



FRANK CLYBURN

Chief Executive Officer
and Board Director

INVESTOR DAY 2022

Vision & Strategy



IFF LEADERSHIP TEAM



Ana Paula Mendonça
Senior Vice President,
Commercial Excellence



Deborah Borg
Executive Vice President,
Chief Human Resources,
Diversity & Inclusion and
Communications Officer



Michael DeVeau
Senior Vice President,
Corporate Finance and Investor
Relations



Ralf Finzel
Executive Vice President,
Global Operations Officer



Simon Herriott
President, Health &
Biosciences



Jennifer Johnson
Executive Vice President,
General Counsel



Glenn Richter
Executive Vice President, Chief
Financial Officer



Angela Strzelecki
President,
Pharma Solutions



Vic Verma
Executive Vice President,
Chief Information Officer



**Christophe Fauchon
de Villeplee**
President, Scent



Gregory Yep
EVP, Chief Research &
Development, Global Integrated
Solutions & Sustainability Officer





SUMMARY

- Implementing a growth-oriented strategy
- Targeting enhanced cost & productivity initiatives
- Simplifying operating model to align with end-markets
- Targeting strong financial profile & leadership in ESG
- Evolving Board & strengthening talent
- Advancing portfolio optimization

OUR PURPOSE

Applying science and creativity for a better world

OUR COMMITMENT

DO MORE GOOD

OUR FINANCIALS¹

~\$12.5B

SALES

~20%

ADJUSTED
OPERATING
EBITDA
MARGIN²

~\$2.5B

ADJUSTED
OPERATING
EBITDA²

¹ Estimated 2022 results

² Non-GAAP metric; please see Non-GAAP disclosures at ir.iff.com



STARTING FROM A POSITION OF STRENGTH

LEVERAGING OUR STRONG FOUNDATION

Leading Partner
in Our Industry

#1 and #2 positions
in many attractive
categories

World-Class R&D Pipeline,
Aligned to Trends

3K Engineers
& Scientists
9K+ patents filed

Highly Diversified
Business

50K+ customers
10+ end-markets
~50% sales to small &
mid-sized customers

Expansive
Global Network

~24K employees
>340 sites
>40% sales to
emerging markets

*"I can give IFF
a call at any time
and they will solve
all my problems"*

*"They have a
world-class team;
IFF has the innovation
and creativity"*

*"I have worked with
IFF across different end
markets and for different
employers - always a
great experience!"*

