

TATE & LYLE



TATE & LYLE PLC
INVESTOR PRESENTATION
JUNE 2020

INTRODUCING TATE & LYLE

Formed in 1921 following merger of Henry Tate & Sons and Abram Lyle & Sons	Member of FTSE 250 Headquartered in London
£2.9bn revenue ¹ and £331m profit ^{1,2}	Food, beverage, industrial and pharma customers in > 120 countries
Plants, labs and offices in > 30 countries	17 application and technical service labs globally
c.4,200 employees worldwide	~1.5m acres of corn processed each year

¹ For the year ended 31 March 2020

² Adjusted profit before tax

Our Strategy

- Growing **Food & Beverage Solutions** by building leading positions in three categories globally – beverage, dairy, and soups, sauces and dressings – and in two or three additional categories in each region where we have expertise. Managing **Sucralose** to generate cash.
- Driving value from **Primary Products** by optimising its portfolio to deliver steady earnings and generate cash.

Values



Safety



Integrity



Respect

Behaviours



Partnership



Agility



Execution

Living our Purpose

Improving Lives for Generations

We believe we can successfully **grow our business** and have a **positive impact on society**



Supporting healthy living

We help people make **healthier** and **tastier choices** when they eat and drink, and lead more **balanced lifestyles**



Building thriving communities

We help build **thriving communities** where we operate and **support people** to achieve their potential



Caring for our planet

We **care for our planet** and help protect its **natural resources** for the benefit of **future generations**

New Commitments for 10 years to 2030

An Integrated Business



Investment Case

A Clear Strategy

FOOD & BEVERAGE SOLUTIONS

TOP AND BOTTOM LINE GROWTH

By building leading positions in:

- Three global categories – beverage, dairy, and soups, sauces and dressings
- Two or three additional categories in each region where we have local expertise

SUCRALOSE

MANAGE FOR CASH – HIGH RETURN ON ASSETS

PRIMARY PRODUCTS

STABLE EARNINGS AND CASH GENERATION

By managing its portfolio to:

- Optimise product and category mix
- Drive operational efficiency
- Diversify into new and growing end-markets

Accelerating Performance Through Three Priorities

SHARPEN – Focus on Customer

- Product to category
- Integrated commercial organisation

ACCELERATE – Portfolio Development

- New product commercialisation
- Partnerships and Open Innovation
- More active focus on acquisitions

SIMPLIFY – and Drive Productivity

- Drive faster decision-making
- Integrated productivity agenda

Deliver Returns for Shareholders

EARNINGS PER SHARE – Accelerate growth

ORGANIC RETURN ON CAPITAL EMPLOYED – Improve returns

DIVIDEND – Maintain progressive dividend policy

Three Key Priorities

Supporting performance

SHARPEN



- Increasing customer interaction
- Collaborating in new ways
- Expanding labs in emerging markets

Top-line growth

ACCELERATE



- Better balance in innovation portfolio
- New Product sales growing
- New partnerships with start-ups

