Investor presentation
Creating for happier, healthier lives with love for nature. Let’s imagine together.
What we do
Givaudan products drive millions of consumer decisions every day!
Fragrance & Beauty, Taste & Wellbeing, provide our customers compounds, ingredients and integrated solutions that engage consumers

Beverages
Savoury
Oral care
Personal care
Fine Fragrances
Snacks
Dairy
Sweet goods
Household
Beauty & skin care
How we do it
A unique business model driven by our purpose
Creating for happier, healthier lives with love for nature.

• **Winning business** assumes: being on a core supplier list, submitting a brief, developing a solution and being selected by the customer

• Our products are **unique co-creations with our customers**:
  • Consumer-differentiating, bespoke, value-added Fragrance and Beauty, Taste and Wellbeing solutions driven by innovation
  • Agility and service are key
  • Scent and taste determine consumer purchase and repeat decisions whilst representing only a minor fraction of costs 0.5-2.0% in flavours and consumer fragrances to 4-6% in fine fragrances, i.e. a very minor portion of the end product costs

• **High barriers to entry** and high shifting costs for customers
A unique business model with high barriers to entry

Mastering complexity is a key feature of our space

• A research-driven innovation process and a deep understanding of consumer preferences around the world
• Sustainability goals creating significant innovation opportunities (e.g. move from non-renewable to renewable, etc.
• IP / formulae owned by Givaudan
• Mastering high complexity and volatility at every step:
  • >11,400 raw materials and a sophisticated supply chain with over 2,500 raw material suppliers
  • >122,600 products made to order, delivered just in time to >10,000 customers
  • >310,000 customer submissions / product briefs managed annually, and ca. 15% of our portfolio up for review due to the life cycle of products
• Compliance and regulations
Operating in a significant addressable market
Givaudan’s expanded market space worth CHF 42bn

Flavour & Taste
13.1 bn CHF

Market Potential as of 2020

Functional & Nutrition
14.1 bn CHF

Market Potential as of 2020
(Givaudan scope of activities)

Fragrance & Beauty
14.8 bn CHF

Market Potential as of 2020

Source: Based on Givaudan internal estimates
A research-driven innovation process
Supported by unrivalled capabilities and innovation

Supplier enabled innovation partnerships with bioscience companies

Delivering differentiating technologies and solutions in Flavours, nutritional and functional ingredients (clean label delivery systems, health and wellbeing solutions etc.)

Enabling novel consumer experiences in Fragrances: naturals, new sensory experiences, sustainable new molecules and precursors etc.

Update figures

- 69 Creation and application Centres
- >122,600 Products sold per year
- CHF 536 mln R&D spend in 2020
- > 500 Employees in Science & Technology
- >> 3,600 Active patents

Innovation initiatives and priorities
Business processes enabled by digital tools

Selected digital initiatives

**Carto - AI enabled creative design**
- A product creation experience:
  - Playful and multi-sensorial human/machine interaction
  - Smart suggestions powered by AI
  - Collaboration-oriented environment enabling customer co-creation

**Consumer and customer foresight**
- Discover new consumer behaviours through advanced analysis of social media and other external data
- Capturing insights and converting them into business foresights

**Robotic process automation**
- Create a virtual workforce to take over repetitive tasks, creating bandwidth for more value added activities
- E.g. supply chain, HR, compliance forms, etc.

**Factory 2.0**
- Identify how technology can improve the manufacturing environment:
  - Automation (robots, processes)
  - Safety (training, monitoring)
  - Decision making (forecasting, predictive maintenance)
  - Sustainability (greener processes)

**Traceability**
- Guarantee traceability of products and their constituents, from source to consumer
- Leverage technology to enable source-to-consumer traceability of raw materials
- Track biodiversity impact, carbon footprint, water waste thanks to this traceability
Sustainable value creation
Having a positive impact on nature

Our ambition is to become a climate-positive business (scope 1, 2, 3) before 2050

- **70%** absolute scope 1 + 2 GHG emissions between 2015 and 2030
- **20%** absolute scope 3 GHG emissions between 2015 and 2030

- **100%** renewable electricity by 2025

Protecting the environment through industry-leading water stewardship and waste management

- **-15%** water per tonne of product by 2020\(^1\)
- **-20%** waste per tonne of product between by 2020\(^2\)

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1. Use of municipal and groundwater, baseline 2009
2. Includes incinerated and landfilled waste, baseline 2015
Sustainable value creation

