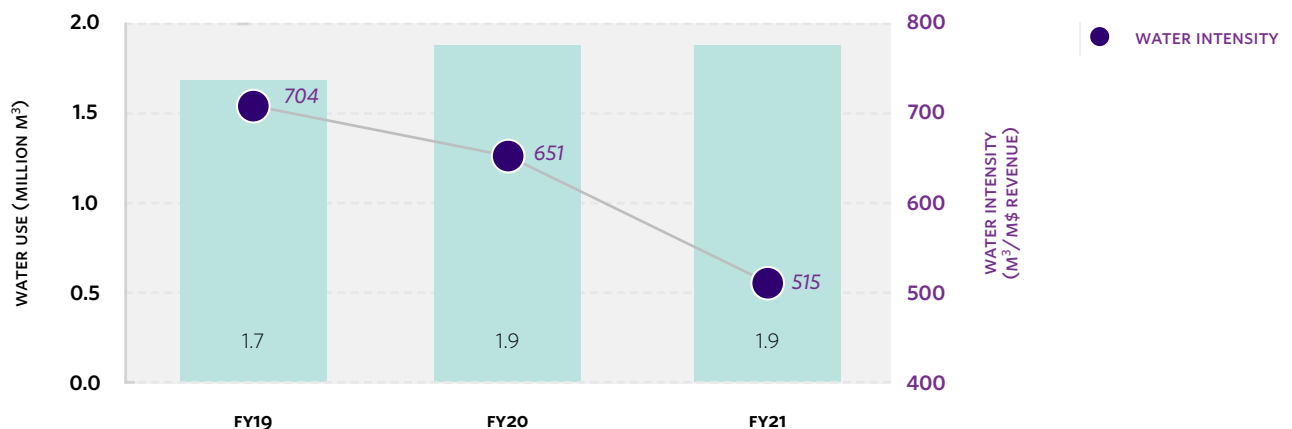
To better understand our water risk profile, in fiscal 2021 we mapped water use from different sources: approximately 95% of our total water came from municipal water sources, approximately 5% came from wells, and approximately 0.1% came from purchased water delivered in tankers.

Globally, water scarcity is intensifying. We are increasingly coordinating with other stakeholders to better understand and address this issue. In fiscal 2021, we took part in a localized water management engagement coordinated by Sustainalytics for investors and businesses operating in the water-scarce Tietê River basin in Brazil, near two of our Softgel sites. The initiative is helping us identify additional ways to conserve water.

WATER STEWARDSHIP

We focus on minimizing water use and eliminating the risk of adverse environmental effects from wastewater discharge. Our goal is to reduce our water intensity to 500 m³ per million dollars of revenue by fiscal 2024. Our approach includes process optimization and conservation initiatives at our sites. We prioritize initiatives in our

WATER USE & INTENSITY^[A,B,C]

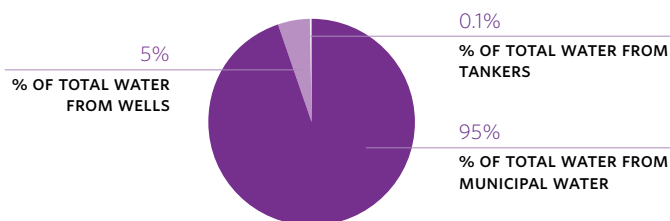


^A We are improving our data collection and review processes and replacing estimated data with actual data where possible.

^B Data does not include office-based or recently acquired sites (we report on newly acquired sites following one full fiscal year of ownership). Estimates were used where actual data was not available.

^C Data are from 29 facilities for fiscal 2019, 34 facilities for fiscal 2020, and 33 facilities for fiscal 2021.

WATER SOURCES^[A]



^A The data reported come from 33 Catalent manufacturing facilities. Not reporting are office-based sites and recently acquired sites (we do not report on newly acquired sites in their first year). Estimates were used where actual data were not available.

In fiscal 2022, we plan to further assess and activate water-saving opportunities at our 12 most water-intensive sites, representing 80% of our total water usage. The project will focus on reducing water used for cleaning manufacturing equipment, which is our most water-intensive process. We will also establish a framework to implement the ISO 46001 standard for water management beginning in July 2022, which will supplement our existing ISO 14001 accreditation.

MINIMIZING ACTIVE PHARMACEUTICAL INGREDIENTS IN WASTEWATER

We recognize that some of our activities—such as cleaning manufacturing equipment—may result in the introduction of active pharmaceutical ingredients (APIs) into our wastewater. We are committed to the responsible mitigation of the impacts of residual APIs in our wastewater. We take a risk-based approach and have therefore focused to date on sites in our Softgel & Oral Technologies and Oral & Specialty Delivery business segments. The risk is greater at these sites due to the APIs used and the type of manufacturing processes employed. Sites measure, test, and control discharged wastewater to comply with the requirements of our water permits. Read more about [Environmental Compliance](#).

We are going beyond compliance by reducing API in wastewater to the Predicted No-Effect Concentration (PNEC) level. The PNEC level is defined by the European Chemicals Agency's REACH regulation as the concentration of a substance below which adverse environmental effects are not expected to occur. Our goal is that, by fiscal 2024, all sites will discharge wastewater with API concentrations below PNEC levels.

Assessment of wastewater discharge at sites in our Softgel & Oral Technologies and Oral & Specialty Delivery business segments found a number of sites had levels of API that met regulatory requirements but were above the PNEC level. To address this, we are installing UV-oxidation pre-treatment technology at these sites, starting with those identified as a priority:

- **SWINDON, U.K.** Invested \$2 million in a UV-oxidation treatment plant, due to be operational in fiscal 2022
- **MALVERN, PENNSYLVANIA** UV-oxidation treatment plant planned for installation in fiscal 2023.

Additional API-in-wastewater reduction projects currently under evaluation include:

- **ST. PETERSBURG, FLORIDA** Assessment of the processes and APIs that pose the greatest risks to determine the scale of treatment needed
- **EBERBACH, GERMANY** Evaluation of the expansion of existing UV-oxidation pre-treatment technology.

We incorporated 3 additional sites into our API assessment program in fiscal 2021, with at least 7 more sites due to be assessed during fiscal 2022. The results of these assessments will determine what action, if any, is required.

By the end of fiscal 2021, 70% of our sites completed ecotoxicity assessments, including a risk assessment of APIs in wastewater. The results showed that no additional or corrective measure was needed.

IMPROVING WASTE MANAGEMENT

We focus on reducing waste generation and maintaining compliance with all regulatory requirements for the disposal of hazardous and non-hazardous waste.

Our goal is to send zero waste to landfill from our sites by fiscal 2024. We are focusing on moving away from landfill and incineration, where possible, by expanding our waste reduction, reuse, and recycling initiatives. Our approach to waste reduction involves limiting the volume of non-essential material brought onto sites and optimizing our production processes to avoid generating unnecessary waste. Our hazardous waste represents approximately 25% of our total waste, all of which is disposed through incineration. As this is a regulatory requirement for the pharmaceutical industry, a portion of our waste will always be subject to incineration.

In fiscal 2021, our total waste generation was 19,900 MT, a 4.7% increase compared to fiscal 2020 due to recent acquisitions, site expansions, and demand increases associated with COVID-19 vaccine production. Our hazardous waste generation was 4,000 MT, a 5.3% increase compared to the prior year. Our non-hazardous waste generation was 15,900 MT, a 4.6% increase

compared to the prior year. Despite the increase in the absolute amount of waste, our hazardous and non-hazardous waste intensities both decreased, by 15% and 18% respectively, compared to fiscal 2020. This reflects our continuous efforts to better manage waste.

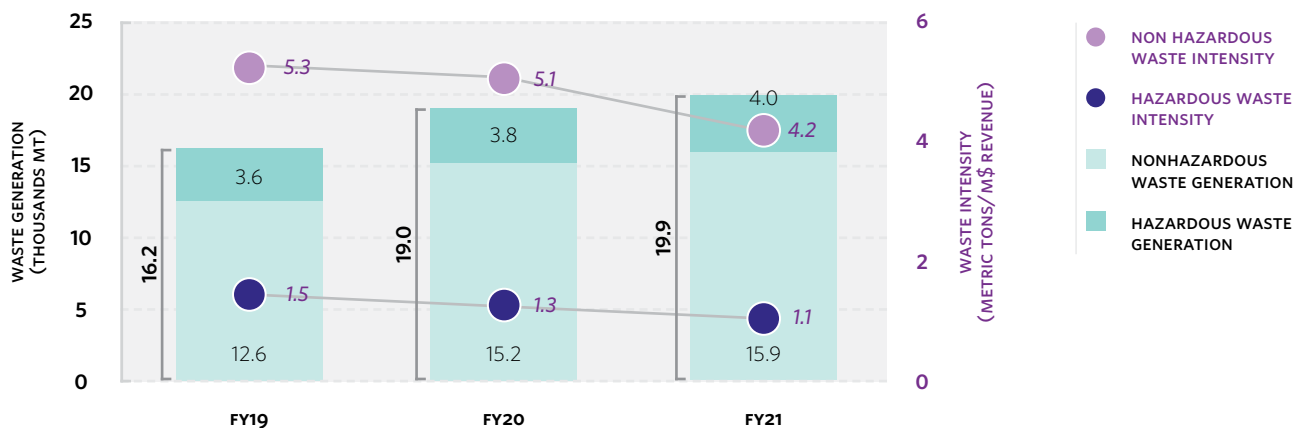
WASTE DIVERSION INITIATIVES

In fiscal 2021, our recycling rate decreased to 33%, compared to 45% the previous year. The proportion of waste Catalent incinerated increased from 30% to 41%. Half of the incinerated waste was hazardous. These trends are due to site expansions and acquisitions, and increased use of personal protective equipment during the pandemic that must be incinerated.

We continued two significant waste-diversion programs in fiscal 2021. Annually, we produce nearly 5,000 MT of uncontaminated gelatin by-product at our Softgel sites. In fiscal 2021, we diverted 1,000 MT of gelatin for the manufacture of new products, such as adhesive, equivalent to approximately 20% of the total gelatin by-product we generated during the year.

As of fiscal 2021, 18 of 33 sites in our network no longer send waste to landfill. In fiscal 2022, we will focus on supporting more sites to move away from landfill and

WASTE GENERATION & INTENSITY^[A,B,C]

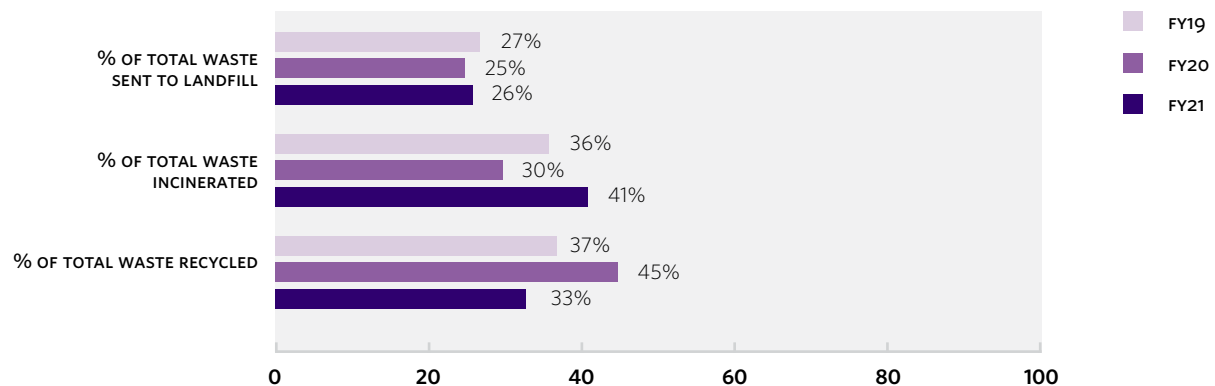


^A Fiscal 2019 and fiscal 2020 data are restated from Catalent's fiscal 2020 CR report. We are improving our data collection and review processes and replacing estimated data with actual data where possible.

^B Data does not include office-based or recently acquired sites (we report on newly acquired sites following one full fiscal year of ownership). Estimates were used where actual data was not available.