*"When we
consolidated
our supplier base,
IFF had the global
reach to match"*

WORLD-CLASS R&D PIPELINE, ALIGNED WITH CONSUMER TRENDS

LARGEST ANNUAL INVESTMENT IN INDUSTRY

ANNUAL R&D
INVESTMENT
\$629M

~5%
OF SALES

>9K
Total Patents
Granted & Pending
Applications

3,000+
Scientists, Engineers,
Technologists & Application

9
Master
Perfumers

40+
Strategic University
Partnerships

30+
Human Clinical
Trials In Flight

50+
Research, Creative &
Application Centers

100s
Flavorists, Scent Design
Managers and Perfumers, Chefs

EXPANSIVE NETWORK

WELL-REPRESENTED GLOBALLY

NORTH AMERICA
30% of sales

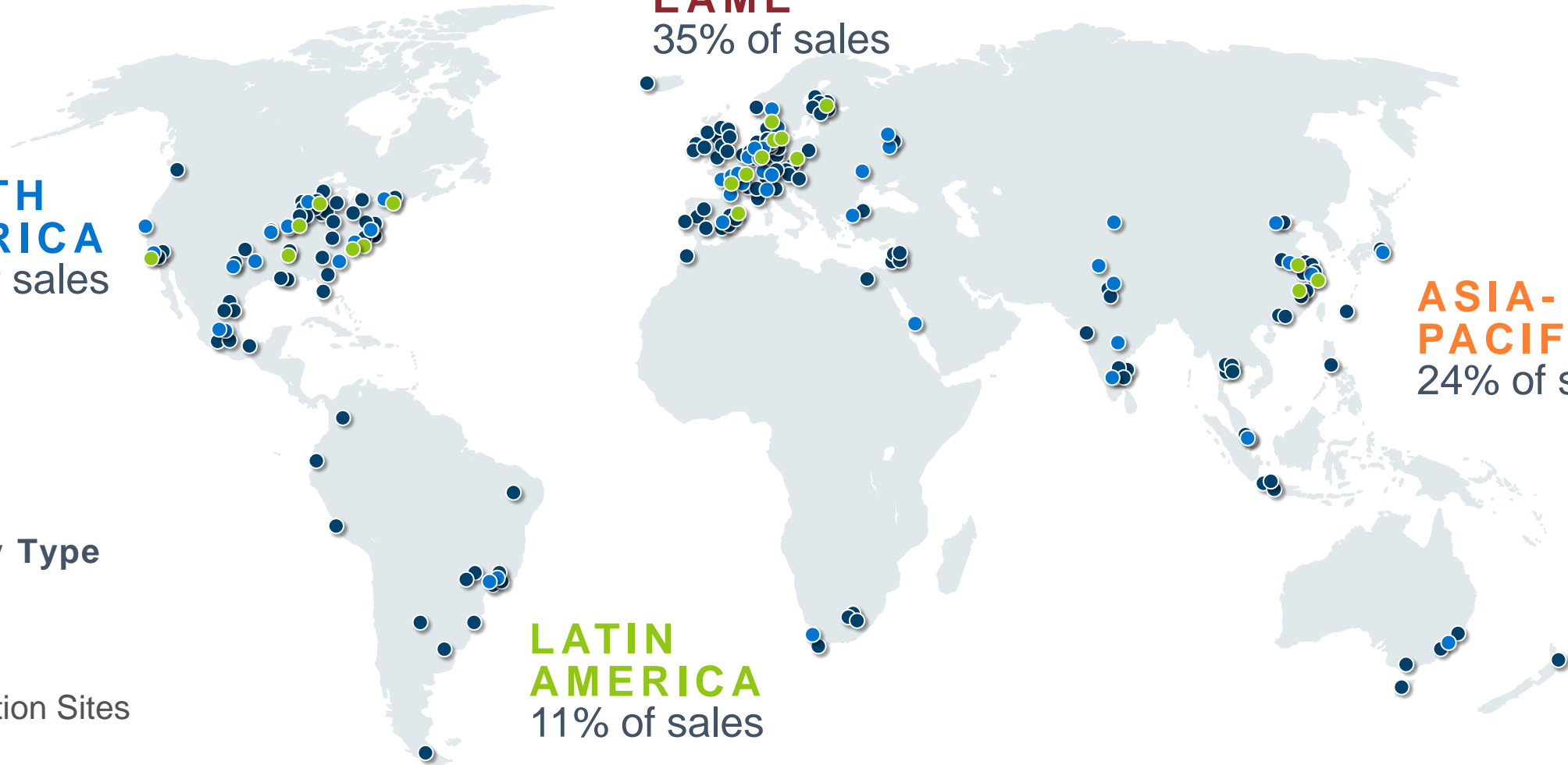
EAME
35% of sales

ASIA-PACIFIC
24% of sales

LATIN AMERICA
11% of sales

Property Type


- Lab
- Plant
- Innovation Sites



THIRD-PARTY VALIDATION ACROSS MULTIPLE ESG PLATFORMS

A LEADER IN ESG

RATINGS



SUSTAINALYTICS
33 / 500 (Chemicals)*
10 / 123 (Specialty Chemicals)*



MSCI
ESG RATINGS

CCC	B	BB	BBB	A	AA	AAA
-----	---	----	-----	---	-----------	-----

**

Bloomberg
ESG Disclosure: 71.16†

RANKINGS

Member of
Dow Jones
Sustainability Indices
Powered by the S&P Global CSA



CDP
DISCLOSURE INSIGHT ACTION
A LIST
2021
CLIMATE WATER FORESTS



EURONEXT
vigeo eiris
INDICES



FTSE4Good



PLATINUM Top 1%
2022
ecovadis
Sustainability Rating



Bloomberg
Gender-Equality Index
2022

PARTNERS



BUILDING A SUSTAINABLE GROWTH STRATEGY

ROADMAP FOR SUCCESS



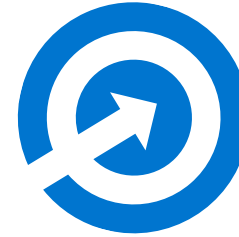
2022

**Diagnostic
& Action**



2023

**Navigate
& Accelerate**



2024+

**Aspire &
Achieve**

THE APPROACH WE HAVE TAKEN

STRATEGIC ASSESSMENT



Detailed financial (ROIC) assessment



One-on-one discussions with customers



Deep dive into R&D portfolio & pipeline