Procurement practices bringing benefits to all involved

CHF 2.2 bn
Raw material / consumable spend per year

>225
People in global procurement worldwide

>11,400
Number of different raw materials sourced

57%
Natural raw materials

43%
Synthetic raw materials

Sourcing for shared value

Programmes

<table>
<thead>
<tr>
<th>Responsible Sourcing</th>
<th>Sourcing at Origin</th>
<th>Communities at Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drive compliance and continuous improvement</td>
<td>Secure supply locally</td>
<td>Support producer communities</td>
</tr>
</tbody>
</table>

Updated RS programme to be launched in early 2021

Overall impact

Sourcing for Shared Value covers raw material categories

40

Sourcing for Shared Value is rolled out in countries

26

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Our unique positioning
A multi-year expansion, positioning Givaudan for multiple growth opportunities

1990s until today
Geographic expansion
- Expansion from mature to high growth markets, supporting global customers expansion
- Givaudan pioneer into India and China in 1993-1994, Middle East in 1999

2000s until today
Customer diversification
- Supporting growth of strong emerging local and regionals, e.g. private labels in Europe, Natura Boticario in Latam,
- Further rapid expansion thanks to acquisitions: Expressions Parfumées, drom, Ungerer, Golden Frog,

2007
Quest scale up
- F&F Market leadership secured
- Further expansion across geographies and customers
- Applications portfolio expansion into: snacks, oral care, fine fragrances for women

2010 until today
Expanding core F&F and beyond
A combined growth and M&A strategy (2015 & 2020 Plans), resulted into:
- Moving into: Health and wellness, Active Beauty
- Becoming #1 in naturals and moving into adjacent food functional ingredients
- Expanding Integrated Solutions
- Expanding local and regionals customer base

SAP implementation
Givaudan Business Solutions (GBS)
- Managing the business more consistently
- Enhance margins by streamlining operations and customer service
Givaudan: A naturally-hedged portfolio (products, geography, customers) for consistent growth

6.3 CHF billion in sales

58% of sales in mature markets

42% of sales in high growth markets

15,852 full time employees

181 locations

77 production sites

Our customers
50% multi-national | 50% local and regional

Sales in North America
28% of sales
12 Production sites
1,879 Employees

Sales in Europe, Africa and Middle East
36% of sales
32 Production sites
7,205 Employees

Sales in Latin America
11% of sales
11 Production sites
2,142 Employees

Sales in Asia Pacific
25% of sales
22 Production sites
3,625 Employees

All figures as of 31.12.2019

Taste & Wellbeing
54% of Group sales

Savoury 38%
Beverages 32%
Sweet goods 17%
Dairy 13%

Fragrance & Beauty
46% of Group sales

Consumer Products 70%
Fine Fragrances 16%
Fragrance Ingredients and Active Beauty 14%

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2020 Full Year Results
Excellent Financial Performance - 2020 Strategy delivered
2020 Full year results

Performance highlights

• Sales of CHF 6.3 billion, up 4.0% on a like-for-like* basis and 1.9% in Swiss francs
• EBITDA of CHF 1,397 million, an increase of 9.6%; comparable EBITDA margin of 22.8% up from 21.5% in 2019
• Free cash flow of CHF 811 million or 12.8% of sales
• Proposed dividend of CHF 64.00 per share, up 3.2% year-on-year
• Successful delivery of 2020 guidance; Over the five year period 2016-2020:
  ➢ Average like-for-like sales growth of 4.9%
  ➢ Average free cash flow of 12.6%

“I am very pleased that in an unprecedented environment related to COVID-19, we have been able to deliver such a strong financial performance in 2020, as well as successfully delivering on all of our ambitious targets in relation to our 2016-2020 strategy.”

* Like-for-like: excludes the impact of currency, acquisitions and disposals
Sales performance
Good growth in both divisions

<table>
<thead>
<tr>
<th>Division</th>
<th>% 2020 growth on LFL* basis</th>
<th>% 2020 growth in CHF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td>4.0%</td>
<td>1.9%</td>
</tr>
<tr>
<td>Fragrance &amp; Beauty</td>
<td>5.4%</td>
<td>4.5%</td>
</tr>
<tr>
<td>Taste &amp; Wellbeing</td>
<td>2.8%</td>
<td>-0.2%</td>
</tr>
</tbody>
</table>

* LFL (like-for-like) excludes the impact of currency, acquisitions and disposals
Sales evolution by region
All regions contributing to the growth