^C Data are from 29 facilities for fiscal 2019, 34 facilities for fiscal 2020, and 33 facilities for fiscal 2021.

WASTE DIVERSION^[A,B,C]



^A Fiscal 2019 and fiscal 2020 data are restated from Catalent's fiscal 2020 CR report. We are improving our data collection and review processes and replacing estimated data with actual data where possible.

^B Data does not include office-based or recently acquired sites (we report on newly acquired sites following one full fiscal year of ownership). Estimates were used where actual data was not available.

^C Data are from 29 facilities for fiscal 2019, 34 facilities for fiscal 2020, and 33 facilities for fiscal 2021.

incineration and toward recycling and reuse. We plan to assess our 12 most waste-intensive sites, which contribute 80% of our total waste, through a global cross-functional waste management project in fiscal 2022. The project will focus on identifying opportunities for recycling, repurposing, and reuse.

COMPLIANCE

We strive to meet or exceed regulatory requirements for environmental compliance. Sites are responsible for identifying legal requirements and implementing EHS&S programs to ensure compliance and environmental performance.

We take a comprehensive, multi-layered approach to compliance.

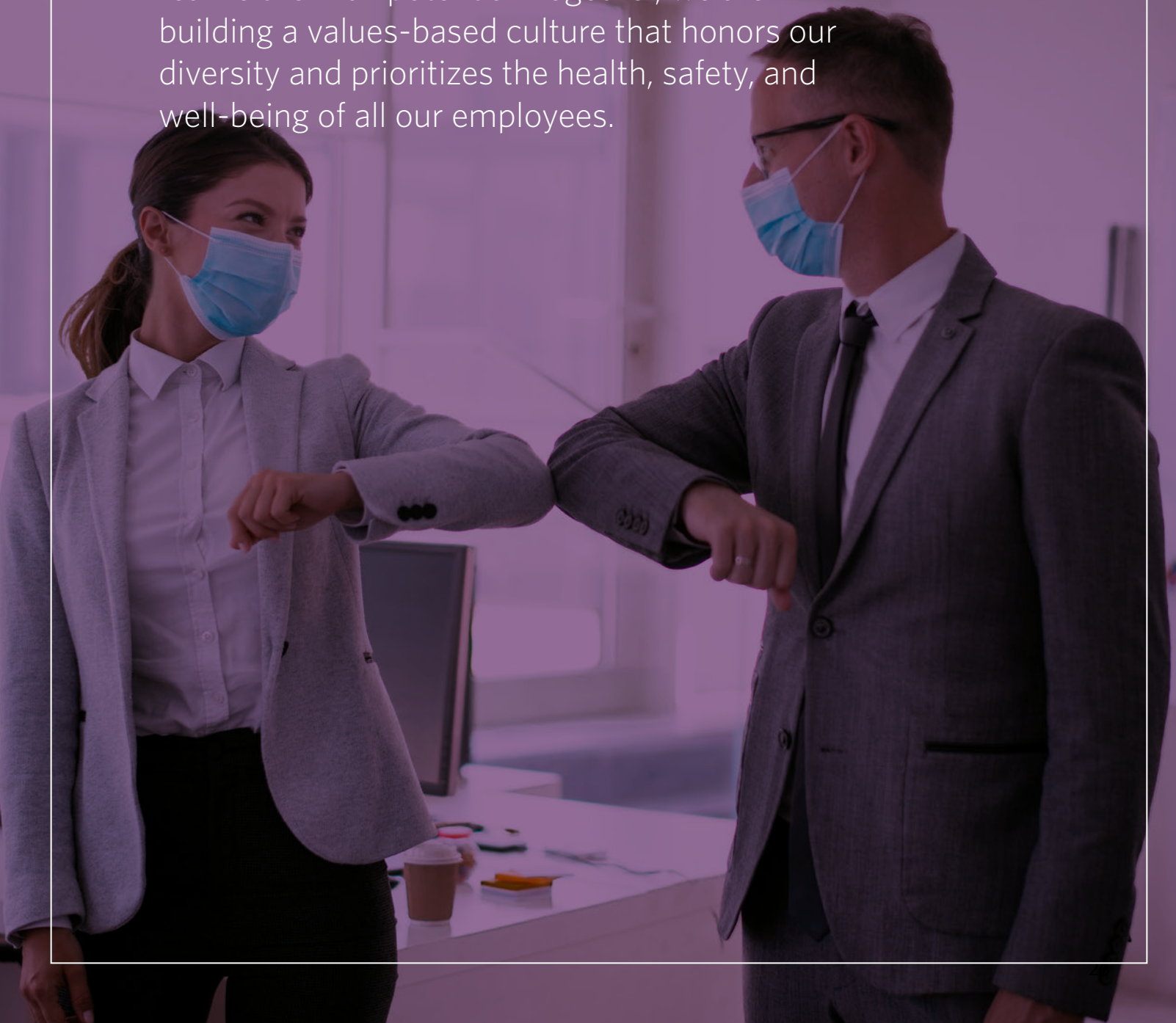
Sites are evaluated biannually by approved third-party auditors to ensure regulatory compliance, supplemented at the site level with internal audits by Catalent audit teams. Sites with ISO-accredited management systems are audited using a risk-based sample approach by a third party to assess compliance with the accreditation requirements. If an audit uncovers an issue, we require

the site to take corrective and preventative actions within 60 days of identification. In fiscal 2021, all audits were conducted virtually, in line with local COVID-19 protocols.

In fiscal 2021, we received three notices of violation from state regulatory authorities: two notices for wastewater permit exceedance and one notice for a hazardous waste labeling issue. We performed a detailed root-cause investigation of these incidents and implemented appropriate technical and administrative actions to prevent recurrence. Our actions promptly resolved the issue with the regulatory authority without financial penalty. The lessons learned were shared with the entire Catalent network.

CULTURE & TALENT

Our ability to deliver for patients depends on attracting, inspiring, engaging, and developing the best talent and supporting our people to realize their full potential. Together, we are building a values-based culture that honors our diversity and prioritizes the health, safety, and well-being of all our employees.



PRIORITIZING THE HEALTH & SAFETY OF OUR PEOPLE

Our industry-leading health and safety performance reflects our commitment to achieving our goal of a healthy and injury-free working environment.

A safe, healthy, and engaged workforce is essential to drive our operations and ultimately deliver on our *patient first* commitment. During the pandemic, our robust Environmental, Health, Safety, & Sustainability (EHS&S) program enabled us to keep our employees safe and sustain business operations while expanding our manufacturing capacity to meet increased demand.

A CULTURE OF SAFETY & ACCOUNTABILITY

Our ISO-accredited EHS&S management system helps us ensure compliance, promote employee well-being, and minimize injury rates and ill health within our workforce.

Our [EHS policy](#) details our commitment to fostering a culture of health and safety, and compliance with global regulatory requirements. We updated our policy in fiscal 2021 to align with our new ISO accreditation. We are

evolving our EHS management system to enhance our risk-assessment processes and increase focus on behavioral safety.

Dedicated EHS&S leaders manage health and safety at our sites, reporting to site general managers and connected through our organizational matrix to the global EHS&S function. In fiscal 2022, we will work with sites to support the decentralization of EHS&S responsibility across site leadership teams, in line with the requirements of our updated ISO accreditation.

We require sites to participate in an EHS risk assessment program, during which teams perform hazard assessments, identify issues, and implement control measures. In fiscal 2021, we strengthened the program by moving to a hazard and operability (HAZOP) assessment approach. The HAZOP method breaks down the assessment process into manageable sections to provide a better understanding of potential dangers and how to mitigate them.

In fiscal 2021, we transitioned our ISO-accredited EHS&S program to the new ISO 45001 standard, with formal confirmation received in September 2021. We also expanded the scope of our accreditation to 45



manufacturing sites^[8], up from 33 in fiscal 2020, and will continue to incorporate sites into the program as the Catalent network grows. We monitor compliance with the EHS&S management system and ISO accreditation with an annual risk-based internal audit program in addition to formal sample-based audits by an external third-party accreditation body. Both audit programs were heavily disrupted by the COVID-19 pandemic during fiscal 2021. We are working within local guidelines to ensure the delayed audits are conducted as soon as it is possible to do so safely.



Our employees are required to complete a program of frequent EHS&S trainings throughout the year. Each site has an EHS&S training matrix that assigns training to each employee based on the regulatory and EHS&S competency requirements of their role. HR partners are responsible for monitoring monthly training and participation. In fiscal 2021, we continued to provide additional training and guidance to address new issues created by the dynamic COVID-19 pandemic.

HEALTH & SAFETY PERFORMANCE

The health and safety of our people remain our priority. Since the start of the COVID-19 pandemic, we have implemented remote and flex-working arrangements for the 30% of our workforce who are not essential to on-site work, reducing the number of employees on-site and the associated risk of exposure at our facilities. Throughout the pandemic, our flex-working arrangements have remained dynamic in response to changing COVID-19 case rates and government guidelines around the world. In the latter half of fiscal 2021, we began transitioning employees back to our sites where safe to do so.

To reduce the risk of COVID-19 exposure at our manufacturing facilities, we put procedures in place to minimize contact between our staff, including physical barriers between workstations, physical distancing guidelines for employees, and mandatory mask wearing. We strongly encourage all employees to obtain vaccinations and boosters as recommended by public health authorities, and provide on-site vaccination

clinics (where national regulations allow) as well as paid time off to further facilitate vaccination. Our senior multidisciplinary Coronavirus Resiliency Team, reporting directly to the Chief Operations Officer (COO), continues to lead our COVID-19 response. The team stays abreast of the evolving situation to inform and direct our operations.

The mental health of our employees and their well-being are priorities and have been areas of increased focus during the pandemic. Our strategy is guided by our well-being forum, a cross-functional group of leaders focused on identifying opportunities to continue our investment in health and wellness. In fiscal 2021, we enhanced third-party counseling and family support services, organized forums for addressing anxiety and loneliness, and provided training on techniques to improve well-being.

In fiscal 2021, we rolled out an occupational health program for all our U.S. sites. The program includes access to on-site nurses, support for employees returning to work after absence, and initiatives to educate employees about issues such as stress awareness, diet, smoking cessation, and exercise. We will expand the full program to our European sites in fiscal 2022 and hope to extend it to other regions over the coming years.

In fiscal 2021, Catalent's recordable incident rate (RIR) was 0.57, up from 0.52 in 2020, though significantly below the pharmaceutical and medicine manufacturing industry average of 1.5. Our lost workday case rate (LWCR) was 0.18, down from 0.21 in fiscal 2020 and below the industry average of 0.5. Our RIR increased during fiscal 2021 due to acquisitions and human resource expansions to support COVID-19 vaccine production, resulting in a significant increase in new hires who were less familiar with our safety procedures. We are intensifying our focus on risk assessments and behavioral safety trainings to address this. Our LWCR decreased due to a decline in the severity of accidents and fewer employees working on-site due to COVID-19 flex-working arrangements.

To ensure we are continuously improving health and safety at our sites, we encourage employees to identify and report potentially unsafe conditions and situations. In fiscal 2021, 28,000 safety concerns were reported and, whenever necessary, remediated. In addition to concerns reported by employees, in fiscal 2021 we introduced two new processes to drive safety improvements at our sites: giving positive feedback to employees for demonstrating positive safety behaviors and enhancing existing on-site safety arrangements. In fiscal 2021, 22,400 positive safety behaviors and improvements were executed. One

⁸ Manufacturing sites are defined as those where we manufacture, develop, and/or package products.

example of a safety improvement we implemented was the installation of vacuum lifters at our sites to reduce the risk of injuries from manual lifting.

In fiscal 2021, we received a gold award from the Royal Society for the Prevention of Accidents (RoSPA) for providing a safe, healthy, and inclusive working environment for staff, customers, and contractors at our U.K. sites. This is the third consecutive year we have been recognized by RoSPA in its annual awards, having previously received silver status in 2019 and 2020.



