

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



Neutraceuticals



Savoury



Oral care



Personal care



Fine Fragrances



Fabric care



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**

Givaudan: A naturally-hedged portfolio (products, geography, customers) for consistent growth

6.3
sales in
CHF billion

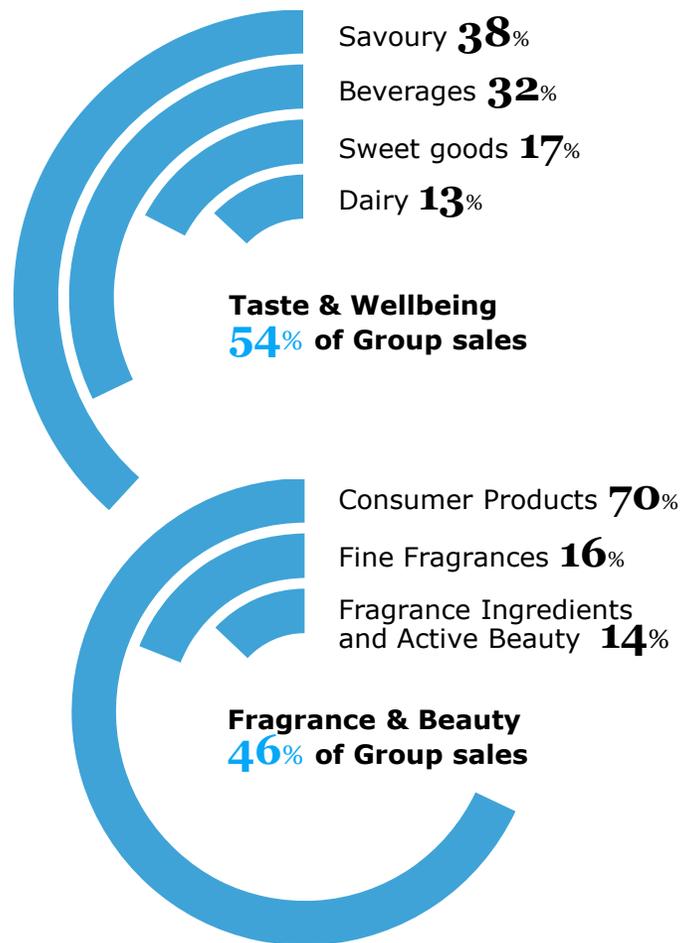
58%
of sales in
mature markets

42%
of sales in high
growth markets

15,852
full time
employees

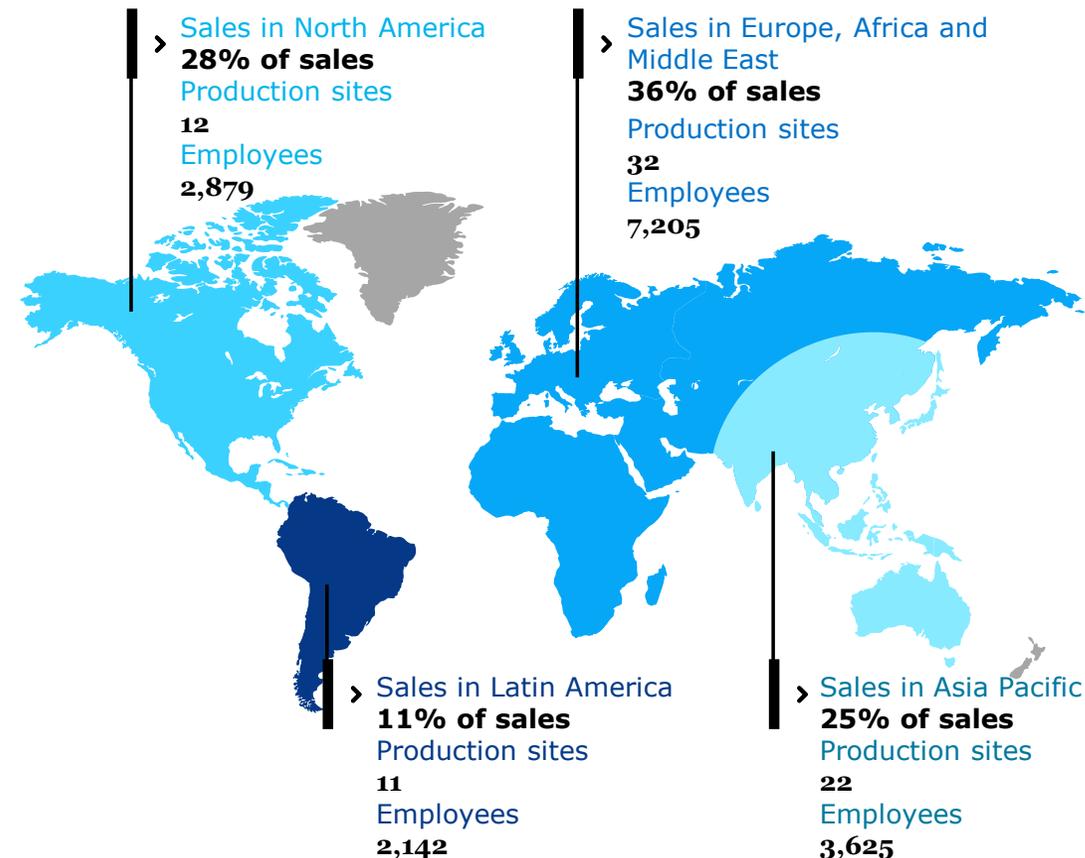
181
locations

77
production sites



Our customers

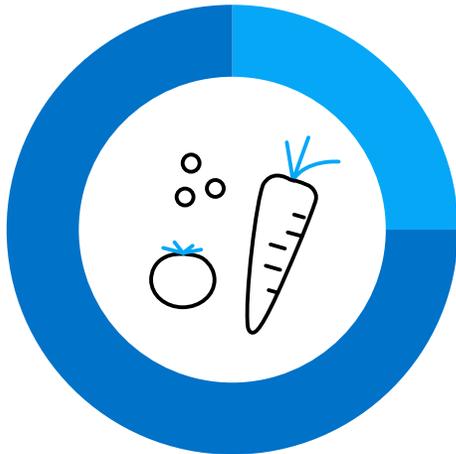
50% multi-national | 50% local and regional



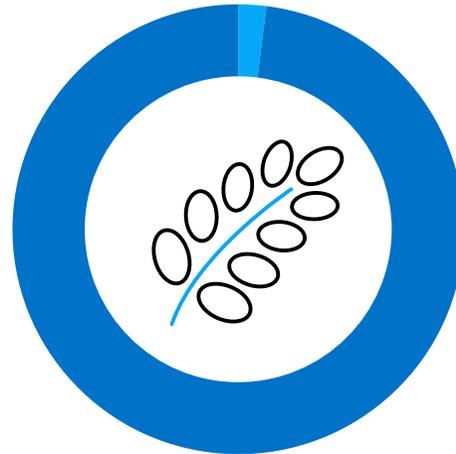
Operating in a significant addressable market

