

TATE & LYLE



**RESULTS FOR YEAR ENDED
31 March 2020**

Year ended 31 March 2020

Overview

- Year of strong performance
 - Food & Beverage Solutions delivered strong revenue and double-digit profit¹ growth
 - Primary Products profits¹ higher despite challenging market conditions
 - Priorities to ‘Sharpen, Accelerate, Simplify’ underpinning performance
 - Productivity programme increased to US\$150m over six years ending March 2024
- Strong balance sheet and low leverage
- New commitments for living our Purpose including ambitious sustainability targets
- Covid-19: measures in place to support employees, customers and maintain financial strength



¹ Adjusted operating profit in constant currency

Year ended 31 March 2020

Financial delivery

Food & Beverage Solutions revenue	+5%*	Adjusted profit before tax	+4%*
Food & Beverage Solutions profit ¹	+10%*	Adjusted diluted earnings per share	+8%*
Primary Products profit ¹	+3%*	Adjusted free cash flow	+£35m

Final dividend unchanged; full-year dividend increased by 0.7%

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

* Percentage changes in constant currency

¹ Adjusted operating profit



Nick Hampton, Chief Executive
Imran Nawaz, Chief Financial Officer

AGENDA

Business Review

Financial Results

Covid-19

Questions

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

Caring for our Planet

- 30% absolute reduction in Scope 1 and 2 CO₂e emissions by 2030 with an ambition to reach 20% absolute reduction by 2025
- 15% absolute reduction in Scope 3 CO₂e emissions by 2030
- Establish Science-Based Targets for Scope 1, 2 and 3 CO₂e emissions reductions
- Eliminate coal from our operations by 2025
- Beneficial use of 100% of waste by 2030, with an ambition to reach 75% by 2025
- 15% reduction in water use by 2030
- Maintain sustainable acreage equivalent to the volume of corn we buy globally each year, currently 1.5 million acres, and through partnerships accelerate the adoption of conservation practices



New commitments

Supporting Healthy Living

By 2025

- We'll have helped improve the lives of **over 250,000 people** by supporting programmes that promote healthier lifestyles and activities
- Through our low/no calorie sweeteners and fibres, we'll have helped remove **9 million tonnes of sugar** from people's diets, equivalent to **36 trillion calories**
- We'll have helped our colleagues improve how they look after their **physical and mental wellbeing** so they can be their best at work and in their daily lives

Building Thriving Communities

By 2025

- We'll achieve **gender parity** in leadership roles
- We'll have provided over **3 million nutritious meals** for people in need
- We'll have supported the education of over **100,000 children and students** through learning programmes and grants, helping them attain skills for life

Year ended 31 March 2020

Strategy is delivering

Food & Beverage Solutions

Strong growth

Volume +1% Revenue +5%¹ Profit +10%¹

Sugar Reduction

+16%

Increase in revenue for ingredients used for sugar reduction^{1,2}



Clean Label

+51%

Increase in revenue for clean label texturants¹



Plant Power

+23%

Increase in stevia revenue¹



Fibres

+13%

Increase in revenue¹



¹ Year ended 31 March 2020; constant currency; profit is adjusted operating profit

² Excluding sucralose

Year ended 31 March 2020

Strategy is delivering

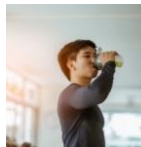
Primary Products

Steady Earnings

Volume (2)% Profit +3%¹

Challenging market conditions

- 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

¹ Adjusted operating profit for year ended 31 March 2020 in constant currency

² Nielsen data for year ended 31 December 2019

Year ended 31 March 2020

Three priorities underpinning performance

Sharpen focus on customers

- New and expanded labs in Sao Paulo and Singapore
- New ways of collaborating such as fibre symposiums, health benefits workshops
- Simplified organisation of customer-facing teams

Customers calls on growth opportunities¹

+26%



Accelerate portfolio development

- Clean-label starches expanded with CLARIA EVERLAST®
- Launched TEXTURLUX® polymers into personal care market
- Investment in enzyme technology start-up Zymtronix