IN FISCAL 2021, CATALENT ACHIEVED:

- A recordable incident rate of 0.57, below the industry average of 1.5^[9]
- A lost workday case rate of 0.18, below the industry average rate of 0.5

EMPLOYEE HEALTH & SAFETY ^[A,B]			
	FY19	FY20	FY21
RECORDABLE INCIDENT RATE	0.68	0.52	0.57
LOST WORKDAY CASE RATE	0.26	0.21	0.18
NUMBER OF FATALITIES	0	0	0
<p>^A Data represents health and safety outcomes at all Catalent sites, including office-based sites and sites acquired in fiscal 2021.</p> <p>^B Health and safety data represent Catalent's recordable incident rate and lost workday case rate, as defined by the U.S. Occupational Safety and Health Administration (OSHA)</p>			

⁹ Industry averages relate to North American Industry Classification System (NAICS) code 32541 (pharmaceutical and medicine manufacturing).

DIVERSITY & INCLUSION

Fostering a culture of inclusion is critical to attracting, inspiring, developing, and retaining the best and most diverse talent. By closing diversity and inclusion gaps, we energize our people to do our best work.

Diversity and inclusion (D&I) are hallmarks of our culture and continue to be among the most critical business and social issues for our stakeholders. Our D&I strategy focuses on creating an environment of belonging and inclusion for all employees. We embrace our diversity, strive to make all our team members feel included, identify and acknowledge our gaps, and take actions to address them. To drive progress within our Company, we focus on:

- Strengthening our culture of inclusion
- Developing inclusive leadership
- Accelerating talent acquisition and development strategies to increase diversity
- Activating a data- and accountability-driven strategy.

The Global Office of Diversity & Inclusion oversees our efforts, guided by our Global Diversity & Inclusion Council. The Council coordinates with executive-led regional D&I committees to implement local programs. Our Board of Directors reviews our D&I strategy and progress at least twice a year.

Comprehensive data collection and transparent reporting are essential levers in our efforts to understand and address diversity gaps and become the most inclusive company we can be.

STRENGTHENING OUR CULTURE OF INCLUSION

Cultivating a sense of belonging and inclusion is a priority at Catalent. We want to be known for welcoming, developing, and celebrating diversity and diverse perspectives.

We work to deepen our culture of belonging through a year-round series of D&I-focused events, activities, and discussions. Many of these events are delivered by our Employee Resource Groups (ERGs) and we are increasingly seeing intersectional partnerships between one or more ERGs in support of each other's work. Activities in fiscal 2021 included:

- Eighteen all-employee ERG-hosted events, engaging a record number of Catalent employees
- An ERG summit aimed at energizing ERG leaders, prioritizing activities to support employees through COVID-19, and promoting diverse talent acquisition
- An ERG virtual fair for our newly integrated Cell & Gene Therapy employees
- Regional activities focused on specific events, such as D&I Month in the U.K., International Women's History Month in March, and Juneteenth in the U.S.

Our eight ERGs continue to provide community, support, and resources for employees from diverse and minority groups. They play a central role in our efforts to foster an inclusive, respectful culture at Catalent. ERG global steering committees and local chapters currently total 45. As of the end of fiscal 2021, we have 78 global ERG steering committee members and sponsors—more than double the number in fiscal 2020.

DEVELOPING INCLUSIVE LEADERSHIP

We work with our leaders to equip them with the skills and knowledge to support our D&I efforts and our rapidly evolving workforce. In addition to engaging our leaders in ERG-sponsored events, in fiscal 2021 we:

- Initiated inclusive leadership and unconscious bias training alongside site-level D&I action plan development with our senior leadership team (SLT) and top 500 leaders, starting in the U.K. and U.S. We will continue to roll this process out in fiscal 2022.
- Set goals and objectives for our SLT to support them in closing diversity gaps on their teams through our diverse candidate slate policy and enhanced

recruitment partnerships and processes. Progress will be assessed through SLT performance reviews and we plan to cascade this same approach throughout the organization.

ACCELERATING TALENT ACQUISITION & DEVELOPMENT

Our recruitment and development processes are some of the biggest levers we have to address diversity and equity gaps. Once a month through our Third Thursday program, our talent acquisition and human resources network meets to discuss D&I issues—often with input from external specialists—and to build awareness of our strategy, share best practices, and continuously refine our approach.

As our sites develop D&I action plans, they connect with our ERGs to help identify and address local recruitment gaps and opportunities.

In fiscal 2021, we implemented a diverse candidate slate policy, initially focusing on delivering and tracking the results of diverse candidate slates for roles at Director level and above. Our talent acquisition efforts will continue to focus on measuring the outcomes of our diverse slate policy, deploying diverse interview panels, and delivering unconscious bias training for our hiring managers.

Through our new partnership with [Hirepurpose](#), we are increasing our focus on hiring U.S. veterans. As part of this work, our CEO participated in an unconscious bias workshop alongside other companies wanting to amplify investment in the veteran community.

To build the leadership of the future, we focus on investing in and developing our current talent. We leverage corporate and local partnerships with diverse professional organizations to assist in these efforts. In fiscal 2021, we deepened our relationship with organizations such as Ascend, Calibr, Catalyst, Out & Equal, and Stonewall, linking more of our employees to professional gatherings,

networking, and development events. Participants bring back ideas, lessons learned, and speakers to share with a broader Catalent audience—amplifying learnings and discussions throughout the organization in the form of ERG events, special speakers, and workshops.

We partner with leading organizations to guide our D&I efforts. Organizations mentioned in this report include:

- | | |
|----------------------------|-----------------------------------|
| ▪ Ascend | ▪ Hirepurpose |
| ▪ Calibr | ▪ Out & Equal |
| ▪ Catalyst | ▪ Stonewall |

Also in fiscal 2021:

- We increased mentoring opportunities for our employees. Members of our REACH (Resources for Employees of African Culture and Heritage) ERG participated in our new Verb mentoring platform, following Catalent Women's Network pilot of the platform in fiscal 2020.
- We designed an inclusive leadership and unconscious bias learning track on our LinkedIn Learning® platform.

In fiscal 2022, we will increase our focus on growing external partnerships and diverse talent relationships. We will also explore how best to align our signature talent pipeline programs—Global Organization Leadership Development (GOLD) and Next Generation Global Leaders—with our goals to cultivate the diverse talent of the future.

ACTIVATING A DATA-DRIVEN STRATEGY

We initiated mechanisms at the corporate, business unit, and site level to improve our diversity data collection, inform our strategy, and facilitate reporting and transparency. More comprehensive data helps us to better know and serve our people and promotes accountability. We recognize we have gaps and are taking actions to close them. Key performance highlights for fiscal 2021 include:

- Women holding 39% of global manager roles and 37% of total roles in our global leadership teams, compared to 38% of all roles at manager level or above in fiscal 2020^[10]
- Women holding 48% of global technical roles across all levels, compared to 43% in fiscal 2020
- An increase in the ethnic diversity of our global leadership team.

We have made progress in increasing diversity at a leadership level; otherwise, figures remain broadly consistent with fiscal 2020. We believe diverse leadership attracts, engages, and retains diverse talent, so this is an important focus for us. We have more work to do to increase overall employee diversity to reflect the communities in which we operate.

One component of the diversity challenge in the U.S. was the sizable hiring of employees in the Midwest as we ramped up for COVID-19 vaccine manufacturing. One large plant where we made vaccines in fiscal 2021 represented 35.5% of our global hiring for the year and is in an area that is less than 20% ethnically diverse. This means we will extend the current outreach radius in this location and in others in the U.S. to ensure we are recruiting the most diverse workforce.

In fiscal 2022, we will launch a self-identification campaign to better understand how our employees identify themselves. This will provide us with more comprehensive global diversity data and help us know and serve our people even better.

We engage with external organizations and participate in benchmarks to assess and accelerate our progress. For example:

- Since our fiscal 2020 gender equality workforce assessment by [EDGE Strategy](#), we implemented key recommendations in areas that included ensuring more equitable career flows, and improving childcare and flexible work policies. EDGE conducted the assessment again in fiscal 2022 and results will be shared in our fiscal 2022 report.
- In fiscal 2021, we updated our U.K. gender pay gap report—available [here](#), along with previous years' reports. We also report the gender pay gaps for our [Beinheim](#) and [Limoges](#) sites in France. Read more about our approach to pay in [Recruiting and Retaining the Best Talent](#).

¹⁰ In fiscal years 2019 and 2020, we reported figures for "management," which included all managers of people and any employee at manager-level and above. In fiscal year 2021, we report figures both for managers (any employee with direct reports), and for each of our senior leadership levels.

ASIAN EMPLOYEES SHARE THEIR EXPERIENCES

Hate crimes against Asian Americans were on the rise in the U.S. in fiscal 2021. This is a community that also continues to experience lack of representation at C-suite and executive levels in U.S. corporations. In fiscal 2021, our newest ERG, ASPIRE (Asian & Pacific Islanders Reaching for Excellence), collaborated with external partners to create space within Catalent for colleagues to share their experiences and raise awareness.



RECRUITING & RETAINING THE BEST TALENT

We hired more people than ever in fiscal 2021, driven by our role in the COVID-19 response and accelerated business growth. We have strengthened our recruitment processes to attract the talent we need to excel and succeed. By supporting our employees in challenging times and cultivating an inclusive culture, we maintain a motivated, committed team.

To support our increased business activity and continue providing value and quality for our customers and their patients, we filled more than 5,700 positions in fiscal 2021. We offer an ethical workplace where our team members can feel engaged, excited, and rewarded for their hard work—giving employees meaningful opportunities to develop themselves and their skills.

We focus on attracting high-potential individuals from a diverse and wide range of backgrounds to drive our growth and success, and have continued to evolve our recruitment and on-boarding practices to adapt to the COVID-19 pandemic. We foster a safe and welcoming environment, supporting new and existing employees to adapt to rapid change and feel part of our distinct culture, grounded in our *patient first* values.

TALENT ACQUISITION

In fiscal 2021, we continued to utilize virtual recruitment tools, platforms, and events to support our hiring process, with a strong focus on candidate experience. We invested in new technology and partnerships to meet the demands of a period of unprecedented recruitment for Catalent, including:

- Implementing a new candidate relationship management system and recruitment data intelligence tool
- Joining a new talent acquisition and development network to share best practices
- Developing new recruitment partnerships to expand and diversify our talent pool.

Our internship programs in Europe and the U.S. give us access to top early-career talent. In fiscal 2021, our U.S. program welcomed 63 summer interns and 100 cooperative education positions.

Recruitment for science, technology, engineering, and math (STEM) talent is competitive in our industry, and in fiscal 2021, 33% of our open positions required these skills. Our reputation as a dynamic place to work and the opportunity to contribute to the COVID-19 response helped set us apart and attract employees with the skills and experience we need. Read more about our talent development programs in [Investing in Employee Development](#).

SUPPORTING EMPLOYEES TO ADAPT

Similar to our recruitment processes, our onboarding activities for new hires were largely virtual in fiscal 2021. We increased our focus on helping new employees integrate with their teams and with our Company culture.

We enhanced our mental health offerings to meet the needs of employees and their families during this challenging time. In fiscal 2021, we further developed our global wellness program, focusing on the four pillars of physical, emotional, financial, and social well-being.

In fiscal 2022, we plan to increase the focus on our values-based culture in employee onboarding and leadership training to further support integration of our culture across our workforce.

strengthened our [Flexible Work Policy](#) and began a new two-year incentive plan that extends the benefits of our equity incentive plans to additional Catalent employees of demonstrated merit. Incentive plan eligibility is earmarked to critical managers not otherwise eligible for the long-term incentive plan, identified for the key contributions they provide to ensure the company's success by delivering results above expectations.

COMPENSATION & BENEFITS

We are committed to offering competitive compensation and benefits programs to reward our people for their hard work. In addition to a comprehensive suite of benefits, we provide health promotion programs, flexible work options where possible, tuition assistance, and employee assistance programs in several countries. In fiscal 2021, our annual bonus programs reached record levels as a result of strong financial performance and an overall increase in employee population. In fiscal 2021, we also



CONNECTING WITH OUR PEOPLE

An inspired workforce delivers better results. Employees want to work where they feel a shared sense of purpose and belonging. Engaging with our people helps us maintain a connected workforce and foster an energized and inclusive culture.