Givaudan's expanded market space worth **CHF 42bn**

> ● Givaudan market share as of 2020
● Market potential as of 2020



+



+



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

8.5%
of sales

› 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

Our strategy in motion



* Acquisition not yet complete

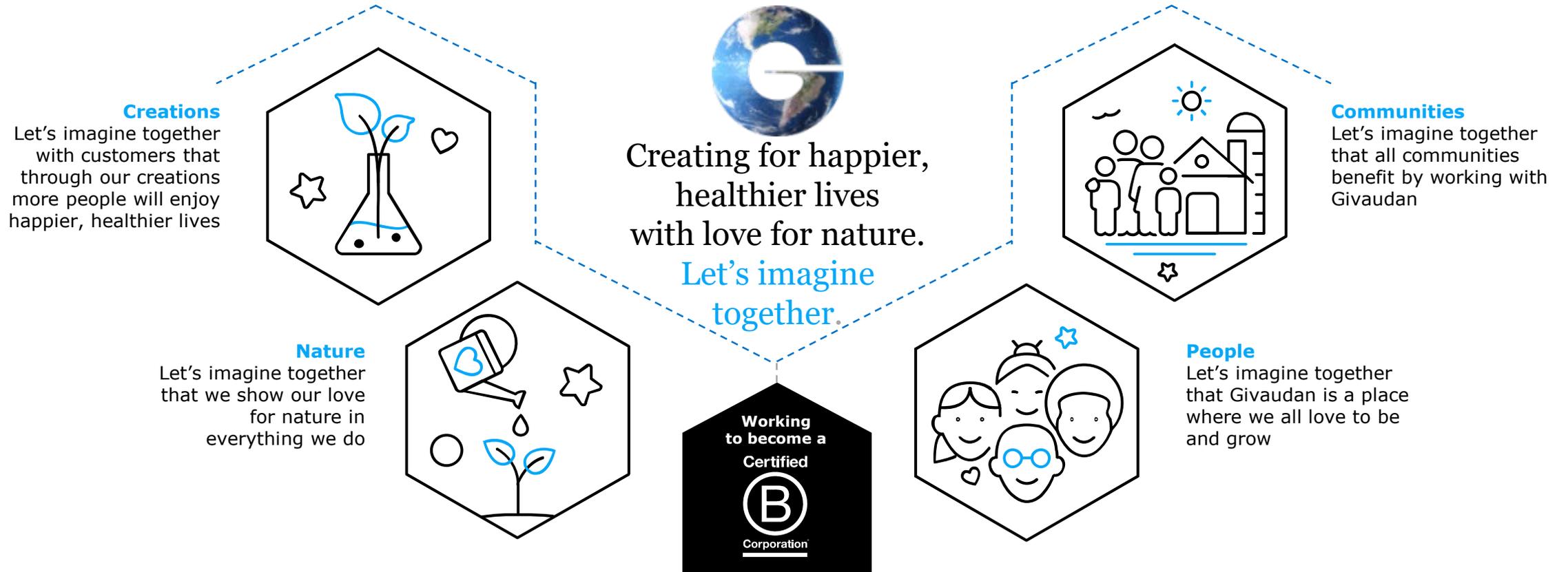
Looking forward

Future value creation through our 2025 strategy



Givaudan's purpose

Driving sustainable performance, and acting as a force for good



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

2025 Strategy

Committed to Growth, with Purpose



Creations

We create inspiring solutions for happier, healthier lives



People

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



Nature

We show our love for nature through impactful actions



Communities

We bring benefits to all communities that work with us



Excellence, Innovation & Simplicity - in everything we do

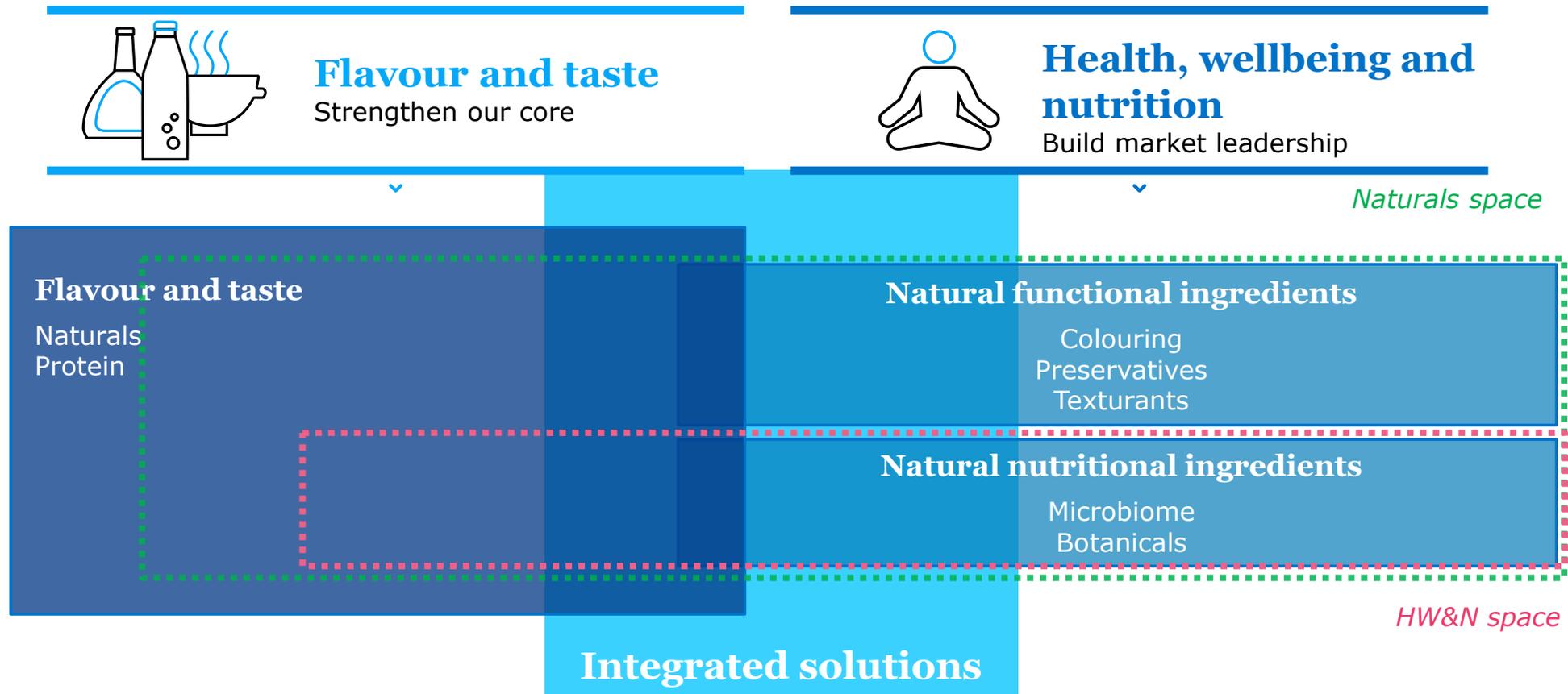
4-5% GROWTH

PURPOSE LINKED TARGETS

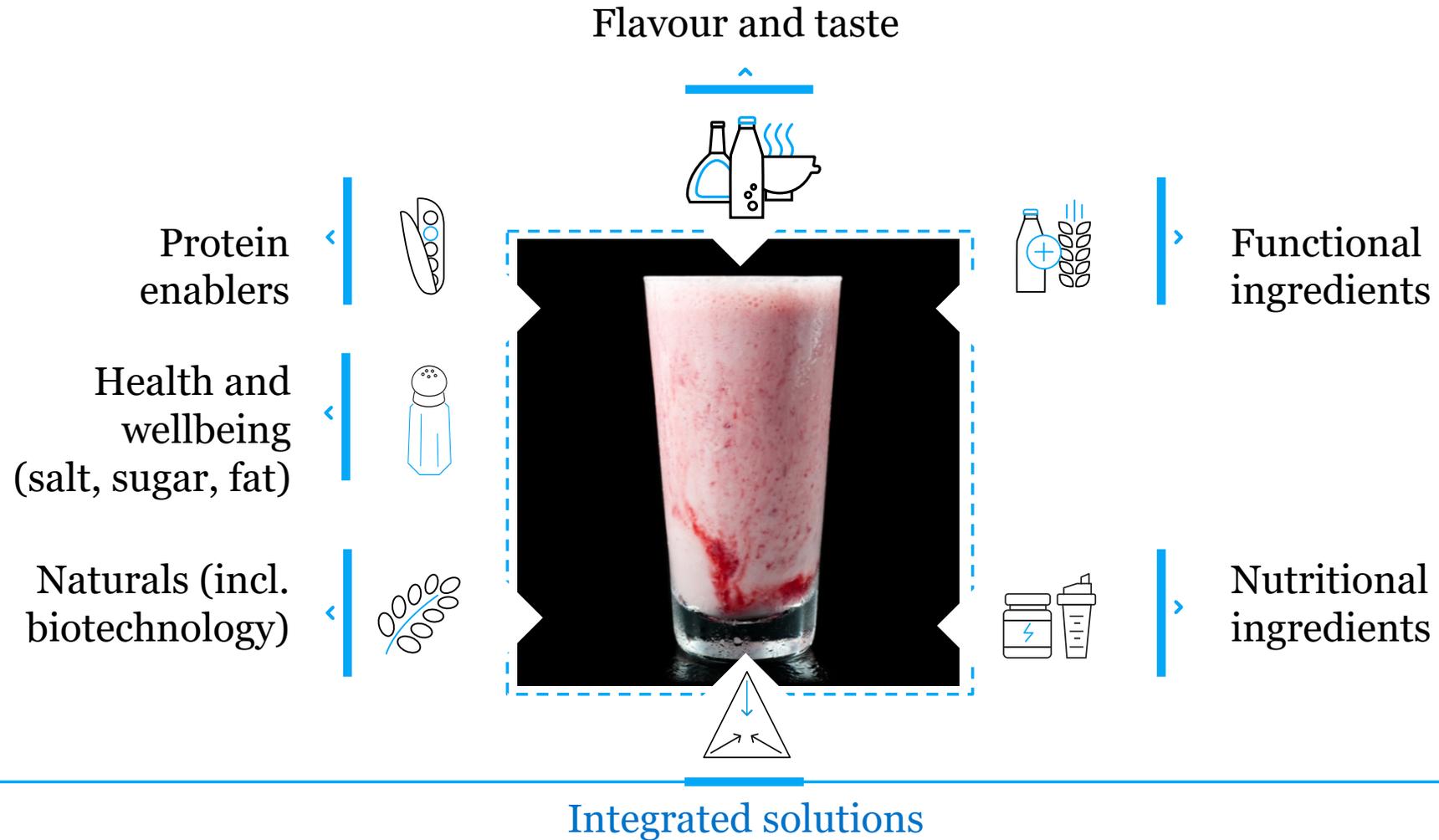
>12% FCF

Taste & Wellbeing: best in class product offering

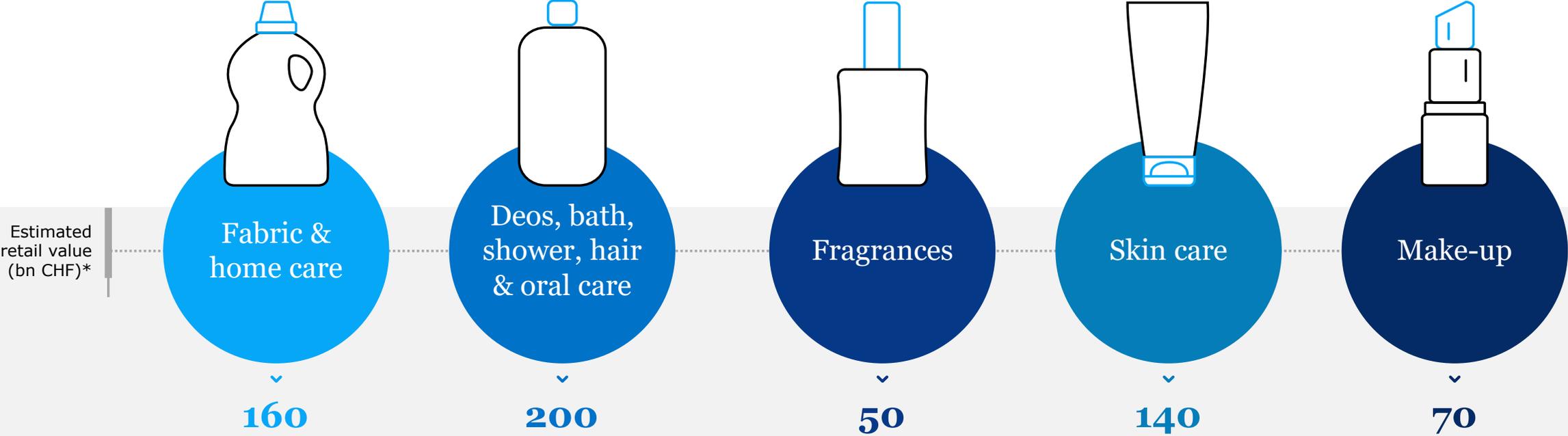
Leveraging the full portfolio to reach our growth ambitions



Taste & Wellbeing: best in class product offering



Fragrance & Beauty: growing with all customers across all categories



* Source Euromonitor

Fragrance & Beauty: 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

2025 Strategy

Performance commitments

Sales growth

4.0 – 5.0%

2021 – 2025
Average Like for Like¹ Sales Growth

Free cash flow

>12% of Sales

2021 – 2025
Average FCF² as % of sales

Purpose commitments

**Purpose
linked targets**

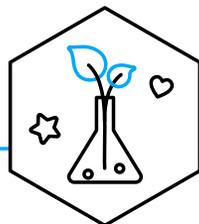
2021 – 2025
Progress towards all published
purpose targets

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

2025 Strategy

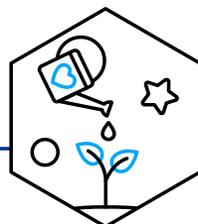
Performance commitment - Purpose linked targets



Creations

By 2030

- We will double our business through creations that contribute to happier, healthier lives¹



Nature

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 operations²

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



People

Before 2025

