



iff

CAGNY 2021

Andreas Fibig – Chairman & CEO

February 17, 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.

AGENDA

1. A New Industry-Defining Leader
2. ESG Leadership Core to Business
3. Substantial Synergy Opportunities
4. Best-in-Class Financial Profile
5. 2020 Review & 2021 Outlook

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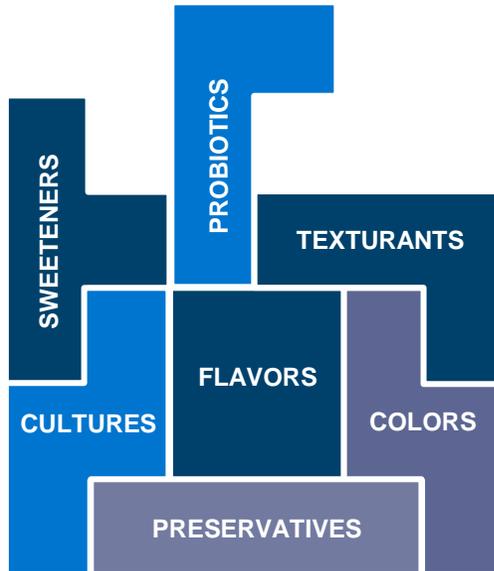
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MARKET HAS EVOLVED

Reshaping industry for Specialty Ingredient Producers

UNTIL NOW

“multiple ingredients”



Multiple ingredients sold as a “bundle” or individually



Natural / Clean Label



Customization



Alternative Proteins



Food Safety / Traceability



Less-of / Free-from



Health-plus / Prevention

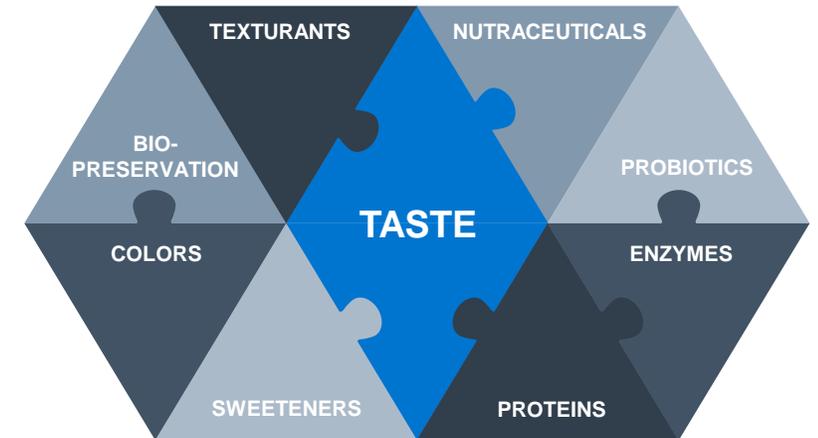


Immunity and Wellbeing

- Specialty ingredients key to satisfying changing choices, behaviors and preferences
- Ingredient solutions enable consumer-preferred innovation
- COVID-19 and customer concerns to further enhance industry trends

GOING FORWARD

“Integrated Ingredient Solutions”