Fiscal 2021 saw the continued need for us to pull together—even while remaining physically distant for COVID-19 safety reasons. Listening to and communicating with our employees remains critical to our business success and is a vital tool for embedding culture and supporting employee well-being through the challenges of the pandemic—and beyond.

A VALUES-BASED CULTURE WITH A FOUNDATION OF RESPECT & INCLUSION

During these complex and uncertain times, we have unified around our shared mission to help people live better, healthier lives. We focus on building an inspiring, values-based culture that attracts, develops, and retains the best talent to advance our growth.

COVID-19 demonstrated the critical importance of caring for and prioritizing everyone working for Catalent, so they are motivated to come, stay, and more effectively deliver for customers and patients. We know our people are proud of the role we have played in the COVID-19 response, and potential employees are drawn to our essential work across a broad range of products and therapeutic categories.

Our talent strategy focuses on cultivating a sense of respect, belonging, and inclusion for all employees as a signature aspect of our culture. Read more on how we are embracing our diversity to better serve our culture, people, and mission.

LISTENING & LEARNING

In fiscal 2021, we conducted a pulse employee feedback survey that had been postponed in fiscal 2020. We shortened and simplified the survey to acknowledge people's limited bandwidth during the height of the pandemic. We invited employees to provide confidential input on their experience working at Catalent, to better understand their needs and priorities and enable them to thrive. Compared to our previous survey in fiscal 2019:

- Our engagement score increased 10 points to 54%
- Our scores increased in all areas, with significant improvement in the areas of rewards and recognition (+19), senior leadership (+14), and manager (+12)
- We introduced two new dimensions, COVID-19-related stress management and business strategy and direction, which received scores of 66% and 64%, respectively.

Overall, respondents rated diversity and inclusion and our *patient first* culture as the Company's top engagement strengths (71%). Feedback confirmed that we still have more work to do in the areas of work/life balance, rewards and recognition, and career opportunities. Following the survey, sites and functions used the results to develop their own set of actions to address the areas needing the most improvement.

ENGAGING WITH OUR EMPLOYEES

We engaged with and celebrated our employees in several ways during fiscal 2021:

- Following a successful pilot in fiscal 2020, we scaled up Catalent Celebrations, a platform that enables employees to celebrate each other's achievements through peer-to-peer and leader-to-team recognition. All employees have access to the site and can "like" and comment on each other's posts. During fiscal 2021, 78% of employees activated an account, sharing more than 38,000 recognitions.



- Our new biannual Catalent Leadership Team Awards recognize mid-level leaders who have gone above and beyond to achieve a significant impact on our success while demonstrating our Company values.
- Our CEO communicated regularly with all employees, incorporating messages about key issues such as our ongoing *patient first* commitment, diversity and inclusion, and environmental sustainability.
- Our CEO and senior executives continued their twice-monthly “Presser” meetings to stay connected with the Catalent Leadership Team as the pandemic ebbed and flowed in different regions around the world. Five hundred senior leaders are invited to attend each meeting, receiving updates on COVID-19 information and key initiatives and engaging in Q&A sessions.

INVESTING IN EMPLOYEE DEVELOPMENT

A robust and diverse pipeline of talent is essential to our ongoing success. We support the growth of our people and advance the next generation of leaders through a comprehensive learning and development program.

Our people are the heart of our business. Investing in employee development helps us create a collaborative culture and build a diverse, innovative, future-ready workforce.

Over fiscal 2020 and 2021, we doubled our financial investment in employee development. We support new hires to develop the skills they need and provide specialized training and leadership development to enable all our employees to grow their careers at Catalent. We focus on exceptional people management, inclusive leadership, developing the scientific community, and accelerating high-potential talent growth.

SUPPORTING OUR EMPLOYEES TO LEARN & DEVELOP

All employees have access to our LinkedIn Learning® platform. In fiscal 2021, 56% of employees activated this opportunity, viewing more than 45,000 courses and 305,000 videos. The platform offers online training to employees on a range of topics, including the transition to remote or flexible working, navigating unconscious bias, and online people-leading for those managing remote teams.

INVESTING IN OUR LEADERSHIP PIPELINE

Our goal is to develop leaders from within, building a strong, diverse pipeline of people who share our values and are ready to take on more responsibility as we continue to grow.

We prefer to promote our own people where possible rather than hiring externally. This approach supports employees to have long, fulfilling careers at Catalent through our range of development programs:



- Global Organization Leadership Development (GOLD) is our two-year rotational program for recent graduates from universities around the world. In fiscal 2021, 22 new associates joined the program, 12 continued from fiscal 2020, and 12 graduated from the fiscal 2019 class. To date, 157 people have participated in the program.
- Next Generation Global Leaders, established in fiscal 2021, prepares high-potential managers for director-level roles. There are currently 40 employees progressing through the program, half of whom are mentoring members of our REACH ERG and 53% of whom were promoted or given stretch assignments in fiscal 2021.
- Our mentorship program matches leaders with employees to develop their skills and progression plans. In fiscal 2021, we more than doubled the combined number of mentor/mentee participants and we have a specific program dedicated to mentoring diverse employees.
- General Manager Excellence is our new program designed to upskill our general managers and help them channel their unique leadership styles into a personal and actionable development plan. The program kicked off with its first 33 participants in early fiscal 2022.

In fiscal 2021, 2,547 employees (16%) accepted promotions or development moves, up from 1,685 (12%) in fiscal 2020.

EVALUATING PERFORMANCE

Our annual performance review process enables employees at all levels of the business to meet with their managers to set goals, discuss career aspirations, and assess performance. In addition, we offer all our people-leaders an annual 360-degree assessment, enabling management, peers, and direct reports to provide feedback on core leadership competencies.

At the end of fiscal 2021:

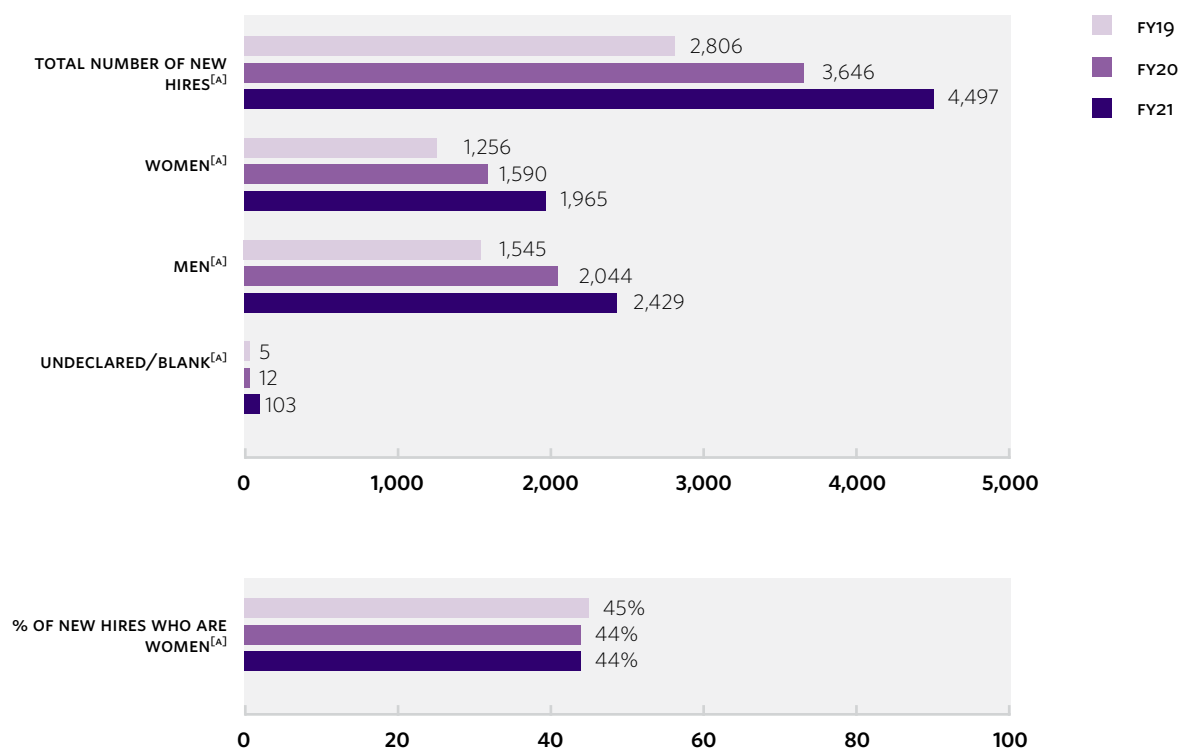
- 65% of employees had a development plan, up from 38% in fiscal 2020
- 78% of employees participated in performance reviews, consistent with fiscal 2020. Some unionized employees and some recently integrated employees from new businesses did not complete performance reviews.



WORKFORCE DATA

Data shown below are the most up-to-date available, covering July 1, 2018 to June 30, 2021. In some cases, we have restated data from fiscal 2019 and fiscal 2020. Employee data is always dynamic—as we make acquisitions and improve data collection and analysis procedures, we expect some changes to historic data. In fiscal 2021, we reset and improved our data collection process, especially for leadership-level data.

GLOBAL NEW HIRES - GENDER DIVERSITY



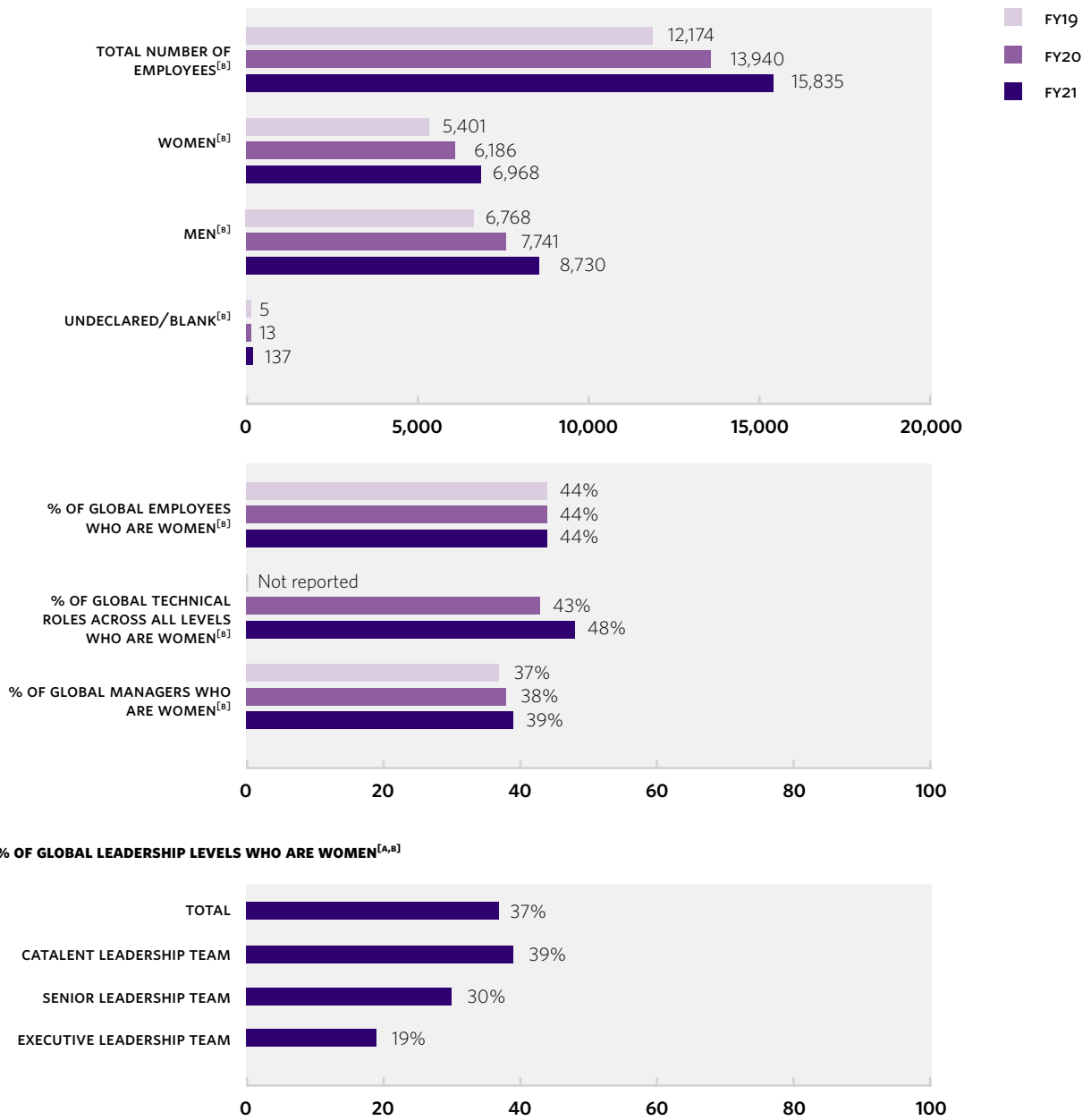
^A Fiscal years 2019 and 2020 data updated this year.