Faster innovation

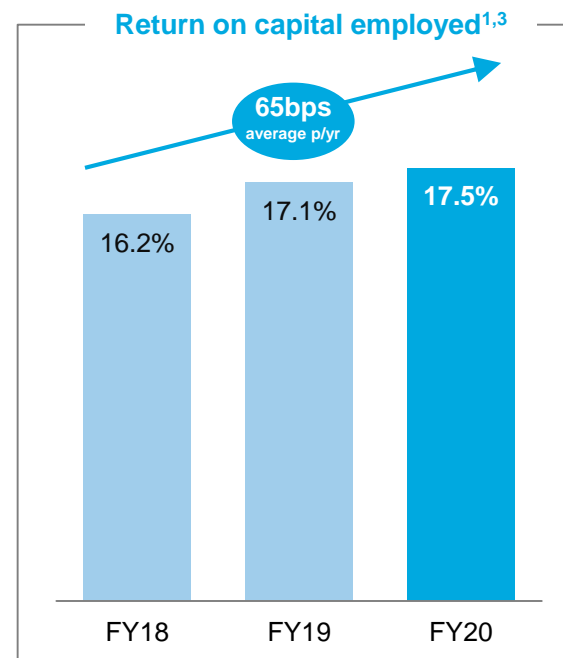
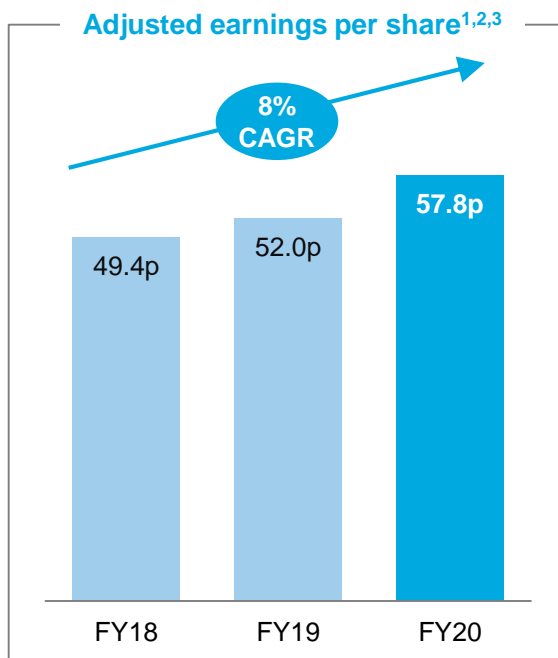
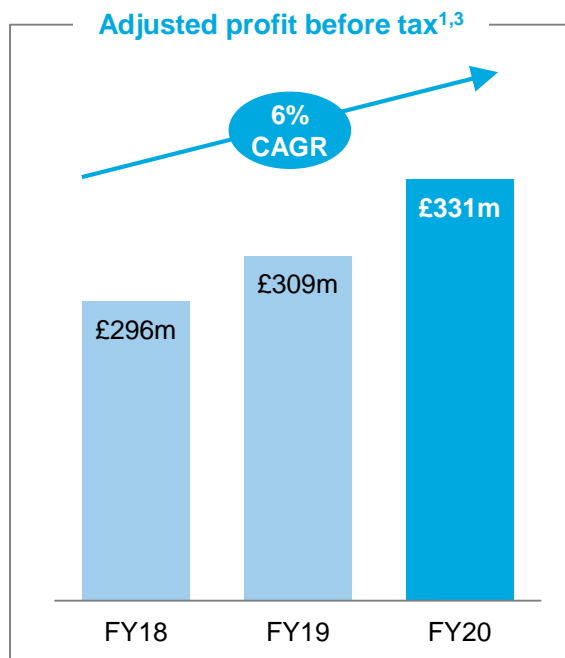
SIMPLIFY



- Continuous improvement projects
- Capital investments to reduce costs
- Increasing automation

Productivity gains

Consistent delivery



1 See descriptions of adjusted results in Note 2 of Full Year Results for year ended 31 March 2020 on the Company's website

2 Adjusted diluted earnings per share from continuing operations

3 FY represents financial years ended 31 March; CAGR at reported exchange rates

Strong Leadership Team



Nick Hampton
Chief Executive



Imran Nawaz
Chief Financial Officer



Jim Stutelberg
President,
Primary Products



Melissa Law
President,
Global Operations



Andrew Taylor
President, Innovation and
Commercial Development



Laura Hagan
Chief Human
Resources Officer



Rowan Adams
Executive Vice President
Corporate Affairs



Lindsay Beardsell
Executive Vice President
General Counsel



Harry Boot
President, Asia Pacific,
Food and Beverage Solutions

Driving pace, energy and ambition across the organisation

FOOD & BEVERAGE SOLUTIONS

Ingredients and solutions which add specific functionality and value to customers' products

