

## Transcript

29 January 2026

# 2025 Full Year Results

## Conference call and live webcast

### Company representatives

Gilles Andrier, Chief Executive Officer

Stewart Harris, Chief Financial Officer

### Gilles Andrier

Dear ladies and gentlemen, welcome to our 2025 Full Year-End Results Conference Call. Actually, my first one was in 2006, which makes this one my 21st conference call as well as my last year-end conference call as CEO. Stewart Harris, our CFO, joins me today. All presentation documents are available on our website.

So before moving into the performance discussion, let's take a moment to look at the leadership transition. So as announced end of last August, Christian Stammkoetter will succeed me as CEO as of March 1, 2026. But today, we also announced two changes to our Executive Committee team. The first one, Christina Yeo, will become Head of Business Solutions and IT, and that will be effective May 1, 2026. She succeeds Anne Tayac who, after more than 30 years at Givaudan, will retire.

Fanny Iglesias will take over as Chief Legal and Compliance Officer, replacing our current Legal and Compliance Head, Roberto Garavagno, effective April 1st, 2026. Roberto will also retire after close to 30 years. Fanny will join the Executive Committee as an additional member to the EC team. For sure, I would like to thank Anne Tayac and Roberto Garavagno for their many contributions and leaderships over the many years.



And I would like to turn to slide 4. On the Board composition side, as announced late August 2025, we have Calvin Grieder who will step down. And I will stand for election as Chairman at the upcoming AGM in March. All Board members, except Tom Knutzen, will stand for re-election. And furthermore, Ester Baiget, CEO of Novonesis, is proposed as a new member to the Board, bringing strong innovation and sustainability expertise.

Now let's turn to the business performance review, starting on slide 5. 2025 Marks another year of very strong results. On top of record prior years and in a continuous volatile external environment, it also marks the successful completion of our five-year strategic cycle, which started in 2021, for which we delivered on all financial and non-financial ambitions, confirming the strength and resilience of Givaudan's business model.

Moving to slide 6. I'd like to take you through the key financial highlights for 2025. So sales amounted to close to CHF 7.5 billion, representing an increase of 5.1% on a like-for-like basis and 0.8% in Swiss francs. This is a very solid result achieved against a very high comparable base of more than 12% growth in 2024.

Growth was again achieved across all markets with sustained strong growth of 8% in high growth markets. This means growing close to 4x the rate of the growth in mature markets. And as well, we grew with local and regional clients close as well to 4x faster than global.

On a comparable basis, the EBITDA margin stood at 24.2%, slightly below 24.5% in 2024, yet still the second highest margin in the past 15 years. Net income reached CHF 1,071 million, corresponding to a net profit margin of 14.3% of sales. Finally, we generated a free cash flow of CHF 1,053 million, so basically more than CHF 1 billion, representing 14.1% of sales. This is the second consecutive year being above CHF 1 billion in free cash flow.

Finally, the Board of Directors will propose a dividend of CHF 72 per share at the AGM on March 19, 2026, marking the 25th consecutive dividend increase for our shareholders since the spinoff of Givaudan. Stewart will provide more details on the operational performance shortly.

On slide 7, let's look in more detail at the divisional sales growth. The sales growth in 2025 was broad-based across markets, segments and customer groups against, again, very high comparables across the board. On a Group level, we achieved a good like-for-like sales growth of 5.1% against the comparable of 12.3%. The growth was mainly volume driven with less than 1% contribution from real pricing or FX pricing.

# Givaudan

Human by nature

Our local and regional customers continue to be an important growth driver in both divisions. Like the prior year, we continue, as I said, to grow with them close to 4x the rate we grew with global. Today, L&R clients represent now 60% of our total sales.

To put this performance into context, the past five-year strategic cycle has been more volatile than any before, marked by the COVID-19, then the supply chain disruptions, which turned into inflation, in the background geopolitical tensions and macroeconomic challenges.

We have managed, though, through this period particularly well, thanks to the strategic choices made and the natural hedges we have built in our business across – I mean, natural hedges across geographies, customer groups and segments along with our strong execution capabilities.

