

International Flavors & Fragrances Inc.
GAAP to Non-GAAP Reconciliation
(Unaudited)

The following information and schedules provide reconciliation information between reported GAAP amounts and non-GAAP certain adjusted amounts. This information and schedules are not intended as, and should not be viewed as, a substitute for reported GAAP amounts or financial statements of the Company prepared and presented in accordance with GAAP.

Reconciliation of Gross Profit

<i>(DOLLARS IN MILLIONS)</i>	Fourth Quarter	
	2021	2020
Reported (GAAP)	\$ 981	\$ 514
N&B Inventory Step-Up Costs	5	—
N&B Integration Related Costs (h)	1	—
Adjusted (Non-GAAP)	<u>\$ 987</u>	<u>\$ 514</u>

Reconciliation of Selling and Administrative Expenses

<i>(DOLLARS IN MILLIONS)</i>	Fourth Quarter	
	2021	2020
Reported (GAAP)	\$ 450	\$ 254
Business Divestiture Costs (b)	(21)	—
Employee Separation Costs (c)	(1)	(3)
Frutarom Acquisition Related Costs (e)	(2)	—
Compliance Review & Legal Defense Costs (f)	—	(1)
N&B Transaction Related Costs (g)	—	(5)
N&B Integration Related Costs (h)	(23)	(35)
Adjusted (Non-GAAP)	<u>\$ 403</u>	<u>\$ 210</u>

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Reconciliation of Net Income and EPS

<i>(DOLLARS IN MILLIONS)</i>	Fourth Quarter							
	2021				2020			
	Income before taxes	Taxes on income (j)	Net Income Attributable to IFF (k)	Diluted EPS	Income before taxes	Taxes on income (j)	Net Income Attributable to IFF (k)	Diluted EPS (l)
Reported (GAAP)	\$ 114	\$ 22	\$ 90	\$ 0.35	\$ 79	\$ 13	\$ 67	\$ 0.57
Frutarom Integration Related Costs (a)	1	—	1	—	1	—	1	0.01
Restructuring and other Charges	7	2	5	0.02	9	2	7	0.06
(Gains) Losses on Sale of Assets	—	—	—	—	2	—	2	0.02
Business Divestiture Costs (b)	21	5	16	0.06	—	—	—	—
Gains on Business Disposal	(13)	(14)	1	0.01	—	—	—	—
Employee Separation Costs (c)	1	—	1	—	3	—	3	0.02
Pension Settlement (d)	2	—	2	0.01	4	1	3	0.03
Frutarom Acquisition Related Costs (e)	2	—	2	0.01	—	1	(1)	(0.01)
Compliance Review & Legal Defense Costs (f)	—	—	—	—	1	—	1	0.01
N&B Inventory Step-Up Costs	5	—	5	0.02	—	—	—	—
N&B Transaction Related Costs (g)	—	—	—	—	5	1	4	0.03
N&B Integration Related Costs (h)	24	6	18	0.07	35	9	26	0.23
Redemption value adjustment to EPS (i)	—	—	—	—	—	—	—	0.03
Adjusted (Non-GAAP)	<u>\$ 164</u>	<u>\$ 21</u>	<u>\$ 141</u>	<u>\$ 0.55</u>	<u>\$ 139</u>	<u>\$ 27</u>	<u>\$ 113</u>	<u>\$ 0.99</u>

Reconciliation of Adjusted (Non-GAAP) EPS ex. Amortization

<i>(DOLLARS AND SHARE AMOUNTS IN MILLIONS)</i>	Fourth Quarter	
	2021	2020
Numerator		
Adjusted (Non-GAAP) Net Income	\$ 141	\$ 113
Amortization of Acquisition related Intangible Assets	185	48
Tax impact on Amortization of Acquisition related Intangible Assets (j)	45	11
Amortization of Acquisition related Intangible Assets, net of tax (m)	140	37
Adjusted (Non-GAAP) Net Income ex. Amortization	<u>\$ 281</u>	<u>\$ 150</u>
Denominator		
Weighted average shares assuming dilution (diluted)	255	114
Adjusted (Non-GAAP) EPS ex. Amortization	<u>\$ 1.10</u>	<u>\$ 1.32</u>

