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INVESTOR DAY 2019

Accelerate Business Transformation



TRANSFORMATION MANAGEMENT OFFICE

Disciplined execution to drive value creation



* Currency neutral

**Currency neutral; Excluding amortization

INTEGRATION SCORECARD

Executing well against priorities and on-track to deliver objectives

Priorities

Achievements

Status

ORGANIZATION

- Adopted integration plan to combine FRUT Flavors with IFF Flavors
- Moving Savory Solutions & Inclusions under IFF Taste
- Creating growth platform for Nutrition and Ingredients
- Full implementation over the next 12 months



CROSS-SELLING &
INTEGRATED SOLUTIONS

- Target \$100M of incremental sales by 2021
- Achieved \$8M of annualized new sales to date



INNOVATION

- Compelling combination of R&D technologies and capabilities



COST SYNERGIES

- High confidence to achieve \$30-35M in 2019 and \$145M by 2021



CULTURE

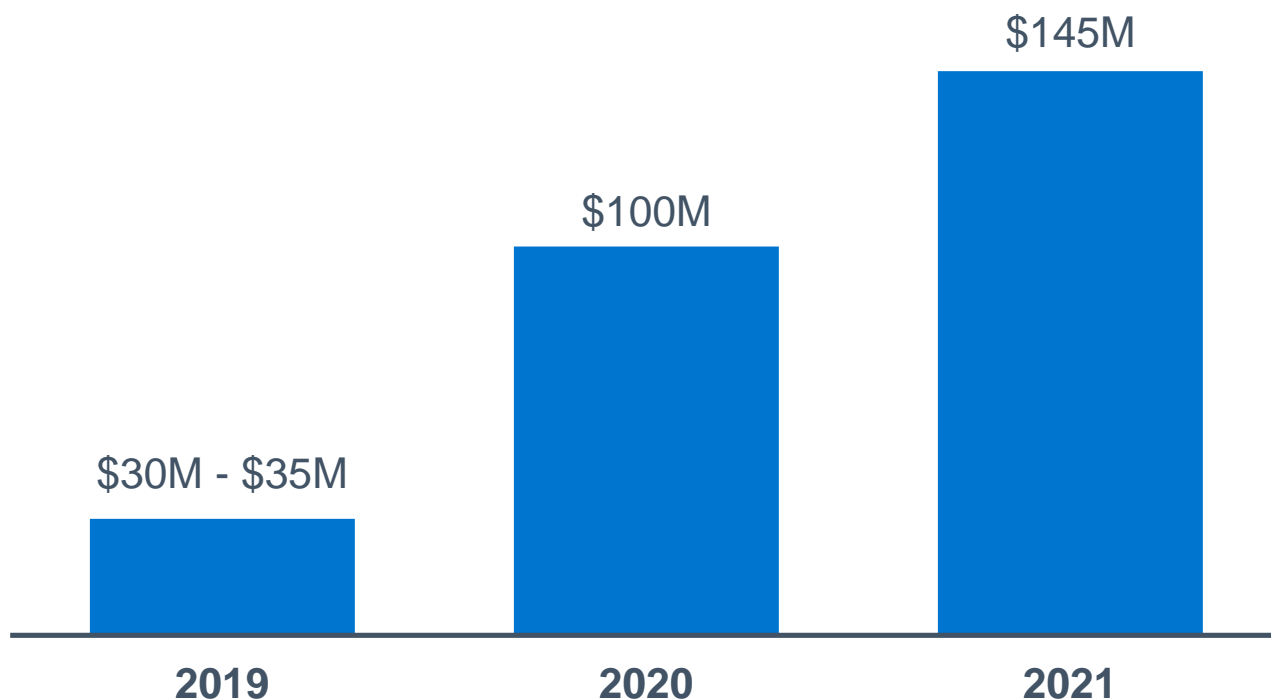
- Ensure best of both cultures is retained and rewarded



CONFIDENT TO DELIVER \$145M SAVINGS BY 2021

On-track to deliver high end of 2019 synergies

Synergies (\$M)



