A MESSAGE FROM JOHN CHIMINSKI

Catalent’s first Corporate Responsibility (CR) report is a significant accomplishment in the evolution of our five-year-old public company. The strategy and pledges outlined within demonstrate our Company’s maturing commitment to CR and articulate important elements of our long-term value-creation and sustainability plans. Our CR strategy aims to maximize Catalent’s positive contributions to society, while minimizing risk and negative impact.

The guiding lighthouse of our CR plan is our corporate mission to help people live better, healthier lives, which is enabled by our deep belief in our values. We continue to invest in a corporate culture that understands and prioritizes our impact on people in our operations and decision-making.

Environmental and social responsibility have always been integral to our core values. However, to further that alignment, we established the Office of Corporate Responsibility in fiscal 2017 and created a formal governance structure through our CR Council, which reports to me. Composed of members of our senior leadership, the Council oversees the implementation of our CR strategy and commitments across our business.

As we began to focus more intensely on CR, we worked to understand the environmental, social, and governance (ESG) priorities of our stakeholders and align wherever appropriate with their values. For example, we joined the Pharmaceutical Supply Chain Initiative to partner with our customers to continually improve the environmental, social, and ethical performance of the pharmaceutical supply chain.

Our CR strategy stands on four pillars—Innovation, People, Environment and Communities—and we have instituted a scorecard approach to monitor how each of the business units and sites across the Catalent network contributes to meeting our goals. In this first report, we are identifying our most significant ESG focus areas and we are sharing baseline data.

The report also spotlights significant areas of progress in our most recent fiscal year, which ended on June 30, 2019:

- I signed the CEO Action for Diversity & Inclusion pledge, committing us to accelerate and enhance diversity and inclusion at Catalent.

- We set up the Office of Diversity and Inclusion (D&I) as a key component of our talent and engagement strategy and implemented inclusive leadership training for our top 160 leaders.

- We established the first of our employee resource groups (now up to seven), which are voluntary, employee-run groups that bring people together based on shared characteristics, interests, or life experiences. I personally sponsor Catalent’s SERVE resource group in support of military employees, their families, and other supporters.
• We obtained global accreditation for our compliance with two leading environmental and occupational safety standards, ISO 14001:2015 and OHSAS 18001:2007, and will transition to the new ISO45001 standard by March 2021.

• We also collected environmental data from our manufacturing facilities around the world to establish a baseline of our environmental footprint.

• By formalizing a target to reduce our carbon emissions by 15% over five years, we took action to support global efforts to address climate change.

• We launched a suite of “Catalent Cares” community giving and volunteer programs to strengthen our employees’ ability to give back to society. Participation in these programs is growing steadily.

Looking forward, we will expand our CR efforts and improve our performance in critical areas.

We will assess how to integrate our respect for human rights more fully into our policies and practices and bolster the auditing of social and environmental standards in our supply chain. We commit to further developing our waste and water reduction strategies and sharing targets in those important environmental areas in our next report. We will continue to grow our community partnerships and employee-driven giving and volunteer programs, and deepen our commitment to serving patients and promoting STEM education, training, and job-placement in our communities.

I am proud of our work so far and look forward with confidence to additional progress, as Catalent continues to grow and thrive in a manner that is consistent with the highest standards of corporate responsibility.

John Chiminski
Chair & CEO
Catalent, Inc.

“"The guiding lighthouse of our CR plan is our corporate mission to help people live better, healthier lives, which is enabled by our deep belief in our values.""
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ABOUT THIS REPORT

The subjects addressed in and content of this report were informed by the reporting requirements of the Sustainability Accounting Standards Board (SASB) standard for Biotechnology and Pharmaceuticals. SASB sets sustainability disclosure standards that are industry-specific and focused on matters that are financially material and therefore relevant to investors. Please refer to the SASB Index on pages 32-35 of this document for further information concerning the Company related to the standard’s metrics.

This report also highlights our commitment and performance in ESG areas important to a broader range of stakeholders including employees and customers. These additional ESG areas include:

- Community investment and philanthropy
- Diversity and inclusion
- Energy use and climate change
- Occupational health and safety
- Product innovation
- Training and development
- Waste
- Water use

SCOPE & DATA

Unless otherwise stated, all performance reporting covers our fiscal year 2019, from July 1, 2018, to June 30, 2019. The report consolidates data from Catalent, Inc. and its subsidiaries.

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

FORWARD-LOOKING STATEMENTS

In addition to historical information, this report contains forward-looking statements, which generally can be identified by the use of phrases such as “will,” “intend,” “anticipate,” “likely,” or other phrases with similar meanings. Similarly, statements that describe Catalent’s objectives, plans or goals are, or may be, forward-looking statements. These statements are based on current expectations of future events, and actual results could vary materially from our expectations and projections. For factors that could cause actual results to differ, see the “Risk Factors” section of our Annual Report on Form 10-K for the fiscal year ended June 30, 2019, filed August 27, 2019. All forward-looking statements speak only as of the date of this report, and we do not undertake to update any forward-looking statement as a result of new information or future events except to the extent required by law.

We welcome comments. To provide feedback or request further information, please email CorporateResponsibility@Catalent.com.
AT Catalent, we put patients first. Our mission is to help people around the world live better, healthier lives.

As a leading contract development and manufacturing organization (CDMO), we work with life science customers to develop, launch, and supply pharmaceutical, biologics, cell and gene therapy, and consumer health products. Our oral, injectable, cell and gene therapy, and respiratory delivery technologies address the full diversity of the pharmaceutical industry, including small molecules, protein, cell and gene therapy, biologics, and consumer health products.

We produce more than 73 billion doses each year from a network of more than 40 manufacturing sites, and support over 1,500 clinical trials through 50+ clinical depots.

We put patients at the center of our work to ensure the safety, reliable supply, and optimal performance of products. Our talented employees, shared values, advanced manufacturing facilities, and strategic investments help us achieve this vision.

Catalent’s customers include pharmaceutical and biopharmaceutical companies of all sizes, from small and virtual organizations to multinationals.

With 85 years of industry experience and approximately 13,000 employees, we support more than 1,000 customers and nearly 7,000 products.

We aim to be the world’s most trusted, reliable, and innovative drug development, delivery, supply, and manufacturing partner.

GLOBALLY, DURING FISCAL 2019 WE CONDUCTED BUSINESS WITH:

83 of the top 100 branded drug marketers
21 of the top 25 generics marketers
23 of the top 25 biologics marketers
21 of the top 25 consumer health marketers

Catalent capabilities
Advanced delivery technologies, development, manufacturing, clinical services, and commercial supply solutions

Pharmaceuticals
Protein Biologics
Cell & Gene Therapies
Consumer Health Products
CATALENT 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.
OUR CORPORATE RESPONSIBILITY COMMITMENT

CORPORATE RESPONSIBILITY STRATEGY

At Catalent, corporate responsibility and sustainability are integrated into our business, and we are committed to act with integrity in everything we do. Our team of approximately 13,000 talented employees helps people around the world live healthier, better lives by supporting the four pillars of our corporate responsibility commitment:

- Innovation
- People
- Environment
- Communities

Our corporate responsibility and sustainability strategy is focused on the areas that we believe are the most material to our business. Those areas, as well as industry-specific indicators identified by the Sustainable Accounting Standards Board (SASB), are addressed in this document, our first Corporate Responsibility Report. In this report, we affirm our commitment to social and environmental responsibility and to communicating our progress to Catalent investors, customers, communities, employees, and other key stakeholders.