NEW FOR FY21: INCLUSIVITY IN EMPLOYEE DEVELOPMENT

	FY19	FY20	FY21
% OF MANAGER PROMOTIONS WHO ARE WOMEN ^[A]	-	-	44%

^A Includes employees promoted to a management position or promoted to a higher management position who are women. Management positions include all managers of people.

GLOBAL GENDER DIVERSITY & WOMEN IN MANAGEMENT^[A]

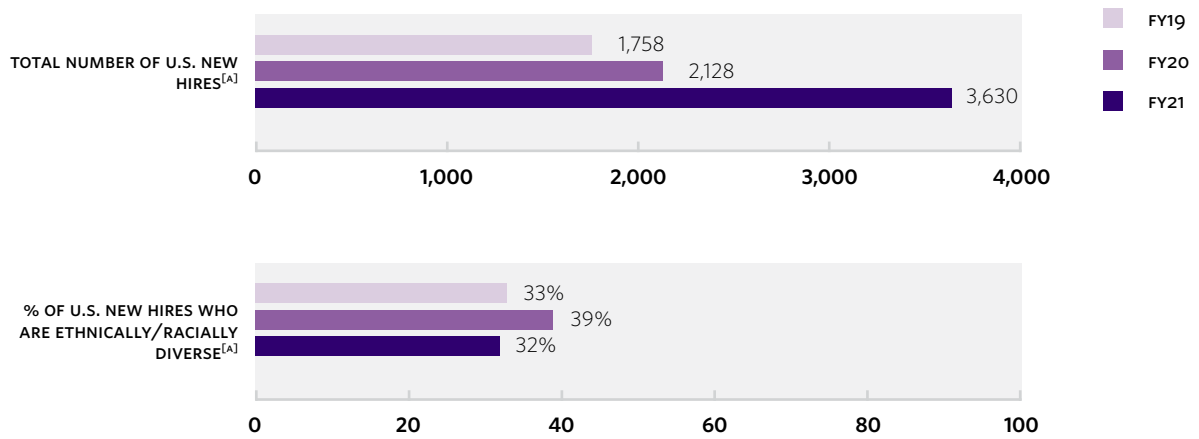


^A In fiscal years 2019 and 2020, we reported figures for “management,” which included all managers of people and any employee at manager-level and above. In fiscal year 2021, we report figures both for managers (any employee with direct reports), and for each of our senior leadership levels.

^B Fiscal years 2019 and 2020 data updated this year.

^C Data are not available for fiscal 2019.

U.S. NEW HIRES - ETHNIC/RACIAL DIVERSITY



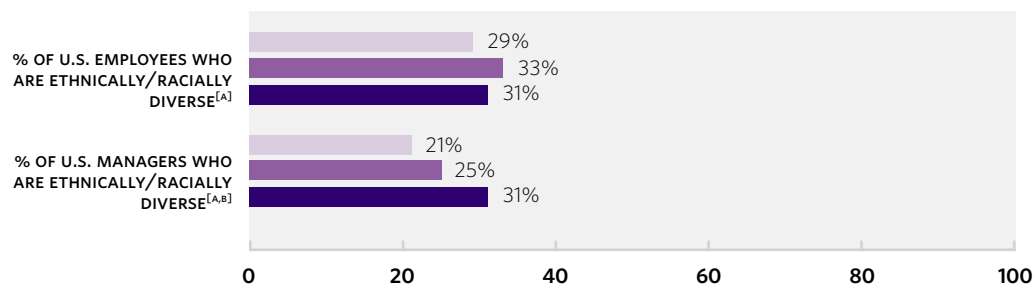
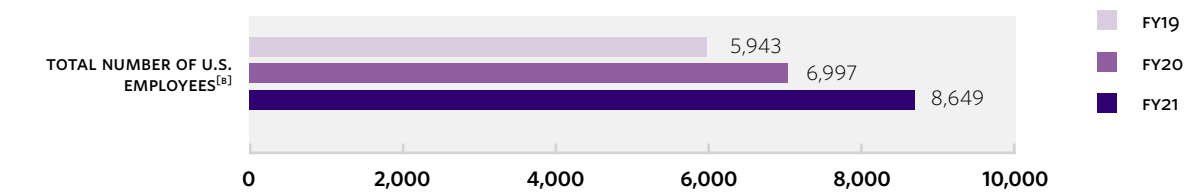
^A Fiscal years 2019 and 2020 data updated this year.

U.S. WORKFORCE - ETHNIC/RACIAL DIVERSITY ^[A,B]			
	FY19	FY20	FY21
NATIVE AMERICAN	0.2%	0.3%	0.3%
ASIAN	9.4%	9.6%	9.9%
BLACK OR AFRICAN AMERICAN	9.6%	13.0%	12.7%
HISPANIC OR LATINO	8.1%	7.8%	6.0%
NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER	0.1%	0.2%	0.2%
WHITE	61.8%	62.2%	62.1%
TWO OR MORE RACES	1.5%	2.0%	2.1%
UNSPECIFIED/BLANK	9.3%	4.8%	6.7%

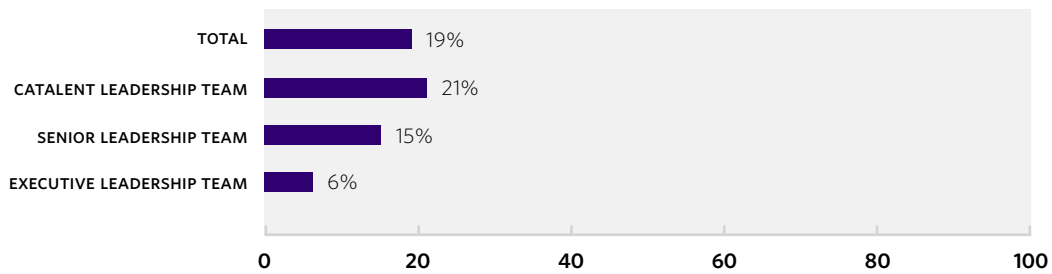
^A Percents may not add up to 100 due to rounding.

^B Fiscal years 2019 and 2020 data updated this year.

U.S. ETHNICALLY/RACIALLY DIVERSE TALENT



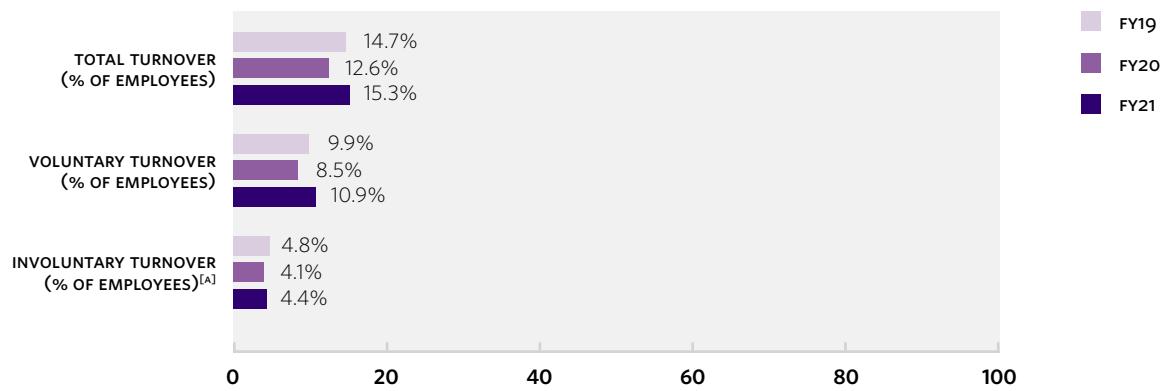
% OF U.S. LEADERSHIP MEMBERS WHO ARE ETHNICALLY/RACIALLY DIVERSE^[B]



^A Fiscal years 2019 and 2020 data updated this year.

^B In fiscal years 2019 and 2020, we reported figures for “management,” which included all managers of people and any employee at manager-level and above. In fiscal year 2021, we report figures both for managers (any employee with direct reports), and for each of our senior leadership levels.

GLOBAL EMPLOYEE TURNOVER



^A 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, and deceased while active.

OUR COMMUNITIES

We connect with our local communities through volunteerism, philanthropy and partnerships for health-related services, STEM education, and job training. These relationships —especially during the COVID-19 pandemic — energize our people and culture.



MAKING A DIFFERENCE WITH CATALENT CARES

Catalent Cares is our way of connecting with and contributing our time, talents, and resources to our communities. Through meaningful partnerships, we improve patient health and expand access to science, technology, engineering, and mathematics (STEM) education and training, especially with under-represented communities.

Through Catalent Cares philanthropy and volunteering programs, we strive to build stronger, healthier communities. Catalent Cares continues to expand the number of different programs offered and the size of grants, and includes community partnerships, grants, employee-driven matching gifts, and volunteering. In fiscal 2021, we worked with a range of organizations, from international nonprofits to local charities, to help our communities overcome setbacks from the COVID-19 pandemic while continuing our strategic focus on promoting STEM and serving patients. Through Catalent Cares, we donated more than one million dollars to the communities and causes most important to us.

STRATEGIC PHILANTHROPY

OUR APPROACH

Our giving mechanisms include corporate partnerships, community grants driven by our sites, employee matching gifts, and disaster-response funding. In fiscal 2021, our philanthropic giving totaled \$1,200,000, surpassing the previous years' giving.

PARTNERSHIPS

We invest in STEM education, training, and job placement by expanding access to hands-on experience and engaging curricula. Our *patient first* value and commitment inspires us to support organizations that promote health and healing.

Examples of the community grants directed by our sites in fiscal 2021 include:

- **HOSPITAL ART PROJECT SHIZUOKA** Supporting students from Shizuoka University of Arts and Culture in Japan to organize art workshops and exhibitions for hospitalized children



- **MADISON COLLEGE BIOTECH ACADEMY** Delivering STEM workforce training to public school students who can complete a technical diploma through a one-year program
- **SICKKIDS FOUNDATION** Financing 3D printing and Smart IV pumps at the Hospital for Sick Children (SickKids), complementing employee donations from our Ontario, Canada sites to support an overall upgrade of the pediatric hospital.

We are enhancing our community grants program by collaborating with our Employee Resource Groups (ERGs) to identify nonprofit partners in our STEM and patient health efforts. Five ERGs in St. Petersburg, Florida tested our model in fiscal 2021. The grants recommended by the ERGs include an after-school STEM program for girls and an initiative that provides free mammograms to uninsured women.

MATCHING GIFTS

The Catalent Cares Matching Gift program has expanded in response to growing employee interest and participation. We strongly encourage employees to give back to causes they care about. In return, we match their donations, up to \$1,000 a year, to health, human services, and environmental nonprofits. Beyond our standard match, we offered a two-for-one match for every donation made in fiscal 2021 to charities responding to the COVID-19 crisis. In fiscal 2022, we will increase the match amount from \$1,000 to \$2,000 for each employee and broaden the range of nonprofits eligible for the program.

DISASTER RESPONSE

We continued to support local relief efforts during the pandemic through community grants, gift matching, and volunteering. In fiscal 2021, we donated a total of \$350,000 in COVID-19 relief grants to more than 40 partners around the world.

