Investor presentation
Creating for happier, healthier lives with love for nature. Let’s imagine together.
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**
Givaudan: A naturally-hedged portfolio (products, geography, customers) for consistent growth

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

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

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

Sales in North America 28% of sales
Production sites 12
Employees 2,879

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%

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

- Sales in Europe, Africa and Middle East: 36% of sales, 32 production sites, 7,205 employees
- Sales in Asia Pacific: 25% of sales, 22 production sites, 3,625 employees
- Sales in Latin America: 11% of sales, 11 production sites, 2,142 employees
- Sales in North America: 28% of sales, 12 production sites, 2,879 employees

All figures as of 31.12.2020

Investor presentation 2021 updated May 2021
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 & innovation

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

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
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

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

Integrated Solutions
- Spicetec
- Vika
- Activ International

updated May 2021
Looking forward

Future value creation through our 2025 strategy
Givaudan’s purpose
Driving sustainable performance, and acting as a force for good

Creating for happier, healthier lives with love for nature.
Let’s imagine together.

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

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

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

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

Working to become a Certified B Corporation

Investor presentation 2021 updated May 2021
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
2025 Strategy
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**
Taste & Wellbeing: 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

Givaudan
Investor presentation 2021
updated May 2021
Taste & Wellbeing: 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
Fragrance & Beauty: growing with all customers across all categories

Estimated retail value (bn CHF)*

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

* Source Euromonitor
Fragrance & Beauty: 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
2025 Strategy

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

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.

Givaudan

Investor presentation 2021
updated May 2021
2025 Strategy

Performance commitment - Purpose linked targets

**Creations**

**By 2030**
- We will double our business through creations that contribute to happier, healthier lives\(^1\)

**Before 2030**
- Our operations’ carbon emissions will be cut by 70% and our supply chain emissions by 20%\(^3\)
- 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

**Nature**

**Before 2030**
- We will source all materials and services in a way that protects people and the environment\(^2\)
- We will improve the lives of millions of people in communities where we source and operate\(^2\)

**Before 2025**
- Everyone on our sites will have access to mental and physical health initiatives, tools and training\(^2\)
- We will reduce our total recordable injuries cases by 50%\(^1\)
- We will be rated among the leading employers for inclusion globally\(^2\)

**People**

**Before 2030**
- 50% of our senior leaders will be from high growth markets\(^1\)
- 50% of our senior leadership will be women\(^1\)

**Before 2050**
- We will source all materials and services in a way that protects people and the environment\(^2\)
- We will improve the lives of millions of people in communities where we source and operate\(^2\)

**Communities**

**By 2030**
- We will source all materials and services in a way that protects people and the environment\(^2\)

**Updated May 2021**

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\(^1\) Baseline 2018
\(^2\) Baseline in process of setting
\(^3\) Baseline 2015
Purpose and 2025 Strategy
Encapsulate our approach to ESG
Purpose-linked targets
Encapsulate our approach to ESG

Creations
By 2030
• We will double our business through creations that contribute to happier, healthier lives.

Before 2030
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Before 2050
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Before 2030
• We will source all materials and services in a way that protects people and the environment
• We will improve the lives of millions of people in communities where we source and operate

Givaudan
Investor presentation 2021
updated May 2021
History of acting sustainably with solid track record of ESG ratings
Confidence in achieving ambitious purpose targets

Double ‘A rating’ for climate and water for two consecutive years

CDP leader board recognition for supplier engagement

Awarded the EcoVadis Platinum medal, the highest accolade, ranking us in the top 1%

Rated as ‘low-risk’ in 2020 with a score of 17 and an industry ranking 6 out of 416

Included in SXI Swiss Sustainability 25 Index

Ranked in the top 1% in the FTSE4Good Index Series, among our peers

MSCI ESG AAA Rating since 2017

Transparent disclosure of comprehensive, audited ESG data based on reporting standards

Givaudan has applied the GRI frameworks since 2010

Givaudan has adopted Integrated reporting since 2016
Creations for happier, healthier lives of millions of people
Doubling our business by 2030

We will impact millions of lives by working with our customers to develop creations for happier, healthier lives.