- (a) Represents costs related to the integration of the Frutarom acquisition. For 2021, costs primarily related to performance stock awards. For 2020, costs primarily related to advisory services, retention bonuses and performance stock awards.
- (b) Represents costs related to the Company's sales and planned sales of businesses, primarily legal and professional fees.
- (c) Represents costs related to severance, including accelerated stock compensation expense, for certain employees and executives who have been separated or will separate from the Company.
- (d) Represents pension settlement charges incurred in one of the Company's UK pension plans.
- (e) Represents transaction-related costs and expenses related to the acquisition of Frutarom. For 2021, amount primarily includes earn-out payments, net of adjustments. For 2020, amount primarily includes earn-out payments, net of adjustments, amortization for inventory "step-up" costs and transaction costs primarily related to the 2019 Acquisition Activity.

- (f) Costs related to reviewing the nature of inappropriate payments and review of compliance in certain other countries. In addition, includes legal costs for related shareholder lawsuits.
- (g) Represents transaction costs and expenses related to the transaction with N&B, primarily legal and professional fees.
- (h) Represents costs primarily related to advisory services for the integration of the transaction with N&B, primarily consulting fees.
- (i) Represents the adjustment to EPS related to the excess of the redemption value of certain redeemable noncontrolling interests over their existing carrying value.
- (j) The income tax effects of non-GAAP adjustments are calculated based on the applicable statutory tax rate for the relevant jurisdiction, except for those items which are non-taxable or subject to valuation allowances for which the tax expense (benefit) was calculated at 0%. The tax benefit for amortization is calculated in a similar manner as the tax effects of the non-GAAP adjustments.
- (k) For 2021, net income is reduced by income attributable to noncontrolling interest of \$2 million. For 2020, net income is increased by income attributable to noncontrolling interest of \$1 million.
- (l) The sum of these items does not foot due to rounding.
- (m) Represents all amortization of intangible assets acquired in connection with acquisitions, net of tax.

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Reconciliation of Gross Profit

<i>(DOLLARS IN MILLIONS)</i>	Year Ended December 31,	
	2021	2020
Reported (GAAP)	\$ 3,735	\$ 2,086
Employee Separation Costs (d)	1	—
Frutarom Acquisition Related Costs (g)	—	1
N&B Inventory Step-Up Costs	368	—
N&B Integration Related Costs (j)	4	—
Adjusted (Non-GAAP)	<u>\$ 4,108</u>	<u>\$ 2,087</u>

Reconciliation of Selling and Administrative Expenses

<i>(DOLLARS IN MILLIONS)</i>	Year Ended December 31,	
	2021	2020
Reported (GAAP)	\$ 1,749	\$ 949
Frutarom Integration Related Costs (a)	(2)	(8)
Restructuring and other Charges	(1)	—
Shareholder Activism Related Costs (b)	(7)	—
Business Divestiture Costs (c)	(42)	—
Employee Separation Costs (d)	(27)	(3)
Frutarom Acquisition Related Costs (g)	(2)	(1)
Compliance Review & Legal Defense Costs (h)	—	(3)
N&B Transaction Related Costs (i)	(91)	(29)
N&B Integration Related Costs (j)	(97)	(97)
Adjusted (Non-GAAP)	<u>\$ 1,480</u>	<u>\$ 808</u>

International Flavors & Fragrances Inc.
GAAP to Non-GAAP Reconciliation
(Amounts in millions)
(Unaudited)

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Reconciliation of Net Income and EPS

