



Roadshow presentation FY 2021

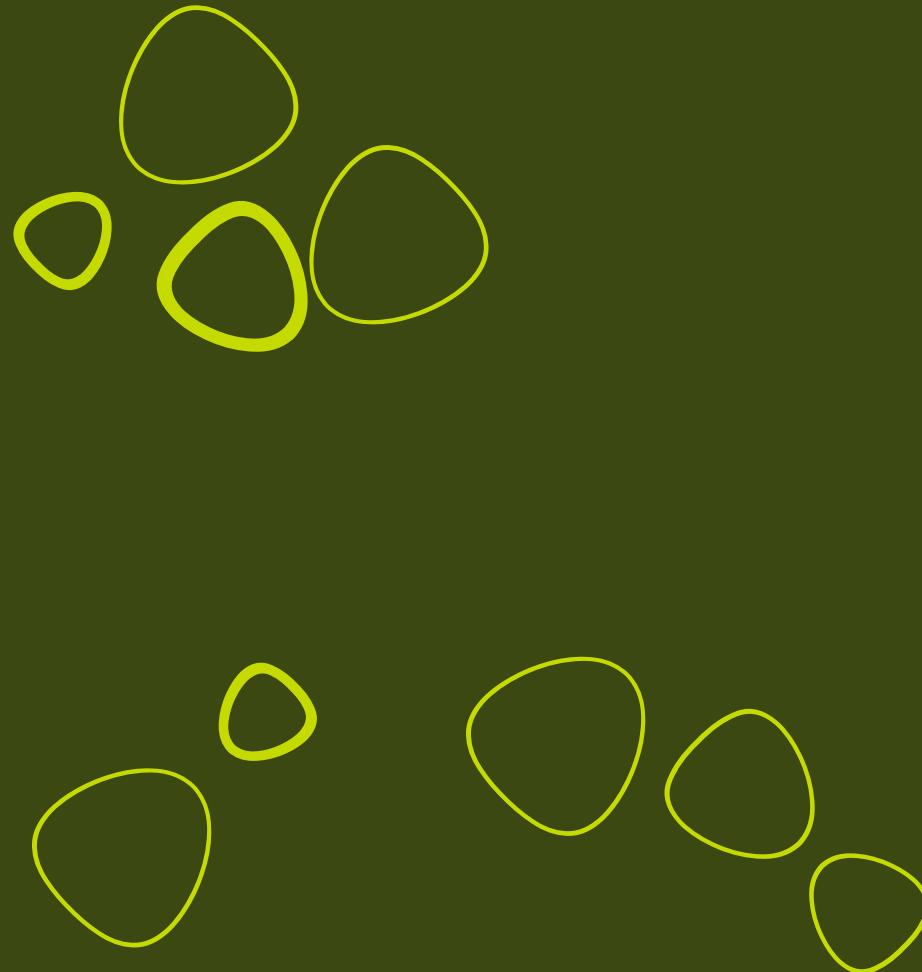
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Further investor relations information is available from the company's website at investors.novozymes.com



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Forward Looking Statement

This presentation and its related comments contain forward-looking statements, including statements about future events, future financial performance, plans, strategies and expectations. Forward-looking statements are associated with words such as, but not limited to, "believe," "anticipate," "expect," "estimate," "intend," "plan," "project," "could," "may," "might" and other words of similar meaning.

Forward-looking statements are by their very nature associated with risks and uncertainties that may cause actual results to differ materially from expectations, both positively and negatively. The risks and uncertainties may, among other things, include unexpected developments in **i)** the ability to develop and market new products; **ii)** the demand for Novozymes' products, market-driven price decreases, industry consolidation, and launches of competing products or disruptive technologies in Novozymes' core areas; **iii)** the ability to protect and enforce the company's intellectual property rights; **iv)** significant litigation or breaches of contract; **v)** the materialization of the company's growth platforms, notably the opportunity for marketing biomass conversion technologies or the development of microbial solutions for broad-acre crops; **vi)** the political conditions, such as acceptance of enzymes produced by genetically modified organisms; **vii)** the global economic and capital market conditions, including, but not limited to, currency exchange rates (USD/DKK and EUR/DKK in particular, but not exclusively), interest rates and inflation; **viii)** significant price decreases on input and materials that compete with Novozymes' biological solutions. The company undertakes no obligation to update any forward-looking statements as a result of future developments or new information.