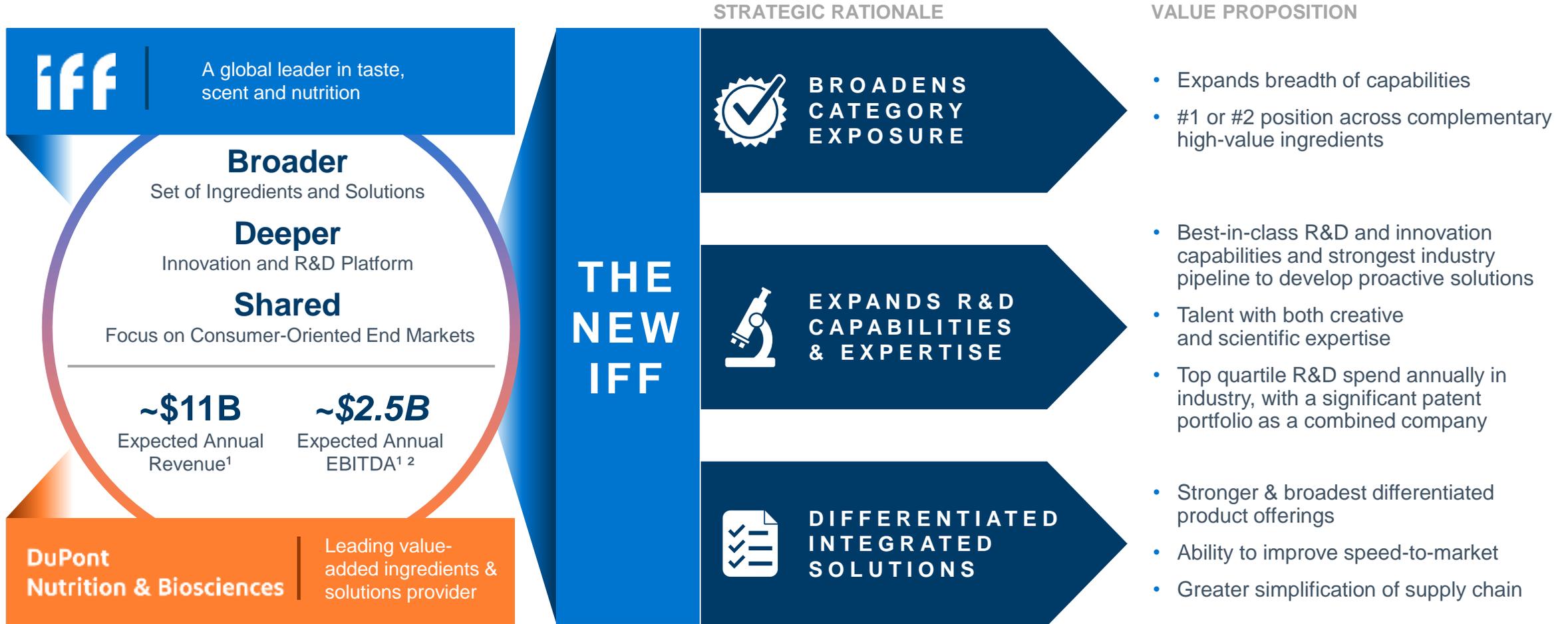


Taste is at the core combining capabilities for 'full service solutions' and is the top driver of food choice for 86% of consumers¹

However, product offering for tomorrow needs to bring also other benefits “needs to be good for me and taste great too”

A COMPELLING COMBINATION

Significant value creation opportunities across all stakeholders



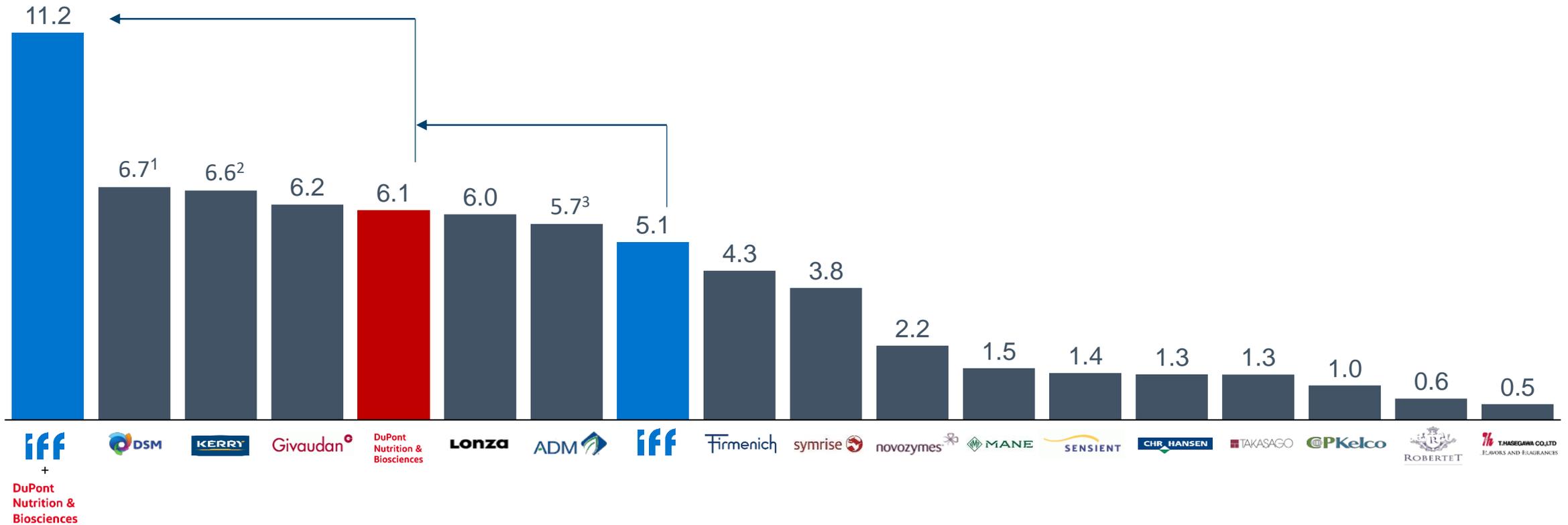
1. As stated in Q4 and FY 2020 press release on February 10, 2020