<i>(DOLLARS IN MILLIONS)</i>	Year Ended December 31,							
	2021				2020			
	Income before taxes	Taxes on income (l)	Net Income Attributable to IFF (m)	Diluted EPS	Income before taxes	Taxes on income (l)	Net Income Attributable to IFF (m)	Diluted EPS (n)
Reported (GAAP)	\$ 354	\$ 75	\$ 270	\$ 1.10	\$ 441	\$ 74	\$ 363	\$ 3.21
Frutarom Integration Related Costs (a)	4	—	4	0.01	10	2	8	0.07
Restructuring and other Charges	41	9	32	0.13	17	4	13	0.12
(Gains) Losses on Sale of Assets	(1)	—	(1)	—	4	1	3	0.03
Shareholder Activism Related Costs (b)	7	2	5	0.02	—	—	—	—
Business Divestiture Costs (c)	42	10	32	0.12	—	—	—	—
Gains on Business Disposal	(13)	(14)	1	0.01	—	—	—	—
Employee Separation Costs (d)	29	2	27	0.11	3	—	3	0.02
Pension Income Adjustment (e)	(17)	(4)	(13)	(0.05)	—	—	—	—
Pension Settlement (f)	2	—	2	0.01	4	1	3	0.03
Frutarom Acquisition Related Costs (g)	2	—	2	0.01	1	—	1	0.01
Compliance Review & Legal Defense Costs (h)	—	—	—	—	3	—	3	0.02
N&B Inventory Step-Up Costs	368	79	289	1.19	—	—	—	—
N&B Transaction Related Costs (i)	91	19	72	0.29	29	2	27	0.23
N&B Integration Related Costs (j)	101	24	77	0.32	97	23	74	0.65
Redemption value adjustment to EPS	—	—	—	0.01	—	—	—	(0.02)
Adjusted (Non-GAAP)	<u>\$ 1,010</u>	<u>\$ 202</u>	<u>\$ 799</u>	<u>\$ 3.28</u>	<u>\$ 609</u>	<u>\$ 107</u>	<u>\$ 498</u>	<u>\$ 4.38</u>

Reconciliation of Adjusted (Non-GAAP) EPS ex. Amortization

<i>(DOLLARS AND SHARE AMOUNTS IN MILLIONS)</i>	Year Ended December 31,	
	2021	2020
Numerator		
Adjusted (Non-GAAP) Net Income	\$ 799	\$ 498
Amortization of Acquisition related Intangible Assets	732	193
Tax impact on Amortization of Acquisition related Intangible Assets (l)	158	42
Amortization of Acquisition related Intangible Assets, net of tax (o)	574	151
Adjusted (Non-GAAP) Net Income ex. Amortization	<u>\$ 1,373</u>	<u>\$ 649</u>
Denominator		
Weighted average shares assuming dilution (diluted)	244	114
Adjusted (Non-GAAP) EPS ex. Amortization	<u>\$ 5.63</u>	<u>\$ 5.70</u>

- (a) Represents costs related to the integration of the Frutarom acquisition. For 2021, costs primarily related to performance stock awards. For 2020, costs primarily related to advisory services, retention bonuses and performance stock awards.
- (b) Represents shareholder activist related costs, primarily professional fees.
- (c) Represents costs related to the Company's sales and planned sales of businesses, primarily legal and professional fees.

- (d) Represents costs related to severance, including accelerated stock compensation expense, for certain employees and executives who have been separated or will separate from the Company.
- (e) Represents catch-up of net pension income from prior periods that had been excluded from their respective periods.
- (f) Represents pension settlement charges incurred in one of the Company's UK pension plans.
- (g) Represents transaction-related costs and expenses related to the acquisition of Frutarom. For 2021, amount primarily includes earn-out payments, net of adjustments. For 2020, amount primarily includes earn-out payments, net of adjustments, amortization for inventory "step-up" costs and transaction costs primarily related to the 2019 Acquisition Activity.
- (h) Costs related to reviewing the nature of inappropriate payments and review of compliance in certain other countries. In addition, includes legal costs for related shareholder lawsuits.
- (i) Represents transaction costs and expenses related to the transaction with N&B, primarily legal and professional fees.
- (j) Represents costs primarily related to advisory services for the integration of the transaction with N&B, primarily consulting fees.
- (k) Represents the adjustment to EPS related to the excess of the redemption value of certain redeemable noncontrolling interests over their existing carrying value.
- (l) The income tax effects of non-GAAP adjustments are calculated based on the applicable statutory tax rate for the relevant jurisdiction, except for those items which are non-taxable or subject to valuation allowances for which the tax expense (benefit) was calculated at 0%. The tax benefit for amortization is calculated in a similar manner as the tax effects of the non-GAAP adjustments.
- (m) For 2021 and 2020, net income is reduced by income attributable to noncontrolling interest of \$9 million and \$4 million, respectively.
- (n) The sum of these items does not foot due to rounding.
- (o) Represents all amortization of intangible assets acquired in connection with acquisitions, net of tax.