- Everyone on our sites will have access to mental and physical health initiatives, tools and training²
- We will reduce our total recordable injuries cases by 50%¹
- We will be rated among the leading employers for inclusion globally²

Before 2030

- 50% of our senior leaders will be from high growth markets¹
- 50% of our senior leadership will be women¹



Communities

By 2030

- We will source all materials and services in a way that protects people and the environment²
- We will improve the lives of millions of people in communities where we source and operate²

A group of children are standing in a field of lush green plants, possibly a vegetable garden or farm. The children are wearing school uniforms. One child in the foreground is wearing a yellow shirt, while others are in blue and white shirts. They appear to be engaged in a conversation or activity. The background is filled with rows of green plants, creating a sense of a healthy and productive environment.

Purpose and 2025 Strategy

Encapsulate our approach to ESG

Purpose-linked targets

Encapsulate our approach to ESG

Creations

E S G



By 2030

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Nature

E G



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S G



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Communities

E S G



By 2030

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E Environment S Social G Governance



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**

FTSE4Good Index Series

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

By 2030

> We will double our business through creations that contribute to 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)

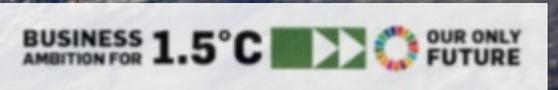


Fragrance & Beauty

Craftsmanship, creativity, and passion for happier, healthier lives through fragrances for every moment

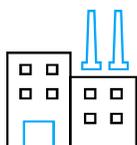
- **Consumer products** for personal, home, fabric and oral care
- **Fragrances and beauty products** that spark happiness and delight
- **Fragrances to improve emotional wellbeing:** leveraging neuro-sciences to enhance sleep, emotional benefits and wellbeing

“A bold ambition and clear roadmap. Before 2050, we will become a climate positive business (scope 1, 2 and 3).”