Two main drivers

1. Manufacturing network optimization
2. Procurement excellence

CUSTOMER IS ALWAYS AT THE CENTER

Continuous improvement across all primary KPIs

QUALITY

Reduced customer high risk incidents by 50% 2014-2018¹



CUSTOMER CENTRIC



DELIVERY

Consistently high and industry leading On-Time Performance²

SUSTAINABILITY

Surpassed 2020 environmental goals 3 years early



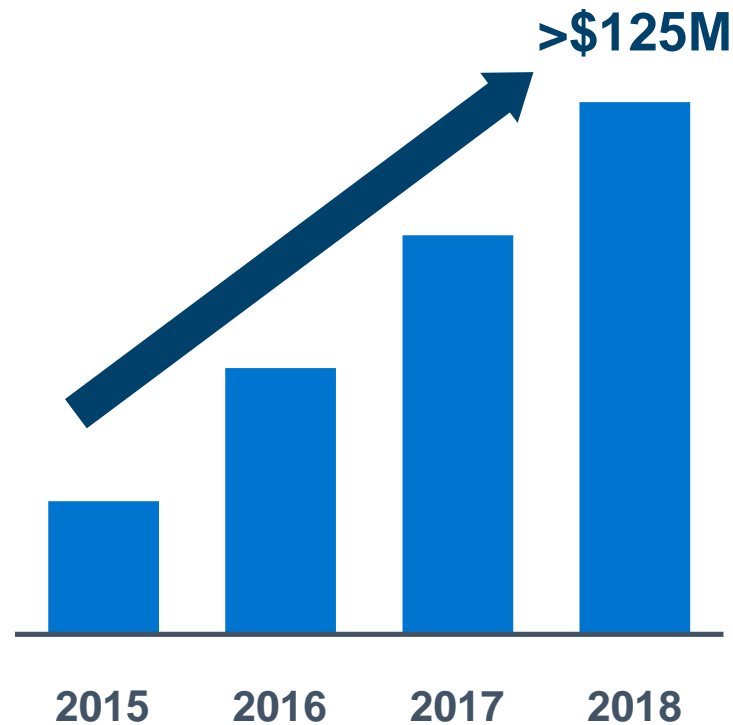
SAFETY

2018 is best ever reported lost time incident rate³

PROVEN PERFORMANCE

Excellent track record of productivity savings

Cost savings

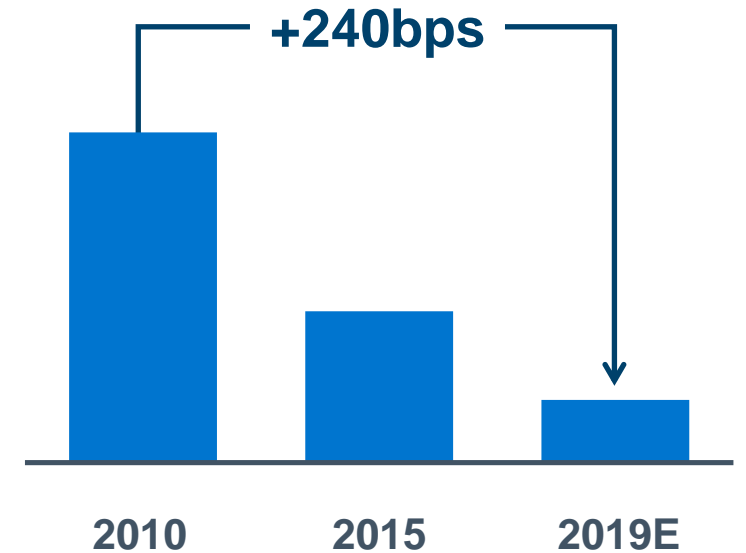


Key levers

1. PROCUREMENT EXCELLENCE
2. PROCESS IMPROVEMENTS
3. RESTRUCTURING, ZBB & INTEGRATION SYNERGIES
4. MANUFACTURING NETWORK OPTIMIZATION