Highlights

Strong overall performance in 2021

- Organic 12M sales growth y/y: 6% (Q4 y/y: 7%).
- Double-digit growth in three out of five business areas demonstrates the strength of a well-diversified portfolio.
- Emerging markets at 18% organic sales growth. Developed markets at 1%.
- On track to meet 12 out of 13 non-financial targets for 2022. Strong positive impact of our solutions on the planet, people and societies.
- 14 products launched in 2021, including 6 in the fourth quarter alone.
- Solid reported EBIT margin at 26.8%, including re-investments and acquisitions.
- Strategy execution: Initiated construction of new production line for advanced protein solutions in Blair, Nebraska; Saipem collaboration; Synergia acquisition.

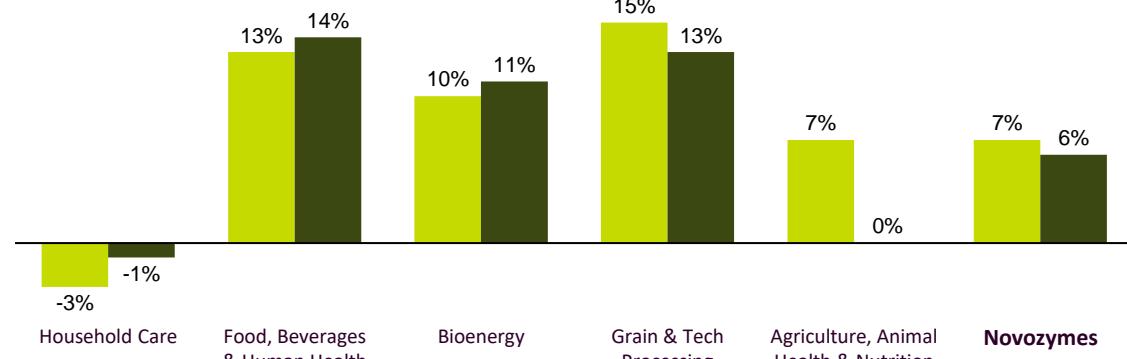
2022 outlook:

- Organic sales growth of 3% to 7% (~3p.p. additionally in reported DKK) and solid EBIT margin of 25% to 26% despite significantly higher input costs.
- ROIC incl. goodwill expected at 16% to 17% and free cash flow before acquisitions of between DKK 1.7 and 2.1 billion, including DKK 2.5 to 2.8bn in CAPEX.
- Proposed dividend of DKK 5.50 per share corresponding to a payout ratio of 48.5%, and stock buyback program of up to DKK 500 million approved.

	Initial 2021 outlook	Latest 2021 outlook	Realized 12M 2021	2022 outlook
Sales performance, organic	%	2 to 6	5 to 6	6
EBIT margin	%	25 to 26	~27	26.8
ROIC, incl goodwill	%	~19	19 to 20	19.3
Free cash flow before acquisitions	DKKbn	2.7 to 3.1	2.8 to 3.2	2.9
				1.7 to 2.1

Organic sales performance by business area

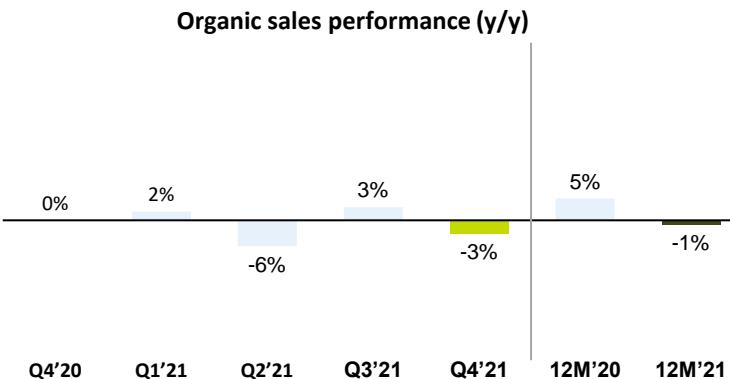
Q4 2021 12M 2021



Household Care

Solid performance in Emerging Markets and with Freshness; slight decline overall against tough COVID-19 impacted comparator

- Organic 12M sales growth y/y: -1% (Q4 y/y: -3%).
- Emerging markets performed well; local presence and tailored solutions driving increased enzymatic penetration.
- Developed markets declined; weak performance in Europe accelerated through the year.
- Freshness technology performing according to plan; broad market solution successfully launched in Q3.
- Q4 overall roughly in line with expectations; developed markets declined while emerging markets performed well.



