iff

Q4 & FY 2020

Earnings Conference Call

February 11, 2021

CAUTIONARY STATEMENT

This presentation includes “forward-looking statements” under the Federal Private Securities Litigation Reform Act of 1995, including statements regarding the expected impact of the COVID-19 pandemic on the Company’s near term results, expectations regarding sales and profit for the fourth quarter of 2020, the volatility of the economic environment and uncertainty about the duration and impact of the COVID-19 pandemic; revenue from its categories with retail channel exposure, such as Fine Fragrance and Food Service; the expected impact of the COVID-19 pandemic on the global economy; the Company’s ability to manage through the COVID-19 pandemic and to mitigate the near-term impact; the Company’s expectations regarding growth in the Taste segment in the medium-term; and the Company’s expectations regarding the combination with N&B. These forward-looking statements are qualified in their entirety by cautionary statements and risk factor disclosures contained in the Company’s Securities and Exchange Commission (“SEC”) filings, including the Company’s Annual Report on Form 10-K filed with the SEC on March 3, 2020, Quarterly Report on Form 10-Q filed with the SEC on May 11, 2020, Quarterly Report on Form 10-Q filed with the SEC on August 10, 2020, Quarterly Report on Form 10-Q filed with the SEC on November 9, 2020 and subsequent filings with the SEC. The Company wishes to caution readers that certain important factors may have affected and could in the future affect the Company’s actual results and could cause the Company’s actual results for subsequent periods to differ materially from those expressed in any forward-looking statements made by or on behalf of the Company. With respect to the Company’s expectations regarding these statements, such factors include, but are not limited to: (1) the effect of economic conditions in the industries and markets in which IFF operates in the U.S. and globally and any changes therein, including financial market conditions, fluctuations in commodity prices, interest rates and foreign currency exchange rates, levels of end market demand, the impact of weather conditions, natural disasters, public health issues, epidemics and pandemics, including the novel coronavirus (COVID-19), or the fear of such events, and the financial condition of IFF’s customers and suppliers; (2) the risks to the Company’s business from the COVID-19 pandemic, including operational risks, supply chain risks, and customer related-risks; (3) risks related to the integration of the Frutarom business and/or the combination with N&B, including whether the Company will realize the benefits anticipated from the acquisitions in the expected time frame; (4) unanticipated costs, liabilities, charges or expenses resulting from the Frutarom acquisition and/or the combination with N&B; (5) the integration of IFF and its Frutarom business and/or N&B being more difficult, time consuming or costly than expected; (6) customer loss and business disruption being greater than expected following the combination with N&B; (7) potential litigation relating to the combination with N&B that could be instituted against DuPont, IFF or their respective directors, (8) risks associated with third party contracts containing consent and/or other provisions that may be triggered by the combination with N&B; (9) the impact of the outcome of legal claims, regulatory investigations and litigation; (10) the risk that N&B and IFF incurred significant indebtedness in connection with the combination, and the degree to which IFF is leveraged following completion of the combination may materially and adversely affect its business, financial condition and results of operations; (11) the increase in the Company’s leverage resulting from the additional debt incurred to pay a portion of the consideration for Frutarom and its impact on the Company’s liquidity and ability to return capital to its shareholders; (12) the Company’s ability to successfully market to its expanded and decentralized Taste and Frutarom customer base; (13) the Company’s ability to effectively compete in its market and develop and introduce new products that meet customers’ needs; (14) the Company’s ability to successfully develop innovative and cost-effective products that allow customers to achieve their own profitability expectations; (15) the impact of a disruption in the Company’s manufacturing operations; (16) the impact of a disruption in the Company’s supply chain, including the inability to obtain ingredients and raw materials from third parties; (17) volatility and increases in the price of raw materials, energy and transportation; (18) the Company’s 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; (19) the impact of any failure or interruption of the Company’s key information technology systems or a breach of information security; (20) the Company’s ability to react in a timely and cost-effective manner to changes in consumer preferences and demands; (21) the Company’s ability to establish and manage collaborations, joint ventures or partnership that lead to development or commercialization of products; (22) the Company’s ability to benefit from its investments and expansion in emerging markets; (23) the impact of currency fluctuations or devaluations in the principal foreign markets in which it operates; (24) economic, regulatory and political risks associated with the Company’s international operations; (25) the impact of global economic uncertainty on demand for consumer products; (26) the inability to retain key personnel; (27) the Company’s ability to comply with, and the costs associated with compliance with, U.S. and foreign environmental protection laws; (28) the Company’s ability to realize the benefits of its cost and productivity initiatives; (29) the Company’s ability to successfully manage its working capital and inventory balances; (30) 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; (31) the Company’s ability to protect its intellectual property rights; (32) the impact of the outcome of legal claims, regulatory investigations and litigation; (33) changes in market conditions or governmental regulations relating to the Company’s pension and postretirement obligations; (34) the impact of future impairment of the Company’s tangible or intangible long-lived assets; (35) 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; (36) the effect of potential government regulation on certain product development initiatives, and restrictions or costs that may be imposed on the Company or its operations as a result; and (37) the impact of the United Kingdom’s departure from the European Union. New risks emerge from time to time and it is not possible for management to predict all such risk factors or to assess the impact of such risks on the Company’s business. Accordingly, the Company undertakes no obligation to publicly revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

In addition to the factors set forth above, other factors that may affect IFF’s plans, results or stock price are set forth in IFF’s Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. Many of these factors are beyond IFF’s control and IFF cautions investors that any forward-looking statements made by IFF are not guarantees of future performance. IFF disclaims any obligation to update any such factors or to announce publicly the results of any revisions to any of the forward-looking statements to reflect future events or developments.