Year ended 31 March 2020:

- Volume +1%
- Revenue £942 million, +5%¹
 - North America +6%¹; ASPAC and LATAM +7%¹; EMEA +1%¹
- Profit² £162 million, +10%¹
- New Products revenue £113 million, +15%¹

Value proposition

Growing
global
market

Provide
solutions
which
make food
healthier
and tastier

Category
expertise

Innovation
capabilities

Local labs
for local
tastes



Food & Beverage Solutions

Global Trends Driving Consumer, Customer and Government Actions

Obesity and Diabetes

Sugar Reduction

Plant Power

Regulatory Changes

Desire for Healthier Living

Clean Label



70 million children
projected to be overweight or obese globally by 2025¹

110 million diabetics
in China, estimated to increase to 154 million by 2040²



Global population
expected to grow by a third by 2050³

1 World Health Organisation

2 International Diabetes Federation

3 United Nations

Food & Beverage Solutions

Focus on Three Core Categories

Differentiated by the combination of our leading category expertise and ingredient knowledge

Dairy



Beverages



Soups,
sauces
and
dressings



CUSTOMER SOLUTIONS

**Sugar and calorie
reduction**

Adding sweetness
and reducing
calories

Texturants

Thickening and
improving shelf-life,
reducing fat

Enrichment

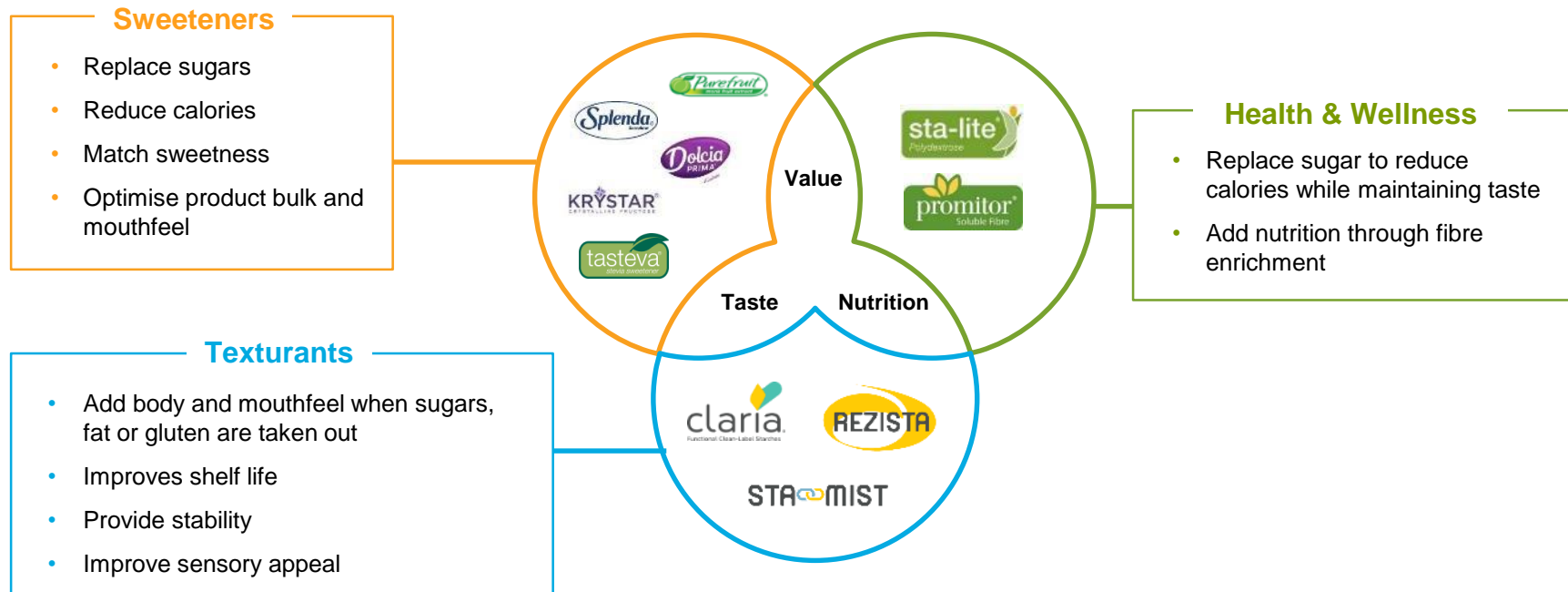
Adding nutrition
(e.g. fibre)