INNOVATION
Continuously improving our development, delivery, and supply of reliable, high-quality products and services

PEOPLE
Putting patients first, investing in and showing respect for our people, and promoting a responsible supply chain

ENVIRONMENT
Reducing greenhouse gas emissions, waste, and water use

COMMUNITIES
Giving back to our communities by investing our time, talents, and resources to serve patients and promote science, technology, engineering, and mathematics (STEM) education and training
CORPORATE GOVERNANCE

Strong governance provides structure, informs effective decision-making, and ensures that our actions align with our values.

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

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

The Catalent Board includes two women who joined the organization in fiscal 2018. One Board member identifies as ethnically diverse and one Board member is based outside of the U.S.

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

ETHICS: THE FOUNDATION OF OUR CULTURE

OUR INTEGRITY MATTERS. We expect employees to demonstrate respect, accountability, and honesty in every interaction. Cultivating and maintaining a culture of ethical behavior is the right thing to do and essential to safeguarding the trust we build with key stakeholders, demonstrating our commitment to human rights and protecting our reputation.

Our continued success depends on our ability to operate responsibly and with integrity. Across our global workforce, we expect full compliance with the law and ethical behavior as set out in our Standards of Business Conduct, also referred to as “The Code.” Catalent’s Chief Compliance Officer, who reports directly to the CEO and also reports regularly to the Audit Committee of Catalent’s Board of Directors, along with the rest of his Ethics and Compliance team, are responsible for our ethics and compliance program.

Our Code guides employees to behave ethically in all business decisions and actions. Every Catalent employee is responsible for full and active participation in the Company’s global ethical business practices compliance program. This includes annual ethics training, with the entire Code of Conduct covered every two years. Upon joining the Company, new employees receive Code of Conduct training and must sign and certify their understanding of its principles.

We hold our suppliers to the same high standards that we hold ourselves to. All suppliers must adhere to our Supplier Code of Conduct, which outlines Catalent’s policies and expectations for ethical business practices. For more information on our supply chain practices, see our Product Quality, Safety & Supply section.

The Catalent Global Ethical Business Practices Policy establishes our principles and approach to addressing issues of corruption or bribery. It references applicable laws, including the U.S. Foreign Corruption Practices Act and the U.K. Bribery Act. The purpose of the policy is to:

- Emphasize Catalent’s commitment to integrity in all we do
- Reinforce our belief that ethical business practices are directly tied to long-term value and success
- Inform and educate employees on applicable laws and regulations.

Our compliance program applies to all direct and indirect Catalent affiliates. It is designed to prevent, detect, and promptly investigate and address any instance of misconduct.
We encourage employees to speak up if they believe there has been a violation of our Code or any legal requirement. Concerns are taken seriously, and we enforce a strict non-retaliation policy so that anyone who voices a concern can do so without fear of retribution. There are multiple ways to raise a concern. Anyone, including third parties, can report concerns regarding the business conduct of Catalent or its employees through our independent third-party Business Conduct Line at catalentmsw.com or through a 24-hour hotline. They can also email our Compliance and Ethics Team at ethics@catalent.com.

PUBLIC POLICY ENGAGEMENT

We engage with public policymakers directly and through industry associations to increase understanding of our business and create a business environment that fosters continued development, delivery, and supply of treatments for patients.

Because we operate in a highly visible, large, and regulated sector of the economy, public policy can have significant implications for our business. As a technology and services partner to the pharmaceutical industry, our business model differs in key ways from those of our pharmaceutical customers. We help our customers develop products—innovative and generic drugs, biologics and biosimilars, and consumer health products—but we do not generally discover or develop our own. We educate regulators on these differences to ensure that public policies are equitable and do not have a disproportionately negative impact on contract development and manufacturing organizations (CDMOs). We also advocate for visibility and for awareness of the benefits that our business brings to customers, patients, and communities.

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

In fiscal 2019, Catalent made no political donation.

FULFILLING TAX RESPONSIBILITIES

Meeting our tax responsibilities supports our social license to operate and strengthens our relationship with communities.

Doing our share to support the fiscal health and development of communities is part of being a responsible corporate citizen. The taxes and other government fees we pay help fund programs and infrastructure in the places where we operate that can improve the lives of the people who live there.

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

PROTECTING DATA SECURITY & PRIVACY

Our Information Technology (IT) Security Program protects Company, customer, and employee data in a rapidly evolving technology environment. Our systems safeguard information, strive to protect privacy, and meet regulatory requirements.

We have a responsibility to protect the confidentiality, integrity, and availability of our business systems and data. Our approach includes compliance with global standards and, in some cases, we exceed them. We have documented policies and procedures, conduct
We secure our supply chain by adhering to the World Customs Organization (WCO) SAFE Framework and by engaging in public-private partnerships including the:

- WCO Authorized Economic Operator (AEO) Program
- U.S. Customs Trade Partnership Against Terrorism
- Singapore Known Consignor Regime

We regularly test our systems and engage in collaborative partnerships. Our Chief Information Officer and Chief Information Security Officer oversee our global IT Security program.

Our program is aligned with the National Institute of Standards and Technology Cybersecurity Framework (NIST CF). Through our memberships in the Health Information Sharing and Analysis Center (H-ISAC) and other equivalent threat intelligence groups, we stay abreast of security issues, learn from leading subject matter experts, and continuously improve our systems.

Catalent’s IT Security Policy applies to all IT infrastructure and processes. It outlines the physical, procedural, and technology-based controls we use to defend our business data. The policy applies to our employees, consultants, contractors, and temporary workers, as well as third-party data processors. Before integrating acquired companies or working with new vendors, we assess their security programs and mitigate any identified risk.

We maintain internal audit and assessment processes to manage IT security risk within Catalent. We routinely conduct both formal and informal assessments and test our security controls and environment. Additionally, we are subject to audits by both our customers and other external bodies.

Employees play an important role in Catalent’s IT security program and every employee completes annual data security training. Additionally, we provide other forms of security awareness and education throughout the year. Read more about our approach to data integrity in Product Quality, Safety and Supply.

We will continue to evolve our capabilities to meet cybersecurity risks by further leveraging the expertise of our external security partners and continuing to build internal skills. Where appropriate, we will upgrade to enhance adoption of industry best practices and deploy new or additional processes or technology.

**SAFEGUARDING PRIVACY**

We are committed to meeting the requirements of global privacy laws, including those contained in the European Union’s General Data Protection Regulation (GDPR). Our policies, standards, and procedures are aligned with GDPR requirements and NIST CF guidance. Our privacy program is managed by a cross-functional team that includes representatives from Legal, IT, and HR leadership. In fiscal 2019, we self-certified to the Privacy Shield Framework, a mechanism for businesses to comply with international data protection requirements for data transfers.

As a technology and services partner to the pharmaceutical industry, we are a business-to-business provider. We do not market, sell, or distribute any product or service directly to patients or consumers. Our Privacy Policy details the procedures we use to protect the privacy of those who entrust us with their information.