Strong track record

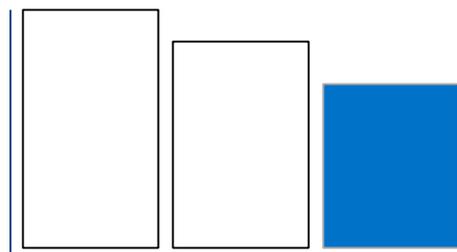
In reducing environmental footprint



Emissions

Scope 1+2

-30%



2015

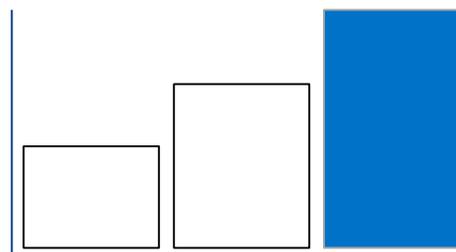
2020



Electricity

Renewable sources

81%



2015

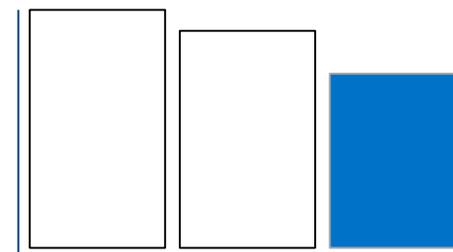
2020



Water

Efficiency

-23%



2015

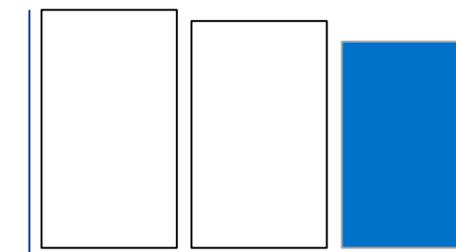
2020



Waste

Efficiency

-14%

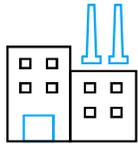


2015

2020

Ambitious targets

For environmental leadership



Emissions

Scope 1+2+3

Before 2050

We will be a **climate-positive** business¹



Electricity

Renewable sources

By 2025

Power **100%** of our sites with renewable electricity



Water

Efficiency

Current target

Reduce water use by **15%** per tonne of product²



Waste

Efficiency

Current target

Reduce waste by **4%** per tonne of product (year on year average)³



Plastics

Alternatives

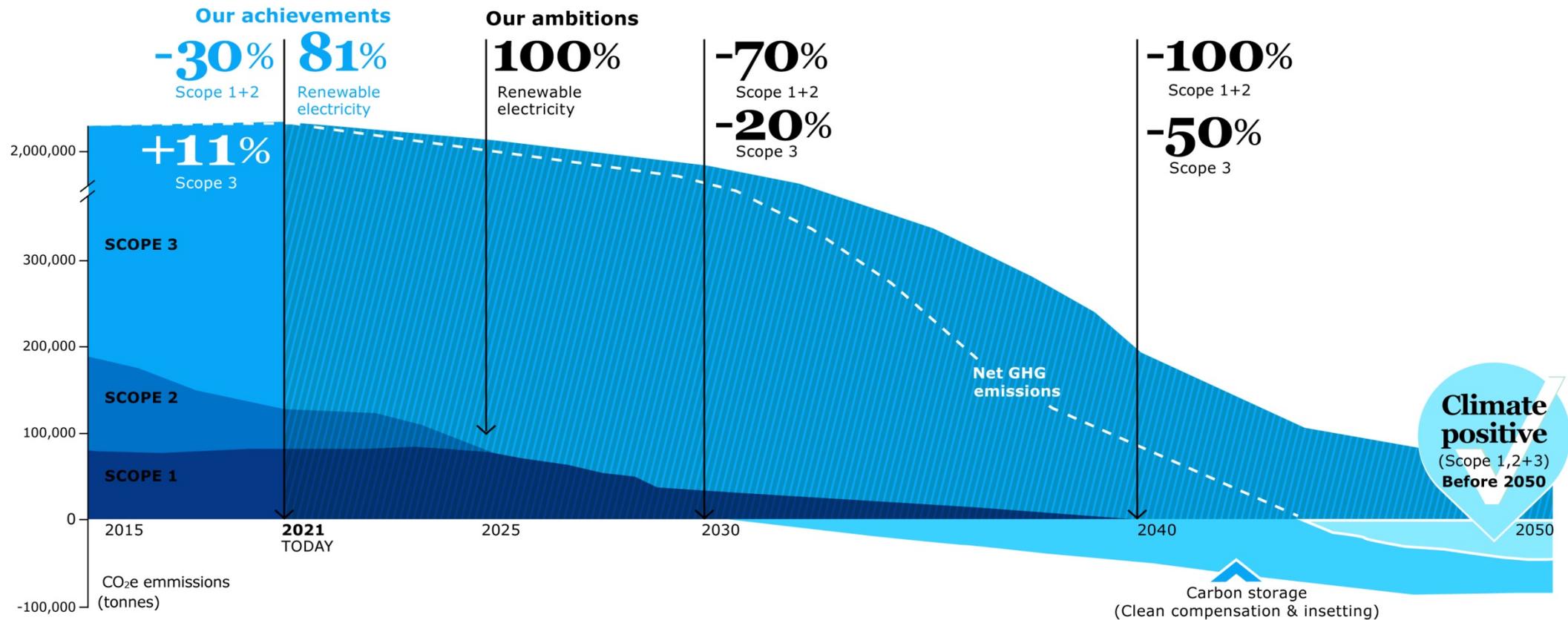
Before 2030

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



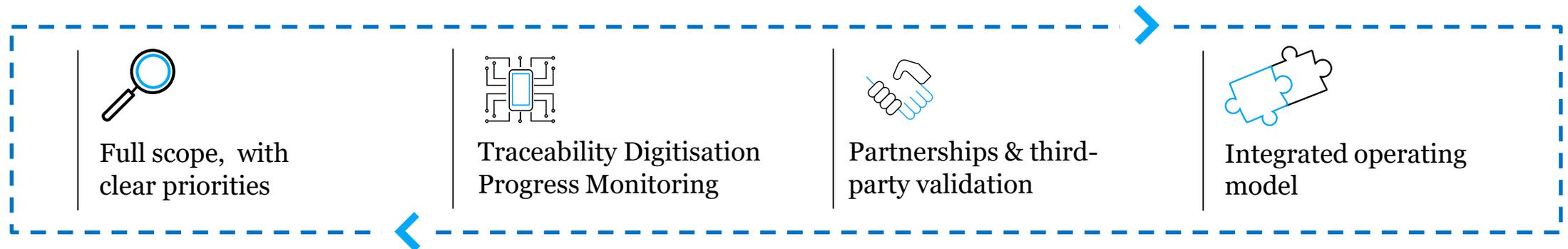
Value for our teams



Value for customers



Sourcing4Good building blocks



Fully traceable supply chain

Enhancing agricultural practices

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

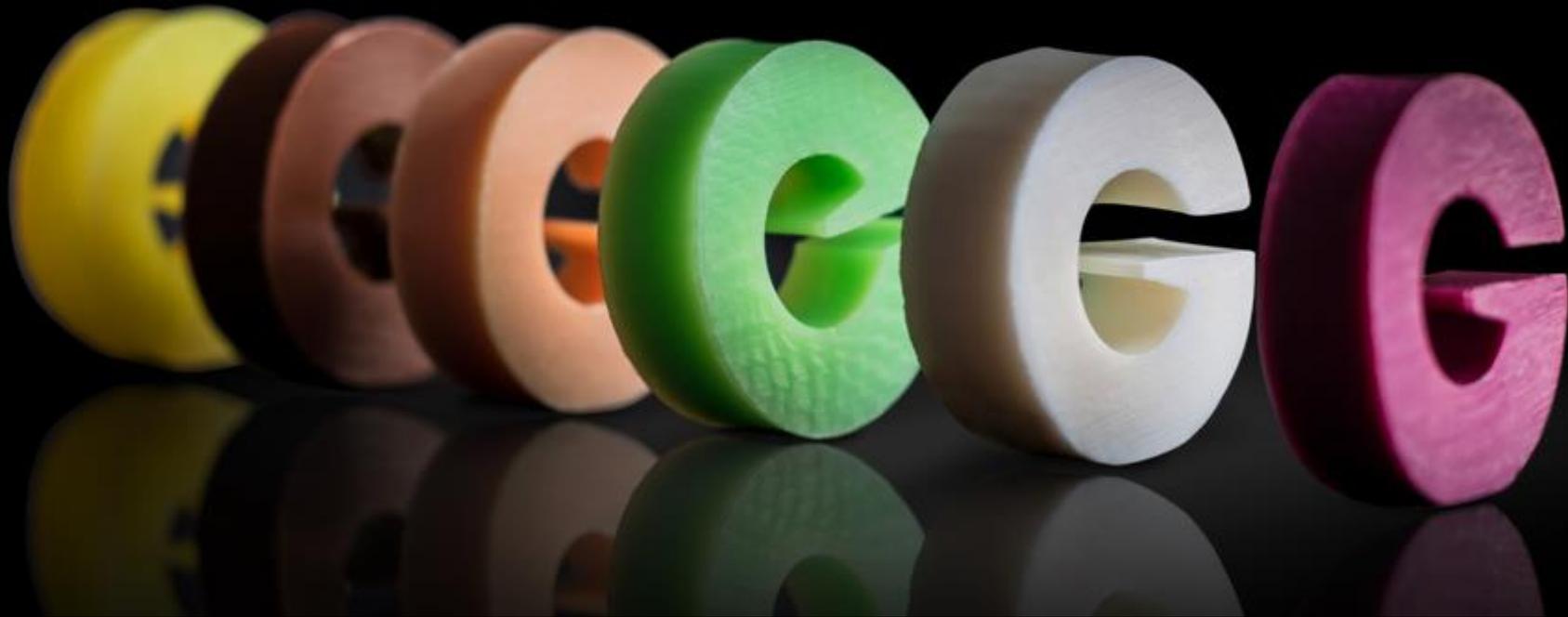
Before 2030

- > 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

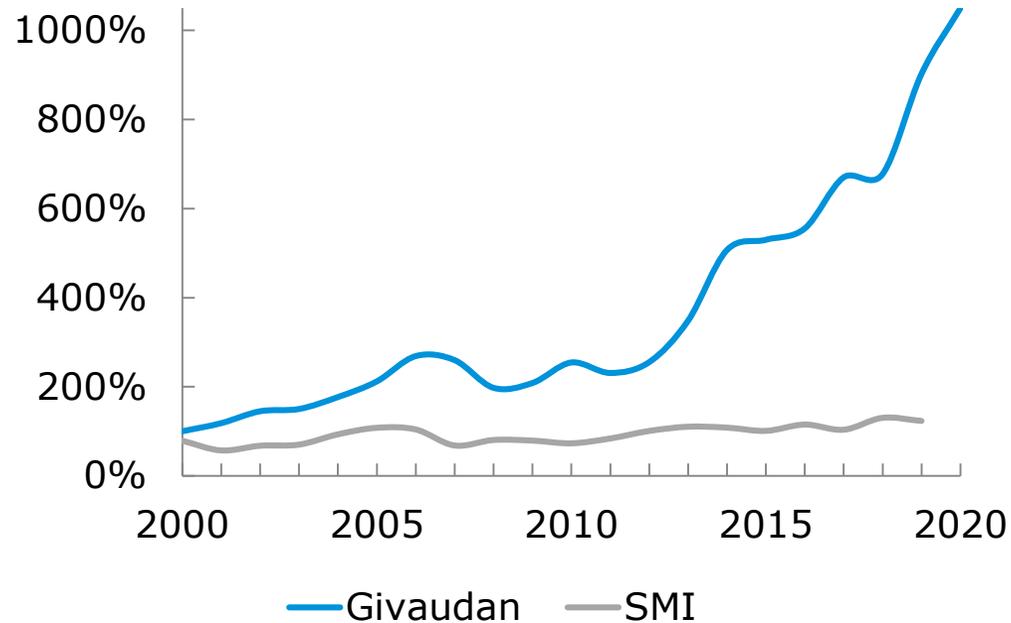
Givaudan has a strong track record of delivering with excellence