Stabilisation

Adding stability
and texture
(mainly in dairy)

Food & Beverage Solutions

Delivering Value, Taste and Nutrition



Food & Beverage Solutions

Strategy Delivering

Sugar Reduction

+16%¹

Increase in revenue for ingredients used for sugar reduction²



Clean Label

+51%¹

Increase in revenue for clean label texturants



Plant Power

+23%¹

Increase in stevia revenue



Fibres

+13%¹

Increase in revenue



¹ Year ended 31 March 2020; constant currency

² Excluding sucralose

SUCRALOSE

A high-intensity sweetener which offers sugar-like sweetness, stability and versatility

Year ended 31 March 2020:

- Volume (4)%
 - Lapping actions taken to optimise inventory in fiscal 2019
 - Underlying volume +1%
- Revenue £164 million, (4)%¹
 - Strong customer mix management
- Profit² £63 million, +1%¹

Managed for cash and high return on assets

Market demand for sucralose continues to grow

Modest pricing pressure over time

Focus on customers who fully value benefits of our Sucralose

Finite capacity at single plant in US



¹ Constant currency
² Adjusted operating profit

PRIMARY PRODUCTS

High volume ingredients which are largely undifferentiated and compete primarily on quality, service and price

Year ended 31 March 2020:

- Total volume (2)%
- Revenue £1,702 million, +2%¹
- Profit² £148 million, +3%¹
 - Sweeteners and starches £133 million, +1%¹; mix management and cost discipline offsetting cost headwinds
 - Commodities £25 million, +£3m

Value Proposition

Modestly declining demand from end use markets

Strong positions in sweeteners and industrial starches

Scale, cost competitive assets

Trusted supplier



Primary Products

What We Make

Sweeteners



HFCS 55
HFCS 42
Corn Syrup
Dextrose

Industrial starches



Adhesive starches
Coating starches
Binding starches
Strength starches

Acidulants



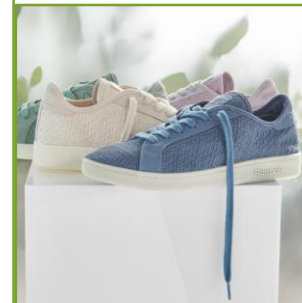
Citric Acid
Malic Acid
Fumaric Acid

Commodities



Corn Gluten Feed
Corn Gluten Meal
Corn Oil
Ethanol

Joint ventures



DuPont Tate & Lyle
Bio-Products
Almex

Primary Products

Strategy Delivering

Challenging market conditions in year ended 31 March 2020

- 2.0%² decline in US regular carbonated soft drinks volume
- Lower exports to Mexico
- Weaker paper and packaging demand



Clear focus and actions

- Operational efficiency
- Optimise product and customer mix
- Strong customer service
- Targeting new and growing end-markets