CAUTIONARY STATEMENT

Use of Non-GAAP Financial Measures

We provide in this presentation non-GAAP financial measures, including: (i) currency neutral sales; (ii) adjusted operating profit ex amortization; (iii) currency neutral adjusted operating profit ex amortization; (iv) adjusted operating profit margin ex amortization; (v) adjusted EPS ex amortization; (vi) currency neutral adjusted EPS ex amortization; (vii) free cash flow; (viii) core working capital and (ix) net debt to adjusted EBITDA. Our non-GAAP financial measures are defined below. A reconciliation of these non-GAAP financial measures to their respective GAAP measures is available on our website at ir.iff.com.

Currency Neutral metrics eliminate the effects that result from translating international currency to U.S. dollars. We calculate currency neutral numbers by comparing current year results to the prior year results restated at exchange rates in effect for the current year based on the currency of the underlying transaction. Sales by end-market are only available on a Currency Neutral basis, as we currently are not able to translate sales from international currency to U.S. dollars on a basis of such end-markets without reasonable effort due to the current structure of our reporting systems.

Adjusted operating profit/adjusted operating margin ex amortization excludes the impact of non-operational items including operational improvement initiatives, integration related costs, restructuring and other charges, net, Frutarom acquisition related costs, compliance review and defense costs, N&B transaction related costs and non-cash items, including gains/losses on sale of assets, FDA mandated product recall and the amortization of acquisition related intangible assets.

Adjusted EPS ex Amortization excludes the impact of non-operational items including operational improvement initiatives, integration related costs, restructuring and other charges net, compliance review and defense costs, N&B transaction related costs, non-cash items including gains on sale of assets, FDA mandated product recall, redemption value adjustment to EPS and the amortization of acquisition related intangible assets.

Free Cash Flow is operating cash flow (i.e. cash flow from operations) less capital expenditures.

Core Working Capital includes Accounts Receivables, Inventories and Accounts Payables

Net Debt to Adjusted EBITDA is the leverage ratio used in our credit agreement and defined as Net Debt (which is long-term debt less cash and cash equivalents) divided by Adjusted EBITDA. However, as Adjusted EBITDA for these purposes were calculated in accordance with the provisions of the credit agreement, it may differ from the calculation used for other purposes.

These non-GAAP measures are intended to provide additional information regarding our underlying operating results and 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.

In addition, we may from time to time refer to "pro forma" financial information in this presentation. Because "pro forma" financial information by its very nature is based on assumptions and estimates that, while considered reasonable by the Company as of the date hereof, are not indicative of actual results and depend on a number of uncertainties, our actual results could differ materially from our expectations.

Andreas Fibig

Chairman and
Chief Executive Officer

Rustom Jilla

Executive Vice
President, Chief
Financial Officer

Michael DeVeau

Chief Investor Relations
& Communications Officer

TODAY'S SPEAKERS

iff

AGENDA

1. Performance Assessment
2. Detailed Financial Review
3. IFF and N&B Combination
4. Outlook Ahead
5. Q&A

FY 2020 FINANCIAL PERFORMANCE

Solid financials amid unprecedented COVID-19 environment

$5.1B	$922M	$5.70
Sales	Adjusted Operating Profit Ex Amort[1]	Adjusted EPS Ex Amort[1]

- Currency neutral sales were +1% excluding the 53rd week, led by a strong performance in Scent
- Adjusted operating margin excluding amortization finished at 18.1%, supported by synergies & productivity
- Strong year-over-year increase in free cash flow[1] driven by working capital improvements & lower capex
- Successfully completed the pre-integration planning phase of N&B combination

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

SALES DYNAMICS THROUGHOUT 2020

Steady recovery from second quarter lows, with strong January 2021

YEAR-OVER-YEAR CURRENCY NEUTRAL PERFORMANCE[1]

COMMENTARY

- Following a strong start in Q1 2020, COVID-19 had a significant impact on currency neutral sales growth
- Post Q2 lows (max regulations), saw business stabilize in 2H 20, with improvements in Fine Fragrances in Q4
- FY 2020 growth was approximately 1%[2] led by solid "essential portfolio" growth:
  - Pandemic impacted ~15% of portfolio (Fine Fragrances & Food Service): (16)%[2]
  - Remaining ~85% of portfolio (Food, Beverage, Hygiene & Disinfection): +4%[2]
- Steady improvement continued in January 2021

1. Non-GAAP metric; please see Non-GAAP disclosures at ir.iff.com
2. Excluding 53rd week
3. Pro-forma results – IFF and N&B combined