2. Before anticipated benefit of cost synergies

REDEFINING OUR MARKET POSITION

Strategic transformation to become a stronger organization

2019 ANNUAL SALES (\$ Billions)



1. 2019 Nutrition Segment sales.
 2. Includes 2019 Taste and Nutrition Segment Sales.
 3. Includes ADM Nutrition Segment Sales.



THE NEW INDUSTRY-DEFINING LEADER

Scale & portfolio strength creates competitive advantage as industry transforms

+\$11B

pro-forma
revenue

Net sales
of +\$11B¹ is
~\$4B or ~60%
higher than
nearest peer

1.5X

pro-forma
R&D investment

Industry-leading
R&D investment
with an annual
budget 1.5x the
size of peers

#1 or #2

in core
categories

Leader in nutrition,
cultures, enzymes,
probiotics, soy
proteins, flavor
& fragrances

~26%

pro-forma
EBITDA
margin²

Best-in-class
financial profile
including
synergies
benefits

~48%

pro-forma sales to
small, medium &
private label
customers³

45,000+
customers;
Majority in
high-growth
segments

~43%

pro-forma
emerging
market
revenue

Truly global
footprint with
significant
exposure to
high growth
markets

1. As stated in Q4 and FY 2020 press release on February 10, 2020

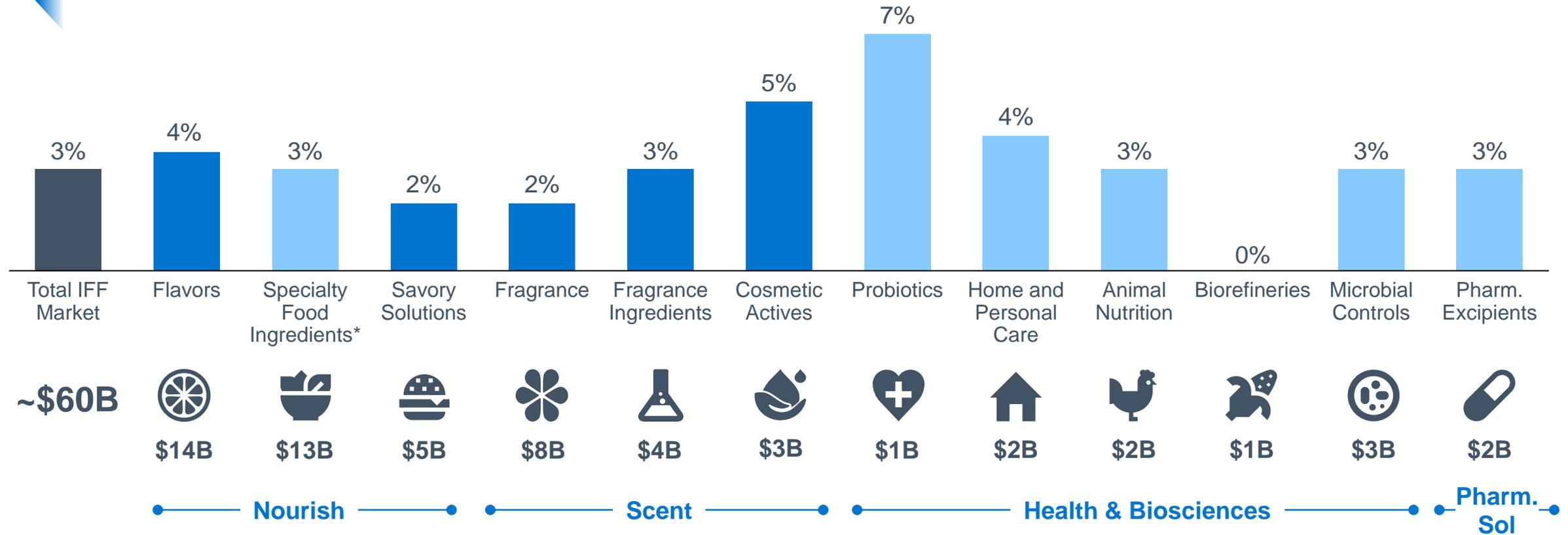
2. Inclusive of synergy realization

3. Small, Medium & private label customers defined as annual sales less than \$5M annually

EXPOSURE TO NEW MARKETS