Mfg. Expenses

Manufacturing expenses as a % of net sales



GLOBAL MANUFACTURING NETWORK OPTIMIZATION

Maximizing infrastructure through investments and consolidation

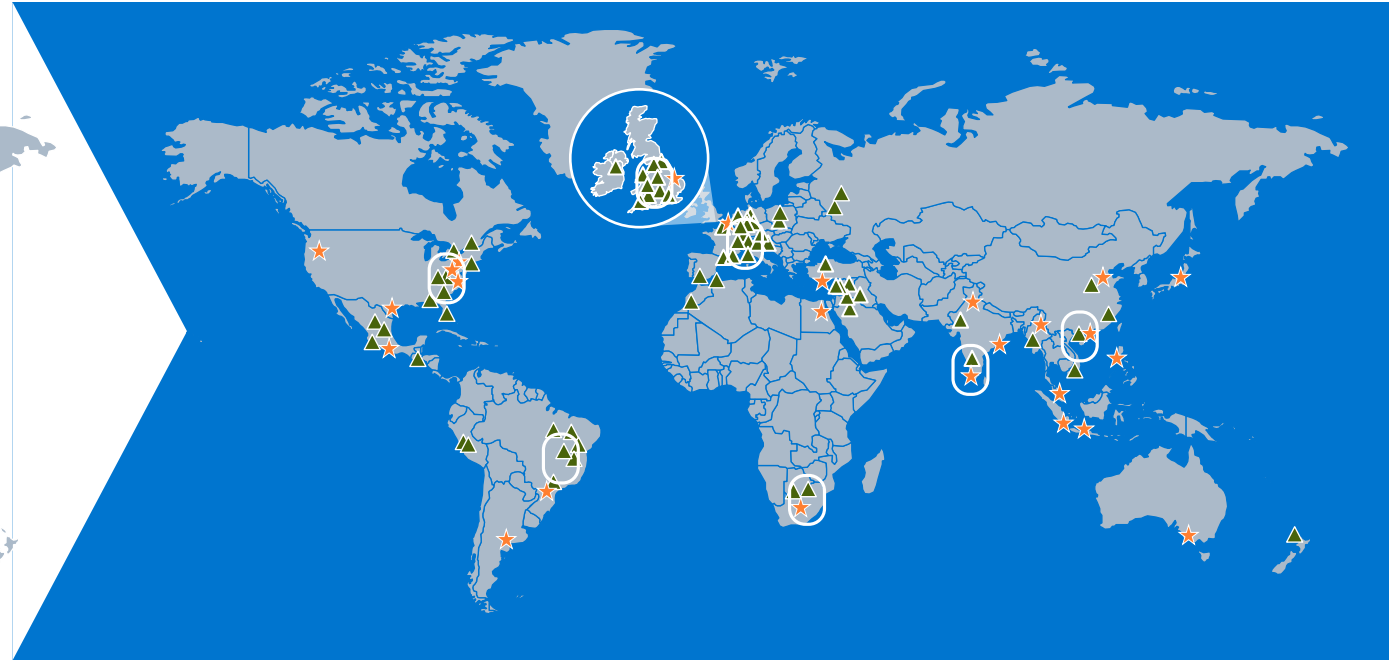
Expanding geographically
in emerging markets