CONSOLIDATED RESULTS

Q4 2020 performance review

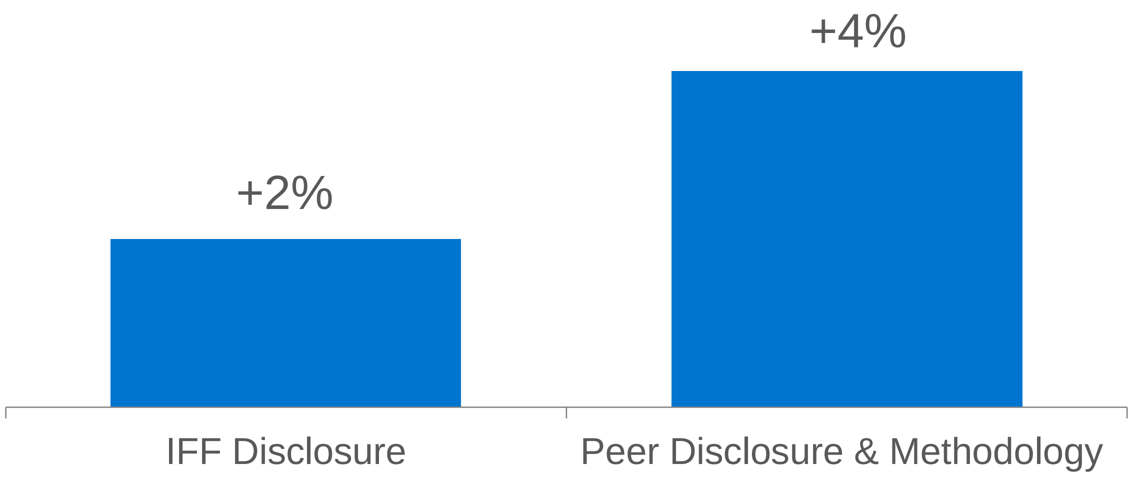
RESULTS	COMMENTARY
$1.3B SALES	Currency neutral sales[1] down 2%; Excluding the 53rd week impact, currency neutral sales up 2%
$204M ADJ. OPERATING PROFIT EX AMORTIZATION[1]	Adjusted operating profit ex amort decreased 10% on a currency neutral basis[1] or down 9% including FX with solid operational performance offset by challenging year-ago comparable & COVID costs
$1.32 ADJ. EPS EX AMORTIZATION[1]	Currency neutral adjusted EPS ex amort[1] declined 11% or down 10% including FX

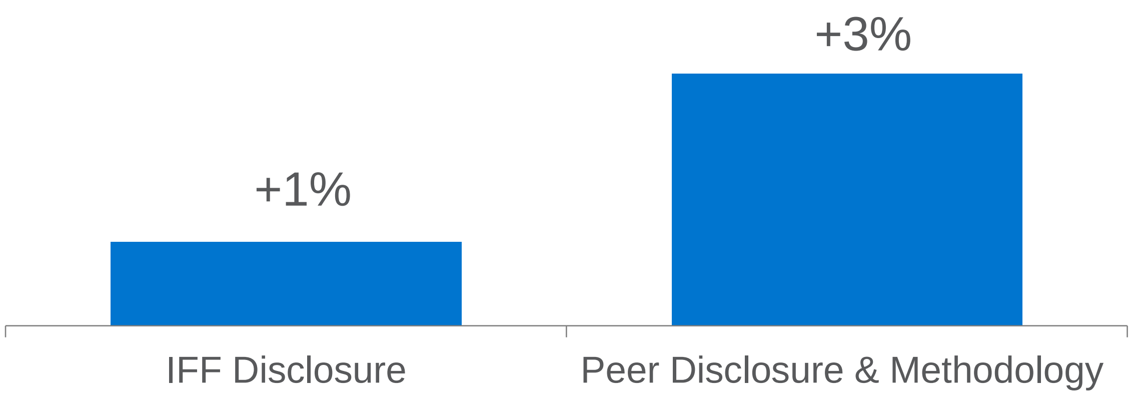
1. Non-GAAP metric; please see Non-GAAP disclosures at ir.iff.com

2020 CURRENCY NEUTRAL SALES GROWTH[1,2]

Impact of emerging market pricing on currency neutral growth[1,2] rates

Q4 2020	FY 2020





IFF Disclosure
Eliminates the effects of FX driven pricing and translating international sales to US Dollar