Increased market potential & greater growth exposure

EXPECTED MARKET SIZE & GROWTH RATES



Legacy N&B Legacy IFF

1. Specialty Food Ingredients include Food Cultures and Enzymes
 2. Note: N&B market size are based on in-kind addressable market
 Source: Company estimates

CONSUMER TRENDS RESHAPING VALUE CHAIN

Significant opportunity for IFF customers with innovation

SUSTAINED TRENDS	ACCELERATING TRENDS	IMPACTING ALL CUSTOMERS
▶ Natural, health & wellness	⋈ Healthy Food	▶ Global Champions
▶ Clean label	⋈ Plant Protein	▶ Regional Leaders
▶ Traceability & sustainability	⋈ Snacking	▶ Private Label
	⋈ Active Self-Care	▶ Emerging Brands
	⋈ Hygiene	
	⋈ Natural Health	
	⋈ Food Safety & Waste	



All of this leads to higher expectations of CPG value chain partners

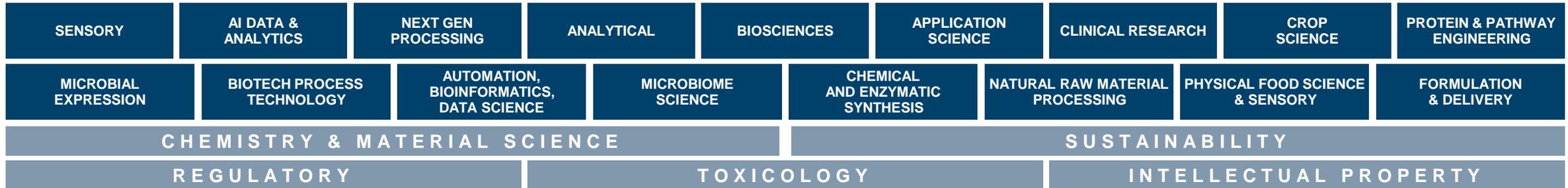
INDUSTRY LEADING R&D PLATFORM

Bringing science and creativity together

Focused Technology & Innovation Platforms



Enabling Capabilities



Demand Across Shared End Markets



HIGHLY COMPELLING POSITION WITH CUSTOMERS

Strongest, most diverse customer base in the industry

STRONG REPRESENTATION ACROSS ALL CUSTOMER SETS

CUSTOMER TYPE



Global Multinational Champions



Regional Leaders



New & Emerging Brands;
Private Label

POWERFUL TRENDS



- Focused on natural, health, clean label, and traceability
- Partnering for growth & innovation