**SUPPLY CHAIN SECURITY**

We secure our supply chain by adhering to the World Customs Organization (WCO) SAFE Framework and by engaging in public-private partnerships including the:

- WCO Authorized Economic Operator (AEO) Program
- U.S. Customs Trade Partnership Against Terrorism
- Singapore Known Consignor Regime

**RESPECTING HUMAN RIGHTS**

Catalent’s commitment to respecting human rights is expressed in our Standards of Business Conduct and various company policies and statements. Looking ahead, we will further assess the robustness and efficacy of our current processes and management systems to identify, mitigate, and remedy the risks of adverse human rights impacts of our global operations.
PRODUCT QUALITY, SAFETY & SUPPLY

There is no function more critical to our patient first commitment than Quality. We keep patients safe and uphold our reputation as a leading development, delivery, and supply partner through quality diligence, and excellence.

We put patients at the center of our decision-making to achieve safe, reliable supply and the consistent performance of every product we make. Our centralized Quality Management System (QMS) ensures a holistic, Company-wide approach to quality. Our QMS is designed to provide substantial assurance that the products we manufacture and supply meet the required specifications for safety, quality, and efficacy.

Catalent’s Quality Policy is our foundation for operational excellence. It requires that we meet industry standards, follow good manufacturing practices (GMP) wherever appropriate, and achieve and maintain regulatory compliance. Our culture of quality discipline and accountability focuses on data integrity, continuous improvement, and decision-making that keeps the well-being of the patient foremost in mind and action.

Our Quality Policy reinforces that quality is the responsibility of every Catalent employee and assigns ultimate authority to our CEO. Each year, employees must certify their understanding of our Quality Policy through our web-based compliance management portal.

ENSURING OPERATIONAL EXCELLENCE

The Catalent QMS is our mechanism for managing quality across Catalent’s global systems, including materials intake, production, packaging and labeling, and laboratory control, as well as in the operation of facilities and equipment. Each site has a dedicated quality lead who reports to a Vice President of Quality for the site’s business unit and, on a “dotted-line” basis, to the site General Manager.

The QMS is how we ensure compliance with regulatory requirements, including GMP, and it also aligns with the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use guidelines. In fiscal 2019, Catalent hosted 75 regulatory inspections from 24 different regulatory authorities, including the U.S. FDA. FDA conducted no enforcement action in response to violations of GMP in fiscal 2019.

We annually assess our alignment with Company quality policies and standards. Each Catalent site establishes goals and improvement plans to meet Company quality objectives. We track their performance through metrics such as:

- Batch record right first time\(^1\)
- On-time delivery
- Deviation management, including root cause analysis effectiveness checks and corrective and preventative action (CAPA) management

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<tr>
<th>QUALITY MANAGEMENT OF OUR FACILITIES</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
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<td>NUMBER OF FDA ENFORCEMENT ACTIONS TAKEN IN RESPONSE TO VIOLATIONS OF CURRENT GOOD MANUFACTURING PRACTICES</td>
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\(^1\) The number of released batch records that require no deviation, rework, reprocessing, rejection, or other change prior to submission to the customer.

\(^2\) In fiscal 2018, an FDA Bioresearch Monitoring Program inspection was classified as Official Action Indicated (OAI). The FDA accepted our corrective action response and concluded that the inspection was closed within six months.
• Timeliness of implementation of commitments we make in response to a customer audit or regulatory inspection
• Inspection readiness.

In fiscal 2019, we standardized our use of a single supplier quality management software across all sites and implemented uniform workflows for deviations and supplier quality management. Our internal investigation team is using the software package to better document deviations and manage investigations. The quality software also provides senior management the automatic and timely notification of any critical deviation raised in the system. It also provides Company-wide visibility into the quality performance of our Catalent suppliers worldwide.

DATA INTEGRITY TRAINING & COMMUNICATIONS
Creating and maintaining reliable data throughout the product life cycle is critical to upholding our quality standards and ensuring the safety and efficacy of products for patients. We rely on our employees to make the right decisions and validations every day. In fiscal 2019, we undertook efforts to enhance employee understanding of the importance of data integrity and their role in it.

We formalized a Data Integrity Policy and initiated an employee-focused information campaign, which included videos, articles, and emails featuring our CEO and our Senior Vice President of Quality. We held town hall meetings at all sites, reiterating our commitment to data integrity and detailing the expectations for employees. In addition, we implemented a formal data integrity training program for all employees. The training educates employees on ALCOA (Attributable, Legible, Contemporaneous, Original and Accurate), a best-practice framework for data integrity.

In the coming year we will continue employee training, town halls and communications to reinforce the importance of data integrity, as well as our commitments to product quality and patient safety.

CULTIVATING A RESPONSIBLE & SUSTAINABLE SUPPLY CHAIN
Catalent partners with more than 10,000 suppliers that provide materials, equipment, and services to meet business needs. We work with suppliers who share our values and uphold our high-quality standards.

Our qualification criteria require suppliers to acknowledge Catalent’s Supplier Code of Conduct. By acknowledging the Code, suppliers commit to honoring the business conduct principles and practices outlined within and to proactively advise Catalent of any non-compliance.

In fiscal 2017, Catalent became the first contract development manufacturing organization to join the Pharmaceutical Supply Chain Initiative (PSCI), a coalition working to establish and promote responsible practices throughout the pharmaceutical supply chain that will continue to improve ethics, labor, health, safety, and environmentally sustainable outcomes. We are an active member of PSCI, working in coordination, and at times in consultation, with industry peers to advance responsible supply chain practices.

SUPPLY CHAIN QUALITY
The Catalent Global Supplier Assurance team manages supply chain quality through a risk assessment and auditing program. The program extends to our Active Pharmaceutical Ingredient (API), excipient and component manufacturers, distributors, and service providers, and ensures compliance with GMP requirements.

Our risk assessment process categorizes suppliers by the material or service provided and compliance risk level. This internal risk assessment determines audit frequency over and above any audit requirement set by external groups, including regulatory authorities or certification bodies.

Catalent’s Supplier Audit Program evaluates regulatory compliance and management practices. Audits are conducted by Catalent employees qualified to perform independent audits or, in some cases, third-party auditors. In fiscal 2019, we facilitated 831 supplier quality audits and self-assessments. Ensuring the quality and traceability of procured materials and components throughout our supply chain is part of the supplier assessments. If we identify a quality risk, the supplier is notified and required to resolve the issue within a specific timeframe. Audit results are posted on our supplier quality management tracking system, ensuring that supplier performance is visible to Catalent teams around the world.
SOCIAL & ENVIRONMENTAL RESPONSIBILITY IN THE SUPPLY CHAIN

We expect our suppliers to conduct business responsibly and with uncompromising integrity, which includes complying with applicable legal requirements for environmental management and employment practices.

In fiscal 2019, we formed an internal working group to drive socially and environmentally responsible practices deeper in our supply chain. The group is evaluating third-party vendors who can assist Catalent in auditing supplier performance.

We will further engage our direct material suppliers by requesting that they complete a self-assessment. We will rate suppliers for risk based on the quality of the self-assessments, their country of operation, and type of business, as well as other information in the public domain.