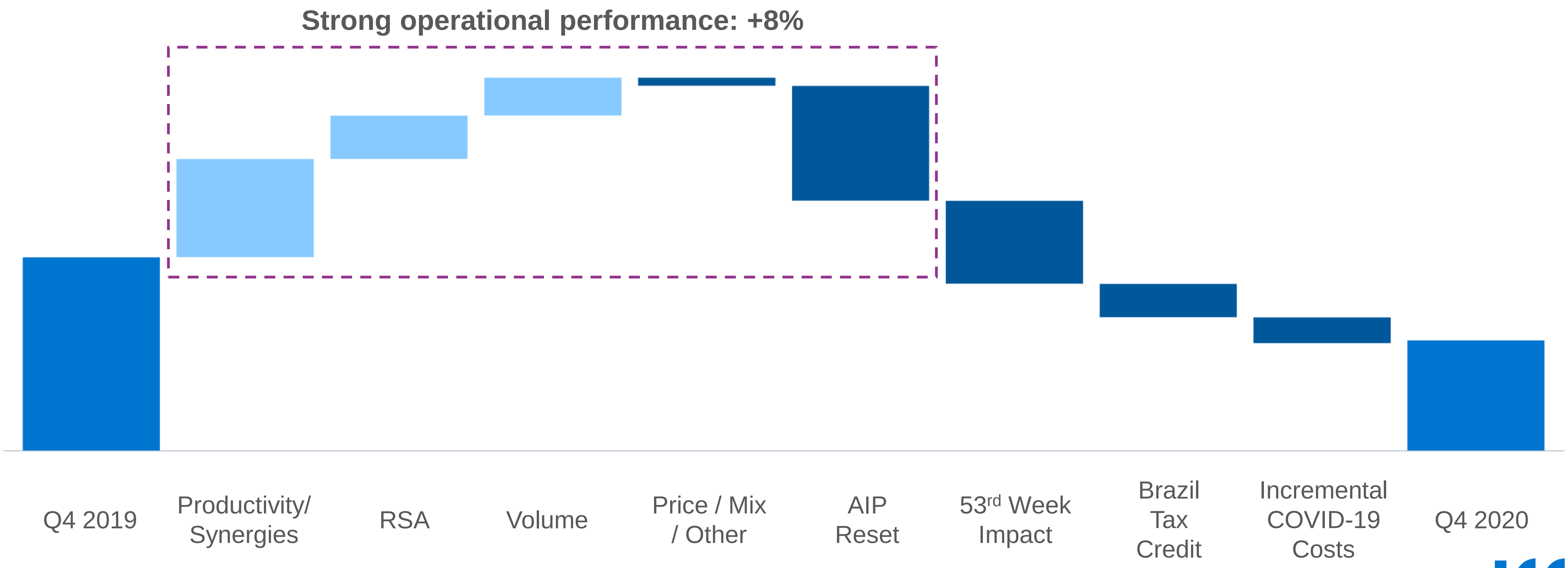
Peer Disclosure & Methodology
Includes foreign exchange related price changes in emerging markets

1. Non-GAAP metric; please see Non-GAAP disclosures at ir.iff.com
2. Excluding 53rd week

Q4 2020 PROFITABILITY DYNAMICS

Strong operational performance; Impacted by year-ago comparable & COVID costs

CURRENCY NEUTRAL ADJUSTED OPERATING PROFIT EX AMORTIZATION[1]



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

SCENT RESULTS

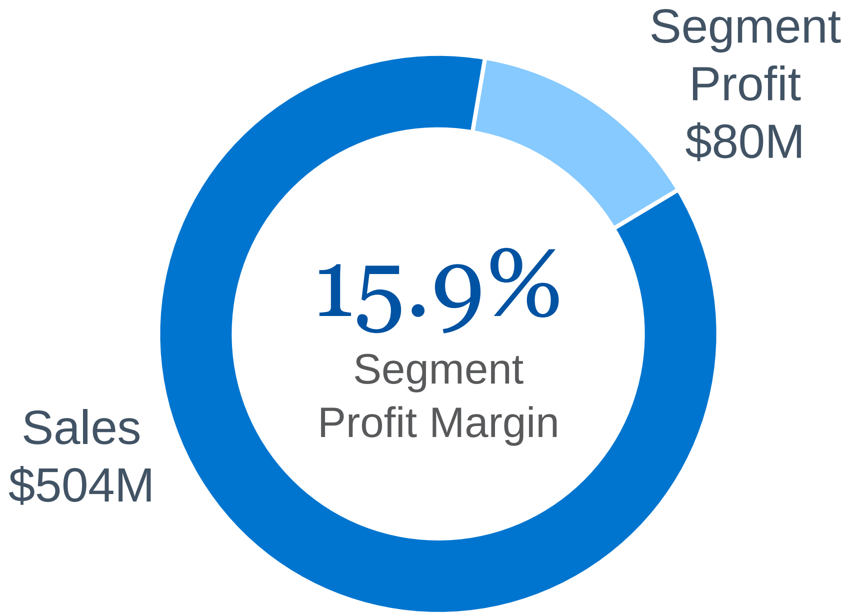
Q4 2020 performance review

CURRENCY NEUTRAL SALES GROWTH[1]

<u>Q4 2020</u>: +3% or +7% excluding 53rd week

- Consumer Fragrance was strongest, with robust growth in Home Care & Personal Wash
- Fine Fragrance returned to growth led by strong new wins in North America and Europe
- Fragrance Ingredients was strong led by double-digit growth in Cosmetic Actives

SEGMENT PROFIT



- Volume growth, productivity & cost discipline offset by higher incentive compensation expenses and the absence of the Brazil Tax credit that occur in year-ago period

