



Sensient Technologies Corporation



Forward Looking Statements

This document contains statements that may constitute “forward-looking statements” within the meaning of Federal securities laws. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors concerning the Company’s operations and business environment. Important factors that could cause actual results to differ materially from those suggested by these forward-looking statements and that could adversely affect the Company’s future financial performance include the following: the Company’s ability to manage economic and capital market conditions and the impact of recessions and economic downturns; the impact of macroeconomic and geopolitical volatility, including inflation and shortages impacting the availability and cost of raw materials, energy, and other supplies; the availability and cost of labor, logistics, and transportation; the impact and uncertainty created by the COVID-19 pandemic and efforts to manage it on the global economy, including, but not limited to, its effects on our employees, facilities, customers, and suppliers, governmental regulations and restrictions, and general economic conditions; the uncertain impacts of the ongoing conflict between Russia and Ukraine on our supply chain, input costs, including energy and transportation, and on general economic conditions; the pace and nature of new product introductions by the Company and the Company’s customers; the Company’s ability to anticipate and respond to changing consumer preferences and changing technologies; the Company’s ability to successfully implement its growth strategies; the outcome of the Company’s various productivity-improvement and cost-reduction efforts, acquisition and divestiture activities, and operational improvement plan; industry, regulatory, legal, and economic factors related to the Company’s domestic and international business; the effects of tariffs, trade barriers, and disputes; growth in markets for products in which the Company competes; industry and customer acceptance of price increases; actions by competitors; currency exchange rate fluctuations; and other factors included in “Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022, and in other documents that the Company files with the SEC. The risks and uncertainties identified above are not the only risks the Company faces. Additional risks and uncertainties not presently known to the Company or that it currently believes to be immaterial also may adversely affect the Company. Should any known or unknown risks and uncertainties develop into actual events, these developments could have material adverse effects on our business, financial condition, and results of operations. This presentation contains time-sensitive information that reflects management’s best analysis only as of the date of this presentation. Except to the extent required by applicable laws, the Company does not undertake to publicly update or revise its forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied herein will not be realized.

Non-GAAP Financial Measures

Within this document, the Company reports certain non-GAAP financial measures, including: (1) revenue, operating income, and diluted earnings per share on an adjusted local currency basis (which eliminate the effects that result from translating its international operations into U.S. dollars, divestiture & other related costs and income, the results of the divested product lines, and restructuring and other costs, which include operational improvement plan costs and income), (2) adjusted local currency results by segment (which exclude divestiture & other related costs and income, operational improvement plan costs and income, and the results of the divested operations), (3) percentage changes in revenue, operating income, diluted earnings per share, and EBITDA on an adjusted local currency basis (which eliminate the effects that result from translating its international operations into U.S. dollars, divestiture & other related costs and income, the results of the divested product lines, and restructuring and other costs, which include operational improvement plan costs and income), and (4) adjusted EBITDA (which excludes depreciation and amortization expense, non-cash share based compensation expense, the results of the divested product lines, divestiture & other related costs, and operational improvement plan costs and income). The Company has included each of these non-GAAP measures in order to provide additional information regarding the underlying operating results and comparable period-over-period performance. Such information is supplemental to information presented in accordance with GAAP and is not intended to represent a presentation in accordance with GAAP. These non-GAAP measures should not be considered in isolation. Rather, they should be considered together with GAAP measures and the rest of the information included in this presentation and the Company's SEC filings. Management internally reviews each of these non-GAAP measures to evaluate performance on a comparative period-to-period basis and to gain additional insight into underlying operating and performance trends. The Company believes this information can be beneficial to investors for these same purposes. These non-GAAP measures may not be comparable to similarly titled measures used by other companies. Refer to "Non-GAAP Financial Measures" at the end of this presentation for reconciliations and additional information.



Sensient Overview



Leading global manufacturer and marketer of colors, flavors, and other specialty ingredients

Using advanced technologies and robust global supply chain capabilities to develop specialized solutions

A background image for the Flavors & Extracts section showing various natural ingredients like flowers, herbs, and a glass of orange juice.

Flavors & Extracts

2022 Revenue: \$738M

Flavors
Extracts
Taste Technologies
Natural Ingredients
BioNutrients
Essential Oils

A background image for the Colors section showing vibrant blueberries and a glass of purple smoothie.