32% of sales



2022 perspectives

- Growth driven by increased penetration in emerging markets, Freshness, professional & medical cleaning and dishwash.
- Freshness gradually to contribute more to growth as the year progresses and in coming years.
- Full-year organic sales indication of from 2% to 4%.

Did you know?

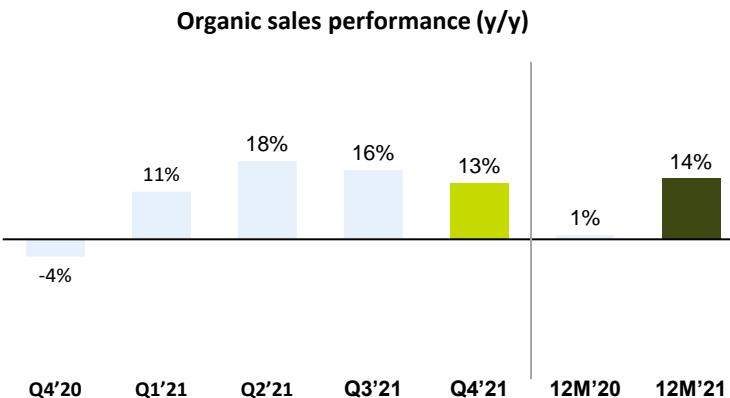
Most ingredients in laundry detergents are fossil-based. Less than 15% of detergent raw materials are the renewable and biodegradable solutions that Novozymes develops. We want to change that and move the industry towards fully biodegradable solutions.



Food, Beverages & Human Health

Strong performance with all subareas growing double digits

- Organic 12M sales growth y/y: 14% (Q4 y/y: 13%).
- Food; mainly driven by market penetration and strong demand for health-focused solutions, especially in baking.
- Beverages; benefitted from recovery in brewing volumes following last year's COVID-19 lockdown measures.
- Human Health; strong performance driven by cross selling and regional expansion.
- Q4; strong performance driven by Food and Human Health, while Beverages roughly flat.



2022 perspectives

- Growth in Food driven by market penetration, health-focused solutions as well as raw material optimization and ingredient substitution.
- Beverages expected to grow against a tough comparator.
- Strong double-digit growth in Human Health driven by innovation, cross-selling and regional expansion.
- Full-year organic sales indication of high single-digit growth.

Did you know?

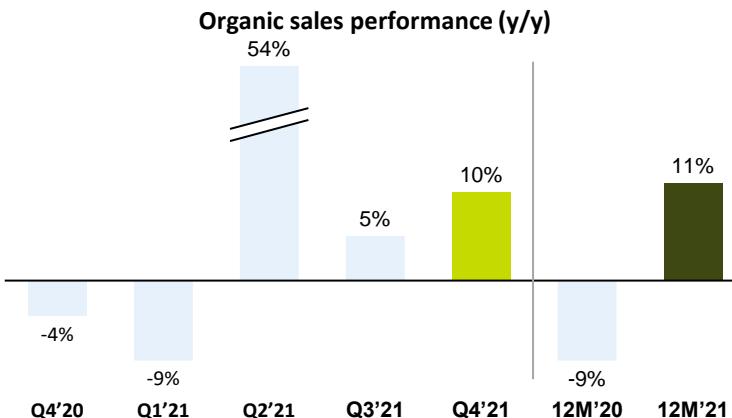
Plant-based food and beverages is one of the fastest growing retail categories in the U.S. We support the adoption of plant-based products in global diets to ensure better use of the available arable land, and we do this with solutions that reduce the need for sugar and salt, improve the taste and the texture of protein and eliminate additives. This does good for our planet while ensuring the health of consumers.