In fiscal 2021, we will prioritize high-risk suppliers and engage third-party auditors to conduct site visits and validate the self-assessments. We will work with these suppliers and provide instruction on how to remedy any non-compliance issue identified by the audits within a swift but reasonable timeframe for corrective action.

CLINICAL TRIAL SUPPLY SERVICES

Clinical trials are an integral step in developing new drugs and therapies for patients. Although Catalent neither conducts trials nor provides input on trial design or protocols, products that we develop or manufacture for customers are frequently used in clinical trials.

We also support our customers’ trials through our Clinical Supply Services business, which manufactures, packages, stores, and delivers products used in clinical trials. We have rigorous operational and quality procedures in place to fulfill this responsibility. In fiscal 2019, we supported 1,500 clinical trials conducted by our customers.
Innovation is a core value at Catalent. It is how we grow and differentiate our business, inspired by our mission to put patients first and help people live better, healthier lives.

OUR PEOPLE ARE THE KEY

Our innovation starts with, and is driven by, our people. We have approximately 2,400 scientists and engineers on the front lines of scientific and technical innovation, working to solve some of the most complex challenges in the industry. We have thousands of employees with deep manufacturing and quality experience who use principles of Lean Six Sigma to continuously improve how we operate. We promote intellectual openness and a patient-focused mindset that enable the generation of new solutions, leverage the diversity of our scientific community, and foster a positive and creative environment that brings new therapies to market.

INNOVATING WITH OUR CUSTOMERS TO BRING NEW TREATMENTS TO PATIENTS

We innovate to develop, deliver, and manufacture our customers’ treatments more effectively, so that they can bring the treatments to market—and to the patients who need them—faster. The rich history of our patient-focused innovation began more than 90 years ago with the invention of a radical new way of creating softgel capsules. The improved process accelerated the manufacture of these capsules and improved their quality and reliability while lowering their cost—revolutionizing their use for patients everywhere.

Over the last five years, we have launched more than a dozen new technology platforms, including the award-winning OptiForm® Solution Suite and gene and cell therapy manufacturing. Our commitment to innovation has led to a portfolio with more than 1,300 patents and applications in the drug delivery technology space.

Biologics are increasingly important to patient care. From treating rheumatoid arthritis to curing genetic disorders, we are investing to ensure that we can support this next generation of patient therapies. In fiscal 2019, we announced an investment of $200 million to organically expand our biologics capabilities and provide customers with fully integrated solutions for drugs in clinical development. This solution can save three to six months in development time versus traditional approaches. We also invested more than

RECENT INNOVATIONS

2015

OPTIFORM® SOLUTION SUITE
Comprehensive solubility enhancement platform

2016

OPTISHELL®
First gelatin-free, controlled-release prescription softgel

FASTCHAIN®
More efficiently manage clinical trial supplies
$1 billion to support the development and manufacture of cell and gene-based therapies as these solutions start to open the horizon to new curative treatments for patients.

**SHAPING THE FUTURE OF OUR INDUSTRY**

We promote open innovation by advocating to continually reinvent our industry, with a focus on patient adherence, treatment effectiveness, and transformational therapies. We do this by engaging regulators and leading innovators through the [Catalent Applied Drug Delivery Institute](#). Through the Institute, we bring together academic and industry experts to explore new or improved drug development, delivery, and manufacturing technologies that will improve and transform patient outcomes. Catalent experts have been recognized with industry awards as leaders and influencers.

Over the last decade, we supported the development of nearly half of the new molecules approved in the U.S. and Europe, and we currently have more than 1,100 products in development.

**IN FISCAL 2019, WE HELPED DELIVER NEARLY 200 NEW PRODUCTS TO THE MARKET.**

**2017**

**ZYDIS® ULTRA**

Next-generation orally dissolving tablet technology

**2019**

**PARAGON GENE THERAPY**

Gene & gene-enabled cell therapy

**GPEX® BOOST**

Next-generation protein expression platform
OUR PEOPLE

RECRUITING THE BEST TALENT
The name Catalent combines “catalyst” and “talent.” Attracting, developing, and retaining the best employees is critical to our business success and sustainability, so we invest in recruitment and early-career programs to build and maintain a robust workforce and talent pipeline.

Across our industry, the demand for scientists and researchers is high. On average, 35% of our open positions require technical skills. To ensure a rich talent pipeline for these critical positions, we:

• Identify and engage with potential top talent early through our college internship program
• Develop future leaders through our highly selective rotational program for recent college graduates, Global Organization Leadership Development
• Offer competitive compensation and flexible benefits
• Continually improve our recruitment process and platform.

Our recruitment and development initiatives are key to establishing Catalent as an employer of choice. Our employee value proposition of personal initiative, dynamic pace, and meaningful work offers prospective employees insight into our culture, work environment and career opportunities.

Our improved career website helps candidates learn about opportunities at Catalent.

EMPLOYEE ENGAGEMENT
We recognize the importance and benefit of a fulfilled, inspired and motivated workforce. We establish a two-way dialogue with employees on our values and their role in our patient first culture.

At least every two years, we conduct a Company-wide Employee Engagement Survey. Through this survey we collect direct and candid feedback to help leaders understand what drives engagement at Catalent and to inform our overall culture and engagement strategy. In fiscal 2019, 81% of employees participated.

We also distribute annual Pulse Surveys to selected employee groups. Our fiscal 2019 Pulse Survey included 11 sites, which employ 30% of our workforce. These surveys allow us to track employee engagement and feedback between the biennial Engagement Surveys.

We also interact with employees through in-person and virtual platforms such as quarterly town halls and daily intranet updates. Additionally, each site has an engagement action plan which is reviewed with executive leaders.

Looking ahead, we will continue to explore new techniques for engagement, such as global e-learning resources and a broadened employee recognition program. By continuing to strengthen our culture and soliciting and responding to employee feedback, we believe we will continue to improve our employee engagement outcomes.

PARTNERING FOR AN IMPACT
We partner with leading organizations to guide our D&I efforts to enable equity, equality, and inclusivity across our Company.

• Ascend
• CALIBR Global Leadership Network
• Catalyst
• Edge Strategy
• The Executive Leadership Council
• Hispanic Association on Corporate Responsibility
• National Society of Black Engineers
• Out & Equal
• Prospanica
• Society of Hispanic Professional Engineers
• Stonewall
INVESTING IN EMPLOYEE DEVELOPMENT

The goal of our talent development strategy is to help employees reach their full potential and to develop future Catalent leaders. Our program provides tools and resources that:

- Support the development of all employees
- Build people-management and leadership capabilities
- Improve team performance
- Accelerate the careers of high-potential individuals.

Our online Learning and Development portal provides access to on-demand technical and leadership training, allowing individuals to take an active role in their career growth. The portal includes resources such as career planning tools, development playbooks, and career pathways. It also supports managers by offering tips for career development discussions and a guide for driving team engagement.

We recently made LinkedIn Learning available to all employees. This online resource helps employees advance their careers with 3,700 courses taught by industry experts on topics such as personal development and business skills.

We also invest in our employees’ career development by considering existing employees first when hiring for an open position. In fiscal 2019, 23% of our hires were internal candidates.