Value of innovation pipeline²

+18%



Simplify business and drive productivity

- Capital investments to increase efficiency
- Increased automation of processes
- New global people management system

Value of benefits from continuous improvement projects³

+20%



¹ Year ended 31 March 2020

² Growth in year ended 31 March 2020; probability adjusted

³ Growth in year ended 31 March 2020; increase is value of continuous improvement benefits delivered in the year

Year ended 31 March 2020

Summary

- Strong financial performance
- Excellent operational execution
- Closer customer collaboration
- Faster innovation, more agile
- Purpose-led organisation





Imran Nawaz, Chief Financial Officer

AGENDA

Business Review

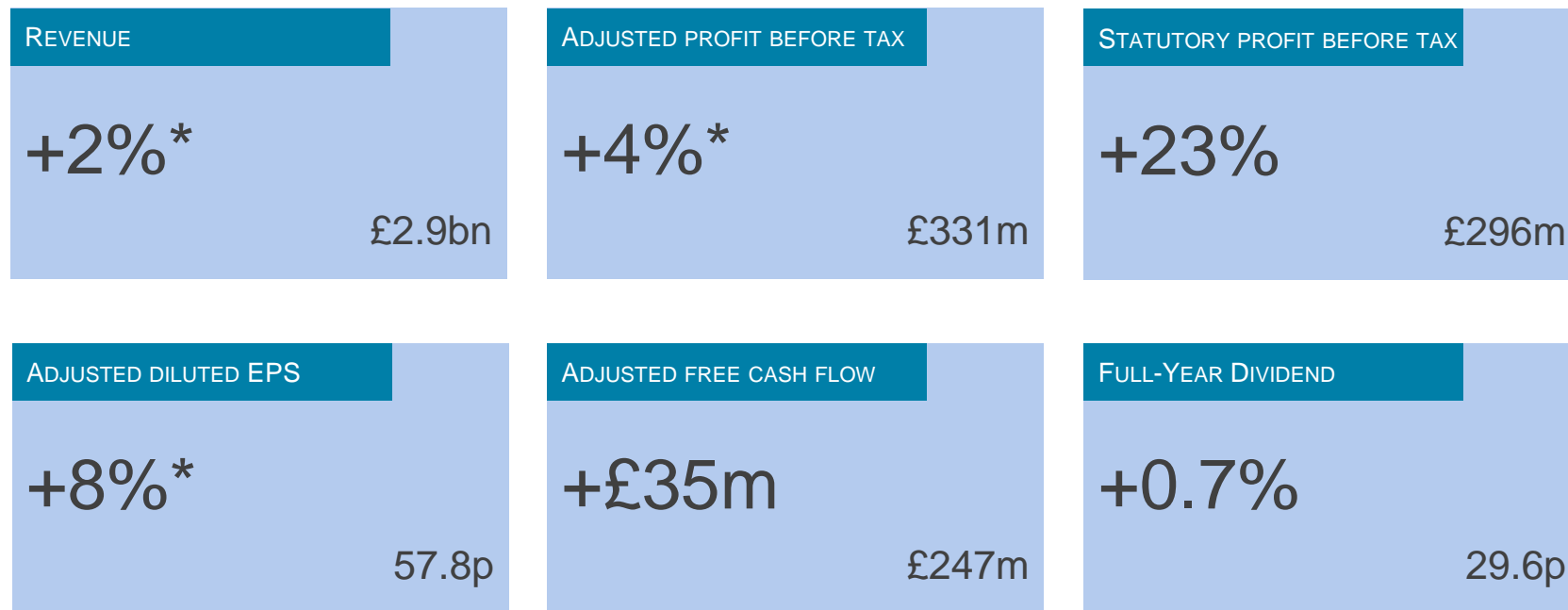
Financial Results

Covid-19

Questions

Year ended 31 March 2020

Financial Highlights

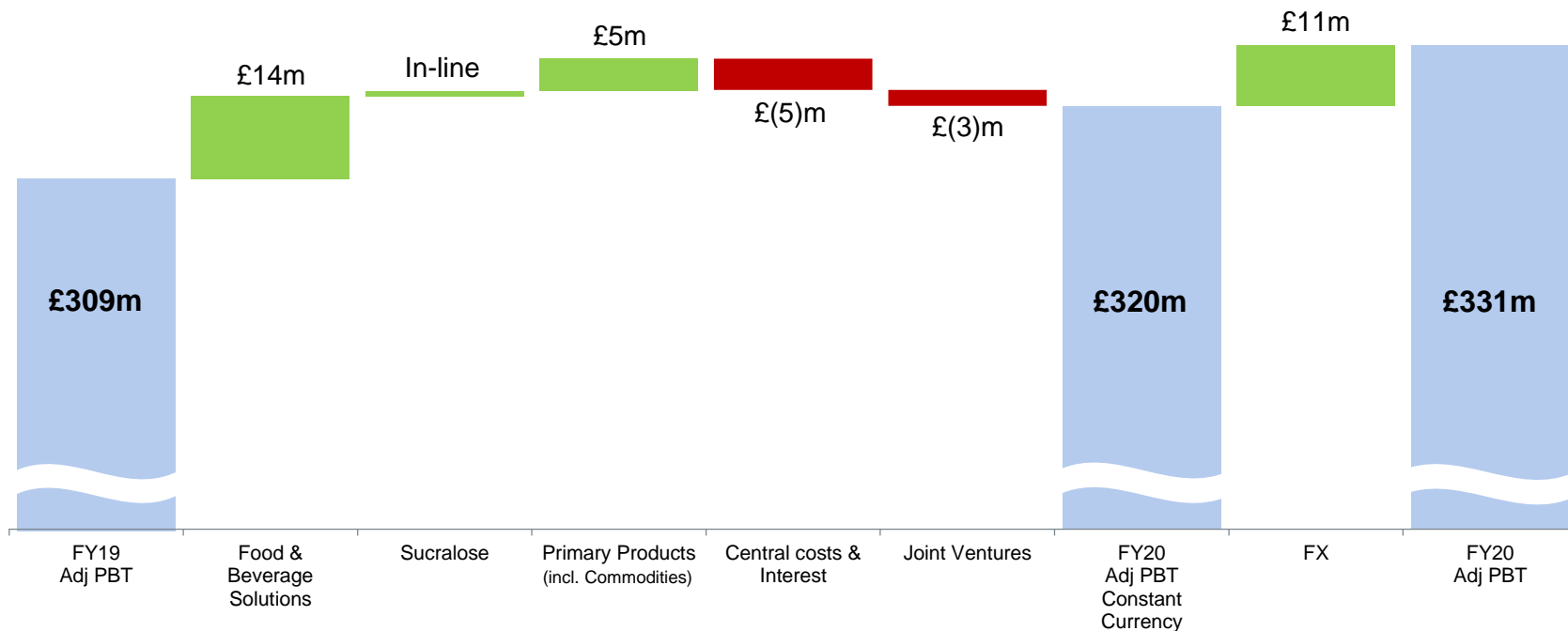


Adjusted results and a number of other terms and performance measures used in this presentation are not defined within accounting standards. See descriptions of these items and, where relevant, ratio calculations in Notes 2 and 3, on pages 18 to 22, and "Ratio Analysis" on page 34 of the Full Year Results for the year ended 31 March 2020 available on the Company's website.