**Taste & Wellbeing**
Going beyond great taste to create food experiences that do good and feel good, for body, mind and planet

- **Flavour and taste solutions:** authentic flavours, kitchen ingredients, taste-enhancing technologies
- **Natural functional ingredients:** colours, preservatives, texturants
- **Natural nutritional ingredients:** microbiome, botanicals
- **Plant-based food:** non-animal protein alternatives
- **Solutions to reduce undesirable ingredients** (sugar, salt, fat) and add health-supporting nutrients (vitamins, minerals, fibers)

**Fragrance & Beauty**
Craftsmanship, creativity, and passion for happier, healthier lives through fragrances for every moment

- **Consumer products** for personal, home, fabric and oral care
- **Fragrances and beauty products** that spark happiness and delight
- **Fragrances to improve emotional wellbeing:** leveraging neuro-sciences to enhance sleep, emotional benefits and wellbeing

*By 2030*
We will double our business through creations that contribute to happier, healthier lives.

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*Givaudan*

Investor presentation 2021  updated May 2021
A bold ambition and clear roadmap. Before 2050, we will become a climate positive business (scope 1, 2 and 3).”
Strong track record
In reducing environmental footprint

<table>
<thead>
<tr>
<th>Emissions</th>
<th>Electricity</th>
<th>Water</th>
<th>Waste</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1+2</td>
<td>Renewable sources</td>
<td>Efficiency</td>
<td>Efficiency</td>
</tr>
<tr>
<td>2015</td>
<td>2015</td>
<td>2015</td>
<td>2015</td>
</tr>
<tr>
<td>2020</td>
<td>2020</td>
<td>2020</td>
<td>2020</td>
</tr>
</tbody>
</table>

- **30%**
- **81%**
- **23%**
- **14%**
Ambitious targets
For environmental leadership

Before 2050
We will be a climate-positive business\(^1\)

By 2025
Power 100% of our sites with renewable electricity

Current target
Reduce water use by 15% per tonne of product\(^2\)

Current target
Reduce waste by 4% per tonne of product (year on year average)\(^3\)

Before 2030
Replace single-use plastics with eco-friendly alternatives

---

1. Scope 1, 2, 3, with intermediate targets before 2030 and 2040.
2. For municipal and groundwater, baseline 2009.
3. For incinerated and landfilled waste, baseline 2015.
We have set a bold climate ambition
Clear agenda to reduce scope 1, 2 and 3 emissions
Our purpose commitment to responsible sourcing
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

Our new approach Sourcing4Good
“...to source all materials and services in a way that protects people and the environment by 2030”

Ensure trust and compliance across our entire supply chain

Embark on collaborative, transformational projects in selected supply chains

Bring end-to-end raw material traceability in key supply chains
Sourcing4Good
End-to-end value creation

Value for suppliers

Value for our teams

Value for customers

Sourcing4Good building blocks

Full scope, with clear priorities

Traceability Digitisation Progress Monitoring

Partnerships & third-party validation

Integrated operating model
Contributing to
Positive environmental impacts
• Soil health preservation
• Biodiversity conservation
• Increased carbon sequestration in the soil

Full traceability of Guarana seeds from the field to the final extract
Improved incomes for farmers
More market visibility for farmers

Supported by
Sustainable agricultural practices
• Better fertilisation methods
• Improved pruning practices to increase fruit yields
• Investigating plant material improvement

Example: Guarana (Brazil)
An iconic botanical which seeds help fight tiredness and boost physical and mental performance. Used mostly in energy drinks and food supplements.
A place where people love to be and grow

Diversity and inclusion

A diverse, inclusive organisation to best meet our business goals.

**Before 2030, we will be an even more balanced and inclusive company**

- **Before 2025**
  > We will be rated amongst the leading employers for inclusion globally

- **Before 2030**
  > 50% of our senior leaders will be from high growth markets
    
    2020: 25%

- **Before 2030**
  > 50% of our senior leaders will be women
    
    2020: 25%
A place where people love to be and grow

Caring for employees

Caring for employee’s safety, health and mental well-being

Before 2025
> We will reduce our total recordable injuries cases by 50%

Before 2025
> Everyone on our sites will have access to mental and physical health initiatives, tools and training
A place where people love to be and grow
Improving people’s lives

- All communities benefit by working with Givaudan

Our focus areas

Caring for our people

Caring for our place

Strengthening our foundation

Before 2030
- We will improve the lives of millions of people in communities where we source and operate
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
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%

* Like-for-like: excludes the impact of currency, acquisitions and disposals
Sales performance

Good growth in both divisions

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

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

in million CHF

Group: 6,322

Fragrance & Beauty: 2,924

Taste & Wellbeing: 3,398

Updated May 2021
Sales evolution by region
All regions contributing to the growth

in million CHF

% 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

Investor presentation 2021
updated May 2021
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
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

2016 Strategy Successfully Delivered
Responsible growth. Shared success.
2020 Strategy 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
- Excellence in execution

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
Disclaimer

All figures relate to FY 2020 results.

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