We supported organizations combating the pandemic in their communities with efforts such as procuring personal protective equipment for healthcare workers, conducting outreach to under-vaccinated communities, stocking food banks, and making mental health resources available to those in need.

Catalent also provided grants for victims of natural disasters, including wildfires in California and winter storms in Texas and Kentucky.

PHILANTHROPIC GIVING			
	FY19	FY20	FY21
TOTAL GIVING	\$350,000	\$845,000	\$1,200,000

VOLUNTEERING

OUR APPROACH

Though COVID-19 restrictions limited in-person volunteering, we organized opportunities for employees to give back through virtual volunteering, online fundraising, and donation drives. Our signature programs, Catalent Month of Service and Earth Month, also primarily took

HOSPITAL ART PROJECT SHIZUOKA



MADISON COLLEGE BIOTECH ACADEMY



SICKKIDS FOUNDATION



place virtually. While we know that socially distanced volunteering is not quite the same as in-person, our volunteers tell us that showing up for our communities in any way we can is important during these times.

In fiscal 2022, we will introduce an Employee Volunteer Grant program to recognize employee volunteerism by making corporate donations to nonprofits where they are regularly involved.

CATALENT MONTH OF SERVICE

Catalent Month of Service was largely virtual in fiscal 2021, but we rose to the challenge as 28 of our sites organized a total of 45 volunteering and fundraising activities.

As part of the celebration, we launched our Volunteer of the Year award and recognized six champion community ambassadors from across the global network for their leadership and contributions.

EARTH MONTH

Cultivating a mindset and culture of sustainability is essential to meeting our environmental goals.

Site-based employee groups known as Green Teams contribute to our sustainability efforts by organizing environmental projects and activities, sharing best practices, and raising awareness among colleagues. Green Teams are active at 17 sites and the network is growing.

In April 2021, Green Teams celebrated Earth Month by hosting a lineup of events that took place at sites and online. 34 teams organized 50 activities including webinars, tree-plantings, community clean-ups, and a personal carbon footprint challenge for employees.

One of our most notable digital volunteer programs included an expanded partnership with [CareerVillage.org](https://www.careervillage.org), a platform that enables young people from across the globe to ask questions and seek career and college advice from professionals.

Participating employees sign-on to the Catalent Career Village portal, search through a menu of questions posed by students, and then share stories and experiences to encourage the workforce of the future.

Students 2 Science (S2S) is one of our newest STEM partners. S2S brings hands-on STEM experiences to elementary, middle, and high school students with the aim of sparking interest, building technical skills, and helping participants learn about STEM careers:

- Improving Student Affinity and Aptitude for Careers in STEM (ISAAC) is a state-of-the-art analytical laboratory where students work and learn alongside professional scientists at S2S's headquarters in New Jersey.
- V-Lab is a virtual laboratory program that live-streams instructors into 5th-12th grade classrooms, linking students and their teachers to online lectures and guided experiments.
- Professional development opportunities are curated for teachers to build their knowledge of 21st century careers and the skills needed to support students in STEM.

S2S's ability to adapt, grow, and meet the demand for virtual learning during the COVID-19 pandemic resulted in hundreds of thousands of students across the U.S. engaging in dynamic science learning over the past year.



WORKING RESPONSIBLY

Working responsibly means demonstrating respect, accountability, and honesty in every decision. Our commitment to responsible citizenship encompasses all aspects of our work, from how we treat our employees, partners, and communities to the ethical, security, and governance standards to which we hold ourselves accountable.



CORPORATE GOVERNANCE

Our corporate governance principles, upheld by our Company leaders, provide the foundation for financial integrity, shareholder confidence, and adherence to our values.

Our commitment to these values starts at the top with our Board of Directors and an executive management team that represent a broad spectrum of backgrounds and perspectives. Our Board provides overall direction and oversight of our business, operating under a clear set of Corporate Governance Guidelines. The members lead with vision, proven and relevant expertise, and exemplary ethical behavior.

During fiscal 2021, our Board was led by our Chair and CEO, John Chiminski, and our independent lead director, Jack Stahl. Beginning in October 2021, J. Martin Carroll assumed the role of independent lead director when Mr. Stahl completed the maximum 5-year term preferred by our Corporate Governance Guidelines. Except for Mr. Chiminski, all our directors are considered independent under relevant New York Stock Exchange listing standards and other appropriate standards. Our Executive Leadership Team oversees strategic and operational execution of our business and cultivates a values-driven corporate culture.

Since our debut as a public company in 2014, our Board has been committed to maintaining and improving a corporate governance program that focuses on our accountability to shareholders and stakeholders. Key elements of the program include:

- A fully declassified Board, with all members serving one-year terms
- A majority voting requirement for director elections
- Stock ownership requirements, aligning our directors and senior executives with our shareholders
- Shareholder proxy access.

At the fiscal 2021 annual meeting, the Board proposed, and our shareholders approved, amending our charter to allow for shareholder-initiated special meetings and simple majority votes for future charter amendments. We also decreased the number of external boards on which our directors can sit to minimize the risk of overboarding.

FULFILLING TAX RESPONSIBILITIES

As part of operating as a responsible corporate citizen, we support the fiscal health of and investment in communities through our tax payments. 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 environment.

As a large multinational corporation with operations in North America, 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.

ETHICS: THE FOUNDATION OF OUR RESPONSIBLE CULTURE

Ethical business practices link directly to our long-term value and success. We safeguard our relationships with employees, customers, business partners, and investors by maintaining high ethical standards.

As a global development and manufacturing partner, we have an important responsibility to comply with all applicable legal requirements and to conduct business with uncompromising integrity.

Our ethics and compliance program is designed to prevent, detect, and promptly investigate potential misconduct. We educate everyone at Catalent on our high standards and ensure that they know how to appropriately address confirmed instances of misconduct. Our Standards of Business Conduct (the “Code”) outlines our standards and legal requirements. The Ethics and Compliance group, overseen by our SVP, General Counsel & Chief Compliance Officer (CCO), is responsible for monitoring compliance, developing policy, overseeing training, responding to ethics inquiries, conducting internal compliance investigations, and managing the Company’s Business Conduct Helpline. Our CCO reports directly and regularly to the CEO and the Audit Committee of the Board of Directors.

In fiscal 2021, we rolled out the Catalent Compliance Champion initiative. This new liaison program is made up of a group of employees from various functions and business units who are committed to maintaining Catalent’s high ethical standards. The Compliance Champions bring their unique perspectives and insights to the shared goal of continuously developing and growing Catalent’s compliance program across our sites.

We also introduced a new Speak Up Policy in fiscal 2021. This policy affirms Catalent’s longstanding commitment to a safe, supportive environment that encourages employees to speak up when they have concerns about potential misconduct or violations of the law. The policy aims to help employees better understand their responsibilities if they believe misconduct has occurred, to explain the process by which such concerns are investigated, and to

affirm Catalent’s anti-retaliation policy, which allows for anonymity and protects those who escalate concerns in good faith.

ETHICS TRAINING

We ensure all employees remain aware of their ethical and legal responsibilities through ongoing training and communication. Employees are encouraged to seek guidance if they encounter an ethically challenging situation.

We assign all employees regular ethics training sessions delivered in multiple formats including online learning modules, live presentations, manager-led trainings, videos, and memos. Trainings covering our main ethics policies are assigned to the entire workforce at regular intervals, with the Code of Conduct covered at least every two years. New employees are trained on the Code and certify their understanding of its principles when they join Catalent. Our Legal and Compliance department also offers ad hoc training to address topics critical to specific functions.

In fiscal 2021, 100% of new employees received Code of Conduct training and 100% of employees participated in our annual ethics refresher training.

In fiscal 2022, Catalent’s HR department plans to introduce a new Fair Treatment Policy to reinforce our commitment to providing a workplace free from discrimination, harassment, bullying and retaliation, and where everyone is treated with dignity and respect.

ETHICS IN OUR SUPPLY CHAIN

Cultivating a network of ethical, reliable partners and suppliers is critical to our success. We conduct business globally and work to ensure compliance with all applicable laws, regulations, and standards. We expect our suppliers, agents, and other representatives to follow applicable laws and standards of conduct, as described more fully in

our [Supplier Code of Conduct](#). For more information on our supply chain practices, see [Responsible and Reliable Supply Chain](#).

Our [Global Anti-Corruption and Anti-Bribery Policy](#) (previously *Global Ethical Business Practices Policy*) establishes our principles and approach to addressing specific issues of corruption and bribery. It incorporates principles laid out in the U.S. Foreign Corruption Practices Act and the U.K. Bribery Act.

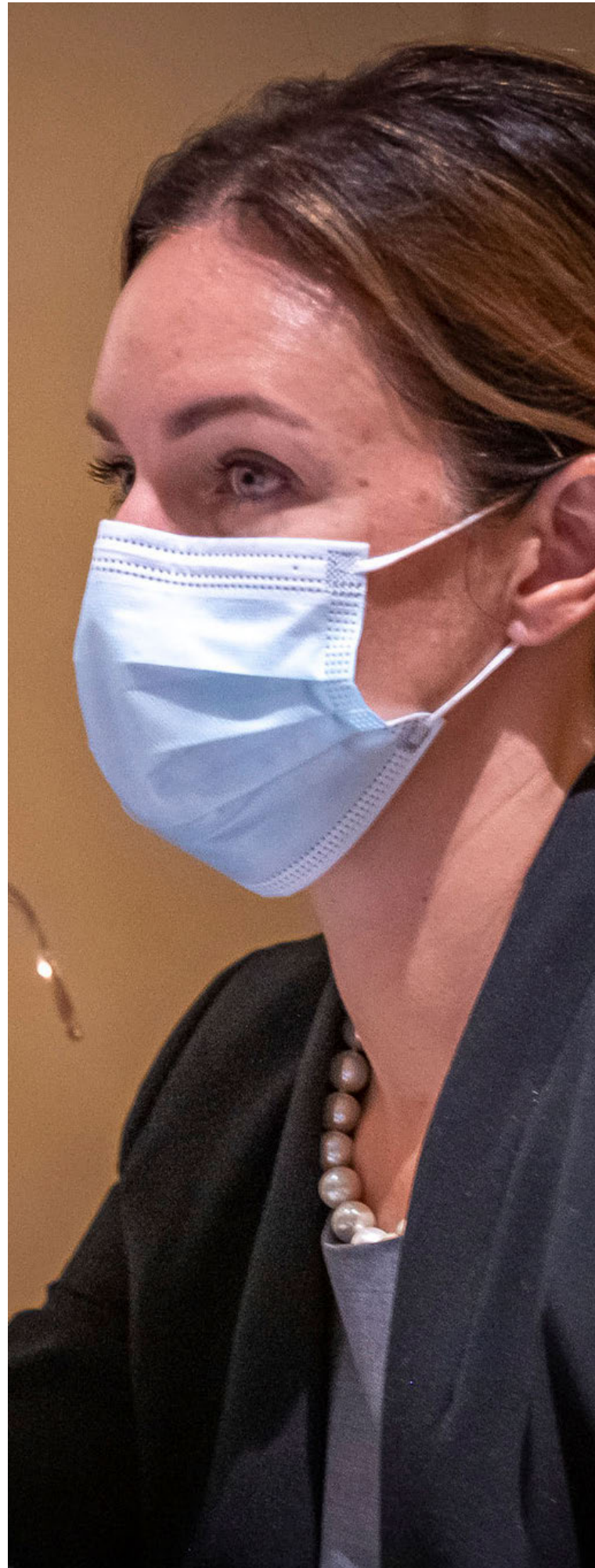
MONITORING ETHICS

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

- Their manager
- Site leadership
- Human Resources
- The Legal and Compliance Department
- The Ethics and Compliance group email inbox, ethics@catalent.com
- An independent third-party Business Conduct Helpline, available 24 hours a day at catalentMSW.com or by a local or toll-free telephone number.

Upon notification of a potential violation, the Ethics and Compliance team partners with relevant subject-matter experts (SMEs) and undertakes an internal investigation. This involves reviewing relevant documentation and interviewing witnesses. Where a policy violation is confirmed, we identify and implement corrective action, as well as preventative measures aimed at avoiding a reoccurrence. Once an investigation concludes, we track subsequent action items and leverage the assistance of the SME investigators to ensure the necessary follow-through at the business unit and functional level.