Cost structure benchmarking



Engagement with hundreds of IFF's senior leaders



Input from investors & analysts

Focused on ensuring we are well-positioned to meet the evolving needs of our customers and maximize IFF's long-term profitable growth potential

UNDERSTANDING OUR PORTFOLIO

INVEST IN WINNERS



~55%
of revenues

Reinvest
to fuel growth

MAXIMIZE THE CORE



~25%
of revenues

Efficiently manage
to maximize performance

OPTIMIZE UNDERPERFORMERS



~20%
of revenues

Optimize to improve
results or exit

DETERMINING PORTFOLIO ROLES

INVEST IN WINNERS

- Cosmetic Ingredients
- Fine Fragrance
- Flavors
- Cultures & Food Enzymes
- Health
- Food Design Excluding Savory Solutions
- Fragrance Ingredients
- Consumer Fragrance

Reinvest
to fuel growth

MAXIMIZE THE CORE

- HPC Enzymes
- Grain Processing
- Food Protection
- Animal Nutrition
- Pharma Solutions

Efficiently manage
to maximize performance

OPTIMIZE UNDERPERFORMERS

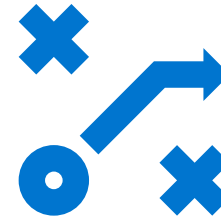
- Savory Solutions
- Texturants
- Emulsifiers & Sweeteners
- Protein Solutions

Optimize to improve
results or exit

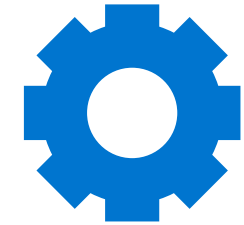
PLAYBOOK FOR MANAGEMENT



INVEST



MAXIMIZE



OPTIMIZE

	Reinvest to fuel growth	Efficiently manage to maximize performance	Optimize to improve results or exit
Characteristics	High returns; attractive markets with strong competitive positions	Medium returns; less attractive markets	ROIC below cost of capital
Actions	Disproportionate investment	Mix enrichment Selective growth	SKU & customer rationalization Non-core divestiture
Target	~2x Volume growth above market	~1x Volume growth in-line with market	~<1x Volume growth in-line with market