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

TASTE RESULTS

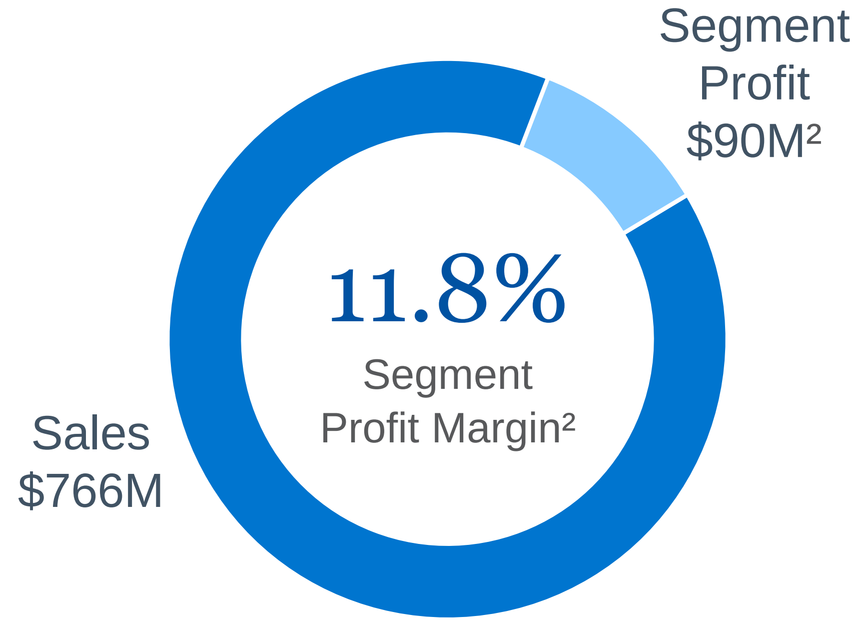
Q4 2020 performance review

CURRENCY NEUTRAL SALES GROWTH[1]

Q4 2020: (5)% or (1)% excluding 53rd week

- Food Service experienced continued pressure, declining double-digits due to COVID-19 impact
- Rest of Taste excluding Food Service was solid, excluding the 53rd week, with low single-digit growth
- North America continued to outperform, up mid-single digits, while EAME, Latin America and Greater Asia were pressured by COVID-19 pandemic

SEGMENT PROFIT



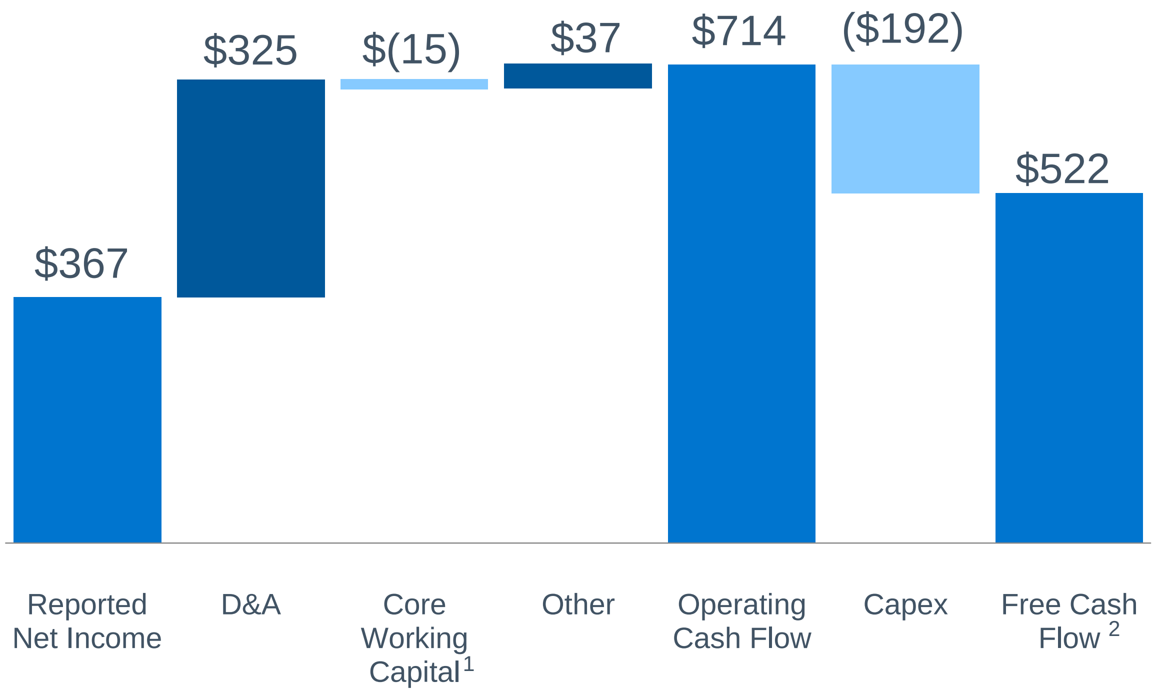
- Acquisition related savings & productivity were more than offset primarily by volume declines

1. Non-GAAP metric; please see Non-GAAP disclosures at ir.iff.com
2. Includes approximately $42M of amortization of intangible assets

CASH FLOW DYNAMICS

Strong improvement in free cash flow

FY 2020 CASH FLOW



FY 19	$460	$323	$53	$(137)	$699	($236)	$463

COMMENTARY

Operating Cash Flow

- Operating cash flow +2% despite lower Net Income, which included higher year-over-year transaction-related costs
- Cash Conversion improved 6 days year-over-year