In this environment, our 5.1% like-for-like growth confirms the resilience and the structural strength of Givaudan, fully in line with our long-term growth algorithm. The nature of our business and the singularity of Givaudan allows to deliver consistent results year-on-year.

This is why I always remind, and probably this is the last time I repeat it, but maybe I did not repeat it enough, CAGR is your best friend when judging Givaudan's performance as opposed to looking at the last quarter or a given year. If we look at the last five years, our CAGR was 6.8%, so not only consistent results but also significantly higher paces than the two last five-year cycles.

Fragrance & Beauty sales amounted to CHF 3,830 million, up 7.9% on a like-for-like basis on top of a 14% increase in prior year. I'd like to emphasise the strength and depth of our Fragrance & Beauty portfolio, which truly differentiates us from our peers. We have built a balanced and resilient business, combining scale and innovation across multiple categories.

And we have invested in our future growth by expanding beyond our core and with our capabilities, from the development of Active Beauty over the past decade to our recent entry into make-up through b.kolor. This diversity gives us a unique competitive position to ensure sustainable growth.

In Taste & Wellbeing, sales amounted to CHF 3,642 million, up 2.4% on a like-for-like basis, a solid achievement in a more volatile market against a very high comparison base of more than 10% for the full year of 2024.

Our diversified geographic presence, broad customer base and balanced portfolio continue to provide this resilience and position us well to capture future opportunities as market conditions evolve. While our peers have not yet reported, looking at the nine-month sales comparisons to peers, we remain confident that our performance will once again be industry-leading.

Let's take a closer look now at the geographic performance on slide 8. High-growth markets grew by 8% and continued to be a key driver of our overall growth as they make up today 49% of total sales, almost on par with the mature markets. Our broad-based presence and the depth of our footprint in these markets provides resilience, with key markets such as the Middle East, China, India and Brazil which continued to grow at the high single to double-digit pace.

Mature markets grew by 2.4%, very much in line with the historic average of the past 10 years. In 2025, this growth was supported by the resilience of both Europe and North America. This strong geographic balance once again demonstrates the strength and diversification of Givaudan's global footprint, enabling us to deliver consistent growth even in a complex environment.

On slide 9, we can have an even more granular look at the regional performance. Our largest region, EAME, delivered the highest growth in 2025 at 7% on top of a very strong prior year. This performance was driven by the continued strength of high growth markets, particularly in the Middle East and Africa, which now represents around 27% of the EAME sales.

We also saw solid contribution from mature markets including France and Iberia. In Asia Pacific, like-for-like sales growth reached 5% in 2025 with China, India and Japan contributing strongly, particularly in Fragrance & Beauty, whilst Southeast Asia was slightly negative in Taste & Wellbeing, though showing an improved momentum towards the end of the year.

In Latin America, last year's like-for-like growth was driven by FX-related pricing in Argentina, but the underlying growth was also positive in the mid-single-digit range. In 2025, growth that we have in LATAM is 3.6%, which reflects the lower FX pricing and some specific challenges in Mexico, while Brazil continued to deliver strong underlying growth, confirming the region's solid fundamentals.

# Givaudan

Human by nature

North America sales grew by 2.6% on a like-for-like basis. The region remains more volatile, but as a large mature market, mid-single-digit growth is what one could typically expect. Towards the end of 2025, we also observed good brief inflows linked to MAHA, Make America Healthy Again, and reformulation trends, in particular around better-for-you snacks and hydration.

Turning now on the divisional view on slide 10, starting with Fragrance & Beauty. As mentioned, the division delivered continued strong growth of 7.9% on top of the 14% comparable last year. Fine Fragrances continued its record excellent growth at 18.3%, virtually matching last year's other record at 18.4%, a performance we should truly celebrate.

Since the pre-COVID baseline of 2019, we more than doubled our fine fragrance business on a like-for-like basis. This sustained success reflects not only a healthy underlying market but, even more so, our own strength with a broad geographic exposure, particularly in the SAMEA region, which today is as large as North America and Latin America combined.