Bioenergy

Strong growth on the back of U.S. recovery

- Organic 12M sales growth y/y: 11% (Q4 y/y: 10%).
- Strong 12M performance driven by recovery of U.S. ethanol production, innovation, capacity expansion in Latin America, and biodiesel.
- Continued recovery of U.S. ethanol production, innovation, and Latin American capacity expansion behind strong Q4 performance. Demand also benefitted from very good market conditions in the U.S. ethanol industry.



18% of sales



2022 perspectives

- Growth driven by continued recovery of U.S. ethanol production, innovation, capacity expansion in Latin America, and biodiesel.
- Organic sales expected to grow in the low-to-mid-single-digits. Uncertainties related to the pandemic and volatile market conditions are the main reasons for the broad range.

Did you know?

Today's transport sector is a key area for reducing carbon emissions, as it accounts for about 25% of global energy-related CO₂ emissions. Our solutions for biorefineries and other green technologies play an important role in the pursuit of a carbon-neutral world. Every year, the ethanol production enabled by Novozymes' bio-solutions results in the displacement of ~8 billion gallons of gasoline.

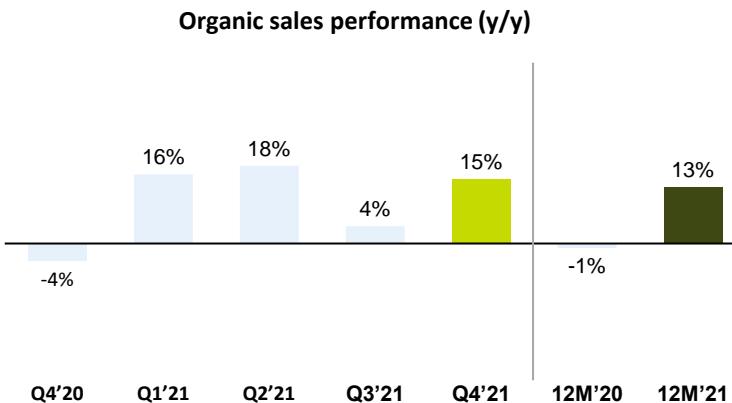
This corresponds to taking some 25 million cars off the road.



Grain & Tech Processing

Strong performance based on growth across subareas

- Organic 12M sales growth y/y: 13% (Q4 y/y: 15%).
- Strong 12M performance primarily driven by innovation and higher end-market demand in starch; recovery in textile; market penetration in vegetable oil processing.
- Starch, vegetable oil processing and diagnostics enzymes main drivers of strong Q4 growth.



15% of sales



2022 perspectives

- Growth mainly from market penetration in vegetable oil processing and innovation.
- Organic sales expected to range from flat to low-single-digit growth. Uncertainties related to the pandemic and volatile market conditions are the main reasons for the sales growth range.

Did you know?

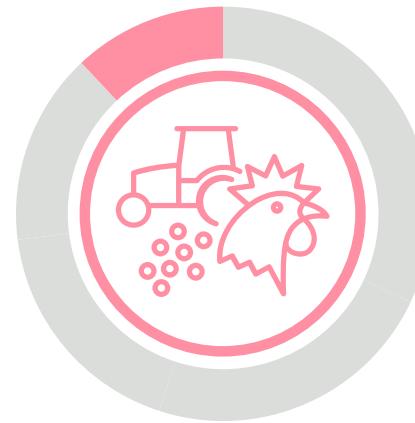
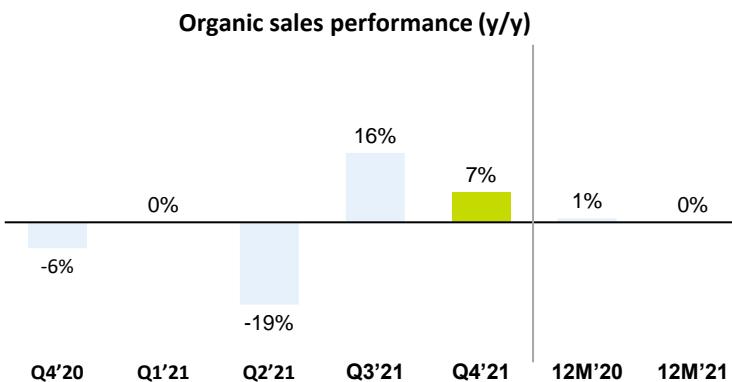
Our Frontia® technology in grain milling can help reduce greenhouse gas (GHG) emissions, energy, water, and waste generation. In fact, Frontia® helps customers cut 9 kilograms of CO₂ equivalents per metric tonne of corn, while still generating higher yields. Together with our customers, we continue to push for a world where good business and sustainability go hand in hand.



