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.
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

Update figures

<table>
<thead>
<tr>
<th>&gt;69</th>
<th>&gt;122,600</th>
<th>CHF 536 mln</th>
<th>&gt; 500</th>
<th>&gt; &gt; 3,600</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creation and application Centres</td>
<td>Products sold per year</td>
<td>R&amp;D spend in 2020</td>
<td>Employees in Science &amp; Technology</td>
<td>Active patents</td>
</tr>
</tbody>
</table>

Innovation initiatives and priorities

- 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.
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 20201

-20% waste per tonne of product by 20202

-30% scope 1+2

+11% scope 3

81% renewable electricity

1. Use of municipal and groundwater, baseline 2009

2. Includes incinerated and landfilled waste, baseline 2015

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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

- **Responsible Sourcing**
  - Drive compliance and continuous improvement
  - Updated RS programme to be launched in early 2021

- **Sourcing at Origin**
  - Secure supply locally

- **Communities at Source**
  - Support producer communities

Overall impact

- Sourcing for Shared Value covers raw material categories
  - 40

- Sourcing for Shared Value is rolled out in countries
  - 26

**Givaudan**
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)
Manage the business more consistently
Enhance margins by streamlining operations and customer service
Givaudan: A naturally-hedged portfolio (products, geography, customers) for consistent growth

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<tr>
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</thead>
<tbody>
<tr>
<td>Sales in Europe, Africa and Middle East</td>
<td>36% of sales</td>
<td>Production sites</td>
<td>32 Employees</td>
</tr>
<tr>
<td>Sales in North America</td>
<td>28% of sales</td>
<td>Production sites</td>
<td>12 Employees</td>
</tr>
<tr>
<td>Sales in Latin America</td>
<td>11% of sales</td>
<td>Production sites</td>
<td>11 Employees</td>
</tr>
<tr>
<td>Sales in Asia Pacific</td>
<td>25% of sales</td>
<td>Production sites</td>
<td>22 Employees</td>
</tr>
</tbody>
</table>

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

**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%

**Key figures**
- 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

All figures as of 31.12.2019
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

in million CHF

<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

in million CHF

<table>
<thead>
<tr>
<th>Region</th>
<th>FY 2019</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>LATAM</td>
<td>699</td>
<td>674</td>
</tr>
<tr>
<td>APAC</td>
<td>1,630</td>
<td>1,602</td>
</tr>
<tr>
<td>NOAM</td>
<td>1,641</td>
<td>1,768</td>
</tr>
<tr>
<td>EAME</td>
<td>2,233</td>
<td>2,278</td>
</tr>
</tbody>
</table>

% 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

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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
Sustained underlying performance

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

* Over the five-year period 2016-2020

Givaudan

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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

Ingredients
Ungerer
Albert Vieille

Integraed Solutions
Spicetec
Vika
Activ International

Local and regional customers
Naturex
Expressions Parfumées
drom
Fragrance Oils
Ungerer

Givaudan
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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

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.

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

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Megatrends
Impacting 2025 strategy

**Consumer base is growing**
- Asia and Africa leading the way

**Living longer and more consciously**
- Consumer behaviours are changing

**Sustainability is of high concern**
- Consumers will buy more consciously
- Responsible companies will act

**COVID-19: E-commerce, self-care and localisation gain importance**
- Consumers will buy more online and increase spending on self-care
- Localisation will be even more important

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Strategy 2025
Committed to Growth, with Purpose

- **Creations**: We create 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

**GROWING TOGETHER WITH OUR CUSTOMERS**

**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
Best in class product offering

Flavour and taste

Protein enablers

Health and wellbeing (salt, sugar, fat)

Naturals (incl. biotechnology)

Integrated solutions

Functional ingredients

Nutritional ingredients
Growing with all customers across all categories

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

*Source: Euromonitor*
New and superior product offering

**Biotechnology**
Leverage our capabilities and acquisitions for our ingredients

**Delivery systems**
Provide the next generation of bio-caps

**Beauty**
Further expand our offering in Active Beauty

**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
**Strategy 2025**

**Performance commitment - Purpose linked targets**

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**Creations**

**By 2030**

We will double our business through creations that contribute to happier, healthier lives

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**People**

**Before 2025**

- Everyone on our sites will have access to mental and physical health initiatives, tools and training

**Before 2025**

- We will reduce our total recordable injuries cases by 50%\(^1\)

**Before 2030**

- 50% of our senior leaders will be from high growth markets

**Before 2030**

- 50% of our senior leadership will be women\(^1\)

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**Nature**

**Before 2030**

- Our operations’ carbon emissions will be cut by 70% and our supply chain emissions by 20%\(^3\)

**Before 2030**

- We will replace single-use plastics with eco-friendly alternatives across our sites and operations\(^2\)

**Before 2040**

- Our operations’ will be climate positive and our supply chain emissions will be cut by 50%\(^3\)

**Before 2050**

- Our supply chain will be climate positive

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**Communities**

**By 2030**

- We will source all materials and services in a way that protects people and the environment

**By 2030**

- We will improve the lives of millions of people in communities where we source and operate

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1. Baseline 2018
2. Baseline in process of setting
3. Baseline 2015
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

Givaudan SMI

>CHF 35 Billion of Total Shareholder return since the IPO

Average annual yield of 13.3% vs 4.1% of SMI

Dividend per share in CHF
Value creation at Givaudan

Dividend per share, increasing 3.2% over 2019

* Subject to approval of shareholders at the AGM in March 2021

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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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