REVIEWING PERFORMANCE

Open dialogue on performance enables personal and professional growth. Globally, our employees and leaders participate in annual performance reviews.

In fiscal 2019, we made 360-degree surveys available to manager-level employees. Previously only available to director-level employees and executives, this survey allows managers to collect anonymous, direct and candid feedback about their strengths and opportunity areas. This process is designed to improve managers’ self-awareness and inform their development plans.

DIVERSITY & INCLUSION

A culture of inclusion is our catalyst for success, and attracts a talented, motivated, and diverse workforce that will drive our growth, innovation, and long-term value creation capabilities.

BUILDING A MORE DIVERSE & INCLUSIVE WORKPLACE

We work continually to create and maintain a respectful and welcoming workplace, where individuals of all backgrounds, outlooks, and levels of experience can succeed because we recognize the value that a positive, caring, and diverse workplace brings to our business. In fiscal 2019, we formalized a Company-wide diversity and inclusion (D&I) strategy.

To move the needle on diversity, we must attract and hire more talent who come from diverse backgrounds and promote diversity in our leadership positions. Our newly formed Global Office of Diversity & Inclusion and our D&I Executive Council lead our efforts to accelerate progress.

In fiscal 2019, women represented 44% of our global workforce, and ethnically diverse talent represented 33% of our U.S. workforce. Forty-four percent of global new hires were female, and 31% of U.S. new hires were ethnically diverse.

In fiscal 2019, we implemented a Company-wide initiative to increase the recruitment of ethnically diverse individuals and women in management roles. In support of this, we trained our Talent Acquisition (TA) team on diverse recruitment tactics and redesigned our TA strategy to include partnerships with diverse professional organizations such as the Society of Hispanic Professional Engineers, the National Society of Black Engineers, and Prospanica.

During the year, we remained committed to increasing diversity in management roles. In fiscal 2019, women held 33% of management positions, and ethnically diverse talent held 27% of U.S. management positions.
Our aim is to build a culture where everyone can realize their full potential by embedding a culture of D&I across our organization. Fiscal 2019 initiatives included:

- Signing the [CEO Action for Diversity & Inclusion](#) pledge, thereby joining a coalition of CEOs committing the companies they lead to taking specific actions to advance D&I in the workplace.
- Formalizing efforts to increase the recruitment of diverse candidates
- Launching inclusive leadership training for our top 160 leaders
- Creating three new employee resource groups in fiscal 2019. As of fiscal 2020, there are seven groups in total.

We believe that equal work deserves equal pay. Our global compensation framework ensures that we deliver a competitive and equitable compensation package.

Catalent constantly works to identify and address any gender pay gap. In fiscal 2018, we conducted a gender pay gap analysis for director-level and above employees. We identified areas for improvement in certain markets and adjusted compensation to reduce gaps. We plan to expand our global pay gap analysis to incorporate the manager level. Because we operate five facilities in the U.K., we comply with a recent U.K. law concerning gender pay gaps. Our U.K. Gender Pay Gap reports are available [here](#).

In the coming year, we will utilize the [EDGE Strategy](#) to conduct a formal gender equality workforce assessment for our U.S. operations. This process will identify areas for improvement, develop solutions, and ultimately help us minimize gender inequalities wherever they may exist across Catalent.
**WORKFORCE DATA**

### ANNUAL PERFORMANCE REVIEWS

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GLOBAL WORKFORCE EMPLOYEE PARTICIPATION</strong>(1)</td>
<td>76%</td>
</tr>
</tbody>
</table>

1 A portion of employees do not participate in annual performance reviews due to their union membership or local work agreements.

### GLOBAL WORKFORCE – GENDER DIVERSITY

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL NUMBER OF EMPLOYEES</strong></td>
<td>11,567</td>
</tr>
<tr>
<td><strong>% WOMEN</strong></td>
<td>44%</td>
</tr>
<tr>
<td><strong>% WOMEN IN MANAGEMENT</strong>(1)</td>
<td>33%</td>
</tr>
</tbody>
</table>

1 Management: Director-level and above

### U.S. WORKFORCE – ETHNIC DIVERSITY

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL NUMBER OF EMPLOYEES</strong></td>
<td>5,431</td>
</tr>
<tr>
<td><strong>% ETHNICALLY DIVERSE</strong></td>
<td>33%</td>
</tr>
<tr>
<td><strong>% ETHNICALLY DIVERSE IN MANAGEMENT</strong>(1)</td>
<td>27%</td>
</tr>
</tbody>
</table>

1 Management: Director-level and above

### U.S. WORKFORCE – ETHNIC DIVERSITY

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASIAN</strong></td>
<td>10%</td>
</tr>
<tr>
<td><strong>BLACK OR AFRICAN-AMERICAN</strong></td>
<td>10%</td>
</tr>
<tr>
<td><strong>HISPANIC OR LATINO</strong></td>
<td>9%</td>
</tr>
<tr>
<td><strong>NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER</strong></td>
<td>1%</td>
</tr>
<tr>
<td><strong>WHITE</strong></td>
<td>67%</td>
</tr>
<tr>
<td><strong>TWO OR MORE RACES</strong></td>
<td>2%</td>
</tr>
<tr>
<td><strong>UNSPECIFIED</strong></td>
<td>1%</td>
</tr>
</tbody>
</table>

1 Represents workforce data from all Catalent sites, including Nottingham, which was acquired in August 2018. While Paragon was acquired in May 2019, that site is not represented in the data.
### Global New Hires – Gender Diversity

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
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</thead>
<tbody>
<tr>
<td>Total Number of New Hires</td>
<td>2,286</td>
</tr>
<tr>
<td>% Women</td>
<td>44%</td>
</tr>
</tbody>
</table>

### U.S. New Hires – Ethnic Diversity

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Number of U.S. New Hires</td>
<td>1,255</td>
</tr>
<tr>
<td>% Ethnically Diverse</td>
<td>33%</td>
</tr>
</tbody>
</table>

12% of U.S. new hires did not declare an ethnicity. New hires who did not declare an ethnicity were excluded from the calculation of our ethnically diverse percentage.

### Global Employee Turnover

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

1 Involuntary turnover includes end of fixed term contract, unsatisfactory performance or misconduct, failure to return from leave of absence or long term disability, position elimination, mandatory retirement, or deceased while active.
ENVIRONMENTAL SUSTAINABILITY

We operate responsibly by managing and minimizing the impact of our energy and water usage, and our waste. Our carbon reduction goal commits us to reducing our emissions by 15% over five years. In 2019, we were accredited to ISO14001, the most recognized international standard for environmental management systems.

OUR ENVIRONMENTAL MANAGEMENT APPROACH

Our Environmental Health and Safety (EHS) culture helps to integrate environmental responsibility and sustainability into management practices at our global facilities.

Catalent’s Corporate Responsibility (CR) Council provides executive management oversight and support for environmental management, including our sustainability strategy and target setting.

The EHS Policy outlines our Company-wide environmental stewardship objectives and commitments, and our expectations for employees to comply.

In fiscal 2019, we achieved global ISO14001 accreditation at 24 of Catalent’s main manufacturing facilities, validating the quality and reliability of our environmental management system. We aim to achieve accreditation for all 33 manufacturing sites over the next few years, including five of our most recently acquired sites.