* Percentage changes in constant currency

Year ended 31 March 2020

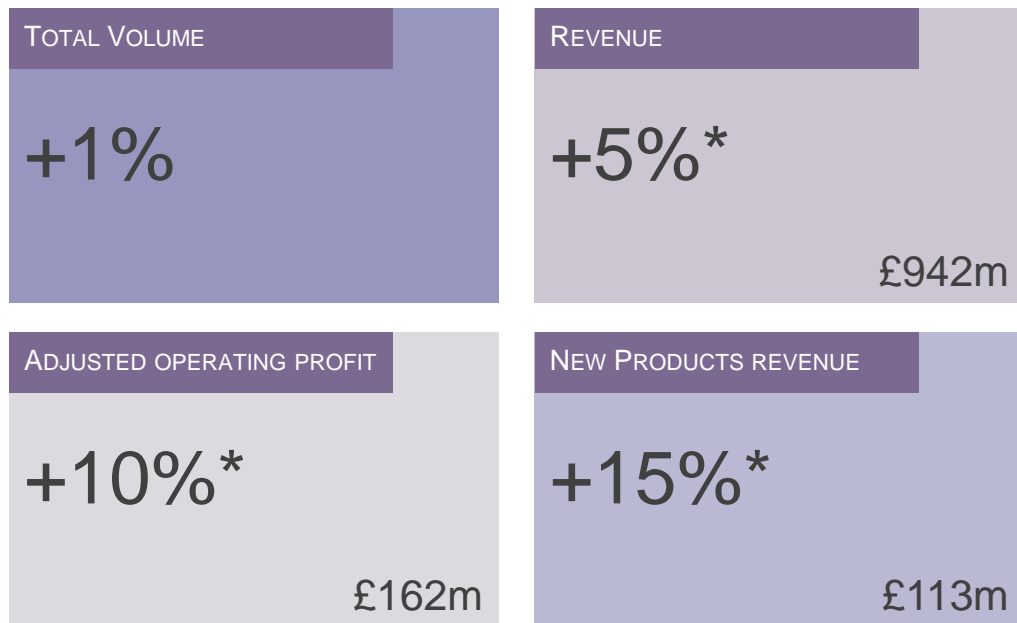
Adjusted profit before tax



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

Year ended 31 March 2020

Food & Beverage Solutions



STRONG GROWTH

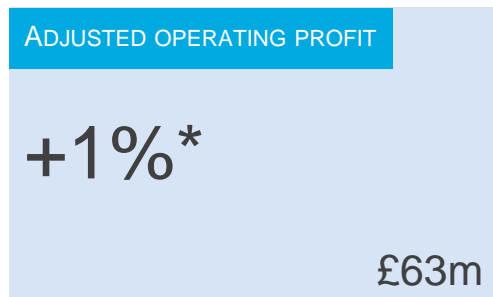
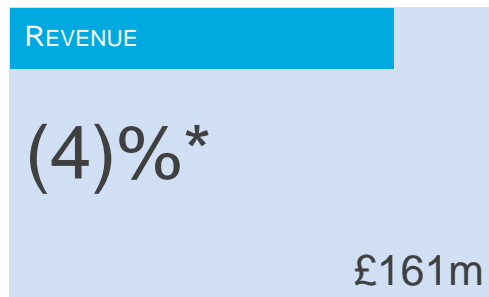
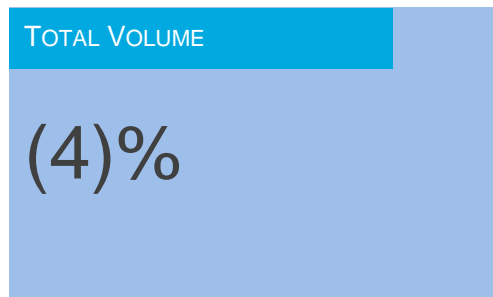
- +1% volume; North America +2%
- +5%* revenue growth
 - North America +6%*
 - Asia Pacific and Latin America +7%*
 - Europe, Middle East and Africa +1%*
- +10%* adjusted operating profit growth
 - Operational leverage and cost control
- New Products represent 12% of revenue