And our strong relationships with local and regional customers, another key growth driver for Fine Fragrances. These strengths have allowed us to gain market share, reinforcing our leadership position in this segment. At the same time, I'd like to emphasise that the division's performance is broader based than just Fine Fragrances. Fine Fragrances represents 21% of our sales. So the strong continuous performance of the Fragrance & Beauty division is not just about Fine Fragrances.

We have a strong core in Consumer Products, which represents close to two-third of the division, where we sustain very solid growth across all categories, building on a very strong prior year. Actually, the five years' average growth for Consumer Products has been 6.2%, and the combined Active Beauty plus Fragrance Ingredients, an average of 7% for the last five years. So this is actually close to the division's average.

We have also deliberately strengthened our natural hedges and invested in our future growth capabilities by developing Active Beauty, a business reaching now CHF 300 million of sales, which have been built over the last eight years and now expanding into another adjacent space of beauty, which are colour cosmetics through the acquisition of b.kolor. The only soft area this year was Fragrance Ingredients, where sales declined due to an increased competition from Chinese players on a specific ingredient.

However, these segments represent less than 10% of the Fragrance & Beauty sales. And with the portfolio strongly geared towards specialities, our exposure to market volatility is actually limited. Overall, Fragrance & Beauty continues to demonstrate strong broad-based performance, confirming its industry-leading position and the solid foundation for future growth.

Turning now to slide 11. Let's look at the Taste & Wellbeing division. The Taste & Wellbeing division delivered a solid growth of 2.4%, which was volume-led and achieved against a very high comparison base of more than 10% like-for-like growth in 2024. Europe showed great resilience with 2.6% like-for-like growth, while SAMEA continued its very strong momentum, growing 7.8% on top of the 21% growth in 2024.

North America remained solid at 3% growth. And in Latin America, growth of 0.7% was temporarily impacted by a weaker performance in Mexico, as we also saw at the Group level. In Asia Pacific, the division was broadly stable at minus 0.8% with continued good performance in key markets such as China and Japan. But we also saw a clear improvement in Southeast Asia towards the end of the year, where we were facing a particularly high comparison base and some specific challenges since the past year.

Now from a product segment perspective, growth was broad-based across snacks, dairy and sweet. Overall, the Taste & Wellbeing division delivered a solid performance on the challenging conditions, further proving the resilience of our business model and positioning us well for future growth. While our peers have not yet reported, we remain very confident that our performance will once again be the industry-leading one.

I will share a detailed review of the 2025 strategic cycle, including our key innovations and achievements against nonfinancial targets after Stewart has walked you through the operating performance. Stewart, over to you.

## **Stewart Harris**

Thank you very much, Gilles. I would like to add my warm welcome to all of the participants on the call. And on the following slides, I would like to give you an overview of the Group's operating and financial performance as well as the operating performance of the two divisions. Please turn to slide 13. As Gilles mentioned, Group sales in 2025 increased to CHF 7.472 billion, an increase of 5.1% on a like-for-like basis and an increase of 0.8% in Swiss francs.

# Givaudan

Human by nature

The reported Swiss franc sales also includes the sales of Vollmens from the date of acquisition in September 2025 and the sales of Belle Aire Creations from the date of acquisition in December '25. The reported EBITDA was CHF 1,751 million compared to CHF 1,765 million in 2024, a decrease of 0.8%, mainly due to foreign exchange impacts. When measured in local currency, the EBITDA increased by 4.5%.

On a comparable EBITDA basis, the underlying EBITDA margin was 24.2% compared to 24.5% in the prior year, a very strong result when considering the volatile external environment that we have been operating in, and maintaining the margin close to historically high levels. Driven by the solid operating profitability, the net income was CHF 1,071 million and the net income margin was 14.3% of sales.

The Group achieved a free cash flow of CHF 1,053 million or 14.1% of sales, surpassing CHF 1 billion of free cash flow generation for the second consecutive year. As a result of the strong cash generation and operating performance, the net debt-to-EBITDA improved further to 2.1x at the end of the year compared to 2.3x in December 2024.