% 2020 growth on LFL* basis
LATAM: 17.6%  
APAC: 0.6%  
NOAM: 5.7%  
EAME: 1.1%

% 2020 growth in CHF
LATAM: -2.3%  
APAC: -1.9%  
NOAM: 7.2%  
EAME: 2.1%

* LFL (like-for-like) excludes the impact of currency, acquisitions and disposals
Operating performance
Excellent financial performance

Sales of CHF 6,322 million, an increase of 4.0% on a like-for-like basis* and 1.9% in Swiss francs

Gross margin of 42.1%, compared to 40.8% in 2019, as a result of continued productivity gains, improved contribution of acquired companies, GBS savings and cost discipline

EBITDA of CHF 1,397 million compared to CHF 1,275 million in 2019. Acquisition and restructuring costs of CHF 39 million, compared to CHF 25 million in 2019. Impact of costs for GBS project of CHF 6 million in 2020, compared with CHF 31 million in 2019

EBITDA margin of 22.1% compared to 20.6% in 2019, with the underlying margin at 22.8% versus 21.5% in 2019

*= Like-for-like excludes the impact of currency, acquisitions and disposals
Free cash flow of CHF 811 million, compared to CHF 787 million in 2019. Free cash flow is 12.8% of sales compared to 12.7% in 2019.

Average Free cash flow over the 2016-2020 strategy period of 12.6%

Operating cash flow of CHF 1,133 million, compared to CHF 1,136 million in 2019

Total net investments of CHF 217 million, or 3.4% of sales, as the Group continues to invest in growth and information systems. The net investments in 2019 were 4% of sales, or 5.1% excluding the impact of the ZIC transaction

Net Working capital of 24.4% of sales compared to 24.0% in 2019
Strategy 2020

Responsible growth. Shared success.

Growing with our customers
4-5%
Average organic sales growth*

Delivering with excellence
12-17%
Average free cash flow as % of sales*

Partnering for shared success

Partner of choice

Creating additional value through 16 acquisitions since 2014
CHF 1.5 bn annualised revenue contribution from companies acquired since 2014

Intention to maintain current dividend practice as part of this ambition
• Dividend increased y.o.y every year since Givaudan was listed in 2000

4.9%
2016-2020

12.6%
2016-2020

* Over the five-year period 2016-2020
Value creation through acquisitions
Expanding our portfolio

Aligned with market trends and our strategic priorities

Naturals
- Spicetec
- Activ International
- Vika
- Centroflora Nutra
- Naturex
- Albert Vieille
- Golden Frog
- Ungerer
- Indena

Active Beauty
- Soliance
- Induchem
- Naturex
- AMSilk
- Indena
- Alderys

Local and regional customers
- Naturex
- Expressions Parfumées
- drom
- Fragrance Oils
- Ungerer

Integrated Solutions
- Spicetec
- Vika
- Activ International

Ingredients
- Ungerer
- Albert Vieille
Strategy 2020 Successfully Delivered

Highlights of key achievements 2016-2020

Growing with our customers

- Expanding product and customer portfolio for growth
- Doubling sales in Naturals to close to CHF 2 billion
- Achieving No. 1 position in Fine Fragrance
- Building CHF 100 million businesses in Active Beauty and in Plant based proteins
- Local & Regional customers accounting for 54% of Group Sales

Delivering with excellence

- Successful implementation of Givaudan Business Solutions (GBS) with benefits of CHF 60 million per annum
- Integration of acquired companies & improving financial performance
- Establishment of the Givaudan Digital Factory in Paris
- Earned key sustainability recognitions, including CDP leadership scores & EcoVadis Gold Status

Partnering for shared success

- Strengthening global innovation ecosystem with opening of new flagship Innovation Centre in Zurich
- Doubling of sales from innovation linked to external collaborations
- Launch of “Connect to win” programme to accelerate innovation in partnership with suppliers
- Strong improvement in employee engagement and in safety performance
Looking forward
Future value creation through our strategy 2025
Working to become
a
Certified B Corporation

OUR PURPOSE:
Creating for happier,
healthier lives
with love for nature.