Employees found to have violated our Code are required to comply with corrective measures ranging from retraining and counseling to dismissal. Our senior leaders are regularly consulted regarding trends observed and lessons learned, and they formally recommit their support to the investigation process each year.



PUBLIC POLICY ENGAGEMENT

We engage policymakers to increase their understanding of our sector and facilitate the ongoing development, delivery, and supply of products for patients.

The COVID-19 pandemic has increased awareness of the pharmaceutical and biotechnology industries among governmental officials. As a development, delivery, and supply partner, we play a critical role in the industry value chain. We manufacture groundbreaking products for customers that improve public health outcomes, including vaccines and treatments for COVID-19.

It is important for policymakers to understand how our business model differs from that of our customers. As a contract development and manufacturing organization (CDMO), we help our customers develop products, but generally do not discover or develop our own. To ensure our interests are well-represented, we educate policymakers on this significant difference. Our efforts aim to ensure equitable public policy that enables innovation at CDMOs and maximum efficiency of the supply chain.

Catalent is affiliated with multiple industry associations to collaborate with and better inform decision-makers. We are active members of the [Pharma & Biopharma Outsourcing Association](#), which represents the regulatory, legislative, and business interests of CDMOs.

In fiscal year 2021, Catalent contributed to the timely conversation amongst U.S. politicians about the linkage between the pharmaceutical supply chain and national security. Several national governments are increasingly focused on bolstering their own domestic and regional supplies of key pharmaceutical ingredients and products. We are uniquely positioned to support this effort and are actively engaging policymakers on the topic.



PROTECTING DATA SECURITY & PRIVACY

Our rigorous system for protecting and governing data ensures we stay ahead of threats in a rapidly evolving cybersecurity landscape.

Our cybersecurity program protects our business, our customers, and the highly sensitive information entrusted to us. To effectively anticipate and prevent threats, ensure compliance with existing and emerging regulations, and adopt appropriate current best practices, our program remains in a state of vigilance and continuous improvement, with oversight by our senior management and the Board of Directors.

PROTECTING DATA SECURITY

Managed by our Chief Information Security Officer, who reports to the Audit Committee of our Board of Directors on a quarterly basis and to the full Board annually, our global cybersecurity program comprises policies, standards, and systems that maintain compliance, manage risk, and address threats. Our program also includes continuous employee education, regular threat detection, penetration testing, and collaborative partnerships. The program is aligned with the [National Institute of Standards and Technology Cybersecurity Framework](#) (NIST CSF) and Center for Internet Security (CIS) controls.

Our Cybersecurity 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. Before integrating acquired companies or working with new vendors, we assess their security programs to ensure they meet our high standards and to mitigate potential risks.

Every employee completes annual security training to ensure their understanding of risks and ability to identify and proactively act upon threats. Throughout the year, we keep employees engaged through regular phishing email

simulations and other communications, and training on topics such as social engineering and emerging cyber threats and scams.

We routinely conduct both formal and informal assessments to test our security controls and environment. We are also subject to audits by our customers and other external bodies. Through our membership in the [Health Information Sharing and Analysis Center](#) (H-ISAC) and other equivalent threat intelligence groups, we remain abreast of evolving security risks, learn from leading experts, and continuously improve our systems.

Year after year, we are dedicated to continuously advancing our cybersecurity efforts. In fiscal 2022, we will focus on developing an IT risk program, implementing next-generation, automated threat detection and response capabilities, and continuing our transformation journey for people, processes, and technology.

For information on security in our supply chain, see [Responsible and Reliable Supply Chain](#).

SAFEGUARDING PRIVACY

Safeguarding the privacy of data that can identify the personal information of our employees, partners, or the patients we serve is critically important to us and our stakeholders. We supervise and guide the collection, sharing, and use of business and personal data in line with applicable laws and regulations. Although we are primarily a business-to-business provider, our scope of privacy responsibilities continues to expand due to heightened and broadened regulatory requirements, as well as our engagement in direct-to-patient capabilities within our Clinical Supply Services business. The personal data that we process is generally limited to what is necessary to conduct business with other companies within the pharmaceutical, veterinary, and consumer health industries.

Our privacy program is managed by a dedicated team that includes representatives from Legal and Compliance, IT, and HR. The program ensures compliance with the applicable privacy laws in the countries where we operate, including the [California Consumer Privacy Act \(CCPA\)](#) and the [European Union's General Data Protection Regulation \(GDPR\)](#).

Our global [Privacy Policy](#) details our procedures for collecting and using data. We also require employees to complete annual privacy training that covers the policy and explains their roles in ensuring we meet our privacy obligations. We provide supplemental CCPA training annually to members of our Legal and Compliance, HR, and California-based teams, ensuring that all relevant employees understand how to support compliance with California data privacy regulations. Finally, we have a separate, internal privacy policy specific to employee data.



ABOUT THIS REPORT

This report includes indices for the [Sustainability Accounting Standards Board \(SASB\)](#) standard for Biotechnology and Pharmaceuticals and the [Task Force on Climate-related Financial Disclosures \(TCFD\)](#) recommendations.

SASB sets industry-specific sustainability disclosure standards focused on environmental, social, and governance matters relevant to investors. Also relevant to investors, we are leveraging the recommendations of the TCFD to demonstrate our understanding of climate-related risks and opportunities specific to our business.

Please refer to the SASB index on [page 57](#) and the TCFD index on [page 62](#) of this report for more information concerning the Company's alignment with these standards.

In addition, this report highlights our commitment and performance in other environmental, social, and governance areas, including:

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

SCOPE & DATA

Unless stated otherwise, all reporting covers our fiscal year 2021, from July 1, 2020 through June 30, 2021. This report includes data from Catalent, Inc. and its subsidiaries.

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

TRADEMARKS

Catalent®, FastChain™, FlexDirect™, GPEx®, MaSTherCell®, OptiForm®, OptiGel®, OptiShell®, SMARTag™, and Zydis Ultra® are registered trademarks of R.P. Scherer Technologies, LLC or Catalent Pharma Solutions, Inc., wholly owned subsidiaries of Catalent, Inc. We use certain other trademarks and service marks, including More products. Better treatments. Reliably supplied.™, on an unregistered basis in the U.S. and other countries.

This report also includes trademarks and trade names owned by other parties, including LinkedIn Learning®. These trademarks and trade names are the property of their respective owners.

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements, which generally can be identified by phrases used, such as “will,” “intend,” “anticipate,” “likely,” or other similar phrases. Statements that focus on our objectives, plans, or goals may also be forward-looking statements. These statements are based on current expectations of future events and actual results may vary from our projections. All forward-looking statements speak only as of the date of this report.

To provide feedback or request more information, please email corporateresponsibility@catalent.com.

A photograph of two men in business attire (suits and ties) looking down at a tablet. The man in the foreground is holding a pen. The image has a purple overlay and a white border. The text "2021 DISCLOSURE INDEX" is written in white, uppercase letters across the top left.

2021 DISCLOSURE INDEX

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

BIOTECHNOLOGY & PHARMACEUTICALS STANDARD

Catalent is a technology and services partner to companies in the pharmaceutical and biotechnology industry. This 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).

SASB CODE	METRIC	RESPONSE FOR FISCAL YEAR 2021
SAFETY OF CLINICAL TRIAL PARTICIPANTS		
HC-BP-210a.1	Discussion, by world region, of management process for ensuring quality and patient safety during clinical trials	Although Catalent neither conducts trials nor provides input on trial design or protocols, the products and services we provide are vital to the success of our customers' trials. Our clinical trial supply services include packaging, storage, and distribution to help customers successfully conduct clinical trials around the globe, regardless of a trial's size or complexity. We have rigorous operational, quality, and security procedures to fulfill this responsibility. In fiscal 2021, we supported 4,200 different clinical trial protocols across a multitude of therapeutic areas conducted by our customers.
HC-BP-210a.2	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)	Not applicable.
HC-BP-210a.3	Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries	Zero.

SASB CODE	METRIC	RESPONSE FOR FISCAL YEAR 2021
ACCESS TO MEDICINES		
HC-BP-240a.1	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	Not applicable. As a CDMO, Catalent has no patient-facing activity.
HC-BP-240a.2	List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)	Not applicable. As a CDMO, Catalent has no patient-facing activity.
AFFORDABILITY & PRICING		
HC-BP-240b.1	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	Zero.
HC-BP-240b.2	Percentage change in: (1) average list price and (2) average net price across U.S. product portfolio compared to previous year	Not applicable. Catalent does not market to consumers, and therefore does not set the retail price for any product.
HC-BP-240b.3	Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous year	Not applicable. Catalent does not market to consumers, and therefore does not set the retail price for any product.
DRUG SAFETY		
HC-BP-250a.1	List of products listed in the Food and Drug Administration's (FDA) MedWatch Safety Alerts for Human Medical Products database	No Catalent product is listed on the FDA's MedWatch Safety Alerts for Human Medical Products database. As a CDMO, Catalent does not sponsor any product listed on the FDA's MedWatch Safety Alerts for Human Medical Products database.
HC-BP-250a.2	Number of fatalities associated with products as reported in the FDA Adverse Event Reporting System	Zero.
HC-BP-250a.3	Number of recalls issued, total units recalled	Not applicable. Catalent does not market its own products and therefore cannot initiate any recall.
HC-BP-250a.4	Total amount of product accepted for takeback, reuse, or disposal	Zero.
HC-BP-250a.5	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (CGMP), by type	Zero.

SASB CODE	METRIC	RESPONSE FOR FISCAL YEAR 2021
COUNTERFEIT DRUGS		
HC-BP-260a.1	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	<p>As a CDMO, Catalent strives to support our customers to meet their traceability compliance requirements. Examples of how we support such efforts include serializing prescription drugs in the final saleable package we manufacture to meet our customers' requests and requirements, and applying barcodes with unique serial numbers to saleable prescription drug packages, which links each product pack with a specific shipper and pallet barcode.</p> <p>In addition, when Catalent acts as a wholesaler to obtain comparator commercial drug product as part of its clinical supply services business, it fully complies with all applicable requirements of the Drug Supply Chain Security Act (DSCSA). The DSCSA is an electronic, interoperable system that identifies and traces certain prescription drugs as they are distributed in the United States.</p>
HC-BP-260a.2	Discussion of process for alerting customers and business partners of potential or known risks associated with counterfeit products	As a CDMO, Catalent notifies customers in accordance with the quality agreements it has in place with them and would inform the FDA and other applicable state and federal agencies, as required per policy and procedures, if there were ever an instance of counterfeiting that came to its attention.
HC-BP-260a.3	Number of actions that led to raids, seizure, arrests, and/or filing of criminal charges related to counterfeit products	In fiscal 2021, zero actions led to raids, seizure, arrests, and/or filing of criminal charges related to counterfeit products.
ETHICAL MARKETING		
HC-BP-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	Not applicable. As a CDMO, Catalent has no patient-facing activity.
HC-BP-270a.2	Description of code of ethics governing promotion of off-label use of products	Not applicable. As a CDMO, Catalent has no patient-facing activity.

SASB CODE	METRIC	RESPONSE FOR FISCAL YEAR 2021
EMPLOYEE RECRUITMENT, DEVELOPMENT, & RETENTION		
HC-BP-330a.1	Discussion of talent recruitment and retention efforts for scientists and research and development personnel	Recruitment for STEM talent is competitive in our industry and, in fiscal 2021, 33% of Catalent's open positions required these skills. The Company's reputation as a great place to work and the opportunity to contribute to the COVID-19 response help set it apart and attract employees with the skills and experience it needs. Read more about Catalent's recruitment efforts on page 33 .
HC-BP-330a.2	(1) Voluntary and (2) involuntary turnover rate for (a) executives/senior managers, (b) mid-level managers, (c) professionals, and (d) others.	In fiscal 2021, Catalent's total employee turnover globally was 15.3%, with a voluntary turnover of 10.9% and involuntary turnover of 4.4%. For further details, see table on page 43 .
SUPPLY CHAIN MANAGEMENT		
HC-BP-430a.1	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	<p>Catalent does not participate in the Rx-360 International Pharmaceutical Supply Chain Consortium.</p> <p>The Company's facilities are regularly audited by various health authorities of countries where those facilities and their customers conduct business.</p> <p>As a member of the Pharmaceutical Supply Chain Initiative (PSCI), Catalent sites and those of some of its suppliers have been audited against the Pharmaceutical Supply Chain Initiative (PSCI) principles, as part of Catalent's membership commitment. Some of these audits have been uploaded to the shared auditing platform of PSCI.</p>
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 Catalent's code of ethics, see page 50 . In addition, Catalent complies with the requirements of the U.S. Physician Payments Sunshine Act.