Capital Expenditures

- Capex was ~3.8% of sales vs. 4.6% in prior year

Free Cash Flow

- Strong 13% increase in free cash flow[2] against a prior-year comparable that included an extra week

1. Core Working Capital includes Accounts Receivables, Inventories and Accounts Payables
2. Non-GAAP metric; Free cash flow defined as operating cash flow less capex

FY 2021 ASSUMPTIONS

Key inputs for consideration

FULL YEAR IMPACT ON PRO-FORMA BASIS[1]

- Expect **COVID-19 to impact 1H 2021** results
- **Fine Fragrance, Food Service & Biorefinery** businesses expected to grow on full year basis, yet remain below 2019 levels
- Assumed Euro to US dollar **exchange rate of 1.18**; Represents ~25% of sales
- Expect **~$50M** EBITDA contribution from synergies in 2021
- Total annual depreciation & amortization expected to be about **$1,165M**, including amortization of approximately **$715M**
- Annual interest expense is expected to be **about $315M**
- Expect diluted shares outstanding will be **~255M** shares

1. Assumes a full year or 12-month impact of N&B results

2021 PRO-FORMA FINANCIAL GUIDANCE

Expect to generate strong results across key metrics

ASSUMES FULL 12 MONTHS OF IFF AND N&B

~$11.5B

SALES

~23.2%

ADJUSTED EBITDA[1] MARGIN

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

REPORTING & DISCLOSURE

Aligning our comparability with peers

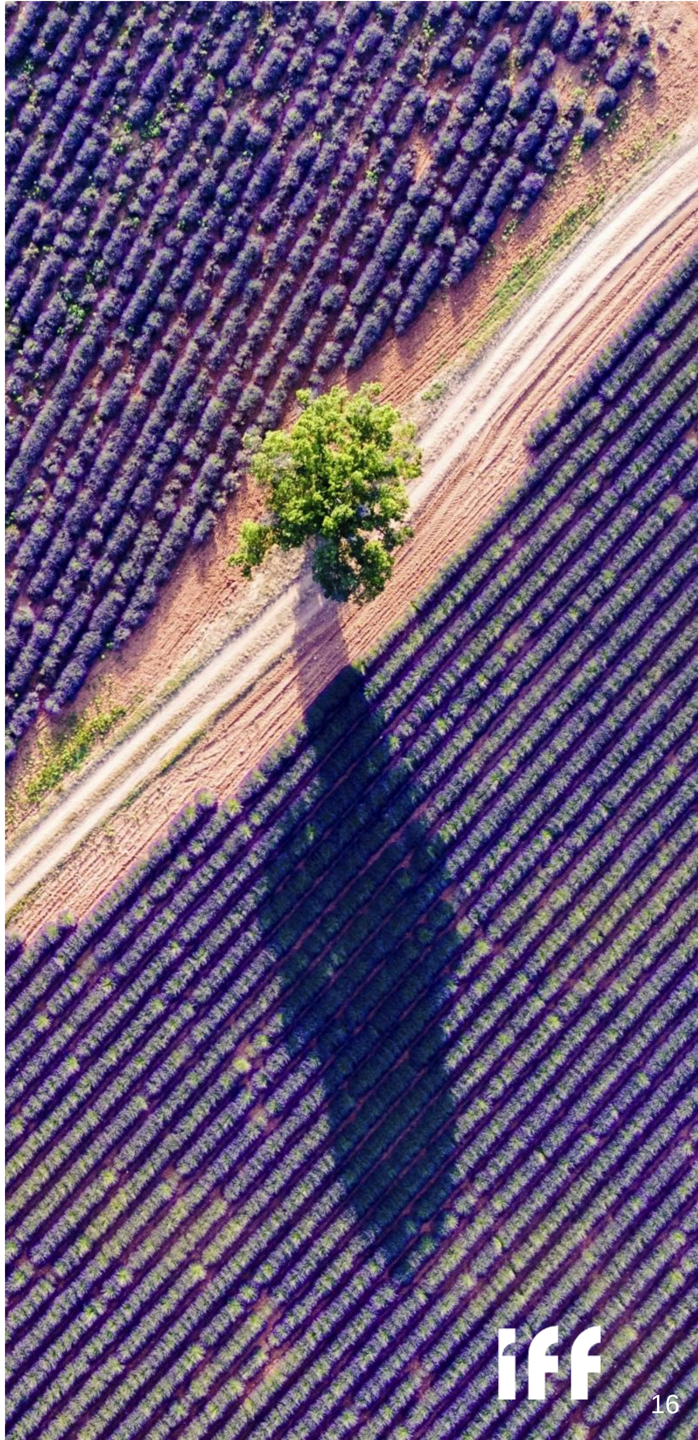
- Changing our currency neutral sales methodology by taking sales in the current period in local currency & applying average FX rates from the prior period to the current period

- Shifted from our previous financial reporting calendar to a more standardized calendar year to eliminate comparable issues related to the 53rd week

- Moving towards reporting on an Adjusted EBITDA basis for easier comparability with our peers – both at a consolidated & divisional level

- Eliminating our corporate expense line in our segment profit table by allocating corporate expenses accordingly to each division