Creations
Let’s imagine together with
customers that through our
creations more people will enjoy
happier, healthier lives

Nature
Let’s imagine together that we show our love
for nature in everything we do

People
Let’s imagine together that Givaudan is a place
where we all love to be and grow

Communities
Let’s imagine together that all communities benefit
by working with Givaudan

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Megatrends
Impacting 2025 strategy

Consumer base is growing
Living longer and more consciously
Sustainability is of high concern
COVID-19: E-commerce, self-care and localisation gain importance

Trend

Impact

- Asia and Africa leading the way
- Consumer behaviours are changing
- Consumers will buy more consciously
- Responsible companies will act
- Consumers will buy more online and increase spending on self-care
- Localisation will be even more important
Strategy 2025
Committed to Growth, with Purpose

Creating inspiring solutions for happier, healthier lives

Nature
We show our love for nature through impactful actions

People
We nurture a place where we all love to be and grow

Communities
We bring benefits to all communities that work with us

Excellence, Innovation & Simplicity - in everything we do

4-5% GROWTH PURPOSE LINKED TARGETS >12% FCF
Best in class product offering
Leveraging the full portfolio to reach our growth ambitions

Flavour and taste
Strengthen our core

Health, wellbeing and nutrition
Build market leadership

Integrated solutions

Flavour and taste
Naturals
Protein

Natural functional ingredients
Colouring
Preservatives
Texturants

Natural nutritional ingredients
Microbiome
Botanicals

Naturals space

HW&N space
Best in class product offering

Flavour and taste

Protein enablers

Health and wellbeing (salt, sugar, fat)

Naturals (incl. biotechnology)

Functional ingredients

Nutritional ingredients

Integrated solutions
Growing with all customers across all categories

- Fabric & home care: 160
- Deos, bath, shower, hair & oral care: 200
- Fragrances: 50
- Skin care: 140
- Make-up: 70

* Source Euromonitor
New and superior product offering

Biotechnology
Leverage our capabilities and acquisitions for our ingredients

Beauty
Further expand our offering in Active Beauty

Delivery systems
Provide the next generation of bio-caps

Naturals
Provide our customers with the most innovative and qualitative ingredients
Strategy 2025

Performance commitments

**Sales growth**

4.0 – 5.0%

2021 – 2025
Average like-for-like\(^1\) sales growth

**Free cash flow**

>12% of Sales

2021 – 2025
Average FCF\(^2\) as % of sales

**Purpose commitments**

Purpose linked targets

2021 – 2025
Progress towards all published purpose targets

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1. Like-for-like (LFL) is defined as: (a) sales calculated using the invoicing exchange rates of the prior year, (b) excluding sales of businesses acquired from the acquisition date until the period end date, up to 12 months from the acquisition date, and (c) excluding sales of the businesses disposed of from the disposal date until the period end date of the comparable prior period

2. Free Cash Flow (FCF) refers to operating cash flow after net investments, interest paid and lease payments

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By 2025
Everyone on our sites will have access to mental and physical health initiatives, tools and training²

Before 2030
50% of our senior leaders will be from high growth markets¹

Before 2030
50% of our senior leadership will be women¹
A strong track record of growth and value creation
Value creation history at Givaudan
Key investment highlights

Givaudan has a strong track record of delivering with excellence

• A company inspired by its purpose, engaged in the B Corp certification and part of the B Builders Movement

• A highly resilient / defensive business model:
  • Key products that are the most important part of consumer staples and the decisive factor behind the repurchase decisions of consumers
  • High barriers to entry (complexity, R&D, consumer insight, regulations, etc.)
  • Competition focused on innovation, quality and service, not on price

• Natural hedges for sustainable growth:
  • Diversified exposures to all regions and market segments (including premium, private label and regional players in emerging markets)
  • Emerging markets/urbanisation-driven growth model

• Consistency in strategy, execution, result delivery and stability of management
Value creation at Givaudan

Sustained value creation for shareholders

Share price evolution vs SMI

Dividend per share in CHF

>CHF 35 Billion
of Total Shareholder return since the IPO

Average annual yield of 13.3% vs 4.1% of SMI
Value creation at Givaudan

Dividend per share, increasing 3.2% over 2019

* Subject to approval of shareholders at the AGM in March 2021
Creating value for profit, people and the planet
Global recognition as a force for good business

- Committed to **B Corp Certification**, the gold standard for good business.

- Awarded highest accolade, **EcoVadis Platinum** medal, with a score of 75/100, ranking us in the top 1%.

- Inclusion in **FTSE4Good Index Series**, ranking us in top 1% of performers among our peers.

**Givaudan has received CDP double ‘A rating’** for Climate action and water stewardship for the second consecutive year.

And CDP leader board recognition for supplier engagement.
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