Colors

2022 Revenue: \$604M

Food & Beverage
Pharmaceutical
Cosmetics
Industrial

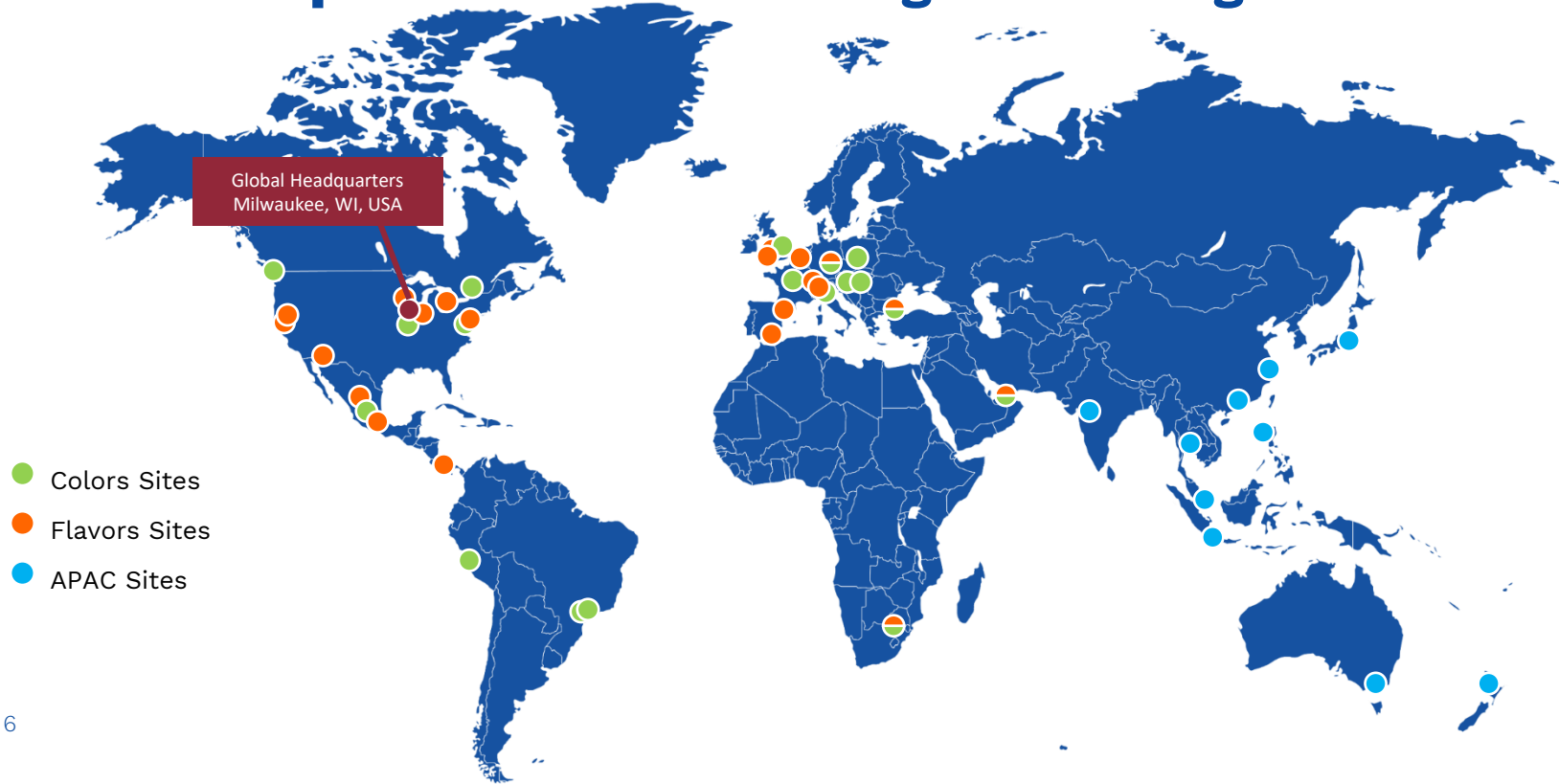
A background image for the Asia Pacific section showing fresh vegetables like green beans, bell peppers, and onions.