▲ Frutarom sites expanding geographic reach

● IFF legacy investments in developing markets

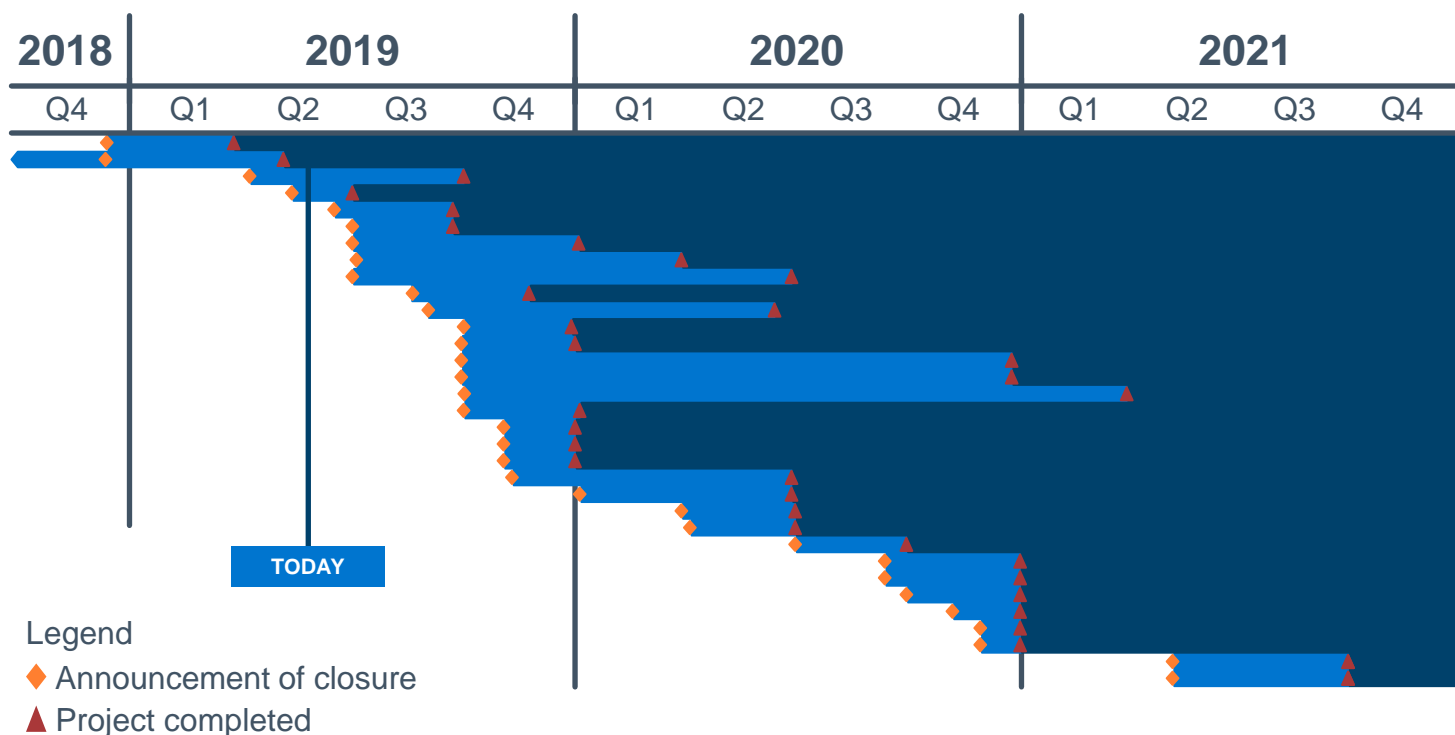
Optimizing network primarily
in developed markets