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

* Percentage changes in constant currency

Year ended 31 March 2020

Sucralose



SOLID PERFORMANCE

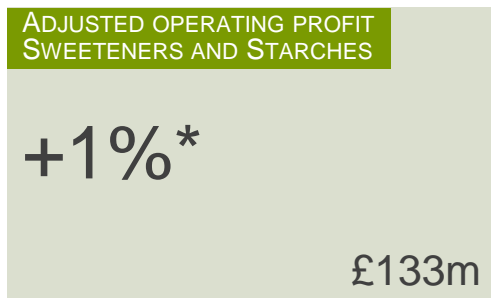
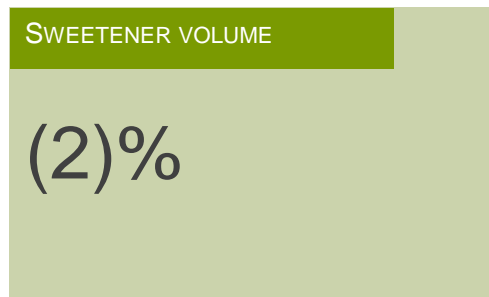
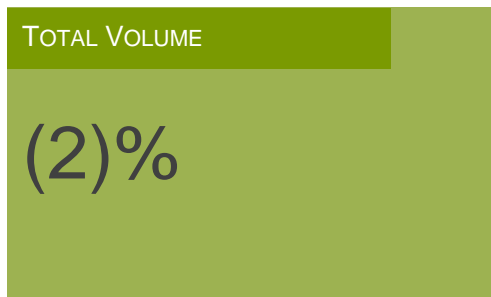
- Volume and revenue* 4% lower
 - Lapping actions taken to optimise inventory in fiscal 2019
 - Underlying volume +1%
 - Strong customer mix management
- +1%* adjusted operating profit
 - Good cost management
 - £3 million one-off supply contract gain in prior year

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

* Percentage changes in constant currency

Year ended 31 March 2020

Primary Products



STEADY EARNINGS

- Total volume 2% lower
 - Sweetener volume 2% lower
 - Industrial starch volume 8% lower
- +1%* Sweeteners and Starches adjusted operating profit
 - Mix management and cost discipline offsetting cost headwinds
 - £4m insurance recovery in fiscal 2019
- +£3m Commodities adjusted operating profit
 - Improved co-product recoveries

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

* Percentage changes in constant currency

Year ended 31 March 2020

Central, Interest, Taxation and Exceptional Items

Item	Change	Comment
Central costs	£4m higher*	<ul style="list-style-type: none"> Mainly due to incremental costs for Covid-19 response
Net finance charges	£1m higher*	<ul style="list-style-type: none"> Higher reflecting adoption of IFRS 16 leases Pension interest income to be £5m lower in fiscal 2021
Taxation	310bps lower	<ul style="list-style-type: none"> Adjusted Effective Tax Rate (ETR) of 17.9%
Exceptional Item	Year ended 31 March 2020	Comment
Exceptional charges	£24m charge	<ul style="list-style-type: none"> £19m to simplify business for productivity programme £5m to close non-core savoury ingredients business <ul style="list-style-type: none"> Primary Products' profit in fiscal 2020 included £7m from this business