- Fast growing, focused on nutrition and health
- Partnering for scale and global expansion

- Growing need for integrated solutions
- Partnering for rapid growth and global expansion

~45,000
CUSTOMERS

~52%

Large CPGs
Strong access to
Global CPG core lists

~48%

Mid-Sized, Small,
Private Label CPGs
Faster growth segments

WELL-POSITIONED TO WIN

Strongest partner to co-create essential solutions for on-trend innovation

CUSTOMER EXPECTATIONS



Customers are outsourcing innovation & becoming increasingly focused on securing “co-creation” partners

- Technological advantages a key selling point
- Speed of innovation to beat competitors to market
- Integrated solutions to drive efficiency



Small & Medium customers and emerging markets expected to outgrow established channels

- Impacted during COVID-19, however, expected to re-establish higher growth trajectory post pandemic
- GLOBAL reach and LOCAL expertise increasingly important

IFF'S COMPETITIVE ADVANTAGE

- ✓ Leading co-creation capability supported by the breadth and depth of ingredients portfolio as well as leading R&D capability & creative expertise
- ✓ Single Point of Contact for development, troubleshooting, quality assurance/ control
- ✓ Multiple ingredient compatibility no longer an issue
- ✓ Global platform with local capability: enabling access to local ingredients and consumer insight knowledge
- ✓ Custom and differentiated innovation for all product segments: development of "next gen" products

BROADEST PRODUCT OFFERING

Enhanced offering with the highest product value for all customers

IFF OFFERING

VALUE TO CUSTOMER



Single Ingredients

Highly competitive field

Broadest portfolio
of single ingredients

Quality of category-leading
ingredient portfolio



Multiple Ingredients

Several global leaders

One-stop shop for
multiple ingredients

Quality of category leader
Improved product delivery
Supply chain efficiency

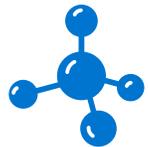


Integrated Solutions

Handful of early adopters

End-to-end partnership
from concept to delivery

Strongest products within market
Increased speed to market
Control of R&D through value chain
Product development cost efficiency



Market First Products

New IFF

Breakthrough technologies
from R&D (i.e., biotechnology)

First to market with truly
differentiated products

UNRIVALLED INNOVATION PLATFORM

Unlocking value for customers in line with consumer demand



FABRIC CARE

Superior Cold Water Laundry Detergent



FOOD & BEVERAGE

Better Plant-Based Burger



INGREDIENTS

More Secure & Robust Ingredient Pipeline

CONSUMER EXPECTATIONS

Hygiene Sustainability Clean Label

Plant Protein

Health & Wellness

Food Safety

Sustainability

Health & Wellness

POTENTIAL OF NEW IFF PLATFORM

Enzymes

Fluidity, Stain removal, Malodor

Microbial Control

Antimicrobial & shelf-life

Fragrance

Scent & odor coverage

Encapsulation

Fit-for-purpose delivery and performance

Texturants Mouthfeel

Binders "Glue" ingredients together

Plant-Based Protein Nutritional component

Emulsifiers Bun yield

System Blends Dairy-free cheese

Flavor & Seasonings Taste

Taste Modulation Bitterness & salt reduction

Delivery Systems Flavor performance

Natural Antioxidants Food

Natural Color & Grill Mark Appearance & clean label

Libraries Extensive Portfolio

Enzymes Optimizing Synthetic Processes

Biotechnology De-Risking Supply

New Molecule Discovery Scent Ingredients

Green Chemistry Consumer-Friendly Processes

Renewability Environmentally Responsible Sourcing

Natural or Natural Derived Consumer-Friendly Materials

CUSTOMER BENEFITS

- ✓ Product efficacy
- ✓ Speed to market
- ✓ Supply chain efficiency

- ✓ Product efficacy
- ✓ Speed to market
- ✓ Traceability
- ✓ R&D and supply chain efficiency