REDUCING OUR CARBON FOOTPRINT

As a science-based company, we are concerned about climate change and its potential impact on human health and the environment. We are committed to operating responsibly and to meeting our goal to reduce Catalent’s carbon emissions by 15% over five years.

We strengthened our environmental data collection processes to provide a more precise measurement of Catalent’s carbon footprint and establish a baseline for future comparison. Our carbon reduction target and strategy, informed by our FY18 baseline, will primarily focus on increasing energy efficiency at our sites and implementing renewable energy initiatives. Our energy management program is in broad alignment with the ISO50001:2018 energy management standard.

In fiscal 2019, our combined Scope 1 and 2 emissions were 198 thousand metric tons of carbon dioxide equivalent and our energy use was 744 thousand MWh. In fiscal 2019, our energy intensity was 0.31 MWh per million dollars of revenue.

In fiscal 2019, we conducted energy audits and a major technical evaluation to identify opportunities to further reduce our energy consumption. We are implementing efficiency initiatives to reduce our carbon footprint, including a program to install efficient LED fixtures at our manufacturing sites.

---

1 The Greenhouse Gas Protocol defines Scope 1 and 2 emissions. Scope 1 emissions are direct emissions from owned or controlled sources. Scope 2 emissions are indirect emissions from the generation of purchased energy.
WATER STEWARDSHIP
We aim to reduce our water footprint through conservation measures and to always meet or exceed regulatory requirements for wastewater discharge. To meet legal requirements, our sites measure, test, and control discharges to align with permit requirements.

We require our sites to establish a water conservation program and identify opportunities for minimization. In fiscal 2019, our total water use was 1,765 million cubic meters. To become more efficient, we are optimizing our operational and cleaning processes. In our next report, we will share a water target.

MINIMIZING ACTIVE PHARMACEUTICAL INGREDIENTS IN WASTEWATER
Responsibly disposing of residual API in wastewater is a critical issue for the pharmaceutical and biotech sectors. Some of the materials used to produce drugs and treatments can harm the environment if released into the ecosystem through wastewater. We take a risk-based approach to minimizing API in wastewater, focusing our efforts on our Softgel & Oral Technologies (SOT) and Oral & Specialty Drug Delivery (OSD) sites, where the risk is greater due to the APIs handled and type of manufacturing processes we employ.

In fiscal 2016, we installed UV-oxidation treatment technology at our Eberbach, Germany site to ensure that the treated wastewater has no residual APIs or API by-products and that any risk of water pollution is minimized. The technology eliminated the site’s need for offsite API incineration, and saved nearly $130,000 in fiscal year 2019. Catalent’s facility in Swindon, U.K., is initiating a similar system and this technology is planned for introduction at additional sites.

IMPROVING WASTE MANAGEMENT
We reduce our waste impact by eliminating the need to send non-hazardous waste to landfills and by managing hazardous waste responsibly. Our approach, aligned with regulatory requirements and ISO14001, requires sites to monitor waste and to implement an elimination or minimization plan. Every Catalent site collects and incinerates hazardous waste, including product-contaminated waste.

In fiscal 2019, we completed an initial audit of our hazardous and non-hazardous waste to establish a comprehensive baseline for our sites. In the coming year, we will use our baseline data and work with each site to strengthen its waste minimization plans. In our next report, we will share a waste target.

We are expanding the number of Catalent sites that do not need to send any waste to landfills. In fiscal 2019, eight sites were landfill-free and we plan to expand this effort in the coming year. In fiscal 2019, our non-hazardous waste generation was 12.9 thousand metric tons and our hazardous waste generation was 3.6 thousand metric tons.

Fiscal 2019 waste reduction initiatives included:

• Expanding programs to divert discarded personal protective equipment from landfill, including nitrile gloves
• Reviewing opportunities to increase the amount of excess gelatin that we recycle or reuse
• Piloting returnable packaging with a major clinical supply customer.

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

Our audit program utilizes a risk-based approach. A sample of sites are audited annually by internal auditors or, for sites with ISO management systems, by third-party auditors. If an issue of non-compliance is raised, sites are required to take corrective and preventative actions.
### OUR ENVIRONMENTAL FOOTPRINT

#### ENERGY & CO₂ EMISSIONS\(^{(1,4)}\)

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>ENERGY USE (THOUSANDS MWh)(^{(2)})</td>
<td>759</td>
<td>737</td>
<td>744</td>
</tr>
<tr>
<td>EMISSIONS (THOUSANDS MT CO₂e)</td>
<td>199</td>
<td>197</td>
<td>198</td>
</tr>
<tr>
<td>ENERGY INTENSITY (MWh / $M REVENUE)(^{(3)})</td>
<td>0.39</td>
<td>0.32</td>
<td>0.31</td>
</tr>
</tbody>
</table>

1. Data represents energy, emissions, and revenue from 30 Catalent manufacturing sites. Data does not include sites acquired in fiscal 2019. Estimates were used where actual data was not available.
2. Data includes electricity and natural gas use.
3. Data represents MWh of energy use per million dollars revenue generated by 30 Catalent manufacturing sites and includes inter-company revenue.
4. Catalent’s carbon footprint calculation was developed using the [Greenhouse Gas Protocol](https://www.ghgprotocol.org). Our carbon emissions conversions from available energy usage data are based on International Energy Agency and Environmental Protection Agency conversion factors.

#### WATER USE\(^{(1)}\)

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>WATER USE (MILLIONS M³)</td>
<td>1,845</td>
<td>1,603</td>
<td>1,765</td>
</tr>
</tbody>
</table>

1. Data represents water use at 30 Catalent manufacturing sites. Data does not include sites acquired in fiscal 2019. Estimates were used where actual data was not available.

#### WASTE GENERATION\(^{(1)}\)

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>NON-HAZARDOUS WASTE GENERATION (THOUSANDS MT)</td>
<td>12.6</td>
<td>12.1</td>
<td>12.9</td>
</tr>
<tr>
<td>HAZARDOUS WASTE GENERATION (THOUSANDS MT)</td>
<td>4.2</td>
<td>4.0</td>
<td>3.6</td>
</tr>
</tbody>
</table>

1. Data represents waste generation at 30 Catalent manufacturing sites. Data does not include sites acquired in fiscal 2019. Estimates were used where actual data was not available.
COMMITTING TO THE HEALTH & SAFETY OF OUR PEOPLE

The safety and well-being of our people is a top priority. This is reflected in a deeply embedded safety culture and a continuously reinforced goal to have an injury-free work environment. A healthy workforce is more motivated and productive—ultimately helping us deliver on our patient first commitment.

Our Environmental Health & Safety (EHS) management system provides a framework that ensures that Catalent employees have a safe working environment. Our approach helps us maintain compliance, promote employee well-being, and minimize injury rates across the Company.

ISO ACCREDITATION

In fiscal 2019, we achieved global OHSAS 18001 accreditation for 24 Catalent manufacturing facilities. We aim to achieve accreditation for all manufacturing sites, and, in the future, additional sites, including our newly acquired sites, will join the process. Within two years, we will transition to the new ISO45001:2018 standard. A corporate-level EHS team conducts an annual risk-based internal audit program to ensure that sites are aligned to the standards of the EHS Management System and ISO accreditation. The internal audits are supplemented by formal sample-based audits conducted by an external third-party accreditation body.