DO WHAT MATTERS MOST

BE

*the Premier
Partner*

BUILD

Our Future

BECOME

One IFF

EMBED ESG+ IN ALL THAT WE DO

iff

ACHIEVING OUR FULL POTENTIAL

UNLOCKING INCREMENTAL VALUE

KEY OPPORTUNITIES

1 IMPROVE SUPPLY CHAIN

2 ENHANCE COMMERCIAL EXECUTION

3 GEOGRAPHIC EXPANSION

4 LEVERAGE INNOVATION PLATFORM

5 DRIVE GREATER PRODUCTIVITY

6 END-MARKET DRIVEN OPERATING MODEL

7 STRENGTHEN TALENT & CULTURE

8 IMPROVE DIGITAL CAPABILITIES

■ Growth Agenda

■ Cost Reduction

■ Strategic Enabler



IMPROVE SUPPLY CHAIN

ENHANCE SERVICE LEVELS

BE
*the Premier
Partner*

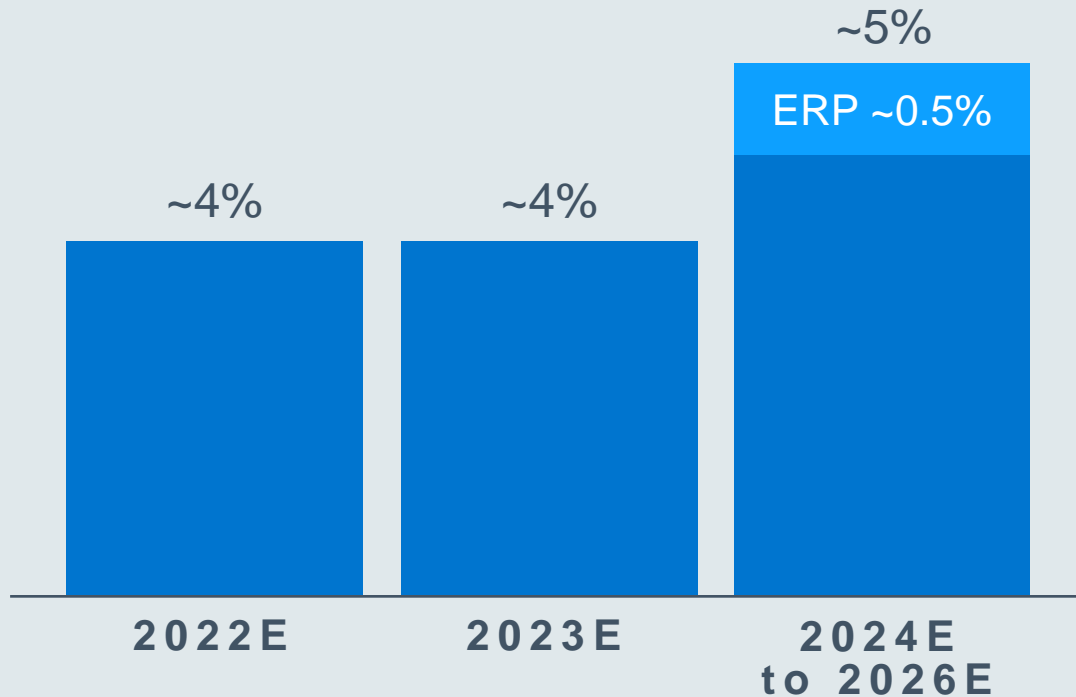
- Goal to exceed customer expectations with 95%+ order fulfillment
- Introduced new operating system
- Standardize order fulfillment & processes
- Drive automation & centralization
- Improve financials via cost & inventory reduction



ADD CAPACITY IN KEY BUSINESSES

CAPITAL EXPENDITURES

As a % of sales



- Increased capacity investments in high-growth and high-margin assets
- Targeted investments in both new capacity and digital-enabled capacity release:
 - Enzymes / Probiotics / Cultures & Pharma
- Advancing digital capabilities via ERP implementation over next five years

ENHANCE COMMERCIAL EXECUTION

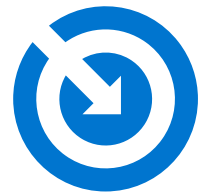
ENABLING COMMERCIAL SUCCESS

BE
*the Premier
Partner*



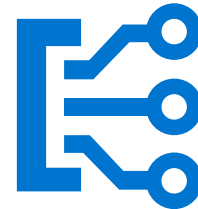
CUSTOMER ACQUISITION AND CROSS-SELL

Align incentives
for collaboration



SALES REP PERFORMANCE

Drive accountability
with KPIs



DIGITAL ENABLEMENT

Enhance
frontline tools



UNIFIED APPROACH TO KEY ACCOUNTS

Establish center
of excellence



CATEGORY AND MARKET INSIGHTS

Improve market
insight sharing

Stronger execution via KPIs: Pipeline, Win Rate, Customer Acquisition/Retention & Net Promoter Score