- ✓ Product efficacy
- ✓ Breakthrough innovation

PROVEN ABILITY TO ACCOMPLISH OBJECTIVES

Our commitment to ESG has set the standard for the industry

- ▶ We are committed to **making real progress** at every opportunity
- ▶ Met and exceeded 3 of 4 2020 environmental goals and set aggressive 2025 EcoEffective+ goals
- ▶ Sustainability reporting in GRI framework since 2010 and in SASB framework since 2019
- ▶ We encourage our customers and employees to **rethink conventional wisdom** delivering what the world needs

RATINGS



ESG Score: 79 (Leader)
6 / 127 Chemicals industry

Produced by Sustainalytics as of December 17, 2019



Produced by MSCI ESG Research as of December 10, 2020

Bloomberg

ESG Disclosure: 65.7

Source: Bloomberg Finance L.P.

RANKINGS

Member of
**Dow Jones
Sustainability Indices**

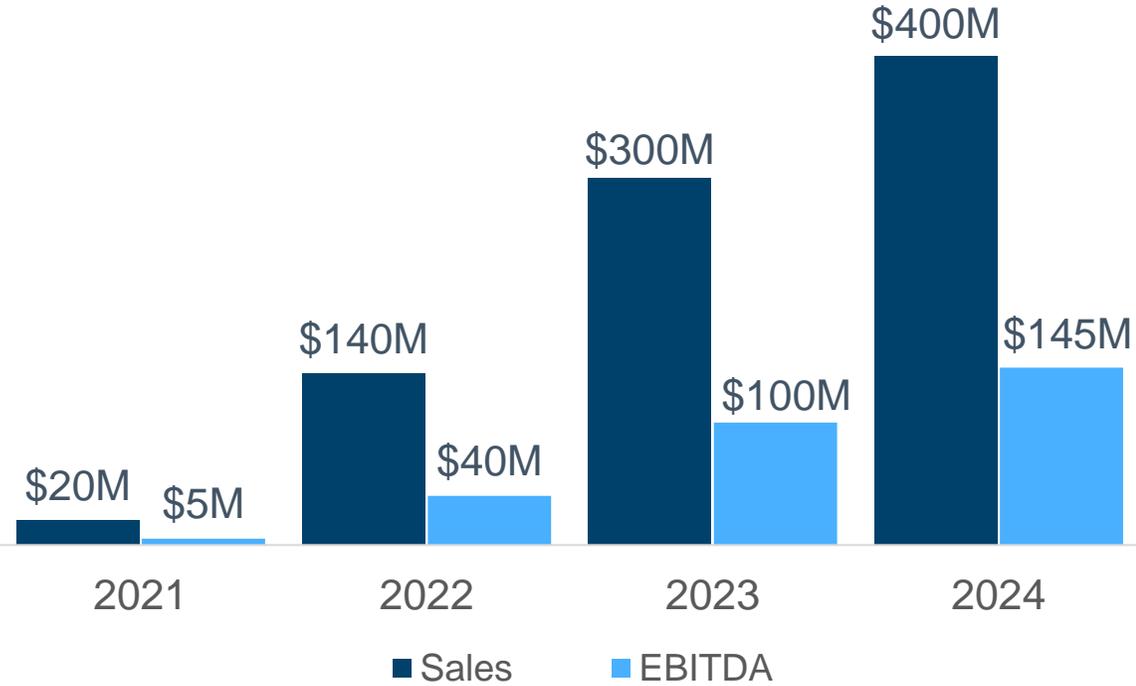
Powered by the S&P Global CSA



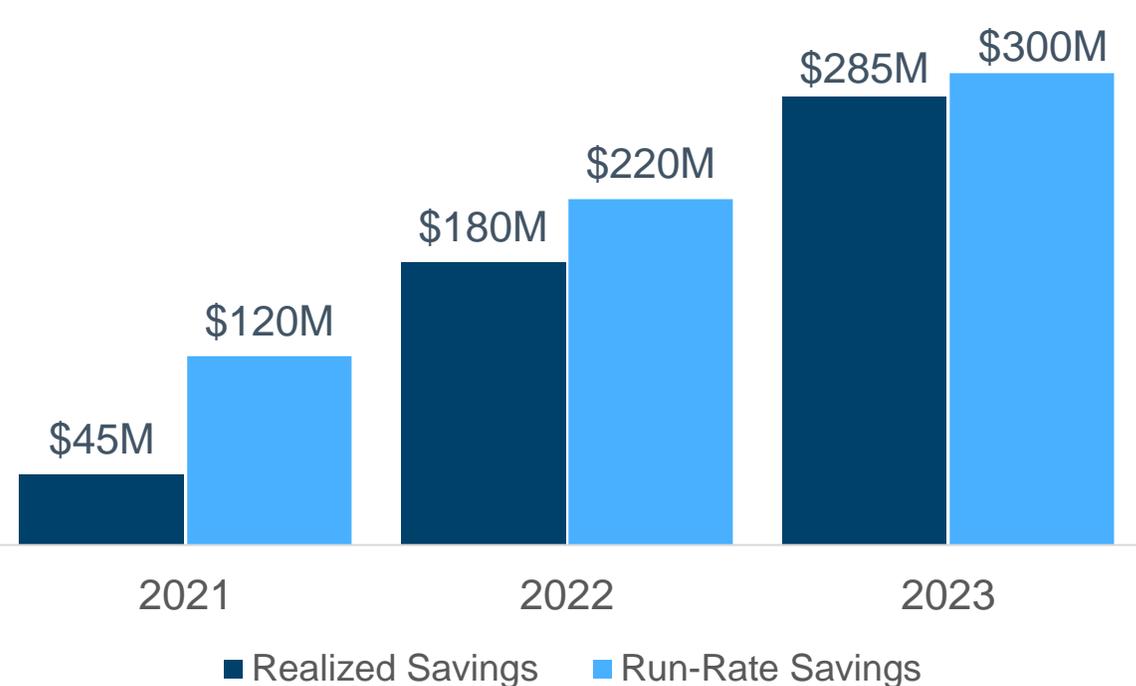
COMPELLING VALUE CREATION

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

- Engaged with top 100 global and regional customers to introduce joint portfolio & capabilities
- Accelerated co-development partnerships with global customers (previously a 3-way NDA)
- Activated cross-divisional innovation collaborations in R&D and applications (i.e., Scent & Enzymes)
- Launched combined Commercial Excellence and Integrated Solutions teams
- Refined resource allocation strategy (R&D, go-to-market... etc.) and potential divestitures based on full combined company visibility

COST SYNERGY

- Final budget incorporates synergies to ensure alignment of objectives & incentive compensation
- Initiated procurement – direct and indirect – summits based on full combined company visibility
- Finalized transition plans to global share service centers for HR, Finance & Procurement
- Reduced target stand costs to prioritize “required” spend & eliminate non-value add cost
- 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 Flow¹
Generation
in 2023²

<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

CAPITAL ALLOCATION POLICY

Committed to maintaining strong balance sheet to deliver shareholder value

CAPEX INVESTMENT TO SUPPORT BUSINESS

1

Debt Repayment

Free cash flow net of dividend payments to be deployed to pay down debt

2

Dividend Policy

IFF is committed to maintaining current policy

3

Portfolio Optimization

IFF intends to evaluate and execute possible divestiture candidates post transaction close

4

Share Buyback Program

IFF expects to reauthorize a share buyback program once <3.0x leverage target realized