Agriculture, Animal Health & Nutrition

Flat despite negative base effect from BioAg one-off

- Organic 12M sales growth y/y: 0% (Q4 y/y: 7%).
- Flat 12M sales development – good underlying performance driven by innovation and market penetration offset by negative base effect from BioAg one-off in Q2 2020.
- Solid Q4 performance driven primarily by demand for health and protein solutions for animals, and bioyield solutions in agriculture.



12% of sales



2022 perspectives

- Innovation, new go-to-market model, and good market conditions are key enablers behind double-digit growth in Agriculture. Growth in Animal Health & Nutrition will primarily be driven by innovation and volume growth.
- Organic sales expected to grow at a rate in the high-single-digits to low-teens. Uncertainties related to the pandemic and volatile market conditions are the main reasons for the broad range.

Did you know?

Synthetic fertilizers that are currently used in agriculture can be replaced by biological alternatives that are non-pollutant to water quality and marine wildlife. We are developing biological solutions that boost natural nitrogen absorption, allowing replacement of 50-60lbs of fertilizer per corn-acre per year. If all corn in the U.S. were produced this way, we could potentially save more than 2 million tonnes of chemical fertilizer annually.



Sustainability and non-financial targets

	Milestones	2021	2022 Targets
Zymers & Society	Nurture diversity ¹	85	86
	Occupational injury ²	1.5	≤1.5
	Zymer spirit index score ³	82	81
	Enable learning ³	79	80
	Pledge our time to local outreach activities	In progress	1% of time ⁴
Operations	Reduce absolute CO ₂ emissions from operations ⁵	42%	40%
	Develop context-based water management programs	73%	100% of sites ⁶
	Manage biomass in circular systems	99%	100%
	Develop circular management plans for key packaging materials	On track ⁷	100%
	Develop programs to reach zero waste by 2030	67%	100% of sites ⁶
World	Save CO ₂ emissions by enabling low-carbon fuels in the transport sector	60 million tonnes of CO ₂	60 million tonnes of CO ₂
	Reach people by providing laundry solutions that replace chemicals	4.1 billion people	>4 billion people
	Gain food by improving efficiency from farm to table	206,000 tonnes of food	500,000 tonnes of food

¹ Index calculated based on gender and national representation at various professional levels.

² Defined as three-year rolling average of lost time injuries per million working hours.

³ Measured by score to relevant questions in annual survey.

⁴ Qualitative reporting only.

⁵ From a 2018 baseline.

⁶ The targets do not include sites with activities not considered to have a significant environmental impact, e.g. sales offices, R&D labs, etc.

⁷ We are progressing as planned in the development of circular plans to make our key packaging recyclable, reusable or compostable.



Financial results

Strong overall performance in 2021, including 7% organic sales growth in Q4

- 12M organic sales growth y/y: 6%; DKK sales 7% y/y.
- Gross margin strong at 57.7%; 170bps higher than last year driven by productivity improvements & efficiencies, sales leverage and to some extent M&A.
- Solid EBIT margin at 26.8%; 70bps higher than last year driven by strong gross margin and higher other operating income; increased operating costs from M&A and growth investments.
- Net investments of DKK 1.1 billion at 7% relative to sales.
- Free cash flow before acquisitions solid at DKK 2.9 billion or 20% relative to sales, despite increase in NWC.
- ROIC incl. goodwill at 19.3%, ~40bps higher than last year driven by higher operating profit and despite increase in average invested capital

		12M 2021	12M 2020	Q4 2021	Q4 2020
Sales performance, organic	%	6	0	7	-3
Gross margin	%	57.7	56.0	56.1	55.5
EBIT margin	%	26.8	26.1	21.0	23.1
Net investments excl. acquisitions	DKKbn	1.1	0.9	0.5	0.3
Free cash flow before acquisitions	DKKbn	2.9	3.4	0.2	0.7
ROIC incl. goodwill	%	19.3	18.9	14.1	17.6



Financial outlook 2022

2022 outlook

- Organic sales growth of 3% to 7% with sales in reported DKK around 3 percentage points higher.
- EBIT margin of 25% to 26%.
- ROIC incl. goodwill of 16% to 17%.
- Free cash flow before acquisitions of DKK 1.7 to 2.1 billion.