Please turn to slide 14, which shows the overview of exchange rate developments in 2025. This slide shows the comparison of the exchange rates in 2025 versus 2024. In the current year, as we've become used to, the Swiss franc has continued to strengthen against most of the major currencies in which the Group operates with the corresponding impact on the reported results in Swiss francs.

However, when one looks at the Group margins, the foreign exchange impact is limited as a result of our operational and geographical balance, which continues to provide good natural hedges. And our EBITDA margin remains well protected against currency fluctuations.

Please turn to slide 15 for an overview of the operating performance of the Group. The gross margin decreased from 44.1% in 2024 to 43.5% in 2025, with the decrease resulting from the mechanical margin dilution related to higher input costs, including tariffs, as well as some impact from the softer market conditions in part of our Fragrance Ingredients business.

With increased input costs, the company continued to successfully implement price increases in collaboration with its customers to fully offset these higher input costs including tariffs. On the EBITDA level, the EBITDA was CHF 1,751 million in 2025 compared to CHF 1,765 million in 2024.

# Givaudan

Human by nature

As noted previously, the slight decrease is mainly due to foreign exchange rate impacts. And when measured in local currency, the EBITDA increased by 4.5%. The published EBITDA margin was 23.4% versus 23.8% in 2024.

After adjustment for nonrecurring costs of CHF 39 million as well as CHF 17 million of expenses related to the Louisville accident, the comparable EBITDA margin was 24.2% compared to 24.5% in 2024, maintaining the margin at close to historically high levels and partially compensating for the decrease in the gross margin.

On the following two slides, I will spend a few minutes on the operating performance of the two divisions. And if you turn to slide 16, we will start with Fragrance & Beauty. The EBITDA of the division in 2025 was CHF 985 million, flat compared to 2024. However, when measured in local currency, the EBITDA of the Fragrance & Beauty division increased by 4.2%.

The division incurred acquisition, restructuring and project-related costs of CHF 31 million compared to CHF 32 million in 2024, with those costs being mainly due to those incurred in relation to the ongoing competition authorities' investigations.

The comparable EBITDA margin of the division was 26.5% in 2025 compared to 27.8% in 2024, with higher input costs, the Fragrance Ingredients impact and targeted investments in growth impacting slightly the EBITDA margin. The continued strength of the financial performance of Fragrance & Beauty illustrates their market-leading position across all areas of their business.

If you would like to turn now to page 17, I will take you through the operating performance of Taste & Wellbeing. The Taste & Wellbeing division recorded an EBITDA of CHF 766 million compared to CHF 780 million in the prior year, a decrease of 1.8%. However, again, this is mostly due to foreign exchange impacts. As when measured in local currency, the EBITDA increased by 4.8%.

On a comparable basis, after restructuring costs of CHF 8 million as well as CHF 17 million of expenses related to the Louisville accident, the comparable EBITDA margin improved to 21.7% compared to 21.3% in 2024, showing continued positive sequential margin progression over the past three years.

Please turn to slide 18 on the net income of the Group. The net income before tax was CHF 1,305 million in 2025 compared to CHF 1,313 million in 2024. The effective tax rate increased to 18% compared to 17% in 2024 as the OECD minimum tax project continues to be implemented. The net income was CHF 1,071 million in 2025 and the net income margin was 14.3% compared to 14.7% in 2024. Basic earnings per share were CHF 116.08 in 2025 compared to CHF 118.17 in 2024.

Please now turn to slide 19, which highlights the free cash flow performance. In 2025, the Group generated for the second consecutive year over CHF 1 billion in free cash flow. Free cash flow was CHF 1,053 million or 14.1% of sales compared to 15.6% of sales in 2024.

Total net investments were CHF 285 million in 2025, representing 3.8% of sales, a similar level to investments as in the prior year as the Group continues to invest in its growth and also in capturing exciting opportunities in the digital space. Net working capital was 22% of sales in 2025 compared to 23.4% in 2024 with the Group continuing to have a strong focus on the effective management of all aspects of working capital.