Primary Products

Commodities

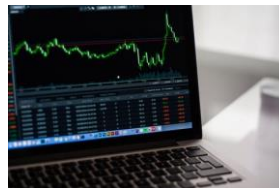
Principal activities

- Corn procurement
- Network of storage facilities
- Sale of co-products

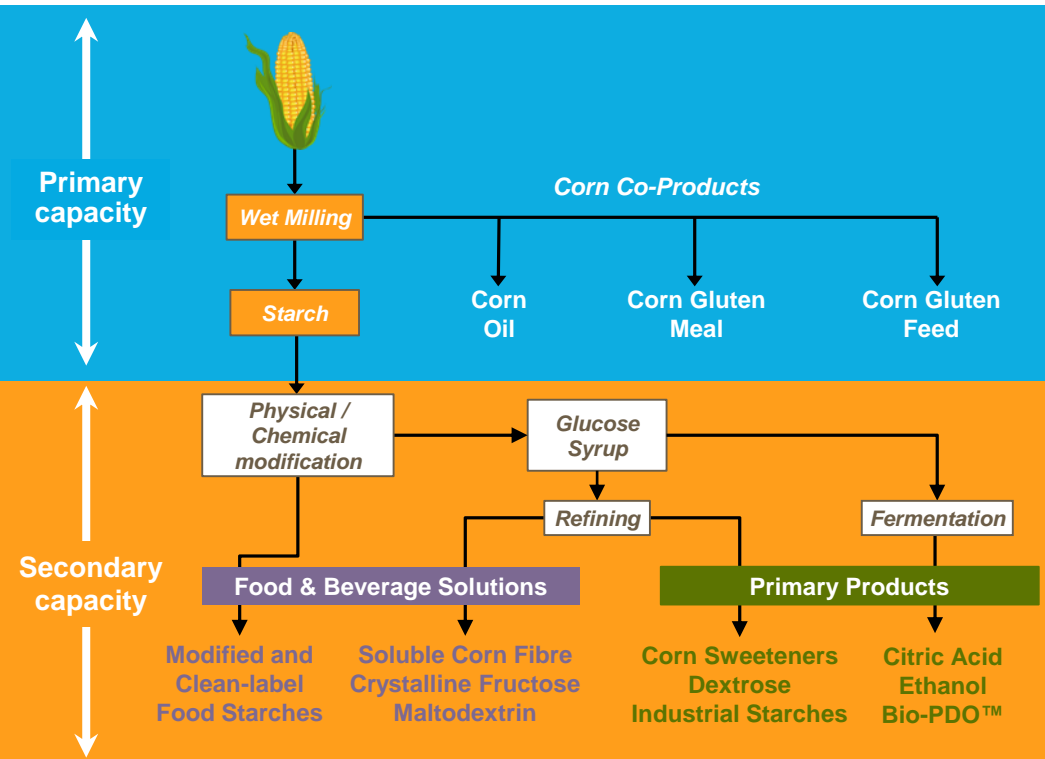
Dampening volatility

- Conservative hedging strategy
- Investments in elevator network to manage cost effectiveness and security of corn supply
- Active management of co-product sales
- Reduced ethanol exposure

Enables efficient operation of corn-based business for both divisions



Corn Wet Milling Process



- Majority of our ingredients produced through corn wet milling
- We have 6 major corn wet mills: 4 in US, 2 in Europe
- Around 60% of a kernel of corn is starch. The remainder is co-products
- Primary Products represent c.80% of Tate & Lyle corn grind

INNOVATION AND COMMERCIAL DEVELOPMENT

Brings together scientific and commercial functions to provide an integrated approach to developing and commercialising new products