Asia Pacific

2022 Revenue: \$144M

Flavors & Colors
for food and beverage

Global Footprint - A Global Strategic Advantage



2022 Financial Results

	Local Currency Adjusted Revenue*	Local Currency Adjusted Operating Income*
Color Group	+15.0%	+15.1%
Flavors & Extracts Group	+5.8%	+10.3%
Asia Pacific Group	+14.4%	+22.5%
Consolidated	+9.7%	+12.5%
Local Currency Adjusted EBITDA*		+12.8%
Local Currency Adjusted Diluted EPS*		+9.9%

*Local-currency (LC) adjusted revenue, adjusted operating income, adjusted diluted EPS, and adjusted EBITDA are Non-GAAP metrics. Please see our GAAP to Non-GAAP Reconciliation at the end of this document.

2023 Q2 YTD Financial Results

	Local Currency Revenue*	Local Currency Operating Income*
Color Group	+5.7%	(0.7%)
Flavors & Extracts Group	(1.4%)	(19.3%)
Asia Pacific Group	+6.9%	+9.7%
Consolidated	+2.6%	(4.4%)
Local Currency Adjusted EBITDA*		(4.4%)
Local Currency Diluted EPS*		(10.0%)

2023 Industry Trends



Destocking

Expect volume declines related to destocking to continue to moderate as the year progresses



Inflation

Energy, growing costs, and certain commodity costs remain elevated; however, the supply chain has become less volatile



Pricing

Adjustments to cover inflation-driven costs have been significant across the value chain; however, moving forward price adjustments are expected to be more targeted as inflationary increases lessen



New Wins & Product Launches

New win rate remains strong and there is positive momentum in product launch activity

Macro Trends to Watch

1



Approachable Indulgence

Consumers are trying new products more often. Elevated visual and taste experiences dominate their preferences while shopping and consuming the product.

2



Speed to Market

The rate of new product launches suffered recently; however, long term consumer trends suggest rise in new launches by both consumer and store brand.

3



Clean Label

Natural and organic products are top decision-making criteria. Clean label message is resonating and continues to get attention.

4



Pet Category Surge

Pet ownership is rising, and consumers continue to spend on their pets. Category humanization is leading to a push for specialization of products to meet the demands of the pets and their owners.

5



Health & Wellness

The importance of physical and mental health is on the rise. Consumers are seeking products with functional benefits and eliminating unhealthy ingredients such as Salt and Sugar from their diets.



Sensient Color Group



Color Group End Market Segments Overview

Color Group Segment 2022 Revenue \$604M

Food & Pharmaceutical 2022 Revenue \$439M



Beverage



Dairy



Bakery



Grocery



Confection



Pet



Rx

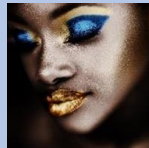


OTC



Nutraceutical

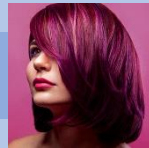
Personal Care 2022 Revenue \$165M



Makeup



Skin Care



Hair



Fragrance



Personal Care



Sensient Food Colors



Sensient Food Colors

The leading global food color house

Customer base is across all major food market segments



Beverage



Dairy



Bakery



Grocery



Pet Food



Confection



Plant-Based Meat

Food Colors Strategic Pillars

**Advanced
Natural
Color
Innovation**

**Customer-
Centric
Application
Support**

**Service
Excellence**

**Leading
Food Safety
Program**

**Key Market
and Color
Insights**

Sensient enables food and beverage manufacturers to benefit from the full potential of food color. We know how to refine the best color ingredients nature has to offer, make them perform well in food and beverages, and delight our customers with exceptional service.

Sensient Food Colors – Expertise Across the Value Chain



AGRONOMY



**Supply Certainty and
Improved Cost-in-Use**



EXTRACTION TECHNOLOGY



**Improved Performance
and Stability**



CERTASURE™



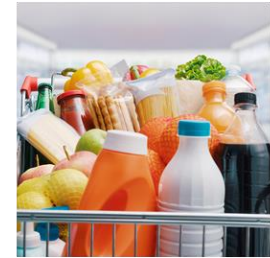
Food Safety



INNOVATION



**Advanced formulation
systems and natural
color refining
technologies**



APPLICATION EXPERTISE



**Dedicated
Color Support**

Sensient Food Colors Natural Color Journey

We are growing capabilities and capacity through a combination of R&D investments, acquisitions, capital investments, and agronomy development.