Please turn to slide 20. Since Givaudan became a public company in 2000, the Company has generated a cumulative CHF 13.9 billion of free cash flow. Including the proposed dividend for 2025, the 25th consecutive increase, Givaudan has returned over CHF 9 billion to shareholders in the form of dividends or share buybacks, clearly underlining the strong commitment of Givaudan to shareholder returns. The Board of Directors will propose to the Annual General Meeting of Shareholders a further increase of the dividend to CHF 72 per share from CHF 70 per share in 2024, an increase of 2.9%.

Please turn to slide 21 to look at the debt and leverage profile of the Group. The Group continues to have a well-balanced and stable debt profile as shown on this slide with interest rates, which have been locked in at attractive rates. At the end of 2025, the net debt was CHF 3.7 billion with a weighted average interest rate of 1.94% compared to 1.75% in 2024.

The net debt-to-EBITDA ratio was 2.1x at the end of '25, representing continued improvement compared to the 2.3x of December 2024. The strong improvement in leverage over recent years is a result of our sustained focus on the balance sheet, whilst continuing to invest in the growth of our business and in shareholder returns. We are very pleased to enter the new strategic cycle with a strong balance sheet, which will support us in pursuing our strategic priorities both in the established business and also in M&A.

This concludes my section of the presentation. I would like to thank you for your attention and hand it back to Gilles.

## **Gilles Andrier**

Thank you, Stewart. So this year also marks the successful completion of our 2025 strategic cycle, during which we have delivered on all our financial and non-financial ambitions. So let's have a look back at the last five years before we move into the next five years with our 2030 strategy and outlook for this year.

So we have created value over the past five years by building on our commitment to grow with purpose. We have proven that strong financial performance can go hand-in-hand with responsible purposeful action. We have further built resilience, delivered innovation and created value that endures well beyond 2025.

Let's have a look on our key achievements on slide 24. The first one. We have strengthened our natural hedges. Our balance across geographies, customer segments and product categories has further strengthened. We have continued to focus on our core fragrance and flavours business while expanding decisively into adjacent spaces.

Our exposure to high growth markets has increased significantly. In absolute terms, these markets are now almost at par with mature markets, but they are growing faster. And importantly, we have further diversified our customer base. Local and regional customers now represent 60% of our sales, up from 46% just four years ago. And this shift has been a major growth driver to our resilience and growth overall.

Second, we have obtained consistent industry-leading results. The strategic relevance of the before-mentioned choices is clearly reflected in our outperformance vis-à-vis the market and peers in general, seen not only in sustained growth but also in significantly higher margins and free cash flow generation compared to our peers. These results reaffirm our position as a market leader and the strength of our long-term approach.

# Givaudan

Human by nature

Third, we have leveraged M&A to support our strategy and expand our reach. We have made targeted acquisitions that strengthen our position in fast-growing segments and deepen relationships with local and regional champions. Fourth, we have realised a major digital transformation. We have built advanced digital capabilities across the business from customer engagement and market insights to operations, supply chain and innovation.

Digitalisation is embedded end-to-end, enabling smarter decisions, faster execution and more connected collaboration. This transformation is making us more agile, more efficient and fully future-ready.

And finally, through all this progress, we have remained focused on our purpose-related commitments. Everything we do continues to be guided by our ambition to create for happier and healthier lives with love for nature at the heart of our business. Together, these achievements demonstrate not only just strong performance, but the power of a strategy that is balanced, forward-looking and deeply aligned with our purpose.

On slide 25, you can see the strong delivery against our 2025 financial targets. We have achieved an average like-for-like growth of 6.8% in the period 2021 to 2025, exceeding our target of 4-5% growth, a further increase compared to the previous two cycles.

Also on the comparable EBITDA, with 22.9% average over the period, we have continued the steady increase cycle over cycle, further distancing our peers. And also against the ambitious free cash flow target of over 12%, which is, by the way, the highest in the industry, we delivered, again, over the last five years an average of 12.5%. To even better show the strength of the cycle in past year, let me give you some historic context on the following two slides.