Critical growth enabler

Unique strengths drive innovation

Driven by consumer and category insights

Strong track record of commercialising innovation

Accelerating portfolio development



Innovation and Commercial Development

A Key Enabler of Tate & Lyle's Future Growth

**ICD's structure enables rapid commercialisation
of new ingredients and solutions**

**Platform
Strategy**



**Research &
Development**



**Nutrition Science
and Regulatory**



**Open
Innovation**



**Partner with
leading customers**

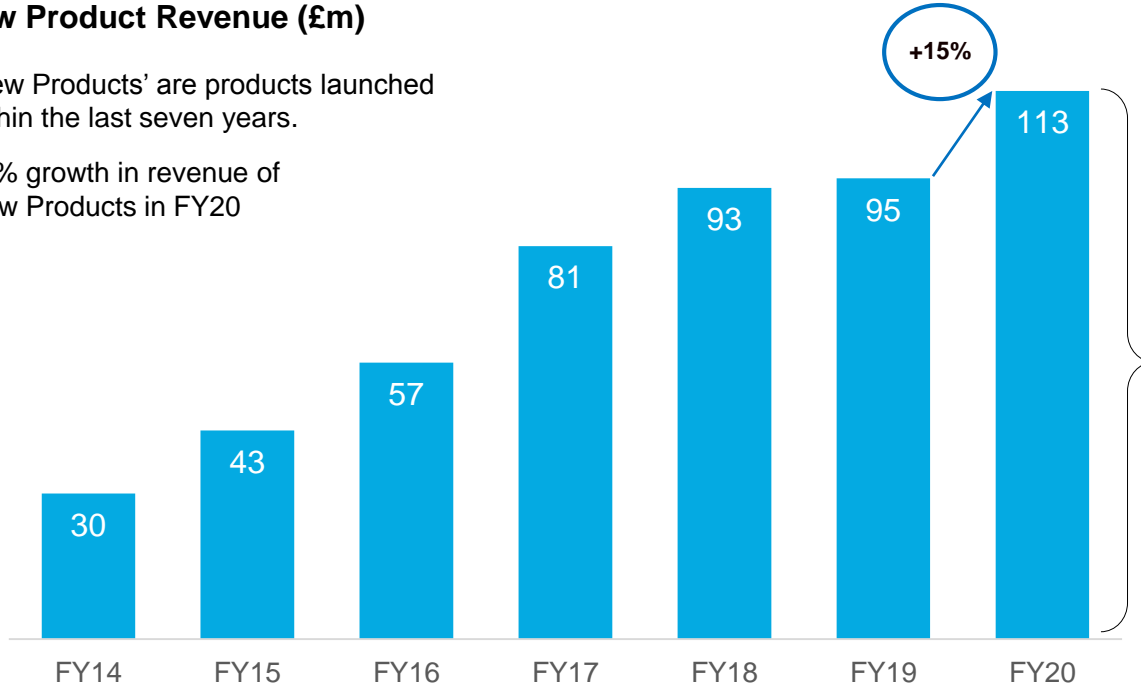
**Rapid commercialisation
with Food & Beverage Solutions**

**Globally
connected**

Strong Trajectory of Innovation Performance

New Product Revenue (£m)

- 'New Products' are products launched within the last seven years.
- 15% growth in revenue of New Products in FY20