SASB CODE	METRIC	RESPONSE FOR FISCAL YEAR 2021
ACTIVITY METRICS		
HC-BP-000.A	Number of patients treated	As a CDMO, Catalent does not treat patients. Across both development and delivery, its commitment to reliably supply its customers' and their patients' needs is the foundation for the value it provides. Annually, Catalent produces more than 70 billion doses for nearly 7,000 customer products, or approximately 1 in every 24 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 8 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, 2021, we were engaged in clinical stage research or development of 40 products for our own account. In fiscal 2021, including our customers' products, we manufactured nearly 7,000 products, including approximately 1,300 development projects.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

TCFD RECOMMENDATION	<p>GOVERNANCE Disclose the organization’s governance around climate-related risks and opportunities.</p> <ul style="list-style-type: none"> ▪ Describe the Board’s oversight of climate-related risks and opportunities. ▪ Describe management’s role in assessing and managing climate-related risks and opportunities.
RESPONSE	<p>Catalent’s Corporate Responsibility (CR) Council provides executive oversight of the business’s CR strategy, including climate, to Catalent’s Board of Directors. The Council comprises a cross-functional sub-set of executive leaders, site leaders, and functional leaders with management responsibilities for our CR strategy and delivery.</p> <p>The CR Council reports to the CEO, who formally reports to Catalent’s Board of Directors at least once a year on the full CR strategy, of which climate-related issues are a part. Ad hoc or timely conversations on CR- and climate-related issues occur as needed.</p> <p>Catalent’s CR Strategy is coordinated by the VP of CR and D&I, reporting at least quarterly to the CR Council. The Sustainability Strategy is led by a VP of EHS&S. Both VPs report to the SVP, Enterprise Functions, who reports to the COO. Climate-related strategy at the operational level is driven predominantly by the Global EHS&S function, responsible for devising and implementing the full environmental sustainability strategy in a collaborative approach with Global Engineering, Continuous Improvement, Procurement, Corporate Responsibility functions, and operational teams. Global EHS&S also leads the sustainability sub-committee of the CR Council and guides the review of performance against sustainability and climate-related metrics, which is communicated with the Board of Directors through the CEO.</p> <p>Progress against the trackers and ESG/sustainability goals are reported regularly to the CR Council and Quarterly Operating Mechanisms of senior leaders, in addition to the Executive Leadership Team.</p> <p>The VP, CR and D&I and VP, EHS&S monitor and report on all ESG trends, issue areas (including climate), and performance. The monitoring and tracking of issues is supported by Catalent’s participation in organizations like the Pharmaceutical Supply Chain Initiative (PSCI), GreenBiz, the CEO Investor Forum/CECP, and Boston College Center for Corporate Citizenship. Discussions with customers and investors also inform our climate strategy. External raters and rankers, and the related scores and feedback, also inform our ESG and climate strategy.</p>

TCFD RECOMMENDATION	<p>STRATEGY Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning where such information is material.</p> <ul style="list-style-type: none"> • Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term. • Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. • Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.
RESPONSE	<p>Evaluation of climate-related risks are integrated into our corporate enterprise risk management assessments, led by the Global Risk Management team and informed by key functions managing climate-related risks and strategy, such as Global EHS&S, Insurance, Procurement, Engineering, and Legal.</p> <p>Climate-related issues have the potential to impact our entire business, particularly our operations, value chain, and products and services. We discuss the impact on our operations and value chain in the Environmental Sustainability section of this report. For products and services, the main impacts are summarized below:</p> <ul style="list-style-type: none"> • Respond to emerging diseases as a result of climate change. • Design sustainable packaging, including that with increased recycled content and reduced overall materials and weight, returnable packaging formats, and compostable and recyclable formats for cosmetic and nutraceutical customers. • Increase recycling of by-product (raw) materials of manufacturing activities and continue to prioritize gelatin waste. <p>Physical climate-related issues are integrated into financial planning at the corporate level. Currently this includes the evaluation of Virtual Power Purchase Agreement opportunities for the medium term. Some higher-cost equipment replacement projects are considered and budgeted through the CapEx process. Finally, cost and budgets as it pertains to proactively preparing for, or responding to, climate impacts for our sites in climate-event-prone areas (i.e. Brazil, Germany, Italy, and the U.S.) are also integrated into our financial planning.</p>

RESPONSE
(continued)

We define risk and opportunity time horizons as: 1-2 years for short-term, 2-8 years for medium-term, and 8-30 years for long-term. Our identified climate-related risks and opportunities include:

PHYSICAL CLIMATE-RELATED ISSUE	FINANCIAL CATEGORY	RISK	OPPORTUNITY
Impact of severe weather events on physical/manufacturing sites (short-, medium-, and long-term)	Expenditures; Assets	Loss and/or damage to property and assets.	Preparedness minimizes total potential cost/ expenditure, particularly in the countries in which we operate where climate-related weather events and water scarcity are increasing.
Disruption of supply chain due to severe weather events (short-, medium-, and long-term)	Revenue; Assets & Liabilities	Business disruption that impacts Catalent's ability to deliver for customers and patients.	Assess suppliers for climate resilience and potentially identify even better, more sustainable partners; Preparedness and planning minimize total potential cost/ expenditure, and enhance supply chain reliability, customer trust, and long-term resilience of operations.
Investment in low-energy/lower cost/ low carbon physical assets, processes, and/or technologies to meet regulatory, customer and investor expectations and/or requirements to operate within a lower-carbon footprint (short-, medium-, and long-term)	Assets & Liabilities; Capital & Financing	High capital expenditure to maintain and implement more energy- and resource-efficient processes and technologies and meet stakeholder expectations. The Softgel and Oral Technologies (SOT) business unit in particular operates in some water-scarce regions and has the greatest dependency on, and use of, water than other Catalent business units to manufacture products.	Cost savings and operational efficiencies related to more energy- and resource-efficient processes and technologies, enhanced reputation with customers as a sustainable CDMO partner, and meeting growing customer demands for more green/sustainable partners.
Increasing regulation on natural gas (medium-term)	Expenditures	At those sites where heating or power is supplied in whole or in part by natural gas, increasing regulation may increase costs or restrict availability.	Increasing regulation of natural gas provides further impetus to Catalent's existing push for greater use of renewable energy sources.

RESPONSE (continued)	TRANSITION CLIMATE-RELATED ISSUE	FINANCIAL CATEGORY	RISK	OPPORTUNITY
	Regulatory constraints on carbon emissions, water use, waste-management, and related cost of reporting requirements, especially in Europe (short-, medium-, and long-term)	Expenditures; Assets & Liabilities	Pay financial penalties if regulatory expectations are not met; impact on Catalent's reputation; and cost of adjusting processes and technology to use fewer natural resources and emit less carbon. Catalent's SOT business is the most natural resource-heavy business unit and our largest carbon emitter of the businesses.	Lower-cost and lower-carbon processes and technologies to comply with regulation and minimize carbon emission.
	Emerging carbon pricing mechanisms and carbon tax policies, particularly in Europe (short- and medium-term)	Expenditures	New and increasing expenses for carbon emission.	Transition to low-emission energy sources and technologies to comply with regulation, reduce operating costs, reduce exposure to future fossil fuel price fluctuations and minimize carbon emissions.
	Dynamic (and in many cases, increasing) cost of energy and energy attribute certificates (short- and medium-term)		New and increasing expenses for low-carbon energy procurement.	
	Transition from renewable energy sources based on the purchase of energy attribute certificates to a long-term power purchase arrangement (short- and medium-term)		New and increasing expenses for low-carbon energy generation and procurement.	
	Increasing customer demand for more sustainable products	Revenue	We do not respond to customer expectations or lose new and existing business.	Expansion of low emission goods and services (e.g. plant-based consumer health products, returnable packaging schemes) due to customers and end-consumers emerging preferences, to maximize competitive positioning and increased revenues (particularly for beauty and consumer health (Softgel) products).

RESPONSE (continued)	TRANSITION CLIMATE-RELATED ISSUE	FINANCIAL CATEGORY	RISK	OPPORTUNITY
	Reputation and brand impacted by our performance and positioning as a sustainable CDMO partner (short-, medium-, and long-term)	Revenue; Stakeholder Trust	If low-carbon transition does not occur or major assets are impacted by climate change, Catalent could be seen as not prepared nor responsive to customer and investor demand for low-carbon CDMO services.	Catalent continues to lead the CDMO sector as a low-carbon, sustainable business partner to the biopharma industry.
	Demand from current and potential customers and investors to achieve “net zero” impact and to accelerate a transition to an even lighter carbon footprint business model (short-, medium-, and long-term)	Revenue	Catalent could be seen as neither prepared for nor responsive to customer or investor demand for low-carbon services and, as a result, lose business or fail to maximize business opportunities.	Catalent continues to lead the CDMO sector as a low-carbon, sustainable business partner and meets the demands of the biopharma industry.
	Shifting disease patterns due to shifting climate, influencing the health of people, as well as patient and customer demand for health products to be developed and manufactured to address changing health needs (short-, medium-, and long-term)	Revenue; Expenditure; Capital & Financing	Catalent is not prepared to meet demand for new treatments related to climate-related disease.	Catalent is positioned to respond to, and capitalize on, demand for product development, delivery, and manufacturing related to new disease states.
Catalent is aligned with the 1.5°C Paris Agreement and has set a <u>science-based target</u> . We have not conducted scenario analysis of climate-related strategy resilience at the point of this disclosure, but we are planning to conduct one in the near future.				

TCFD RECOMMENDATION	<p>RISK MANAGEMENT Disclose how the organization identifies, assesses, and manages climate-related risks.</p> <ul style="list-style-type: none"> Describe the organization's processes for identifying and assessing climate-related risks. Describe the organization's processes for managing climate-related risks. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.
RESPONSE	<p>Our risk management process is overseen by our Executive Leadership Team, which includes our most senior executives across all our businesses and functions, and is managed as part of our overall enterprise risk management program, which is a responsibility of our Senior Vice President of Enterprise Functions, who is a member of the Executive Leadership Team. The relative significance of climate-related risks, in relation to other risks, is determined as part of our overall enterprise risk management program.</p> <p>Other relevant factors in our risk management process relative to climate-related risks include technologies, legal considerations, markets affected by climate risk, Catalent's reputation, and acute physical risks and the actions we are taking to address them, including our actions in response to our pledge under the Science Based Targets initiative. Moving forward, we will further integrate climate-related risks into our broader risk management processes.</p> <p>Catalent also considers current and emerging regulations and consults with energy management partners to gauge changes in regulation and impacts on our business. Our sites assess regulatory requirements as part of their ISO 14001 and ISO 50001 management systems (as applicable) and we have a quarterly energy audit program performed by approved vendors to inform us of energy and other related legal requirements. We are a member of the Pharmaceutical Supply Chain Initiative (PSCI) and receive information from PSCI regarding relevant trends and emerging regulations.</p>
TCFD RECOMMENDATION	<p>METRICS & TARGETS Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</p> <ul style="list-style-type: none"> Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.
RESPONSE	<p>Catalent reports relevant environmental data, including energy usage, emissions (Scope 1 and Scope 2), waste generation, and water usage, each year in its CR Report. Information for fiscal 2021 is described in the Environmental Sustainability section of this report. Among other things, this section explains the targets that Catalent has established against the baseline values it established during fiscal 2020.</p>



corporate responsibility

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better treatments.
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