Balanced Capital Allocation Policy to Enhance Total Shareholder Returns

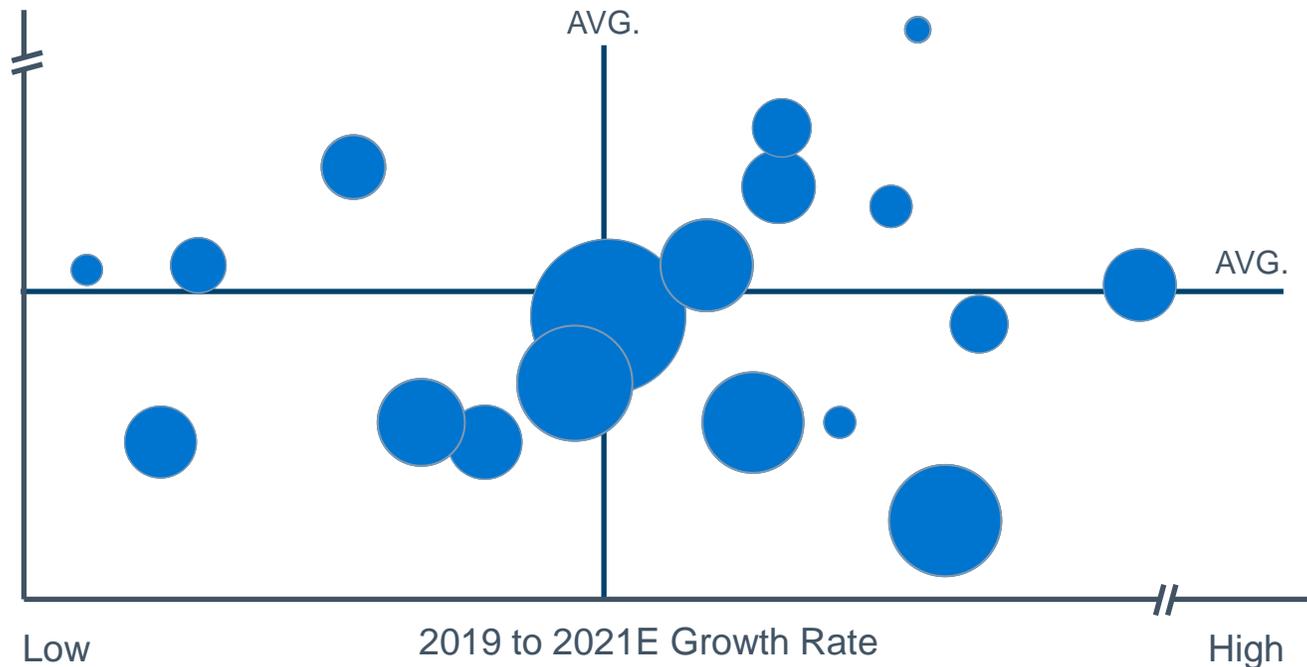
PORTFOLIO OPTIMIZATION

Implementing resource prioritization & portfolio actions

IFF Categories

EBITDA Margin (%)

High



● Relative Bubble Size = Estimated Annual Sales

**RESOURCE
ALLOCATED
TO MAXIMIZE
RETURNS**

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
EBITDA¹
MARGIN

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 PERFORMANCE¹



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

KEY PRIORITIES AHEAD: EXECUTION

Success will be defined by total shareholder return performance

INTEGRATION

1

- Dedicated IMO team that is responsible for milestones achievement & appointment of cost synergy lead, fully accountable to deliver cost synergy plan
- Established Board Integration Sub-Committee, with updates on synergy progression to full Board Appointment each meeting

COST

2

- Substantial opportunity to drive margin expansion with \$300M of synergies
- Driving cost reductions in administrative expenses to ensure IFF is best-in-class versus industry standard
- Continue to drive “core” productivity programs within business

GROWTH

3

- Maintain market-leading growth in Scent; Reinvigorate growth in Taste
- Accelerate growth in year two and year three via revenue synergies
- Implement resource prioritization – invest in growth accretive categories – and optimize non-core portfolio via potential divestiture

SUMMARY

- 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
- Balanced capital allocation policy that focuses on deleveraging & returning capital to shareholders to enhance total shareholder return
- Solid full year 2020 financials amid the COVID-19 pandemic
- Strong start to 2021, and immediately executing pre-planned initiatives to accelerate synergy realization

iff

**CAGNY
2021**

Eau de Parfum
1.7 fl oz / 50.2 mL

SAMPLE - NOT FOR RESALE.
Sample is for CAGNY conference
demonstration purpose only. Please
discard after the conference.

**SHARING A
BEAM OF
LIGHT WITH
YOU THROUGH
THIS SUNSHINE
FILLED SCENT**