• New Products represent 12% of Food & Beverage Solutions revenue

FY represents years ended 31 March



Appendix

Clear Capital Allocation Framework

Capital allocation priorities to maintain investment grade credit rating

Invest in organic growth

Acquisitions, joint ventures, partnerships

Progressive dividend policy

Return surplus capital to shareholders

Balance Sheet

Strong returns on capital employed

Forward leverage range of 1.5x to 2.5x

Attractive shareholder returns

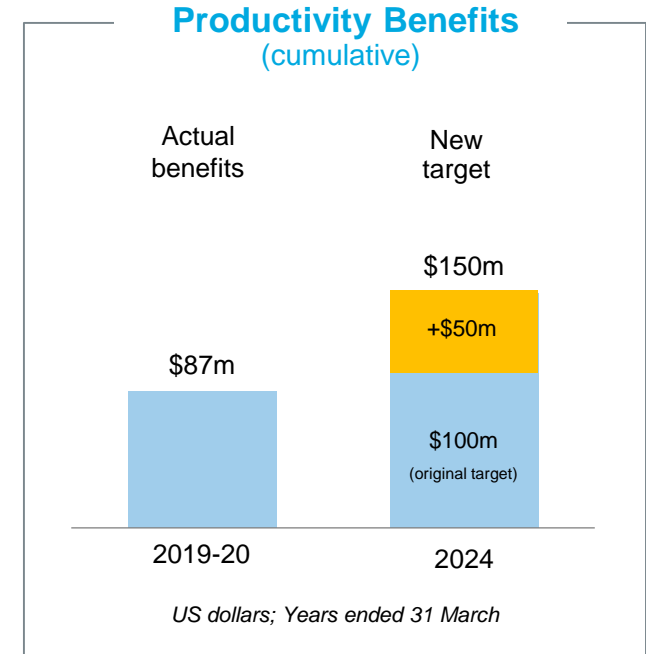
Productivity Programme

Programme summary at 31 March 2020

- Delivered US\$87m benefits after two years, ahead of expectations
- Extended by two years and US\$50m to US\$150m by March 2024
- Cash exceptional costs to increase from US\$40m to around US\$75m

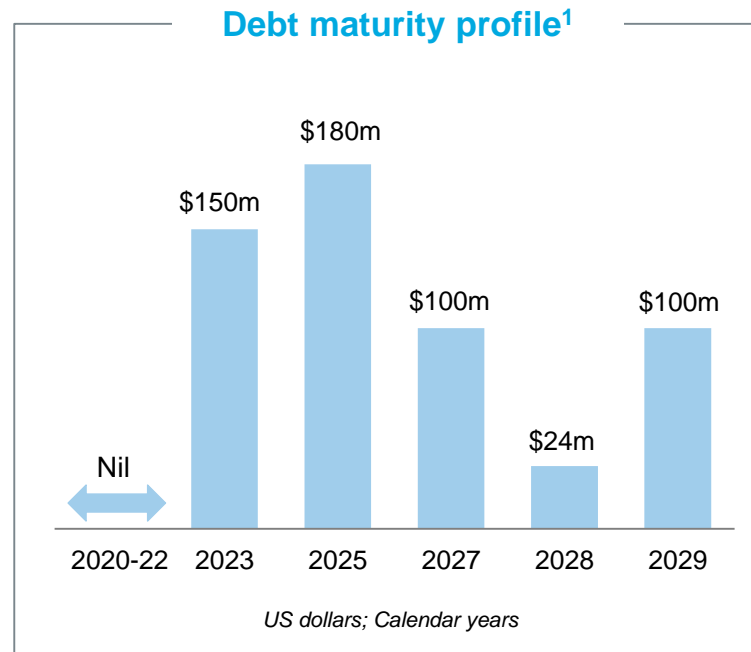
Productivity drivers

- Investing capital to reduce costs, including sustainability programme
- Strong momentum in continuous improvement programme
- Leveraging knowledge to improve supply chain processes
- Actions to simplify organisation
- Next phase of zero-based budgeting
- Increasing automation within the business



Strong Balance Sheet

- Low leverage with net debt / EBITDA ratio 0.9x at 31 March 2020
- Significant covenant headroom on borrowings
- Strong liquidity with access to >US\$1 billion
- No debt repayment until 2023



¹ Maturity of drawn committed debt in the next ten years. Excludes undrawn committed facilities and other elements of gross debt, such as finance leases or derivatives.

CAUTIONARY STATEMENT

This presentation has been prepared solely to provide information to assess the Group's strategy and should not be relied upon for any other purpose.

It contains certain forward-looking statements with respect to the financial condition, results, operations and businesses of Tate & Lyle PLC. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts.

With regard to the regulatory or labelling status of any ingredient referred to, this presentation contains our good-faith assessment of the matters discussed, based on information available as at the publication date; legal, regulatory and labelling policies and requirements are subject to change and vary in different jurisdictions; recipients of this information should take their own advice in each relevant jurisdiction with regard to the legal and regulatory aspects of our food ingredients.

A broader outline of the risk factors relevant to Tate & Lyle's business and a glossary of some of the terms used in this presentation can be found within our 2020 Annual Report which is available on our website.