ACCELERATE REVENUE SYNERGIES

Strong sales synergy tracking process to add transparency & disciplined rigor

Redesign 2023 incentives to drive longer-term, broad behavioral change



Simplify processes & ensure manufacturing is available

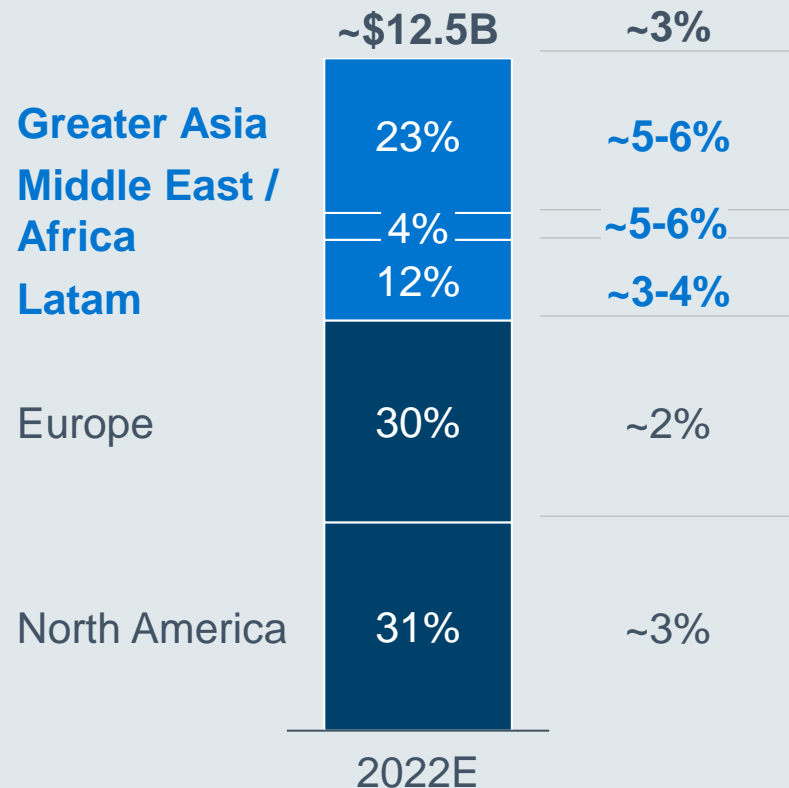
Add **local pipeline management** & strengthen **account planning** process

EMPHASIZING KEY EMERGING MARKETS



2022E IFF REVENUES

INDUSTRY GROWTH RATES¹



INCREASING PENETRATION IN UNDER-INDEXED COUNTRIES

Greater Asia Innovation: Singapore creative center
Commercial development programs:

- China, Southeast Asia, Japan / Korea & India

Middle East / Africa Flavors expansion
 Dubai creative center

Latin America Market penetration in Health
 Mexico Flavors capacity expansion



CAPITALIZING ON R&D INVESTMENT



Expand biotech capabilities



Commercialize existing pipeline



Launch must-win customer collaborations



Fuel transformational IFF projects



Accelerate digital and analytics

Drive Strong Linkages Between R&D and Commercial Teams to Deliver for Our Customers