International Flavors & Fragrances Inc.
Debt Covenants
(Amounts in millions)
(Unaudited)

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Reconciliation of Credit Adjusted EBITDA to Net Income

<i>(DOLLARS IN MILLIONS)</i>	Year Ended December 31, 2021	
Net income	\$	336
Interest expense		302
Income taxes		28
Depreciation and amortization		1,206
Specified items ⁽¹⁾⁽³⁾		682
Non-cash items ⁽²⁾⁽³⁾		53
Credit Adjusted EBITDA	\$	2,607

- (1) Specified items for the 12 months ended December 31, 2021 of \$682 million, consist of Frutarom integration related costs, restructuring and other charges, shareholder activism related costs, business divestiture costs, gains on business disposal, employee separation costs, pension income adjustment, pension settlement, Frutarom acquisition related costs, N&B inventory step-up costs, N&B transaction related costs, N&B integration related costs and other N&B specified items.
- (2) Non-cash items represent all other adjustments to reconcile net income to net cash provided by operations as presented on the Statement of Cash Flows, including gains on disposal of assets and stock-based compensation.
- (3) Specified and non-cash items may not include all eligible add-back items from the Merger with N&B, for the purposes of the Credit Adjusted EBITDA calculation, due to availability of the information.

Net Debt to Total Debt

<i>(DOLLARS IN MILLIONS)</i>	December 31, 2021	
Total debt ⁽¹⁾	\$	11,418
Adjustments:		
Cash and cash equivalents		(711)
Net debt	\$	10,707

- (1) Total debt used for the calculation of Net debt consists of short-term debt, long-term debt, short-term finance lease obligations and long-term finance lease obligations.

International Flavors & Fragrances Inc.
Combined Business Unit Performance
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	Three Months Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020
Net Sales				
Nourish	\$ 1,626	\$ 1,488	\$ 6,264	\$ 5,632
Health & Biosciences	646	572	2,329	2,166
Scent	555	523	2,254	2,064
Pharma Solutions	204	188	809	779
Consolidated	\$ 3,031	\$ 2,771	\$ 11,656	\$ 10,641
Segment Adjusted Operating EBITDA				
Nourish	\$ 251	\$ 257	\$ 1,172	\$ 1,090
Health & Biosciences	156	150	625	634
Scent	88	93	463	416
Pharma Solutions	34	38	165	203
Total	529	538	2,425	2,343
Depreciation & Amortization	(295)	(81)	(1,156)	(325)
Interest Expense	(73)	(33)	(289)	(132)
Other income, net	14	12	58	7
Frutarom Integration Related Costs	(1)	(1)	(4)	(10)
Restructuring and Other Charges	(7)	(9)	(41)	(17)
Gains (Losses) on Sale of Assets	—	(2)	1	(4)
Shareholder Activism Related Costs	—	—	(7)	—
Business Divestiture Costs	(21)	—	(42)	—
Employee Separation Costs	(1)	(3)	(29)	(3)
Frutarom Acquisition Related Costs	(2)	—	(2)	(1)
Compliance Review & Legal Defense Costs	—	(1)	—	(3)
N&B Inventory Step-Up Costs	(5)	—	(368)	—
N&B Transaction Related Costs	—	(5)	(91)	(29)
N&B Integration Related Costs	(24)	(35)	(101)	(97)
Impact on Merger with N&B ⁽¹⁾	—	(301)	—	(1,288)
Income before taxes	\$ 114	\$ 79	\$ 354	\$ 441
Segment Adjusted Operating EBITDA Margin				
Nourish	15.4 %	17.3 %	18.7 %	19.4 %
Health & Biosciences	24.1 %	26.2 %	26.8 %	29.3 %
Scent	15.9 %	17.8 %	20.5 %	20.2 %
Pharma Solutions	16.7 %	20.2 %	20.4 %	26.1 %
Consolidated	17.5 %	19.4 %	20.8 %	22.0 %

(1) Information related to the amounts included from merger with N&B was received directly from DuPont and management believes such information is reliable. DuPont has not provided the underlying adjustments for the amounts included, but based on management's review of financial statement and other scheduled information provided, we believe the amounts reflected are reasonable. For the three months and year ended December 31, 2020, amounts include N&B results for October through December and February through December, respectively, to reflect the same period N&B is included in IFF results in 2021.