- 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

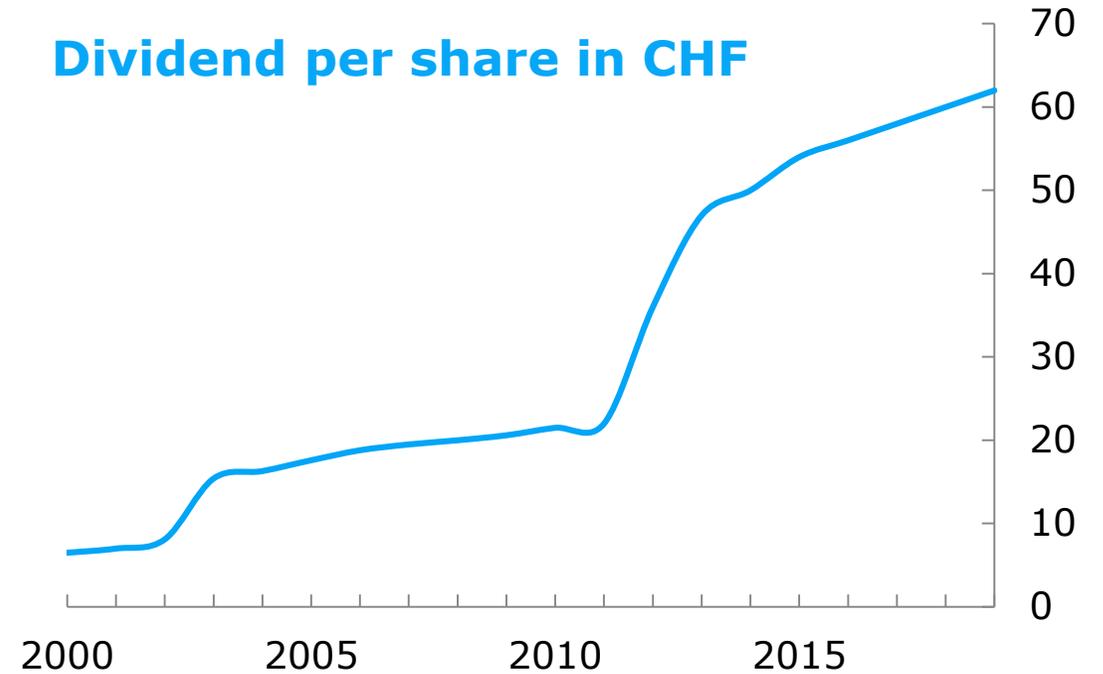
Value creation at Givaudan

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

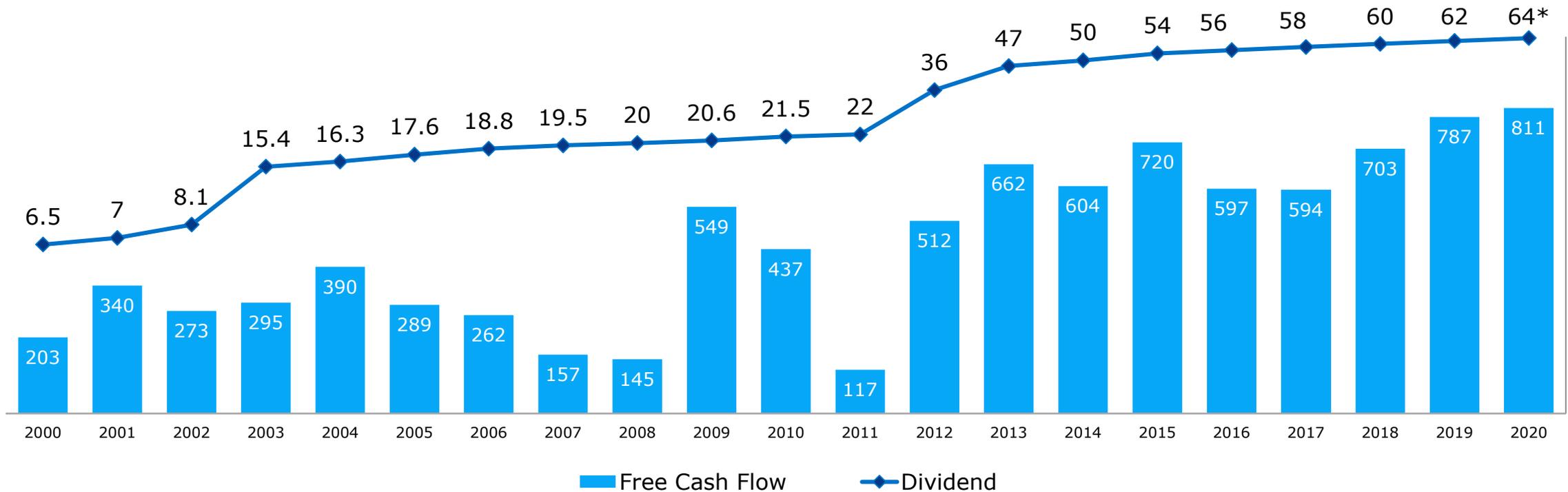
13.3%

vs 4.1% of SMI

Value creation at Givaudan

Dividend per share, increasing 3.2% over 2019

* Approved by shareholders at the AGM on 25 March 2021



2021 Half year results
Strong financial performance



2021 Half year performance

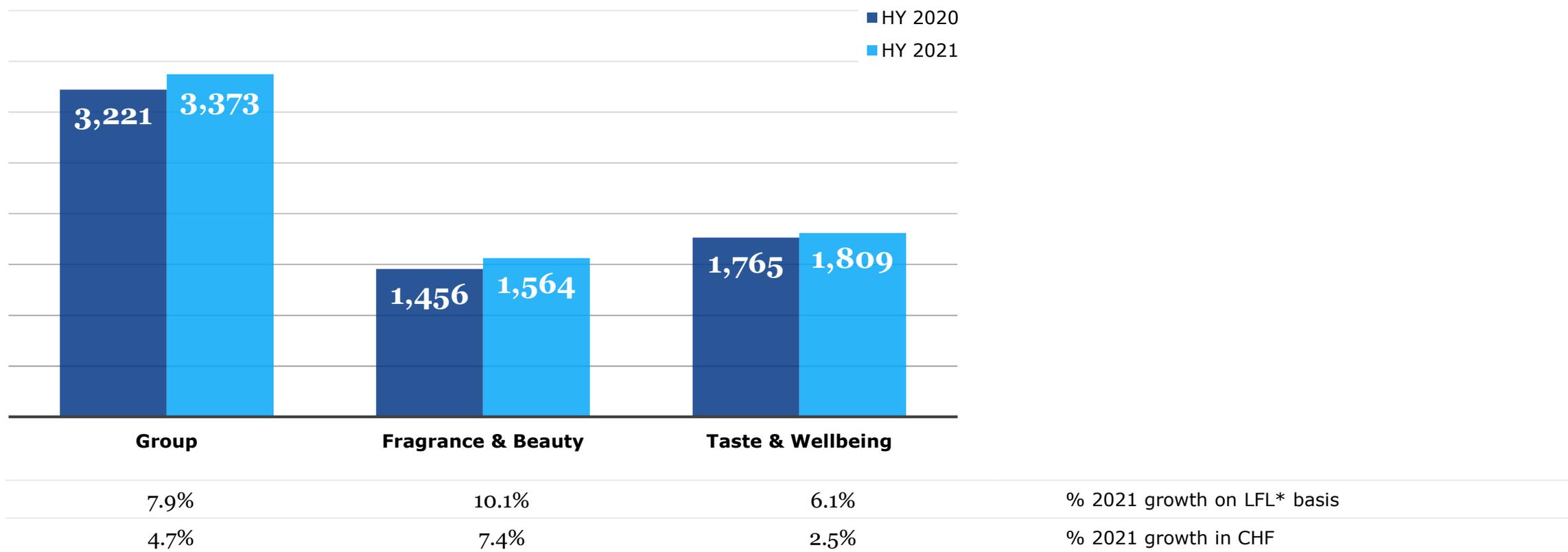
Highlights

- Sales of CHF 3,373 million, up 7.9% on a like-for-like* basis and 4.7% in Swiss francs
- Excellent sales across all markets and segments, with strong contribution from 2025 strategic growth areas
- Strong performance of high growth markets with a like-for-like growth of 10.4%
- Underlying EBITDA margin of 24.2%, compared to 23.7% in 2020
- Free cash flow of 5.5% of sales or CHF 186 million