MANUFACTURING NETWORK OPTIMIZATION SYNERGIES

Expect acceleration in the second half of 2019

Timeline of site closures



Robust plan to close ~35 manufacturing sites



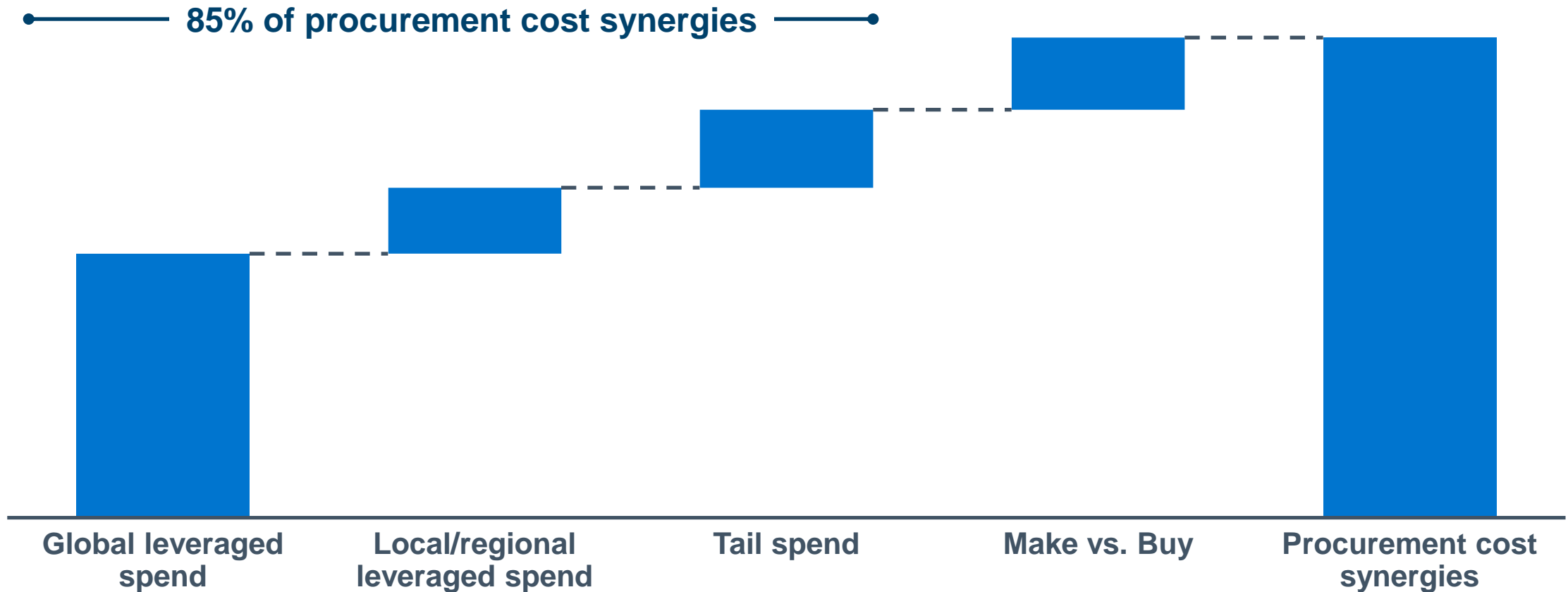
2 sites closed and 2 additional site closures communicated, ready to execute