EHS ACCOUNTABILITY

Health and safety are managed at our sites by dedicated EHS leaders, reporting to the site General Managers, and overseen by our global EHS function. Sites are required to participate in a comprehensive risk assessment program in which teams perform hazard assessments, identify issues and implement control measures. There is a growing focus on employee well-being and mental health in the workplace, and we are in the process of defining the most effective strategy for our network.

EHS PERFORMANCE

In fiscal 2019, Catalent had a Recordable Incident Rate of 0.68, well below the industry average of 1.40. Our Lost Time Injury Rate was 0.26, also below the industry average of 0.40. In fiscal 2019, Catalent received a silver award from the Royal Society for the Prevention of Accidents for our efforts to create a safe work environment at our U.K. sites.

We encourage employees to report all safety issues using our safety concern reporting process established by the EHS Policy. Assessment and closure of each safety concern is tracked, and employees receive updates on issues they identified. Catalent’s senior leadership team regularly reviews the frequency and status of reported safety concerns to address recurring or significant issues. In fiscal 2019, concerns raised by employees allowed us to correct hazardous workplace conditions, address unsafe behaviors, and identify improvements in processes and systems to support our continuous improvement culture.

IN FISCAL 2019, CATALENT ACHIEVED A:

Recordable Incident Rate of 0.68, below the industry average of 1.40

Lost Time Injury Rate of 0.26, below the industry average of 0.40

<table>
<thead>
<tr>
<th>EMPLOYEE HEALTH &amp; SAFETY[^1][^2]</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>RECORDABLE INCIDENT RATE</td>
<td>0.66</td>
<td>0.69</td>
<td>0.68</td>
</tr>
<tr>
<td>LOST WORKDAY CASE RATE</td>
<td>0.31</td>
<td>0.28</td>
<td>0.26</td>
</tr>
<tr>
<td>NUMBER OF FATALITIES</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

[^1]: Data represents health and safety outcomes at all Catalent sites, including those acquired in fiscal 2019.
[^2]: Health and safety data represent Catalent’s Recordable Incident Rate and Lost Workday Case Rate, as defined by OSHA.
MAKING A DIFFERENCE WITH CATALENT CARES

Our volunteering and philanthropy programs amplify the enthusiasm our employees have for giving back to our communities—especially in the areas of health and STEM education.

Catalent has a decades-long history of giving back, notably through volunteer projects organized locally by our employees. Building on that legacy, we formalized and launched our corporate “Catalent Cares” program in fiscal 2018. The program includes:

- Company-organized volunteering events
- Employee volunteer grants
- Disaster response initiatives
- An expanding matching gifts program for employee charitable donations

In alignment with our corporate responsibility strategy, we encourage employees to volunteer for organizations that serve patients, expand STEM education, and protect the environment. Each Catalent site has at least one community ambassador who coordinates with our Corporate Responsibility team, defines the local volunteering strategy, and connects employees to causes and nonprofit partners important to the site. Our ambassadors champion volunteering and ensure that our projects align with local community needs.

VOLUNTEERING

Catalent’s Employee Volunteer Grant Program supports nonprofits through employee volunteering opportunities. Historically, volunteer grants have gone to organizations associated with our Catalent Month of Service and Earth Month events. In the coming year, we will expand the program to include year-round individual and team grants to encourage and inspire volunteerism.

Each year, we celebrate two Company-wide volunteer events to unite and build the “One Catalent” community:

CATALENT MONTH OF SERVICE (CMS) Launched in fiscal 2018, CMS is our month-long signature volunteer event that activates employee volunteer teams from sites around the world. In fiscal 2019, 74% of our sites participated in CMS—representing a 38% increase compared to the previous year. Volunteer activities during CMS included working shifts at local food banks, mentoring students and visiting hospital patients.

EARTH MONTH We celebrated our second annual Earth Month during April 2019, themed Catalent Unplugged, to highlight our Company-wide focus on energy efficiency and reduction. During the month, 22 sites organized activities, including awareness campaigns to reduce our energy consumption, encourage green volunteering, and promote tree planting. Our Global IT team also hosted a weeklong e-waste recycling drive at our North American and European locations.

DISASTER RESPONSE

When our communities are affected by natural disasters, we support local relief efforts through corporate grants, matching gifts, and volunteering. Catalent volunteers help disaster relief organizations through activities that include packing meals and assisting with the physical cleanup of homes and neighborhoods. In fiscal 2019, a portion of our disaster-response efforts took the form of financial sponsorships of Gilda’s Club Madison, the Food Bank of Central and Eastern North Carolina, and the Disaster Response Fund of Douglas County Community Foundation of Kansas City.
STRATEGIC COMMUNITY PARTNERSHIPS

Our partnership strategy is tied to our business objective to help people live better, healthier lives. To increase our impact, we build relationships with and make grants to nonprofits that:

- Improve the delivery of health-related services and treatment to patients
- Advance STEM education through teaching, training and job placement initiatives.

At the corporate level, we manage a partnership program that supports national and international organizations.

COMMUNITY GRANTS

In fiscal 2018, we launched our community grants program to invest in nonprofit, community-based organizations chosen by our sites. Our short-term goal is for 50% of our sites to participate. In fiscal 2019, one-third of our sites—including those in the U.S., the U.K., Argentina, Italy, and Japan—were the first to identify nonprofit partners and make community grants. Grant recipients in 2019 included numerous children’s hospitals and academic organizations supporting STEM education.

MATCHING GIFTS

To cultivate a culture of giving, we launched the Catalent Cares Matching Gifts Program in fiscal 2018. The program provides a 1-for-1 corporate match of up to $1,000 for personal employee donations to specific charities. In fiscal 2019, we added environmental organizations to the existing health and human services categories eligible for support. The program continues to grow as individual employees and teams work together to fundraise for their favorite causes, including hospitals, cancer support programs, and youth initiatives.

In fiscal 2019, our first full year of giving, our philanthropic contribution totaled $350,000.

PARTNERING WITH TINY EARTH TO MAKE A BIG DIFFERENCE IN STEM

One of Catalent’s STEM partners is Tiny Earth, a global research organization based at the University of Wisconsin-Madison. A partnership grant from Catalent supports Tiny Earth’s effort to inspire students of all backgrounds to pursue careers in science through original laboratory and field research. Discovery-based research courses have been shown to improve STEM retention rates, with the greatest impact among female students and students of color. Additionally, Tiny Earth’s research—which is focused on solving the shortage of effective antibiotics—may have a profound impact on global health.