- Will share 2020 pro-forma segmentation by division prior to Q1 2021



N&B INTEGRATION PLANNING COMPLETE

Pre-integration planning finished; Switching to post-close execution

Q4 2019	Agreement Signed	Dec. 15, 2019	✓
FIRST HALF 2020	Integration Management Office Formation	January 2020	✓
FIRST HALF 2020	Cleared U.S. Regulatory Process	March 2020	✓
FIRST HALF 2020	Initial Registration Statement	May 2020	✓
FIRST HALF 2020	Purpose, Vision, Operating Model & Leadership	May 2020	✓
SECOND HALF 2020	IFF Shareholder Vote	August 2020	✓
SECOND HALF 2020	Permanent Debt Financing	September 2020	✓
Q1 2021	Transaction Closed	Closed Feb 1, 2021	✓
Q1 2021	$7.3B Cash Payment to DuPont	Completed	✓
POST CLOSE	Revenue & Cost Synergy Capture	By End of Year 3	

Key Achievements

- ✓ Joint cross functional integration planning program in place & operational
- ✓ Completed strategic assessment of future combined company portfolio
- ✓ Created ideation framework to identify, assess & prioritize synergy opportunities
- ✓ Announced Purpose & Vision of future combined company
- ✓ Defined operating model & appointed leadership for EC and direct reports
- ✓ Cleared Brazil, China, Colombia, India, Mexico, Russia, Serbia, South Africa, South Korea, Turkey, Europe, Ukraine and U.S. antitrust
- ✓ Amended S4 with updated proformas filed

THE NEW INDUSTRY-DEFINING LEADER

Significant value creation opportunities across all stakeholders

iff | A global leader in taste, scent and nutrition

Broader
Set of Ingredients and Solutions

Deeper
Innovation and R&D Platform

Shared
Focus on Consumer-Oriented End Markets

~$11B
Expected Annual Revenue[1]

~$2.5B
Expected Annual EBITDA[1 2]

DuPont Nutrition & Biosciences | Leading value-added ingredients & solutions provider

THE NEW IFF

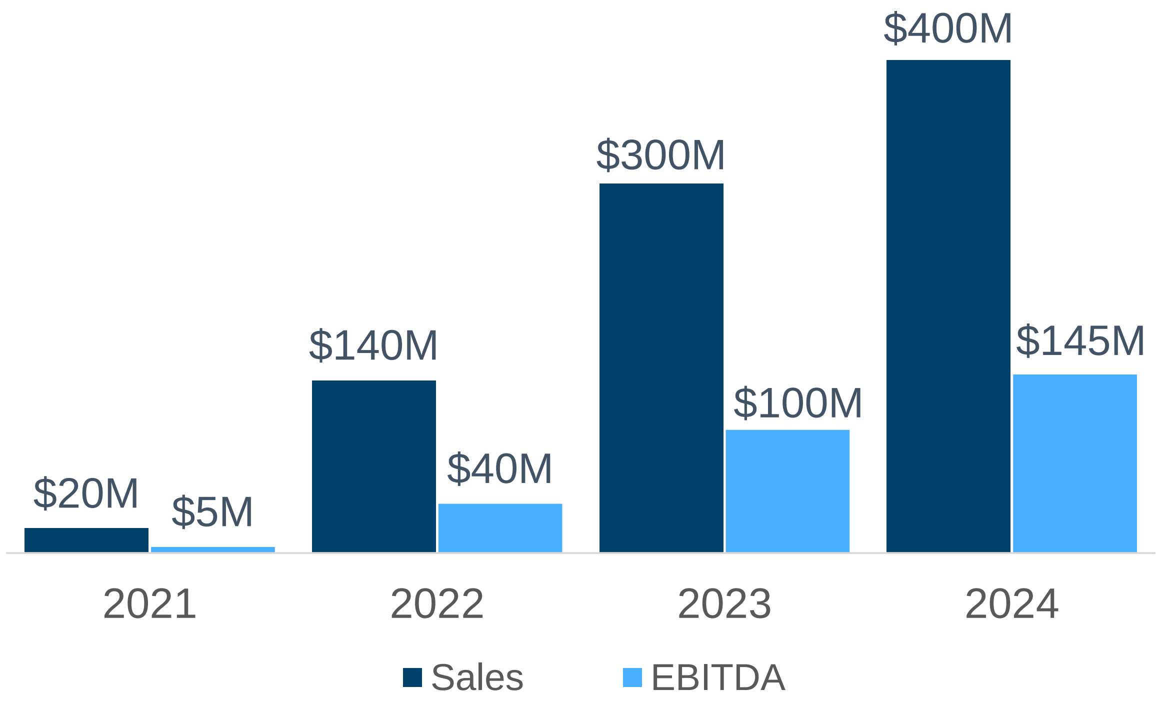
STRATEGIC RATIONALE	VALUE PROPOSITION
BROADENS CATEGORY EXPOSURE	• Expands breadth of capabilities • #1 or #2 position across complementary high-value ingredients
EXPANDS R&D CAPABILITIES & EXPERTISE	• Best-in-class R&D and innovation capabilities and strongest industry pipeline to develop proactive solutions • Talent with both creative and scientific expertise • Top quartile R&D spend annually in industry, with a significant patent portfolio as a combined company
DIFFERENTIATED INTEGRATED SOLUTIONS	• Stronger & broadest differentiated product offerings • Ability to improve speed-to-market • Greater simplification of supply chain