Sensient Food Colors Innovation Platforms

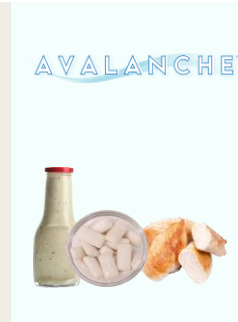
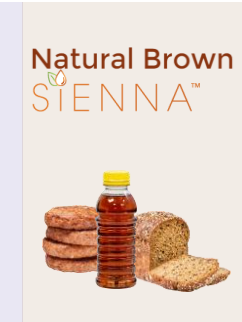
Microfine™
Simplifine™



cardea™ 'Ultra Clean'
Coloring Foods



PALM-FREE Coloring Food
COLOURS Dispersions





Market Trends & Dynamics



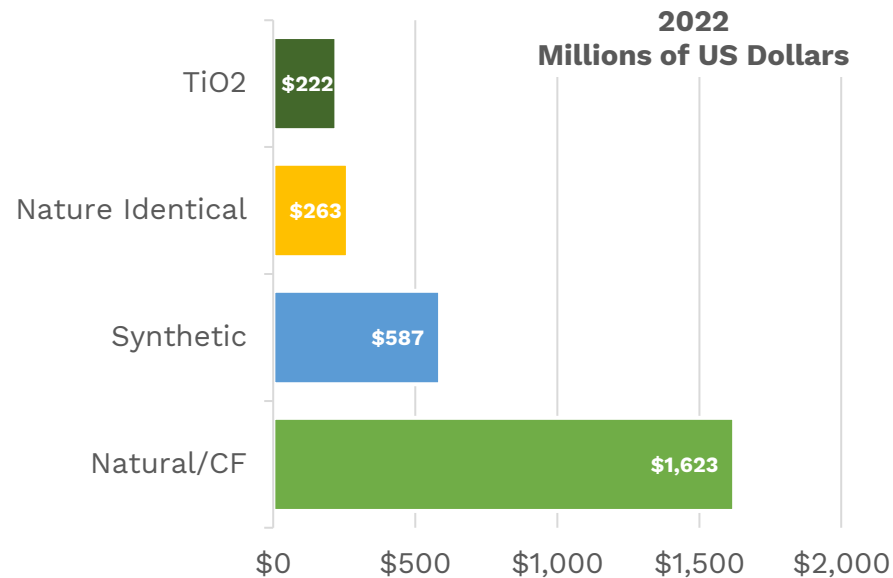
Market Size Expected to Continue to Grow

Natural color market is expected to grow at a mid-single digit rate

Natural color requires higher usage rate versus synthetic

Natural color adoption outside of Europe will continue to drive market growth

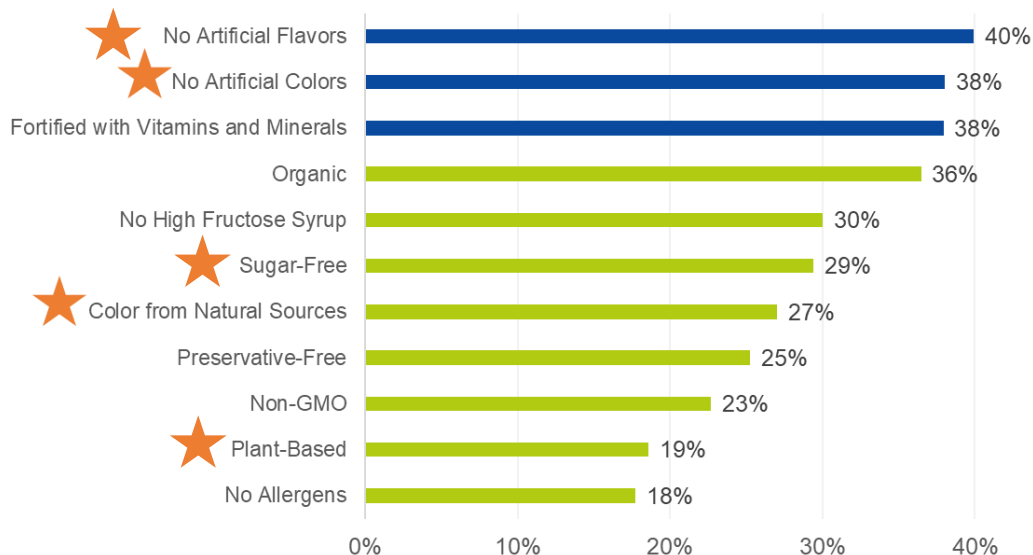
Consumer and regulatory trends contribute to ongoing market expansion