TARGETING SIGNIFICANT SAVINGS

LEVERS



EBITDA IMPROVEMENT

Cumulative 2023-25 impact, \$M



TARGET SAVINGS

Net \$350 to \$400M between 2023 & 2025

ADMIN EXPENSE COST REDUCTION

GOAL

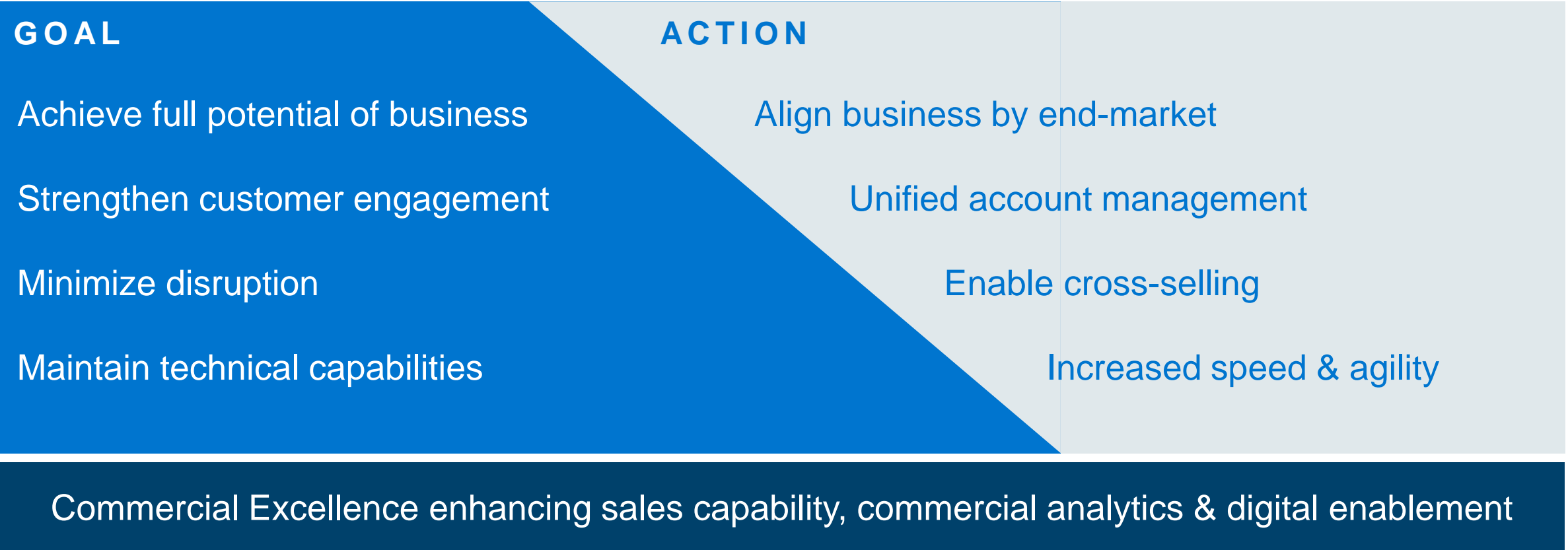
- Deliver \$100M in run-rate savings
- Achieve best-in-class general & administrative expense profile
- Ringfence revenue-generating teams
- Increase speed and agility

ACTION

- Organization & operating model efficiencies
- Re-wire core processes & reduce duplication
- Increase efficiency of go-to-market
- Leverage Centers of Excellence
- Drive greater standardization & automation

ACCELERATING GROWTH

Moving rapidly to transition to new operating model



TARGETED STRUCTURE

Current Divisional Structure



Nourish



H&B



Scent

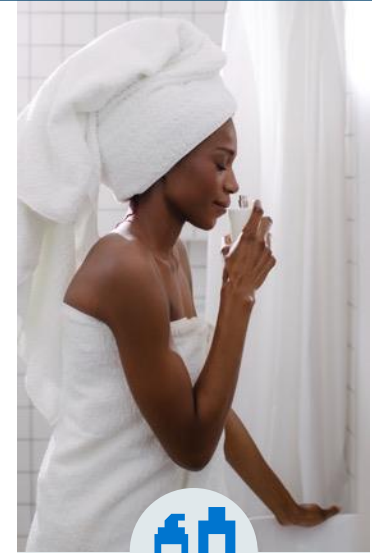


Pharma

Future End-Market Structure



Food &
Beverage



Household &
Personal Care



Health

ILLUSTRATIVE

END-MARKET DRIVEN OPERATING MODEL

COMMERCIAL EXCELLENCE

- Build sales capability through account planning, coaching, training & incentives
- Drive new business development opportunities
- End-to-end process & delivery of revenue synergies
- Advanced digital and analytics for commercial teams