* Change in constant currency

Year ended 31 March 2020

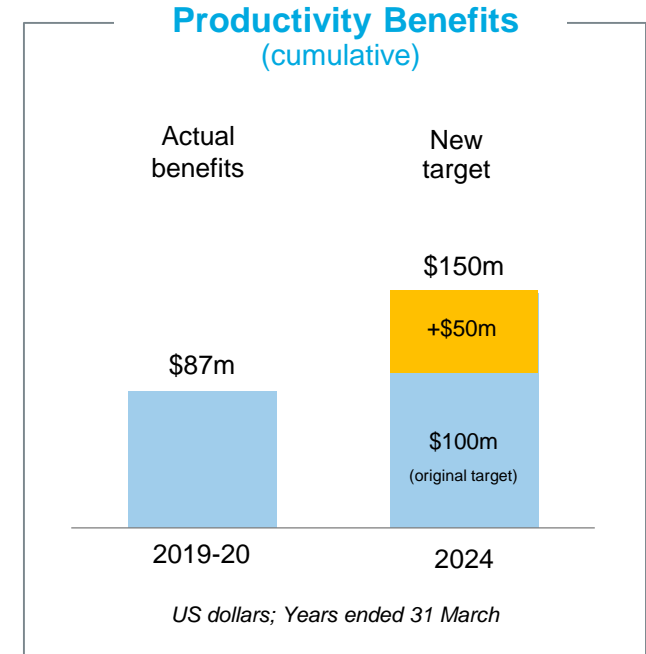
Productivity Programme

Programme summary

- 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

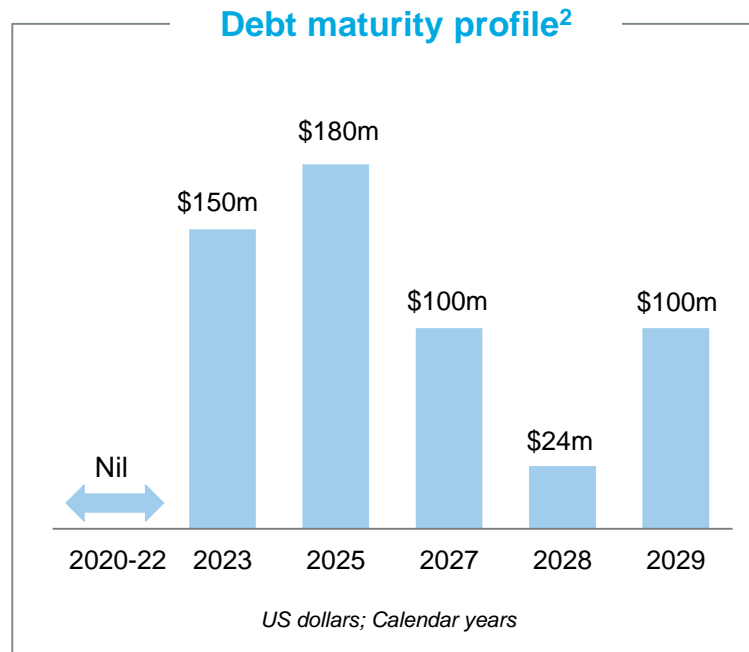
- Investing capital to reduce costs, including sustainability programme
- Strong momentum in continuous improvement programme
- Leveraging knowledge to improve supply chain processes
- Actions to simplify organisation
- Next phase of zero-based budgeting
- Increasing automation within the business



Year ended 31 March 2020

Actions to strengthen balance sheet

- US\$200m debt private placement
 - Refinancing maturing debt at lower cost
- UK pension scheme buy-in completed
 - £20m annual cash savings from fiscal 2021
- After the end of the 2020 financial year
 - Extended maturity of US\$800m revolving credit facility by one year to 2025 and linked pricing to delivery of new environment targets
 - Priced US\$200m debt private placement at an average coupon of 2.96%
- Access to US\$1.3bn¹ of liquidity



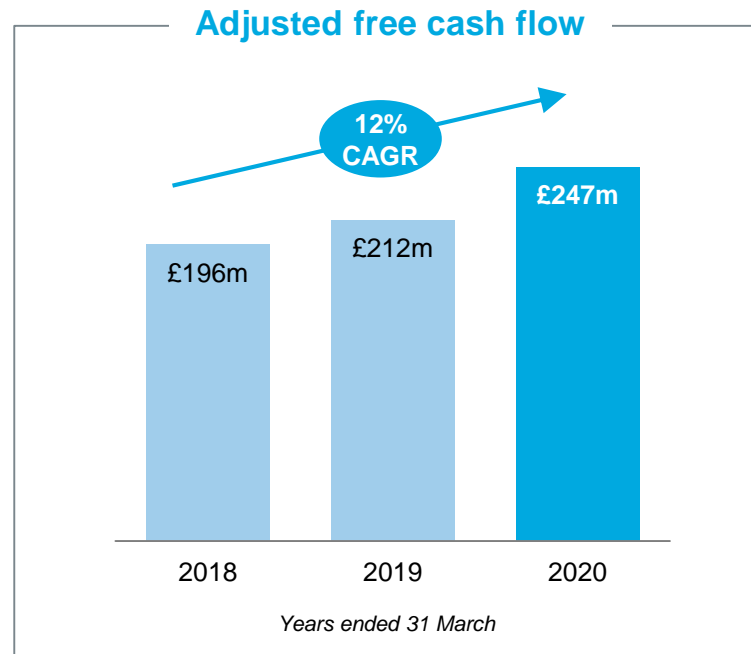
¹ From August 2020 upon drawdown of committed US\$200m US private placement

² Maturity of drawn committed debt in the next 10 years. Excludes undrawn committed facilities and other elements of gross debt, such as finance leases or derivatives