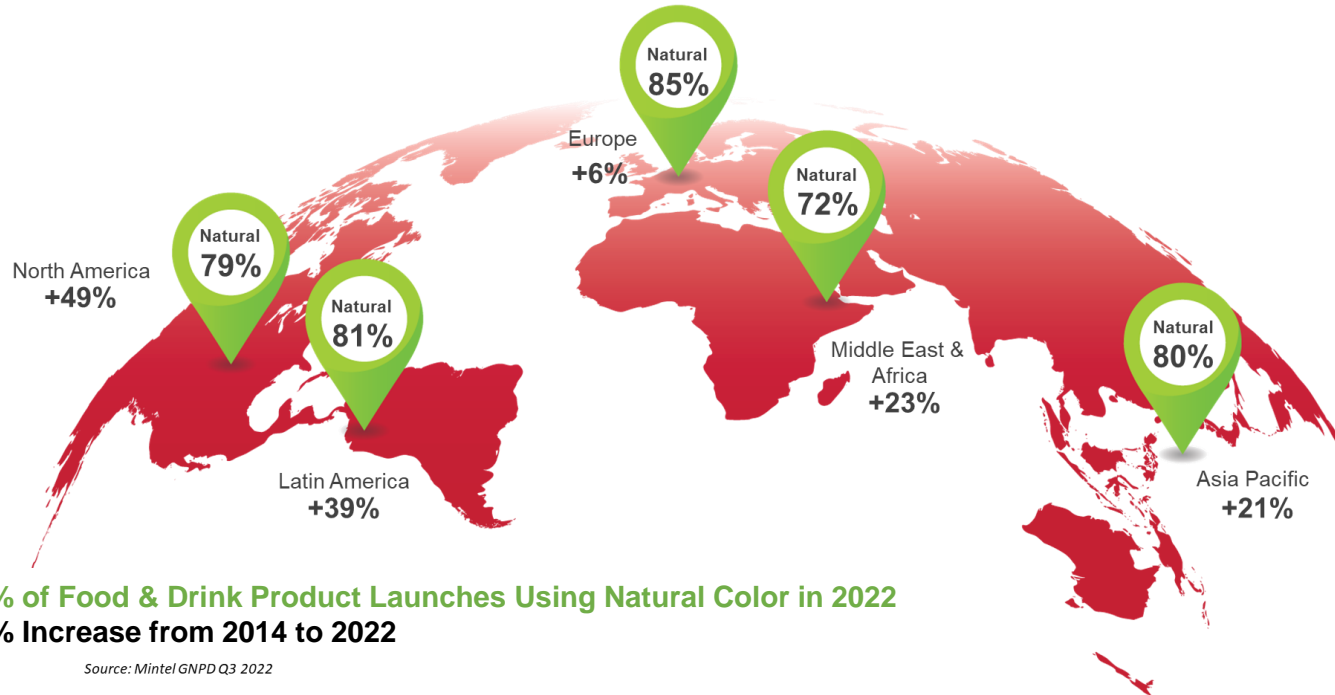
Consumer Demand For ‘Less Artificial’ is Evergreen Trend

Which of these product claims are most compelling for you when purchasing beverages?

Sensient Online Consumer Research, 2023: General Population, 18+, 1500 respondents



80% of New Product Launches Use Natural Colors



% of Food & Drink Product Launches Using Natural Color in 2022
% Increase from 2014 to 2022