Let's look at our sales growth achievements over the last three strategic cycles. Our 5.1% like-for-like growth in 2025 is a very strong result. While some may see it's a slowdown compared to recent highs, it's essential to view it in context. The 2021-2025 period was one of the most volatile in our history, which I personally experienced, shaped by COVID, destocking, supply chain disruptions, inflation and geopolitical tensions.

Delivering solid growth through that environment is a clear sign of resilience. When we take a longer-term perspective, the picture becomes clear, Givaudan's growth has steadily increased across cycles. The 2025 result is not a step down, but the continuation of our consistent upward path, proves that our strategy continues to deliver sustainable performance and of my usual saying, I will repeat it again, CAGR does matter.

# Givaudan

Human by nature

And there's another important point to highlight. Despite persistent headwinds from the strong Swiss franc, we have doubled the size of our business in absolute Swiss franc terms over the last 15 years. Both divisions, Fragrance & Beauty and Taste & Wellbeing, now contribute almost equally reflecting a well-balanced, resilient business model. So the key message is simple. Our 2025 growth demonstrates the enduring strength of Givaudan, consistent, balanced and built for long-term success.

Turning to profitability. This slide shows the steady improvement of our comparable EBITDA margin over the last three strategic cycles. For many years, both divisions delivered very similar margins. In the most recent cycle, the margins have, though, diverged slightly. Fragrance & Beauty saw significant improvement, supported by the exceptional growth and a more favourable raw material environment and benefits from the performance improvement programmes that we introduced in 2024.

Taste & Wellbeing maintained solid margins in a more challenging context with more volume volatility and raw material inflation, partially compensated by recent improvement initiatives, as you see it from this chart when you look at the improving EBITDA margin of Taste & Wellbeing. Nevertheless, the operating strength of Taste & Wellbeing stands out clearly against peers with margins typically 300 to 500 basis points higher than the industry average. In absolute terms, the progress has been remarkable. Our comparable EBITDA in Swiss francs has more than doubled over the past 15 years. And while back in 2011, the entire Group delivered CHF 790 million comparable EBITDA.

Today, our Fragrance & Beauty division alone contributes to more than CHF 1 billion of EBITDA. We are proud that over the past five years, we made strong progress against our ambitious nonfinancial targets as well, fully aligned with our purpose, to create for happier, healthier lives with love for nature.

Starting with our nature ambition. We reached a major milestone with the validation of our net zero targets by the Science Based Targets initiative. Aligned with the SBTi Net-Zero Standard covering forest, land and agriculture emissions, our goal is to achieve a net zero greenhouse gas emissions across our value chain by 2045, a key step towards becoming climate positive.

By the end of 2025 and compared to 2015 baseline, we achieved an absolute 50% reduction in scope 1 and scope 2 emissions, and we successfully stabilised scope 3 emissions despite, obviously, the continued business volume growth that we have seen over the last 10 years. We also reached our goal to purchase 100% of electricity from renewable sources, one year ahead of plan in 2024.

# Givaudan

Human by nature

Turning to responsible sourcing. In 2020, only 20% of our natural ingredients were sourced according to our demanding responsible sourcing programme called Sourcing4Good. At the end of 2025, that figure stands at 87%, showing an unwavering commitment to ethical and sustainable supply chains, protecting the biodiversity.

Finally, under our people ambition, we've continued to advance diversity and inclusion. At the start of the cycle, 25% of senior leadership positions were held by women. Today, that number has risen to 34%, reflecting steady and meaningful progress towards a more inclusive organisation. Together, this achievement demonstrates how we combine purpose with performance, creating growth that is responsible, resilient and built to last.

Let's turn now to slide 29, which highlights some of our key innovations from the past strategic cycle. Innovation, as you know, is the life blood of our business. This is what makes us relevant to our customers. It's what enables us to create unique, high valued solutions that drive consumers' preferences and shape the future of fragrance, beauty, health, wellness and nutrition segments. Each year, we invest close to 8% of our sales, which means CHF 600 million, in research and development. This is an industry level of investment and what sets it apart is our focus.