In fiscal 2019, five U.S. and U.K. Catalent sites committed to partnering with local universities through a new corporate partnership with Tiny Earth.
SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

BIOTECHNOLOGY & PHARMACEUTICALS STANDARD

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

### SAFETY OF CLINICAL TRIAL PARTICIPANTS

<table>
<thead>
<tr>
<th>SASB CODE</th>
<th>METRIC</th>
<th>RESPONSE FOR FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>HC-BP-210a.1</td>
<td>Discussion, by world region, of management process for ensuring quality and patient safety during clinical trials</td>
<td>Although Catalent neither conducts trials nor provides input on trial design or protocols, our products are frequently used in clinical trials. We support our customers’ trials through our Clinical Supply Services business, which manufactures, packages, stores, and delivers products used in clinical trials. We have rigorous operational and quality procedures in place to ensure the reliable, timely delivery of the right product to the right trial participant. In fiscal 2019, we supported 1,500 clinical trials conducted by our customers. In addition, our other business units frequently manufacture products used in these trials. As discussed in more detail on pages 13-15, our rigorous Quality Management System is the foundation for the elaborate controls we have established to ensure the reliable, timely supply of products meeting all required specifications.</td>
</tr>
<tr>
<td>HC-BP-210a.2</td>
<td>Number of FDA Sponsor Inspections related to clinical trial management and pharmacovigilance that resulted in: (1) Voluntary Action Indicated (VAI) and (2) Official Action Indicated (OAI)</td>
<td>Zero. See above.</td>
</tr>
<tr>
<td>HC-BP-210a.3</td>
<td>Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries</td>
<td>Zero.</td>
</tr>
</tbody>
</table>
### ACCESS TO MEDICINES

<table>
<thead>
<tr>
<th>SASB CODE</th>
<th>METRIC</th>
<th>RESPONSE FOR FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>HC-BP-240a.1</td>
<td>Description of actions and initiatives to promote access to health-care products for priority diseases and in priority countries as defined by the Access to Medicine Index</td>
<td>Not applicable - As a contract development and manufacturing organization (CDMO), Catalent has no patient-facing activity.</td>
</tr>
<tr>
<td>HC-BP-240a.2</td>
<td>List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)</td>
<td>See above.</td>
</tr>
</tbody>
</table>

### AFFORDABILITY & PRICING

<table>
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<tr>
<th>SASB CODE</th>
<th>METRIC</th>
<th>RESPONSE FOR FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>HC-BP-240b.1</td>
<td>Number of settlements of Abbreviated New Drug Application (ANDA) litigation that involved payments and/or provisions to delay bringing an authorized generic product to market for a defined time period</td>
<td>Zero.</td>
</tr>
<tr>
<td>HC-BP-240b.2</td>
<td>Percentage change in: (1) average list price and (2) average net price across U.S. product portfolio compared to previous year</td>
<td>Not applicable - As a CDMO, Catalent does not determine the price to consumers of drugs or treatments.</td>
</tr>
<tr>
<td>HC-BP-240b.3</td>
<td>Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous year</td>
<td>Not applicable - As a CDMO, Catalent does not determine the price to consumers of drugs or treatments.</td>
</tr>
</tbody>
</table>

### DRUG SAFETY

<table>
<thead>
<tr>
<th>SASB CODE</th>
<th>METRIC</th>
<th>RESPONSE FOR FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>HC-BP-250a.2</td>
<td>Number of fatalities associated with products as reported in the FDA Adverse Event Reporting System</td>
<td>Not applicable – As a CDMO, Catalent does not sponsor any product listed on the FDA’s Adverse Event Reporting System.</td>
</tr>
<tr>
<td>HC-BP-250a.3</td>
<td>Number of recalls issued, total units recalled</td>
<td>There have been no recalls for Catalent-owned applications.</td>
</tr>
<tr>
<td>HC-BP-250a.4</td>
<td>Total amount of product accepted for takeback, reuse, or disposal</td>
<td>Not reported.</td>
</tr>
<tr>
<td>HC-BP-250a.5</td>
<td>Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type</td>
<td>In fiscal 2019, no FDA enforcement action was taken in response to violations of current Good Manufacturing Practices.</td>
</tr>
<tr>
<td>SASB CODE</td>
<td>METRIC</td>
<td>RESPONSE FOR FY19</td>
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</tr>
<tr>
<td>HC-BP-260a.1</td>
<td>Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting</td>
<td>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.</td>
</tr>
<tr>
<td>HC-BP-260a.2</td>
<td>Discussion of process for alerting customers and business partners of potential or known risks associated with counterfeit products</td>
<td>As a CDMO, Catalent notifies customers in accordance with quality agreements and informs the FDA as required per policy and procedures.</td>
</tr>
<tr>
<td>HC-BP-260a.3</td>
<td>Number of actions that led to raids, seizure, arrests, and/or filing of criminal charges related to counterfeit products</td>
<td>In fiscal 2019, zero actions led to raids, seizure, arrests, and/or filing of criminal charges related to counterfeit products.</td>
</tr>
<tr>
<td>HC-BP-270a.1</td>
<td>Total amount of monetary losses as a result of legal proceedings associated with false marketing claims</td>
<td>As a CDMO, we do not engage in marketing drugs or treatments to patients or health-care providers.</td>
</tr>
<tr>
<td>HC-BP-270a.2</td>
<td>Description of code of ethics governing promotion of off-label use of products</td>
<td>As a CDMO, we do not engage in marketing drugs or treatments to patients or health-care providers.</td>
</tr>
<tr>
<td>HC-BP-330a.1</td>
<td>Discussion of talent recruitment and retention efforts for scientists and research and development personnel</td>
<td>Across our industry, the demand for scientists and researchers is high. On average, 35% of our open positions require technical skills. To ensure a rich talent pipeline for these critical positions we: • Identify and engage with potential top talent early through our college internship program • Develop future leaders through our highly selective rotational program, Global Organization Leadership Development • Offer competitive compensation and flexible benefits • Continually improve our recruitment process and platform.</td>
</tr>
<tr>
<td>SASB CODE</td>
<td>METRIC</td>
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</tr>
<tr>
<td><strong>SUPPLY CHAIN MANAGEMENT</strong></td>
<td></td>
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</tr>
<tr>
<td>HC-BP-430a.1</td>
<td>Percentage of (1) entity’s facilities and (2) Tier I suppliers’ facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent third-party audit programs for integrity of supply chain and ingredients</td>
<td>Not reported.</td>
</tr>
<tr>
<td><strong>BUSINESS ETHICS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HC-BP-510a.1</td>
<td>Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery</td>
<td>Zero.</td>
</tr>
<tr>
<td>HC-BP-510a.2</td>
<td>Description of code of ethics governing interactions with health-care professionals</td>
<td>For a general discussion of our code of ethics, see page 9. In addition, we comply with the requirements of the U.S. Physicians Payments Sunshine Act.</td>
</tr>
<tr>
<td><strong>ACTIVITY METRICS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HC-BP-000.A</td>
<td>Number of patients treated</td>
<td>As a CDMO, Catalent does not treat patients. Across both development and delivery, our commitment to reliably supply our customers’ and their patients’ needs is the foundation for the value we provide; annually, we produce approximately 73 billion doses for nearly 7,000 customer products, or approximately 1 in every 20 doses of such products taken each year by patients and consumers around the world.</td>
</tr>
<tr>
<td>HC-BP-000.B</td>
<td>Number of drugs (1) in portfolio and (2) in research and development (Phases 1-3)</td>
<td>We own the marketing rights, in one or more jurisdictions around the world, to approximately 42 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, 2019, we were engaged in clinical-stage research or development of 70 products for our own account. In fiscal 2019, including our customers’ products, we manufactured over 7,000 products, including over 1,100 development projects.</td>
</tr>
</tbody>
</table>