Source: Mintel GNPD Q3 2022

Growth Opportunities for Sensient Food & Beverage



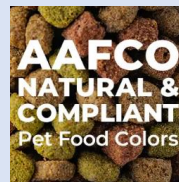
TiO₂ is under scrutiny globally

Market potential is 2x the size of the current TiO₂ market



Consumer interest in better plant-based proteins remains

Products require high color usage to meet expectations



Pet humanization driving conversion to natural colors

Market for color in pet is expected to more than double next 5 years



Transition to natural colors is global

Growth in natural color market is expected to grow MSD+ over next decade



Europe is undergoing a transition to coloring foods

Mature natural color market still should grow MSD



Sensient Personal Care



Sensient Personal Care Applications

Across all beauty applications



Face Care



Body Care



Sun Care



Make-up



Hair Colour



Hair Care



Fragrance



Oral Care



Personal Care

Sensient Personal Care Market Strategy

Value Proposition



CSR program

Lead
transparency and
traceability



Run the
trains on time

Service
excellence



Innovation

Driven by natural
trends and
regulatory
changes



Digitalization

Use of digital
tools to
seamlessly
connect with our
customers



Regulatory

Experts are at
the forefront of
new global
regulation
changes



Application
support

Regional
expertise
close to
customers



Global
production
capabilities

Close to
customer's
production sites

Growth Opportunities for Sensient Personal Care



Color protection

Many fragrance and personal care color protectors are blacklisted by our customers

Market potential for color protectors is expected to expand



Solubilizer

Customers are starting to ban PEG polymer

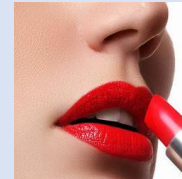
Products require higher usage to meet expectations



Surface treatment

Sustainable and traceable & easy dispersibility in water/oil

Market for ingredients with traceability is expected to continue to grow



Biobased pigment

Anticipate transition to natural colors in lipstick

Growth in natural color market over next decade



Natural colors

Combine our 3 areas of expertise; Natural colors, solubilizers, and color protection

First ready to use stable natural dye



Sensient Flavors & Extracts Group



It's a matter of TASTE

We **partner with our customers** to create **delicious** and **visually appealing** food and beverages with our team of experts and portfolio of solutions

How Sensient Wins – Our Value Proposition

1. Industry leading customer service KPIs, from samples and document turnaround, to OTIF and commercialization
2. Fully formulate product, improving customer speed to market
3. Product performance with great-tasting flavors, flavor ingredients, extracts and technologies
4. Best in class marketing collaboration



Sensient Flavors & Extracts Group

We are a supplier of **flavors, extracts, flavor ingredients, and technologies** that meets the **highest quality and service** our customers demand. We are an **agile** organization and offer **scalable** capabilities in food & beverage categories.



Sweet

- Flavors & Extracts
- Inclusions
- Sauces/Varieties
- Functional Ingredients
- Taste Technologies



Beverage

- Flavors & Extracts
- Functional Ingredients
- Taste Technologies



Savory

- Flavors & Extracts
- Taste defining Hydrolyzed Vegetable Protein's (HVP)
- Yeast Extracts (YE)
- Functional Ingredients
- Taste Technologies



Natural Ingredient

- Onion
- Garlic
- Parsley
- Chilies Varietals
- Organic Versions
- Taste Technologies (Roasted & Toasted)



BioNutrient

- Tailored nutritional blends for Human, Animal & Plant health

Capital Investment Strategy

					
2014–2019 Phase I and Phase II	2020	2021	2022	2023	
<p>Restructuring Phases I & II: Consolidated and upgraded flavor production & technical sites</p> <p>Created US & Singapore Innovation Hubs</p>	<p>Savory Flavors Capacity Expansion</p> <p>Divested Fruit Prep Business</p>	<p>Acquisitions</p> <ul style="list-style-type: none">- Flavor Solutions Inc.- New Mexico Chile Products <p>Divested Aroma Chemical Business</p> <p>Expansion of US Research Center</p>	<p>US Sweet Flavors & Inclusion Expansion</p> <p>Asia Pac Flavor Production Expansion</p>	<p>European Flavor & Compounding Automation</p> <p>European Specialty Inclusion Line</p> <p>Investment in Automation</p>	

We Support Customers from Conception to Launch

Innovation Hub



Multiple iterations in just days to increase customer speed to market

- Rapid bench formulation for F&B categories
- Preliminary nutrition & ingredient statements
- Consumer Insight and Trends led ideations.

Getting Aroma, Sight, and Taste Right!