While peers may spread similar amounts across multiple ingredients portfolios, we concentrate our R&D on two divisions. Our R&D efforts bring together science, creativity and technology, advancing in biotechnology, green chemistry and digitalisation. To take some examples. In Taste & Wellbeing, we are developing natural and functional ingredients like our new range of natural colours and green banana powder that meet growing demand for healthier, more natural products.

In Fragrance & Beauty, Evernityl is a great example of innovation rooted in sustainable biotechnology, a marine-active developed through an upcycling process that transforms ocean algae into a high-precision ingredient for healthier, youthful-looking skin. And there are many examples that I'll let you read on this slide.

Finally, on the digital side, platforms like Myromi and Guardians of Memories show how we are connecting creativity with technology, bringing scent into immersive digital world. I'm sure all parents here know about Roblox, where Gen Z and Alpha spend much of their time. So yes, even there, we are shaping the future of scent experiences for the next generation of consumers.

Together, these examples show how we transform insight into action, into products, tackle real customer challenges, embrace consumer preferences and make our business truly future-proof through innovation.

Having looked back at our 2025 strategy achievements, let's now focus ahead on our 2030 strategy and outlook. As outlined at the summer investor conference end of August at the Widder Hotel in Zurich, our 2030 strategy is about purposeful evolution, building on the strong foundation of our proven model, combining innovation, customer partnership and disciplined execution to deliver sustainable growth while preparing for what's next. We keep extending our customer reach to capture the fastest-growing opportunities. We continue to deepen our geographic presence, and we are expanding our categories and portfolios into high value-added adjacencies.

How we will make it happen? By innovating for differentiating solutions that set us and our customers apart, by delivering value with excellence and agility, ensuring speed, quality and impact in everything we do and by caring for our people, nature and communities. Financially, we are setting ambitious new targets for the next five-year cycle.

We aim for a 4-6% like-for-like average sales growth, slightly higher than our previous 4%-5% guidance in the past cycle. This confidence reflects the continued strength of our business, rooted in expanding base of local and regional customers and our growing exposure to high growth markets, which will continue to be key growth drivers for the future.

We also reaffirm our industry-leading ambition of achieving over 12% free cash flow as a percentage of sales, maintaining a disciplined focus on profitability and cash generation. And beyond financial, we remain fully committed to our purpose targets for 2030.

Following our financial ambition, let's also remind ourselves on our purpose. Our purpose, creating for happier, healthier lives with love for nature. Let's imagine together, it's our lighthouse. It defines why we do, what we do and guides the choices we make every day, including acquisitions. Our purpose is fully integrated in our business strategy.

With our 2025 strategy, we introduced for the first time a series of ambitious nonfinancial targets, reflecting our commitment to long-term value creation beyond the financial performance. We report our progress against these targets each year in our integrated report, covering both economic and ESG performance.

As we developed our 2030 strategic framework, we reviewed and evolved those targets to ensure they remain strongly connected to our business performance objectives and aligned with the changing external environment. Our purpose continues to anchor us, inspiring innovation, driving sustainable growth and creating a positive impact for people, nature and communities.

Let me finish now with the 2026 outlook on slide 34. We have successfully concluded the 2025 strategic cycle, confirming the strength and relevance of our current strategy. Building on this solid foundation, we are now initiating a new five-year strategic cycle that will set the stage for sustainable growth and continued innovation. We remain confident in the strength of our portfolio and our leading market position across our businesses.

Looking ahead into 2026, we expect to navigate a continuous volatile geopolitical landscape and uncertain market conditions. Nothing new. But our strong natural hedges across product segments, geographies and customer groups will continue to provide resilience. We anticipate only limited impact from input costs at the Group level, meaning raw materials, while tariffs-related effects remain uncertain, but we will manage through pricing actions with our customers. In addition, we expect some ongoing nonrecurring costs in 2026 to reflect specific one-off items related to costs for the investigation and further performance optimisation.

With that, we are at the end of our 2025 full year results presentation, and I'd like to hand back to the operator for the instructions to open the Q&A session. We look, with Stewart, forward to taking your questions.