



Media Release

Geneva, 27 August 2015

Responsible Growth. Shared Success.

Givaudan aims to outperform the market and deliver a continued strong free cash flow over the next five years

Givaudan announces ambitions for the next five years:

- Average organic sales growth of 4 - 5 %¹, in close partnership with our customers
- Average free cash flow of 12 - 17 % of sales¹, with an increased focus on operational excellence
- Responsible growth, by decoupling growth and environmental impact through ambitious new eco-efficiency targets

Givaudan today announced its financial ambitions and roadmap for the next five years. The Company seeks to ensure responsible growth and shared success for its shareholders, customers and all key stakeholders.

“We intend to create further shareholder value through profitable growth and acquisitions. In order to create long-term value, we will capitalise on our market leadership, and most importantly, continue to build close partnerships with our customers,” said Givaudan Chief Executive Officer Gilles Andrier. He added: “Over the next five years, we aim for continued ambitious financial targets with an average of between 4 and 5% organic sales growth and an average free cash flow between 12 and 17% of sales.”

Givaudan’s success over the next five years will be rooted in its three-pillar roadmap to create responsible growth and shared success:

Growing with customers

Givaudan emphasises its strong commitment to keeping customers at the heart of its business. To best accompany customers in their growth and desire to market brands consumers love, the Company will leverage its knowledge of local, regional and global markets and consumer preferences together with its unique development capabilities.

With a shift in global consumer purchasing power to countries like China and India, Givaudan will further expand its strong position within **high growth markets**. The Company will also capture growth from **consumer preferred products**, especially in categories and markets where evolving preferences present further opportunities. With the global population growing older and obesity rates on the rise, solutions that address the consumer demand for **health and well-being** products to target signs of ageing and support a more active, healthier and balanced lifestyle will continue to be a priority. Finally, Givaudan will look beyond its core flavours and fragrances to **integrated solutions** that enhance the Company’s value proposition to customers and create new avenues for growth.

Givaudan targets to create incremental value through acquisitions in the areas of integrated solutions for food and beverages, as well as health and well-being, which also includes active cosmetic ingredients.

Delivering with excellence

Givaudan embraces a mindset of excellence and incorporates this into all of its products, services and business processes to deliver a superior customer experience.



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"We will drive both a deep customer focus and further efficiency improvements throughout the organisation to strengthen our value proposition while controlling our costs," commented Matthias Währen, Chief Financial Officer. He added: "The Company remains committed to returning a significant portion of its free cash flow to shareholders and maintaining our current dividend practice over the next five years."

Partnering for shared success

Givaudan strives to become the 'partner of choice', creating shared success for the Company and its key stakeholders. Givaudan will continue its industry-leading investment into **innovation**, increasing its network of strategic partners and expanding its bioscience capabilities. Givaudan will significantly invest into its talent and foster a great place to work where **employees** can impact their world and contribute to the success of the Company. In collaboration with **suppliers**, Givaudan will further enhance its responsible sourcing whilst optimally managing its supply risk and cost to deliver the best palette of ingredients for its creations. Finally, Givaudan also embraces its responsibility to minimise its impact on the environment while strengthening the social and economic fabric of the **communities** within which it operates.

In 2010, Givaudan set itself challenging eco-efficiency targets for 2020 which we will achieve ahead of schedule for energy, waste and CO₂. Therefore, Givaudan announces a strengthening of its 2020 eco-efficiency targets to reflect the Company's ambition to decouple growth and environmental impact. Givaudan aims to stabilise environmental impact while increasing production volumes. To achieve this, Givaudan will implement initiatives that will reduce its annual CO₂ footprint by at least 4% of the absolute CO₂ footprint of the previous year. In addition, the Company will reduce its waste production and energy consumption per tonne of product by 4% each year as compared to the previous year. Finally, Givaudan reiterates its commitment to reducing water usage by 15% per tonne of product between 2010 and 2020.

Note to editors

¹ Financial targets

Organic sales and free cash flow are both average targets over the five year period

About Givaudan

Givaudan is the global leader in the creation of fragrances and flavours. In close collaboration with food, beverage, consumer product and fragrance partners, Givaudan develops tastes and scents that delight consumers the world over. With a passion to understand consumers' preferences and a relentless drive to innovate, Givaudan is at the forefront of creating fragrances and flavours that 'engage your senses'. The Company achieved sales of CHF 4.4 billion in 2014. Headquartered in Switzerland with local presence in over 80 locations, the Company has more than 9,500 employees worldwide. Givaudan invites you to discover more at www.givaudan.com.

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