- Better taste and visual appeal
- Project work designed around end use product
- Complete end to end product development, from consumer insights to final prototype



Collaboration

R&D Lab



Extensive cumulative technical expertise in the Food industry

- Support with flavor matches, ingredient substitution, preference, masking
- Experts in complete color and flavor systems
- Deep knowledge of end-use markets

Experienced team lead by IFT Certified Foods Scientist

- Internal and external paneling capabilities
- Fully equipped sensory laboratory
- Multiple advanced methodologies



Sensory

Scale Up



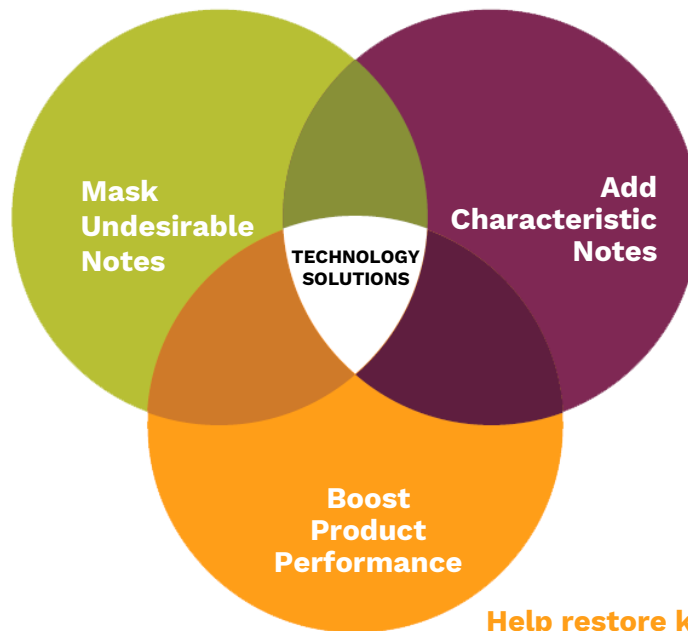
Onsite Equipment

- Reactors
- Spray Dryer
- Retort
- Lab and pilot scale equipment
- Fully equipped commercial kitchen

Sensient Flavors & Extracts Technology Platforms

MASKING

Technologies to help mask off notes that impact product performance.



ADDING

Taste defining technologies and ingredients bring something new to enhance product performance.

BOOSTING

Help restore key aspects of product enjoyment, or enhance missing taste elements such as mouthfeel, juiciness, umami, sweetness, and salt.

End Market Segment and Growth Areas

Beverages

One of the most dynamic flavor forward categories with low barrier to entry and diverse products



Ice Cream & Novelties

Globally, one of the largest segments with consistent growth and high product churn



Bakery

Category driven by routines and habits is looking for innovation and taste differentiation



Plant-Based

This product segment is the future and its success will depend on solving taste and texture likeability challenges



Sauces, Dips & Dressings

These products are a preferred way to bring taste variety to a meal at home or at a QSR



Soups

A staple comfort food with a vast variety of taste options driven by texture and ingredient choices



Meat

Maintaining juiciness and moisture continuously presents a challenge



Salt & Sugar Reduction

Wellness trend is driving change across entire F&B, presenting taste challenges in many of the products





Appendix*

*Amounts in thousands, except percentages and per share amounts



Non-GAAP Financial Measures

<u>Revenue</u>	Year Ended December 31,					
	2022	Adjustments*	Adjusted 2022	2021	Adjustments*	Adjusted 2021
Flavors & Extracts	\$ 738,003	\$ -	\$ 738,003	\$ 739,427	\$ (27,837)	\$ 711,590
Color	604,017	-	604,017	545,270	(2,080)	543,190
Asia Pacific	143,581	-	143,581	135,348	(295)	135,053
Intersegment elimination	(48,562)	-	(48,562)	(39,781)	150	(39,631)
Consolidated	<u>\$1,437,039</u>	<u>\$ -</u>	<u>\$ 1,437,039</u>	<u>\$1,380,264</u>	<u>\$ (30,062)</u>	<u>\$ 1,350,202</u>
 <u>Operating Income</u>						
Flavors & Extracts	\$ 105,424	\$ -	\$ 105,424	\$ 98,660	\$ (2,368)	\$ 96,292
Color	114,619	-	114,619	103,575	575	104,150
Asia Pacific	29,492	-	29,492	26,330	(87)	26,243
Corporate & Other	(52,784)	(2,532)	(55,316)	(58,537)	12,243	(46,294)
Consolidated	<u>\$ 196,751</u>	<u>\$ (2,532)</u>	<u>\$ 194,219</u>	<u>\$ 170,028</u>	<u>\$ 10,363</u>	<u>\$ 180,391</u>

* For Revenue, adjustments consist of revenues of the divested product lines. For Operating Income, adjustments consist of the results of the divested product lines, divestiture & other related costs and income, and 2021 operational improvement plan costs and income.