Low execution risk

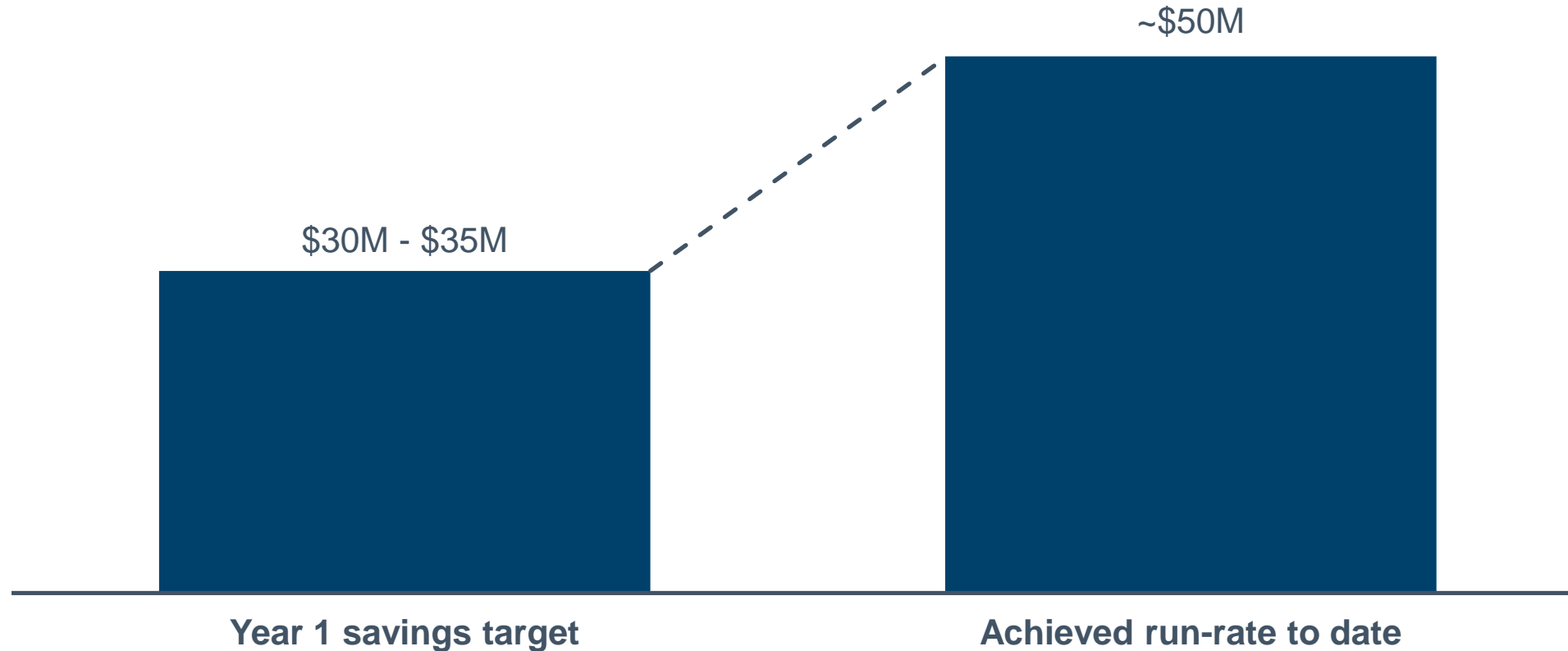
PROCUREMENT SYNERGIES

Integrating supply chains to drive greater efficiency & value creation



HIGHLY CONFIDENT IN YEAR 1 TARGET

Run-rate savings well in excess of 2019 target



Note: Run-rate refers to annualizing current savings by creating a yearly projection, i.e. savings of \$1M in Q4 refer to \$4M run-rate savings

INTEGRATION

GO-TO-MARKET ALIGNMENT

Taste
Savory Solutions
Inclusions
Nutrition & Ingredients

SYNERGIES

Revenue
Cost

BEYOND INTEGRATION

Expansive opportunities
in legacy IFF

~\$100M BY 2021 IN CORE PRODUCTIVITY PROGRAM

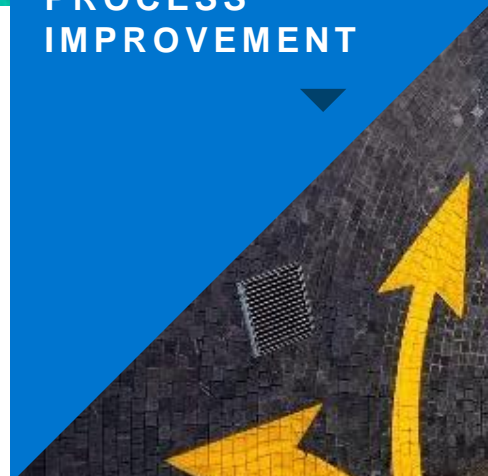
Providing flexibility to drive
to bottom line or re-invest
in growth engines

SIMPLIFICATION



PROCESS
IMPROVEMENT

ENABLED BY
DIGITALIZATION



CENTRALIZATION



SUMMARY

- ▶ Transformation Management Office in place to ensure accountability and disciplined execution
- ▶ Customer is always at the center: excellent track record of continuous improvement across primary KPIs
- ▶ High confidence to deliver \$145M synergies by 2021, with current run-rate synergies in excess of \$30-35M 2019 target
- ▶ Targeting ~\$100M profit improvement beyond the integration for flexibility to drive to bottom line or re-invest