1. Estimate for 2020 per IFF's S-4 filing on December 22, 2020; . Before anticipated benefit of cost synergies
2. Non-GAAP metric; please see Non-GAAP disclosures at ir.iff.com

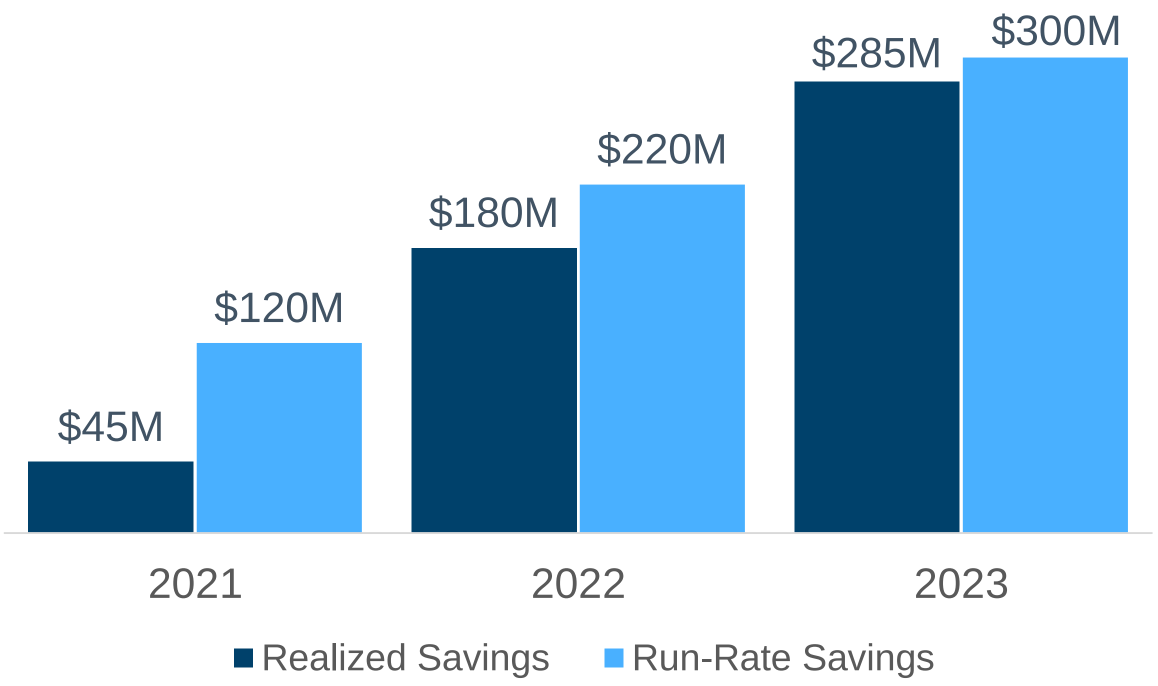
COMPELLING VALUE CREATION

Substantial synergy opportunities to drive growth & expand margin

REVENUE SYNERGY



COST SYNERGY



Approximately $50M EBITDA Contribution in 2021

ACTIONS TO DELIVER SYNERGIES

Immediately executing pre-planned initiatives to accelerate synergy realization

REVENUE SYNERGY	COST SYNERGY
• Engaged with top 100 global and regional customers to introduce joint portfolio & capabilities	• Final budget incorporates synergies to ensure alignment of objectives & incentive compensation
• Accelerated co-development partnerships with global customers (previously a 3-way NDA)	• Initiated procurement – direct and indirect – summits based on full combined company visibility
• Activated cross-divisional innovation collaborations in R&D and applications (i.e., Scent & Enzymes)	• Finalized transition plans to global share service centers for HR, Finance & Procurement
• Launched combined Commercial Excellence and Integrated Solutions teams	• Reduced target stand costs to prioritize “required” spend & eliminate non-value add cost
• Refined resource allocation strategy (R&D, go-to-market… etc.) and potential divestitures based on full combined company visibility	• Benchmarked administrative expenses relative to competition to drive significant cost reductions

LONG-TERM FINANCIAL OUTLOOK

Execution set to deliver best-in-class financial profile

4 - 5%

Currency Neutral Organic Sales Growth

~26%

EBITDA Margin in 2023

~$2B

Free Cash Flow[1] Generation in 2023[2]

<3.0x

Targeting Net Debt to EBITDA in 24 to 36 months post close

Strong Position to Generate Shareholder Value

1. Free cash flow is defined as cash flow from operations minus capex
2. Not inclusive of potential asset divestitures to be evaluated post-close

SUMMARY

- Solid full year financials amid the COVID-19 pandemic
- Beyond financials, strong accomplishments achieved, including the closing of the N&B transaction
- IFF is a stronger company, well-positioned to deliver significant value creation for our shareholders
- With the strategy set & transaction closed, laser-focused on execution to integrate & deliver financial aspirations
- Strong start to 2021, and immediately executing pre-planned initiatives to accelerate synergy realization