Non-GAAP Financial Measures

Diluted earnings per share (GAAP)

Divestiture & other related (income) costs, net of tax	(0.04)	0.38
Results of operations of the divested product lines, net of tax	-	(0.03)
Operational improvement plan income, net of tax	-	(0.03)

Adjusted diluted earnings per share

Year Ended December 31,		
2022	2021	% Change
\$ 3.34	\$ 2.81	18.9%
(0.04)	0.38	
-	(0.03)	
-	(0.03)	
<u>\$ 3.29</u>	<u>\$ 3.13</u>	<u>5.1%</u>

Operating income (GAAP)

Depreciation and amortization	52,467	52,051
Depreciation and amortization, divested product lines	-	(146)
Share-based compensation expense	16,138	9,573
Divestiture & other related (income) costs, before tax	(2,532)	14,138
Results of operations of the divested product lines, before tax	-	(1,880)
Operational improvement plan income, before tax	-	(1,895)

Adjusted EBITDA

Year Ended December 31,		
2022	2021	% Change
\$ 196,751	\$ 170,028	15.7%
52,467	52,051	
-	(146)	
16,138	9,573	
(2,532)	14,138	
-	(1,880)	
-	(1,895)	
<u>\$ 262,824</u>	<u>\$ 241,869</u>	<u>8.7%</u>

Non-GAAP Financial Measures

	Year Ended December 31, 2022			
	Total	Foreign Exchange Rates	Adjusted Local Currency	Adjusted Local Currency
Revenue				
Flavors & Extracts	(0.2%)	(2.2%)	(3.8%)	5.8%
Color	10.8%	(3.8%)	(0.4%)	15.0%
Asia Pacific	6.1%	(8.0%)	(0.3%)	14.4%
Total Revenue	4.1%	(3.4%)	(2.2%)	9.7%
Operating Income				
Flavors & Extracts	6.9%	(0.9%)	(2.5%)	10.3%
Color	10.7%	(5.1%)	0.7%	15.1%
Asia Pacific	12.0%	(10.1%)	(0.4%)	22.5%
Corporate & Other	(9.8%)	0.0%	(29.4%)	19.6%
Total Operating Income	15.7%	(5.2%)	8.4%	12.5%
Diluted Earnings Per Share	18.9%	(5.3%)	14.3%	9.9%
Adjusted EBITDA	8.7%	(4.1%)	N/A	12.8%

** For Revenue, adjustments consist of revenues of the divested product lines. For Operating Income, Diluted Earnings per Share, and Adjusted EBITDA, adjustments consist of the results of the divested product lines, divestiture & other related costs and income, and 2021 operational improvement plan costs and income.*

Non-GAAP Financial Measures

	Six Months Ended June 30,		
	2023	2022	% Change
Operating income (GAAP)	\$ 102,429	\$ 108,033	(5.2%)
Depreciation and amortization	28,590	26,180	
Share-based compensation expense	4,766	8,691	
Adjusted EBITDA	\$ 135,785	\$ 142,904	(5.0%)

Non-GAAP Financial Measures

	Six Months Ended June 30, 2023		
		Foreign	
	Total	Exchange	Local
Revenue		Rates	Currency
Flavors & Extracts	(1.3%)	0.1%	(1.4%)
Color	5.6%	(0.1%)	5.7%
Asia Pacific	3.1%	(3.8%)	6.9%
Total Revenue	2.2%	(0.4%)	2.6%
Operating Income			
Flavors & Extracts	(19.0%)	0.3%	(19.3%)
Color	(1.2%)	(0.5%)	(0.7%)
Asia Pacific	5.6%	(4.1%)	9.7%
Corporate & Other	(19.0%)	0.0%	(19.0%)
Total Operating Income	(5.2%)	(0.8%)	(4.4%)
Diluted Earnings Per Share	(11.1%)	(1.1%)	(10.0%)
Adjusted EBITDA	(5.0%)	(0.6%)	(4.4%)