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

2021 Half year sales performance

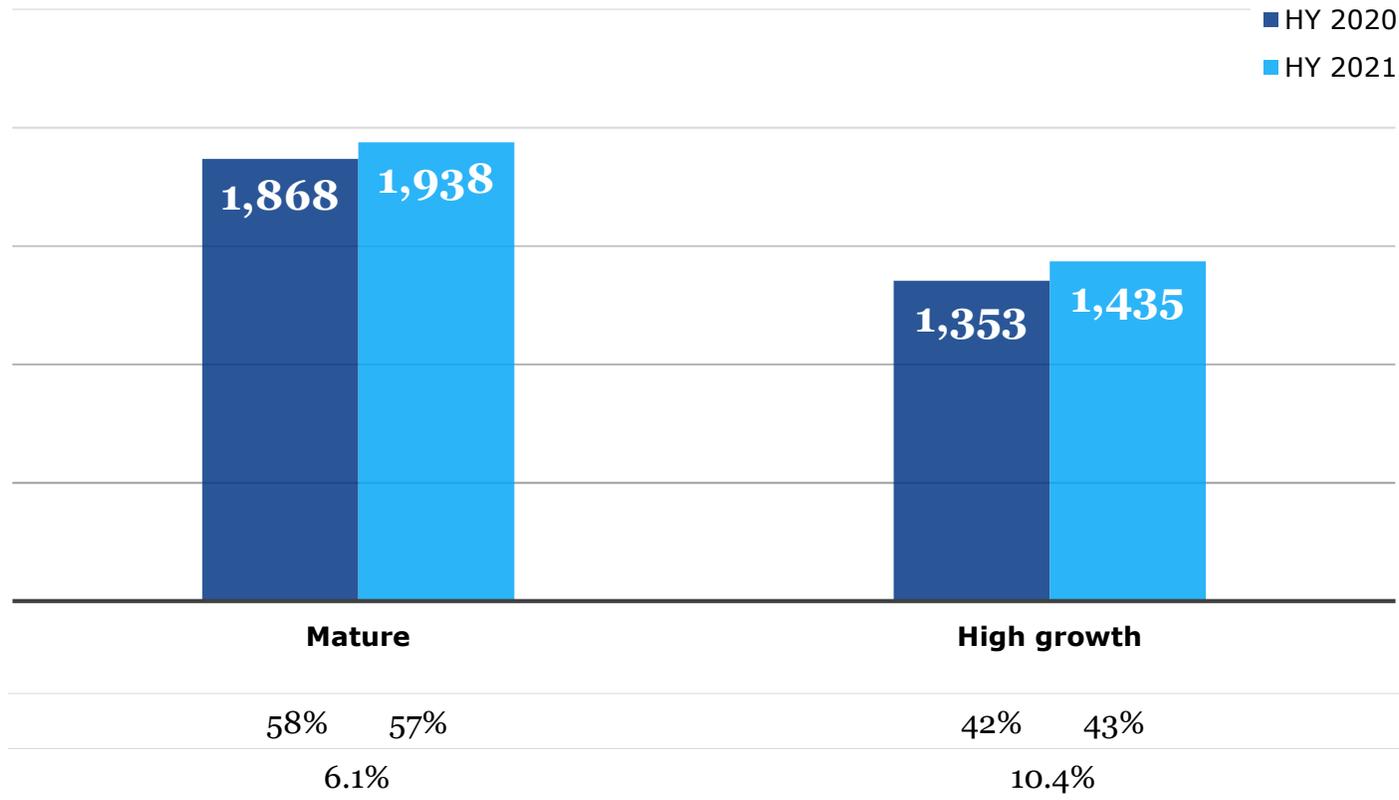
Good growth in both divisions



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

2021 Half year sales evolution by market

Strong performance in mature markets



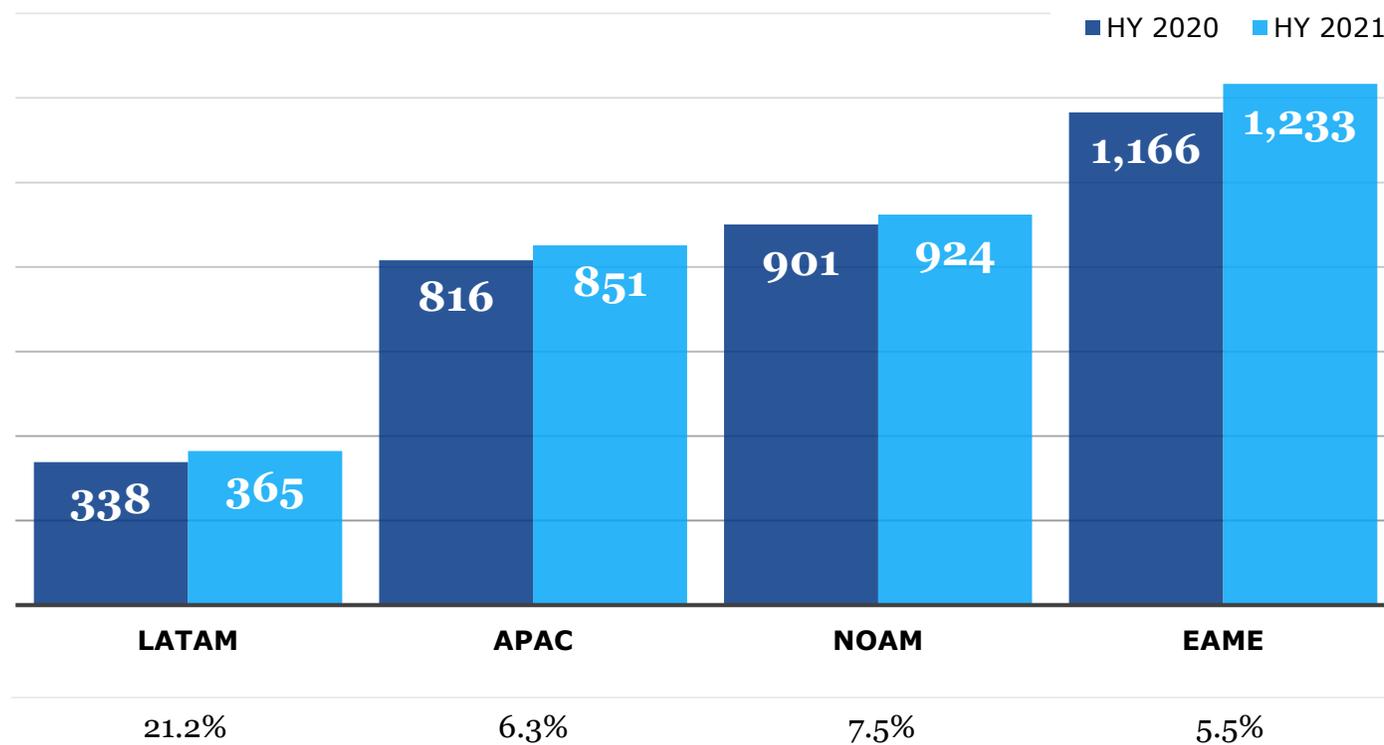
% of total sales

% 2021 growth on LFL* basis

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

2021 Half year sales evolution by region

All regions contributing to the growth



% 2021 growth on LFL* basis

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

2020 Full year results

Excellent Financial Performance - 2020 Strategy delivered