DRIVING CULTURE EXCELLENCE

Winning Culture



- ▶ Drive ROIC-based prioritization
- ▶ Ensure great collaboration & accountability
- ▶ Strengthen employee value proposition

Leadership Incentives

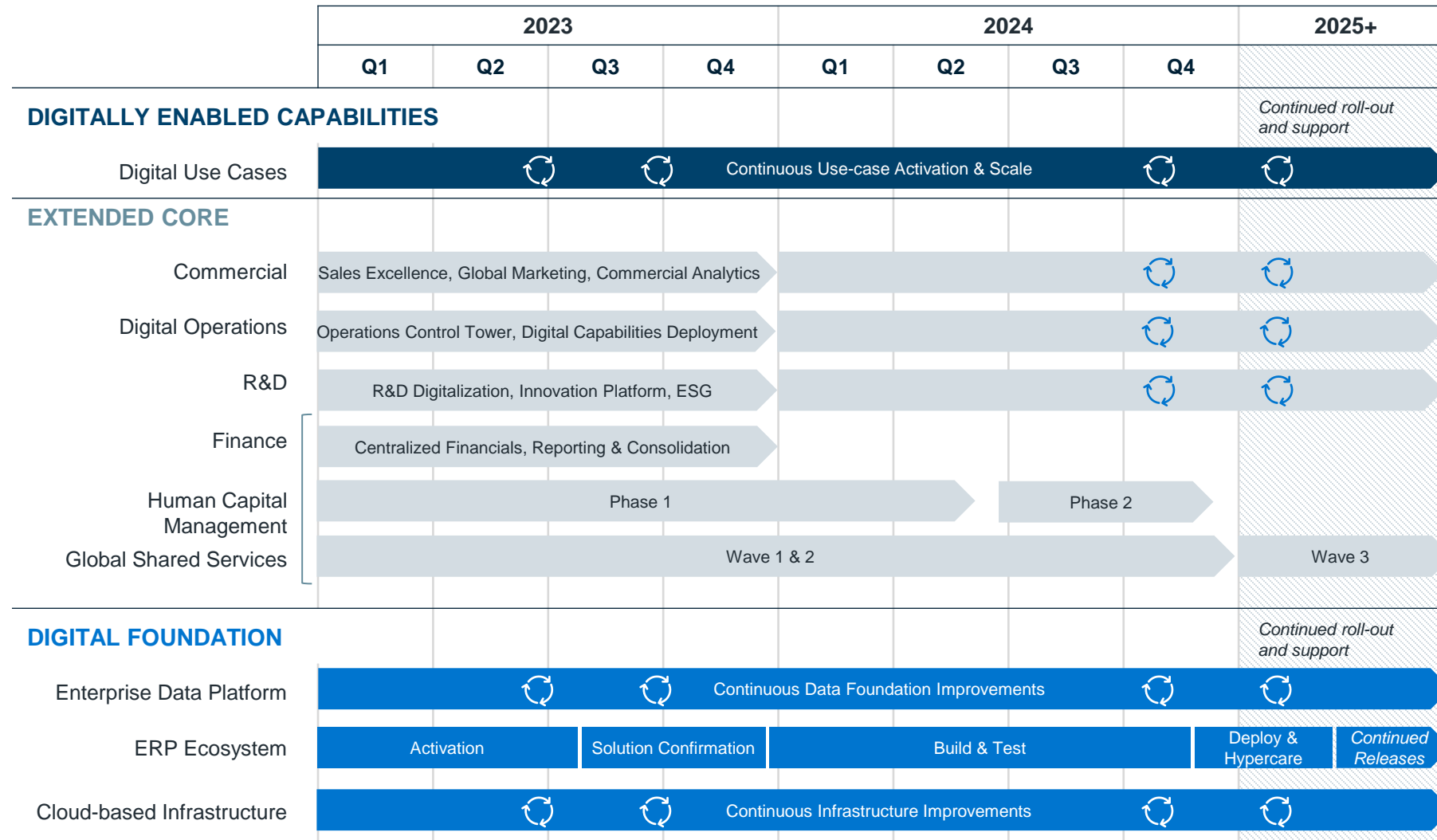


- ▶ Commercial incentive plans
- ▶ Revenue synergy goals
- ▶ ROIC & total shareholder return

IMPROVE DIGITAL CAPABILITIES

DIGITAL TRANSFORMATION

BECOME
One IFF



Total investment of \$300M through 2027

Enabling growth & productivity while enhancing:

- R&D
- Commercial
- Operations
- Finance
- HR





Portfolio Optimization

Unlocking incremental shareholder value

- Completed the Microbial Control & Fruit Preparation divestitures for ~\$1B in net proceeds
- Expect to announce 3 non-core divestitures by end of the first quarter 2023, with expected proceeds of ~\$1.2B
- Continuously evaluate portfolio based on a strategic and financial lens to identify incremental opportunities
- Use proceeds to rapidly de-lever balance sheet below 3.0x Net Debt to Credit Adjusted EBITDA

TARGETING BEST-IN-CLASS FINANCIAL PROFILE

LONG-TERM TARGETS

Average performance over 2024, 2025 & 2026 period

Comparable Currency
Neutral Sales Growth

4 - 6%

Comparable Currency Neutral
Adjusted Operating EBITDA¹ Growth

8 - 10%

Adjusted Free Cash Flow Generation

>\$1.5B Annually²

Net Debt to Credit
Adjusted EBITDA¹

<3X in 2024

METRIC
GOAL

Committed to a competitive and growing dividend



³⁰ ¹ Non-GAAP metric; please see Non-GAAP disclosures at ir.iff.com

² Includes 2023 in average period

2030 ESG+ GOALS

DO MORE GOOD PLAN

STRATEGIC PILLAR	2030 ESG+ GOALS	SDG LINKAGE
