



**MICHAEL  
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**SVP, Corporate Finance  
& Investor Relations**

# **INVESTOR DAY 2022**

**Welcome**





# CAUTIONARY STATEMENT

Statements in this presentation, which are not historical facts or information, are “forward looking statements” within the meaning of The Private Securities Litigation Reform Act of 1995. Such forward looking statements are based on management’s current assumptions, estimates and expectations including those concerning the impacts of COVID 19 and our plans to respond to its implications; the expected impact of global supply chain challenges; our ability to manage supply chain including improving our service levels and increasing capacity and investment; expectations regarding future sales and profit, including the impact of strategic initiatives, foreign exchange, pricing actions, raw materials, energy and sourcing logistics and manufacturing costs; expectations of the impact of inflationary pressures and the pricing actions to offset exposure to such impacts; the impact of high input costs, including commodities, raw materials, transportation and energy; our ability to drive cost discipline measures and the ability to recover margin to pre-inflation levels; the progress of our portfolio optimization strategy and increase of our productivity, through non-core business divestitures and acquisitions; our combination with N&B, including the expected benefits and synergies of the N&B transaction and future opportunities for the combined company; the success of our integration efforts and ability to deliver on our synergy commitments as well as future opportunities for the combined company; the impact of global economic uncertainty on demand for consumer products; the growth potential of the markets in which we operate, including the emerging markets; expected capital expenditures; the expected costs and benefits of our ongoing optimization of our manufacturing operations and portfolio, including the expected number of closings, expected cash flow and availability of capital resources to fund our operations and meet our debt service requirements; our ability to invest in research and development and digitalization strategies; our ability to innovate and execute on specific consumer trends and demands; our ability to execute on our environmental, sustainability and governance goals; our ability to strengthen our talent and culture; our ability to enhance our innovation efforts and drive cost efficiencies; and our ability to continue to generate value for, and return cash to, our shareholders.

These forward-looking statements should be evaluated with consideration given to the many risks and uncertainties inherent in our business that could cause actual results and events to differ materially from those in the forward-looking statements. Certain of such forward looking information may be identified by such terms as “will”, “target”, “aspire”, “expect”, “anticipate”, “believe”, “intend”, “outlook”, “may”, “estimate”, “should”, “predict” and similar terms or variations thereof. Such forward looking statements are based on a series of expectations, assumptions, estimates and projections about the Company, are not guarantees of future results or performance, and involve significant risks, uncertainties and other factors, including assumptions and projections, for all forward periods. Our actual results may differ materially from any future results expressed or implied by such forward looking statements.

Such risks, uncertainties and other factors include, among others, the following: (1) inflationary trends in the price of our input costs, such as raw materials, transportation and energy; (2) supply chain disruptions, geopolitical developments, including the Russia Ukraine conflict, or climate change related events (including severe weather events) that may affect our suppliers or procurement of raw materials; (3) disruption in the development, manufacture, distribution or sale of our products from COVID 19 and other public health crises; (4) our ability to achieve the cost savings expected in the time expected or at all; (5) risks related to the integration of the N&B business, including whether we will realize the benefits anticipated from the merger in the expected time frame; (6) our ability to successfully establish and manage acquisitions, collaborations, joint ventures or partnerships, or the failure to close strategic transactions or divestments; (7) our ability to successfully market to our expanded and diverse customer base; (8) our substantial amount of indebtedness and its impact on our liquidity and ability to return capital to its shareholders; (9) our ability to effectively compete in our market and develop and introduce new products that meet customers’ needs; (10) our ability to retain key employees; (11) changes in demand from large multinational customers due to increased competition and our ability to maintain “core list” status with customers; (12) our ability to successfully develop innovative and cost effective products that allow customers to achieve their own profitability expectations; (13) disruption in the development, manufacture, distribution or sale of our products from natural disasters, public health crises, international conflicts, terrorist acts, labor strikes, political crisis, accidents and similar events; (14) the impact of a significant data breach or other disruption in our information technology systems, and our ability to comply with data protection laws in the U.S. and abroad; (15) volatility and increases in the price of raw materials, energy and transportation; (16) our ability to comply with, and the costs associated with compliance with, regulatory requirements and industry standards, including regarding product safety, quality, efficacy and environmental impact; (17) our ability to meet increasing customer, consumer, shareholder and regulatory focus on sustainability; (18) defect, quality issues (including product recalls), inadequate disclosure or misuse with respect to the products and capabilities; (19) our ability to react in a timely and cost effective manner to changes in consumer preferences and demands, including increased awareness of health and wellness; (20) our ability to benefit from our investments and expansion in emerging markets; (21) the impact of currency fluctuations or devaluations in the principal foreign markets in which we operate; (22) economic, regulatory and political risks associated with our international operations; (23) the impact of global economic uncertainty on demand for consumer products; (24) our ability to comply with, and the costs associated with compliance with, U.S. and foreign environmental protection laws; (25) our ability to successfully manage our working capital and inventory balances; (26) the impact of the failure to comply with U.S. or foreign anti-corruption and anti-bribery laws and regulations, including the U.S. Foreign Corrupt Practices Act; (27) any impairment on our tangible or intangible long lived assets, including goodwill associated with the N&B merger and the acquisition of Frutarom; (28) our ability to protect our intellectual property rights; (29) the impact of the outcome of legal claims, regulatory investigations and litigation; (30) changes in market conditions or governmental regulations relating to our pension and postretirement obligations; (31) the impact of changes in federal, state, local and international tax legislation or policies, including the Tax Cuts and Jobs Act, with respect to transfer pricing and state aid, and adverse results of tax audits, assessments, or disputes; (32) the impact of the United Kingdom’s departure from the European Union; (33) the impact of the phase out of the London Interbank Offered Rate (LIBOR) on interest expense; and (34) risks associated with our CEO transition, including the impact of employee hiring and retention.