2020 Full year results

Performance highlights

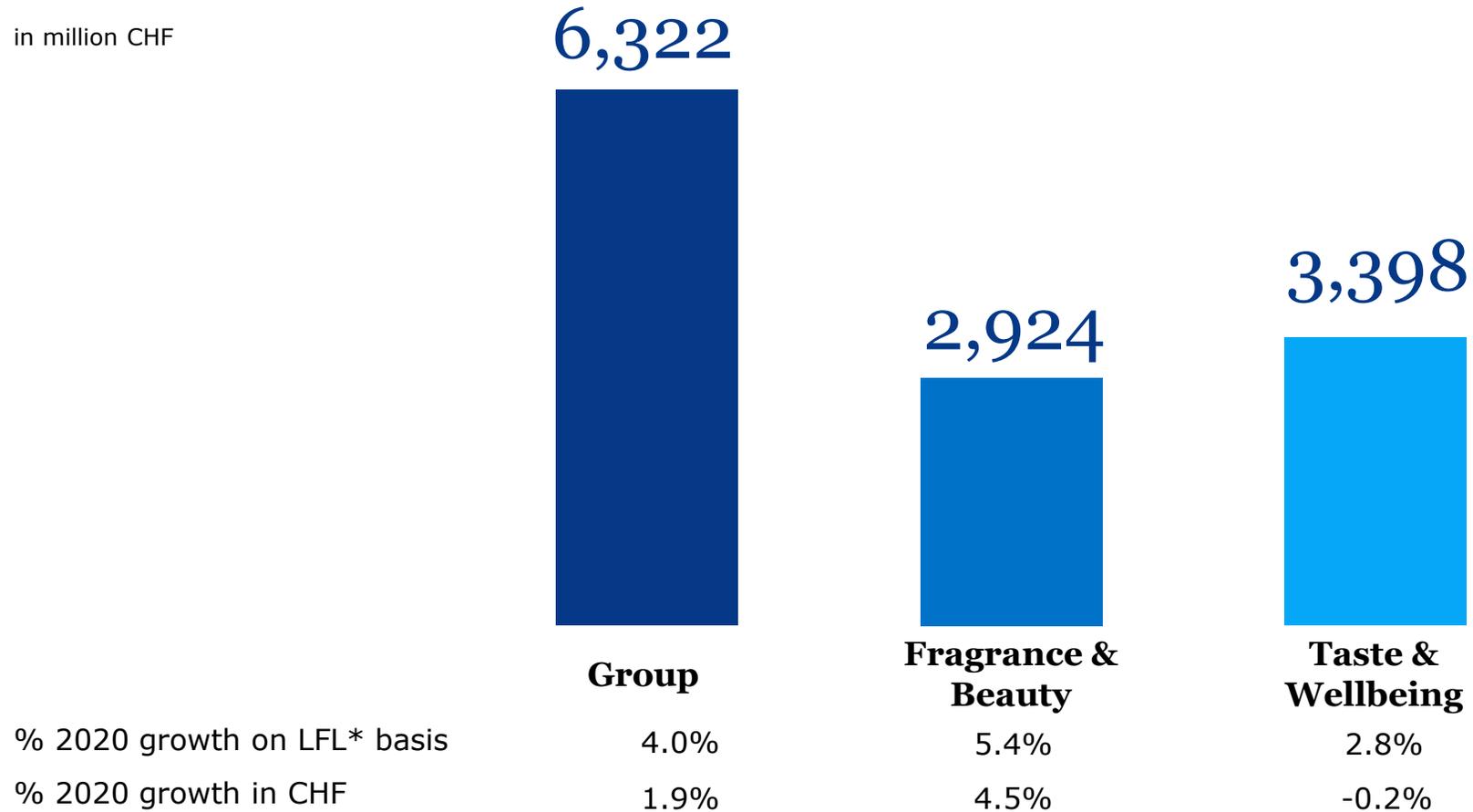
- Sales of CHF 6.3 billion, up 4.0% on a like-for-like* basis and 1.9% in Swiss francs
- EBITDA of CHF 1,397 million, an increase of 9.6%; comparable EBITDA margin of 22.8% up from 21.5% in 2019
- Free cash flow of CHF 811 million or 12.8% of sales
- Proposed dividend of CHF 64.00 per share, up 3.2% 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

2020 Full year sales performance

Good growth in both divisions

in million CHF

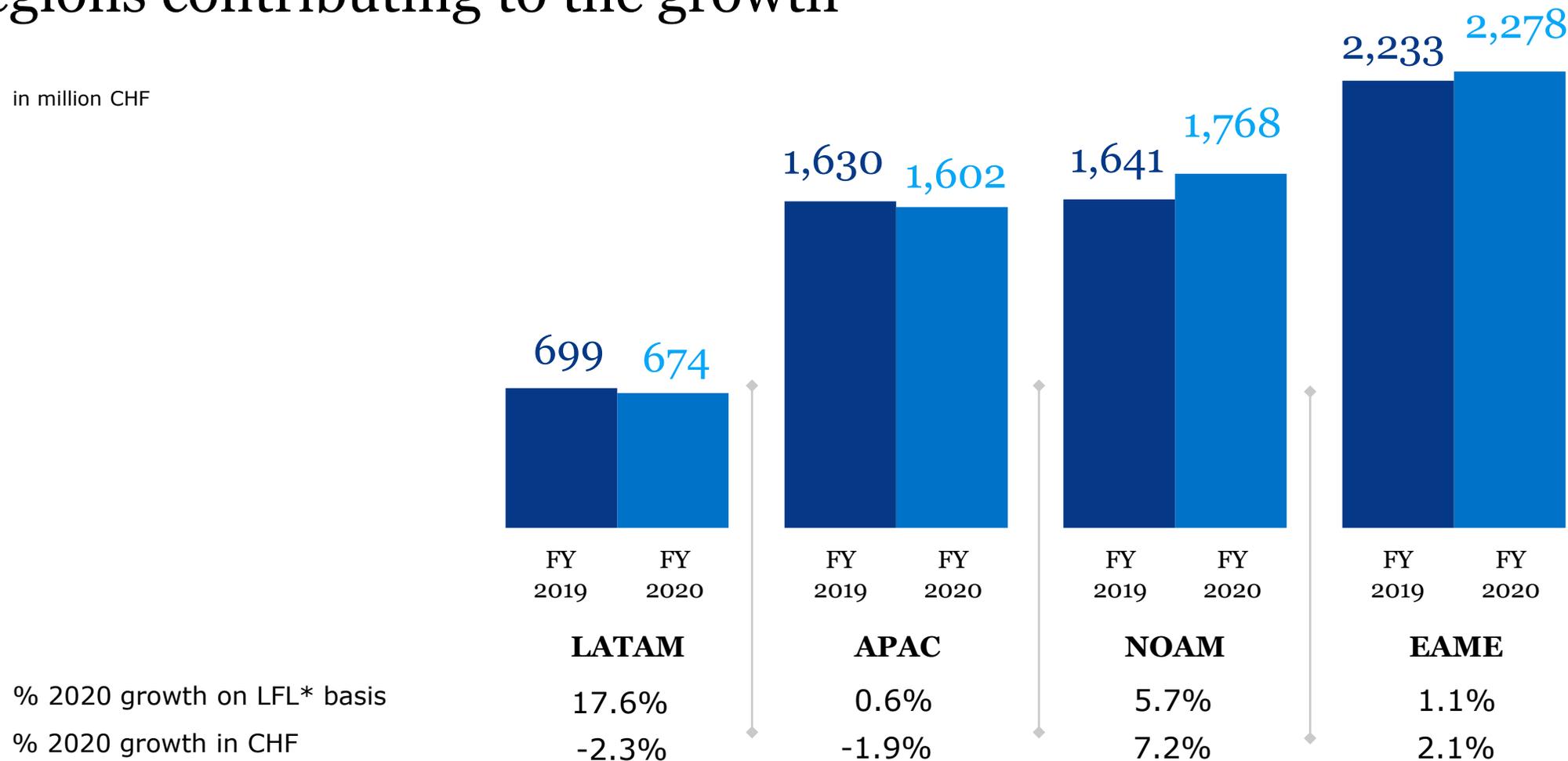


* LFL (like-for-like) excludes the impact of currency, acquisitions and disposals