 <p>CLIMATE & PLANETARY HEALTH</p>	<ul style="list-style-type: none"> • 50% reduction in absolute direct GHGs • 100% ZWL for all major manufacturing facilities • Regenerative ecosystems and zero deforestation 	
 <p>EQUITY & WELLBEING</p>	<ul style="list-style-type: none"> • Management: 40% POC in U.S. / 50% women company-wide • World-class safety performance • Human rights program and 10 field initiatives for farmers 	
 <p>TRANSPARENCY & ACCOUNTABILITY</p>	<ul style="list-style-type: none"> • Increase transparency of annual disclosures • Tie ESG metrics to compensation • Expand ESG governance at Board of Directors level 	
 <p>SUSTAINABLE SOLUTIONS</p>	<ul style="list-style-type: none"> • 100% of innovations with sustainability value proposition • 50x more CO₂e saved for customers than generated by IFF • Partner with customers to achieve their ESG goals 	



BOARD OF DIRECTORS

- Evolve Board of Directors in line with best-in-class corporate governance standards
- Intend to reduce the size of Board from 14 to a target size of ~10 by May 2023 Annual Meeting
- Progress the composition of the Board by adding senior executives with expertise relevant to IFF
- Announced the appointment of Mark Costa, Chairman and CEO of Eastman, to Board of Directors, effective January 1, 2023





KEY TAKEAWAYS

- Great business, with industry-leading innovation
- Clear strategy to drive accelerated growth
- Embedding disciplined resource allocation approach
- Driving cost reductions to invest & grow margin
- Detailed operating plans are in place to execute
- Laser focused on building culture of execution



Where science
& creativity meet

INVESTOR DAY 2022