The foregoing list of important factors does not include all such factors, nor necessarily present them in order of importance. In addition, you should consult other disclosures made by the Company (such as in our other filings with the SEC or in company press releases) for other factors that may cause actual results to differ materially from those projected by the Company. Please refer to Part I. Item 1A., Risk Factors, of the Company’s Annual Report on Form 10 K filed with the SEC on February 28, 2022 for additional information regarding factors that could affect our results of operations, financial condition, and liquidity.

We intend our forward-looking statements to speak only as of the time of such statements and do not undertake or plan to update or revise them as more information becomes available or to reflect changes in expectations, assumptions, or results. We can give no assurance that such expectations or forward-looking statements will prove to be correct. An occurrence of, or any material adverse change in, one or more of the risk factors or risks and uncertainties referred to in this presentation or included in our other periodic reports filed with the SEC could materially and adversely impact our operations and our future financial results. Any public statements or disclosures made by us following this presentation that modify or impact any of the forward-looking statements contained in or accompanying this presentation will be deemed to modify or supersede such outlook or other forward-looking statements in or accompanying this presentation.



# NON-GAAP FINANCIAL MEASURES

We provide in this presentation non-GAAP financial measures, including: (i) comparable currency neutral sales; (ii) adjusted operating EBITDA; (iii) comparable currency neutral adjusted operating EBITDA; (iv) adjusted operating EBITDA margin; (v) adjusted free cash flow; and (vi) net debt to credit adjusted EBITDA. Our non-GAAP financial measures are defined below.

Currency Neutral metrics eliminate the effects that result from translating non-U.S. currencies to U.S. dollars. We calculate currency neutral numbers by translating current year invoiced sale amounts at the exchange rates used for the corresponding prior year period. We use currency neutral results in our analysis of subsidiary or segment performance. We also use currency neutral numbers when analyzing our performance against our competitors.

Adjusted operating EBITDA; adjusted operating EBITDA margin excludes depreciation and amortization expense, interest expense, other income, net, restructuring and other charges and certain non-recurring items such as acquisition related costs, gains on sale of assets, impairment of goodwill, impairment of long lived assets, shareholder activism related costs, business divestiture costs, employee separation costs, Global Shared Services implementation costs, acquisition related costs, N&B inventory step-up costs, N&B transaction related costs and integration related costs.

Adjusted free cash flow includes expenses paid that management considers to be non-operating and/or one-time and significant in nature including transaction related expenses, integration related expenses, taxes paid related to business sales and extraordinary items, restructuring and restructuring related expenses, minus capital expenditures.

Net debt to credit adjusted EBITDA is the leverage ratio used in our credit agreements and defined as net debt (which is debt for borrowed money less cash and cash equivalents) divided by the trailing 12-month credit adjusted EBITDA.

Credit adjusted EBITDA is defined as income (loss) before income taxes, depreciation and amortization expense, interest expense, specified items and non-cash items.

These non-GAAP measures are intended to provide additional information regarding our underlying operating results and to allow for comparable year over year performance. Such information is supplemental to information presented in accordance with GAAP and is not intended to represent a presentation in accordance with GAAP. In discussing our historical and expected future results and financial condition, we believe it is meaningful for investors to be made aware of and to be assisted in a better understanding of, on a period-to-period comparable basis, financial amounts both including and excluding these identified items, as well as the impact of exchange rate fluctuations. These non-GAAP measures should not be considered in isolation or as substitutes for analysis of the Company's results under GAAP and may not be comparable to other companies' calculation of such metrics.

The Company cannot reconcile its expected Comparable Currency Neutral Sales, Adjusted Operating EBITDA, Comparable Currency Neutral Adjusted Operating EBITDA, Adjusted Operating EBITDA Margin, Adjusted Free Cash Flow and Net Debt To Credit Adjusted EBITDA under "Consolidated Outlook" without unreasonable effort because certain items that impact net income and other reconciling metrics are out of the Company's control and/or cannot be reasonably predicted at this time. These items include but are not limited to gains (losses) on sale of assets, shareholder activism related costs, business divestiture costs, employee separation costs, N&B inventory step-up costs, N&B transaction related costs, integration related costs and the impact of the merger with N&B.

# AGENDA

1:00 Welcome

Michael DeVeau

SVP, Corporate Finance & Investor Relations

1:05 Vision & Strategy

Frank Clyburn

Chief Executive Officer and Board Director

2:00 R&D and Innovation

Dr Greg Yep

EVP, Chief R&D, Integrated Solutions and Sustainability Officer

2:30 Break

2:45 Finance Perspective

Glenn Richter

EVP, Chief Financial Officer

3:15 Q&A

Executive Leadership Team

3:45 Break

4:00 Innovation Experiences

IFF Team

6:00 Meeting Adjourned



Where science  
& creativity meet

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