Year ended 31 March 2020

Cash management

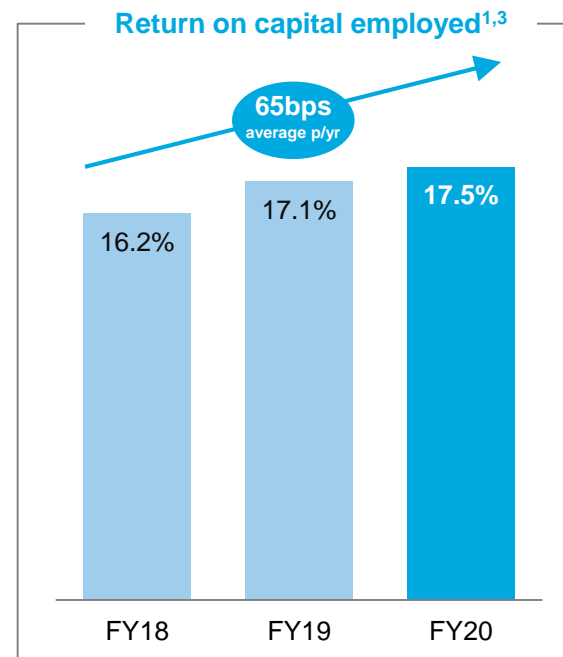
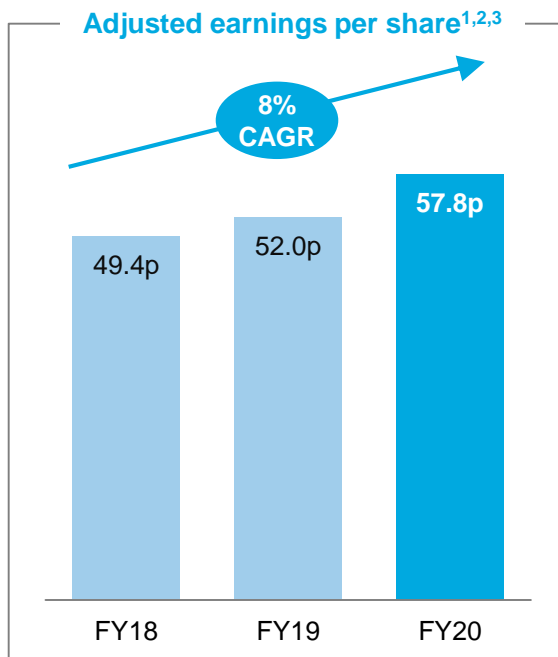
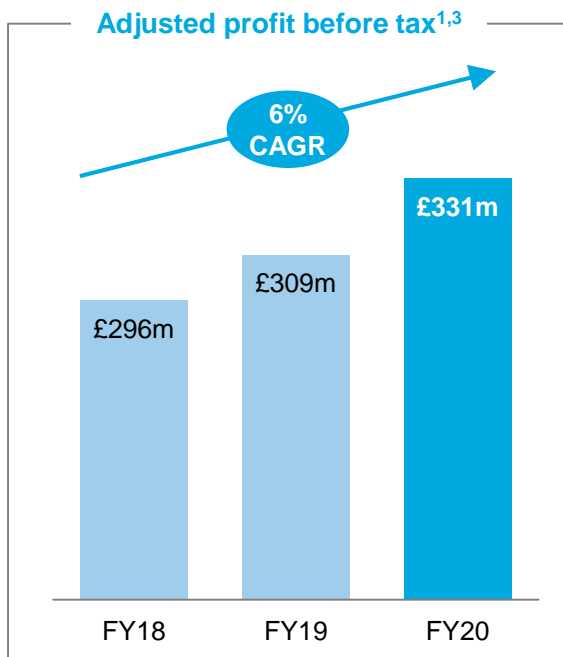
- Adjusted free cash flow £35m higher at £247m¹
 - Capital expenditure £36m higher at £166m
- Capital expenditure in the 2021 fiscal year is expected to be between £140m and £160m
- Net debt of £451m following IFRS 16 adoption
 - £48m lower on like-for-like basis (pre-IFRS 16)
- Net debt / EDITDA ratio of 0.9x
 - 0.6x on a covenant basis



¹ £1 million higher on pre-IFRS 16 basis

Year ended 31 March 2020


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

A photograph of a glass of white yogurt with fruit toppings (orange slices and a mint leaf) on a green polka-dot napkin. Another glass of yogurt is visible in the background.