2020 Full year sales evolution by region

All regions contributing to the growth

in million CHF



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

Operating performance

Excellent financial performance

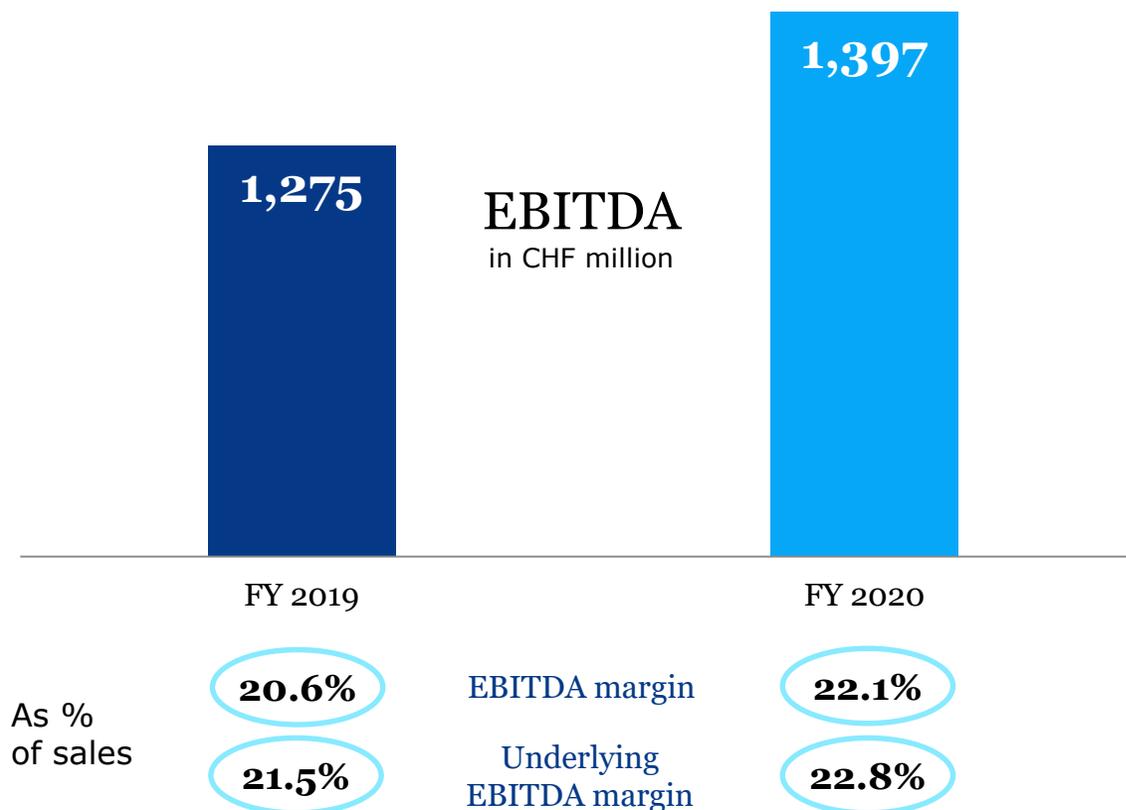
Sales of CHF 6,322 million, an increase of 4.0% on a like-for-like basis* and 1.9% in Swiss francs

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

40.8% Gross margin 42.1%
in %



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

Free cash flow

Sustained underlying performance

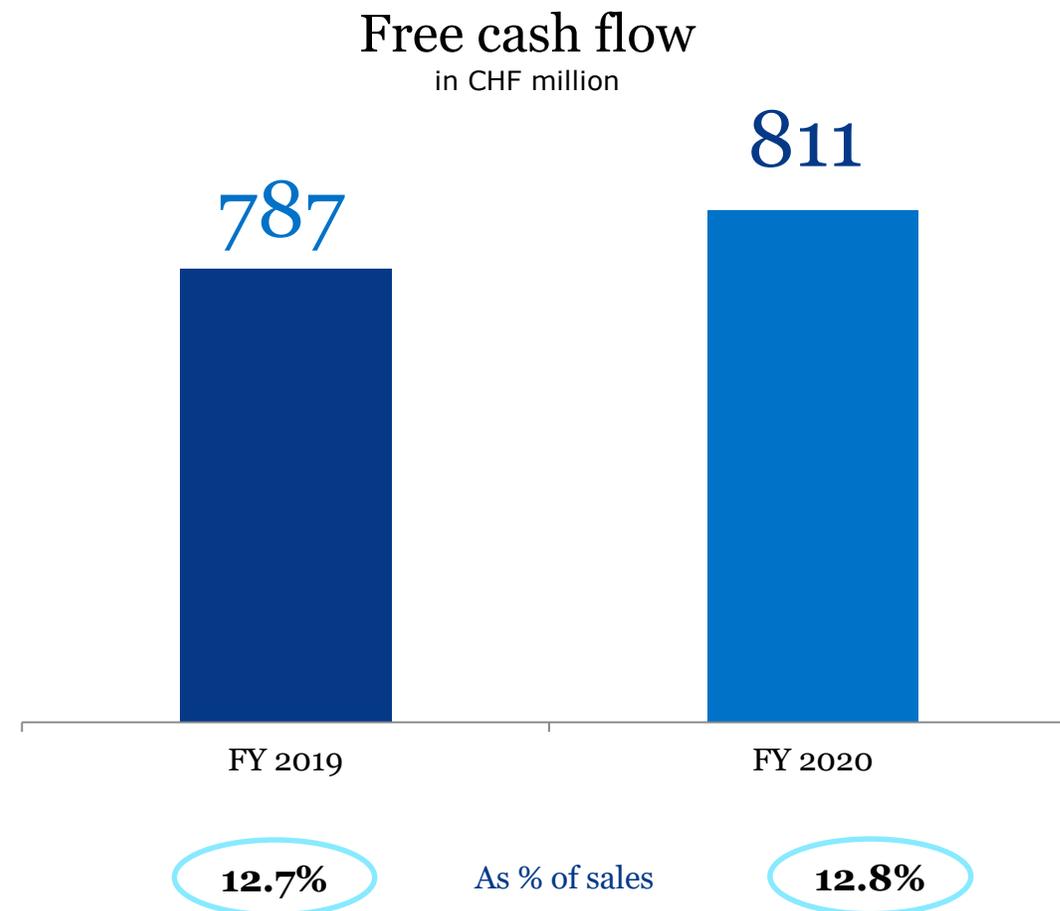
Free cash flow of CHF 811 million, compared to CHF 787 million in 2019. Free cash flow is 12.8% of sales compared to 12.7% in 2019.

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



2020 Strategy Successfully Delivered

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

2020 Strategy Successfully Delivered

Highlights of key achievements 2016-2020

Growing with our customers



High growth markets



Health and well-being



Consumer preferred products



Integrated solutions

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



Excellence in execution

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

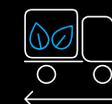
Earned key sustainability recognitions, including CDP leadership scores & EcoVadis Gold Status

Corporate presentation

Partnering for shared success



Innovators



Suppliers



People



Communities

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**

updated 25.11.2021

Disclaimer

All figures relate to FY 2020 results except for the slides on 2021 Half year results.

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