Nick Hampton, Chief Executive

AGENDA

Business Review

Financial Results

Covid-19

Questions

Covid-19 Overview

Key Priorities

Purpose at the core of our response

**Look after
our people
and communities**

**Keep our
operations running**

**Serve
our customers**

**Maintain our
financial strength**



- Global Pandemic Response team
- Local response teams at each site
- Daily executive management review
- Extensive customer and employee communications

Covid-19

Looking after our people and communities

Hygiene and protective measures at all sites

- Social distancing, sanitisation and wearing protective equipment
- Minimum number of people on shifts and restructured working areas

Workplace assistance for employees

- Full pay for colleagues ill with Covid-19 or in isolation
- Special cash bonus for front-line workers in plants, labs and other key sites

Keeping employees connected and productive

- Rapid deployment of Microsoft Teams to over 3,000 employees
- Initiatives to promote physical and mental health

Supporting our local communities

- Helping over 20 food banks to provide 500,000 nutritious meals
- Donating PPE to front-line health workers
- Reformulated ethanol in US for use in hand sanitiser



Covid-19

Keeping our operations running

Manufacturing network fully operational during pandemic

- Customer orders fulfilled often at very short notice
- Modified demand planning process to meet customer needs
- Operating highly flexible supply chain
- Regular supplier and customer communications
- Virtual customer audits at plants
- New protocols to enable key capital projects to continue



Covid-19

Serving our customers

Using innovative ways to stay close to customers

- Increased connectivity utilising digital technology
- Developing new and existing projects by video
- Virtual tasting sessions with prototypes sent in advance
- Remote product training sessions
- Video links in more of our labs
- Videos showcasing expertise in high demand categories (e.g. sauces for home cooking)



Virtual tasting session for a customer in China, hosted in Singapore

Virtual starch seminar for 160 staff from around the world for one large customer



Maintaining our financial strength

Robust financial position and balance sheet



Actions taken in March to reduce costs and preserve cash

- Low leverage with net debt / EBITDA ratio 0.9x
- Significant covenant headroom on borrowings
- Strong liquidity with access to >US\$1 billion
- No debt repayment until 2023
- Frozen salaries and recruitment
- Stopped non-essential discretionary spend
- Reprioritising capital commitments
- Focus on receivables

Covid-19

Trading in April 2020

Food & Beverage Solutions

- ↔ Volume in line with comparative period
- ↑ Strong demand from in-home consumption such as packaged foods
- ↓ Lower demand from out-of-home consumption (15% to 25% of sales)
- ↑ Sucralose volume 18% higher from phasing of customer orders

Primary Products

- ↑ In-home demand for beverages
- ↓ Sweetener volume 26% lower (out-of-home around 30% of sales)
- ↓ Industrial starch volume 9% lower due to US lockdown
- ↓ Commodities impacted by sharply lower ethanol prices



Business environment

Future uncertainties

- Duration and severity of pandemic
- Consumer behaviour on exiting lockdown
- Government actions
- Resumption of out-of-home demand

What we are doing

- Look after our people and communities
- Maintain supply chain integrity
- Stay close to our customers
- Reduce costs and preserve cash

Not issuing guidance; will issue an exceptional Q1 trading update on 23 July 2020

Covid-19

Priorities for the year ending 31 March 2021

**Look after our
people and
communities**

**Build stronger
customer
relationships**

**Continue
to progress
strategy**

**Maintain
financial
strength**

Emerge a stronger business

Year ended 31 March 2020

Summary

- Strategy is delivering
- Financial discipline and strength
- Navigating near-term challenges
- Ambitious Purpose commitments
- Highly committed management team
- Future prospects remain strong





Questions

Year ended 31 March 2020

Cautionary Statement

This presentation for the Full Year Results for the year ended 31 March 2020 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.