		2021 realized	2022 outlook
Sales performance, organic	%	6	3 to 7
EBIT margin	%	26.8	25 to 26
ROIC, incl goodwill	%	19.3	16 to 17
Free cash flow before acquisitions	DKKbn	2.9	1.7 to 2.1
<hr/>			
For modeling purposes:			
Effective tax rate	%	19.9	~22%
Net financials costs	DKKm	79	~250
Net investments	DKKbn	1.1	2.5 to 2.8
Stock buyback program	DKKbn	1.5	0.5

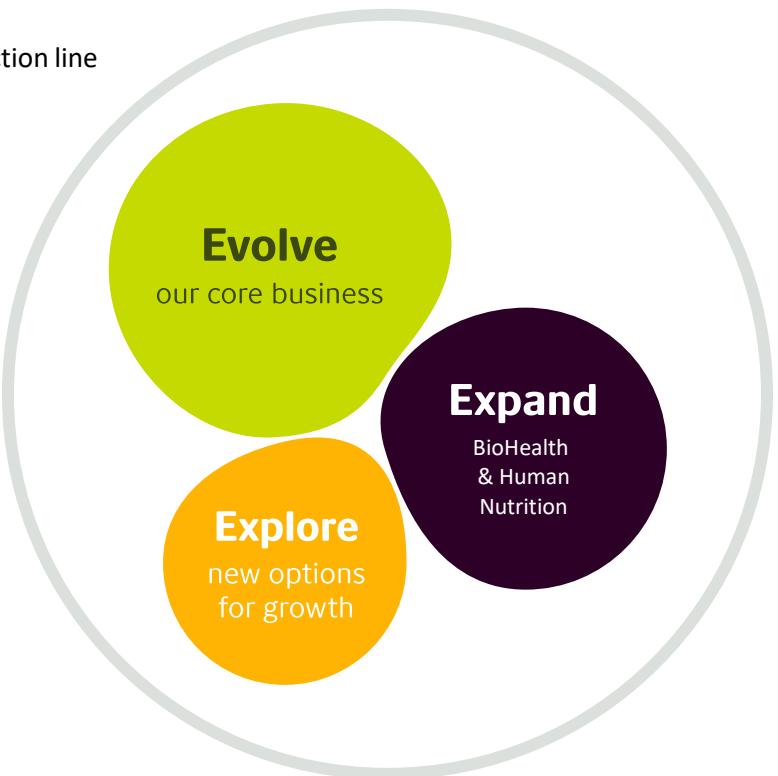
*Assumes constant currencies from the time of this announcement and for the remainder of the year



Summary

Strong overall performance in 2021; solid outlook for 2022; executing on strategic framework

- Strong sales performance with double-digit growth in three out of five business areas.
- Delivering on all key progress areas:
 - Partnerships
 - Innovations
 - Digital journey
 - Sustainability agenda
- Launch of refreshed strategy - 2022 progress areas:
 - Achieve key milestones in construction of new Blair production line
 - Leverage Human Health acquisitions
 - Invest in first customer co-creation center
 - Continued prioritization in the core business



Equity story

Welcome to the world's
leading biotech
powerhouse

It starts with a purpose

TOGETHERWE
FIND BIOLOGICAL
ANSWERS FOR BETTER
LIVES IN A
GROWING WORLD
LET'S RETHINK
TOMORROW

What if...

10%
of the world's animal protein was replaced with alternative protein



 **700 million tons** of CO₂ avoided
and
 **900,000 km²** of agricultural land saved
 **equivalent to** 50% of EU's agricultural area

detergents were **biobased**



 **5 million tons** of fossil-based chemicals avoided
or
 preventing 10 tons of chemicals from being poured down the drain every minute

3% of all liquid transportation fuels were biobased



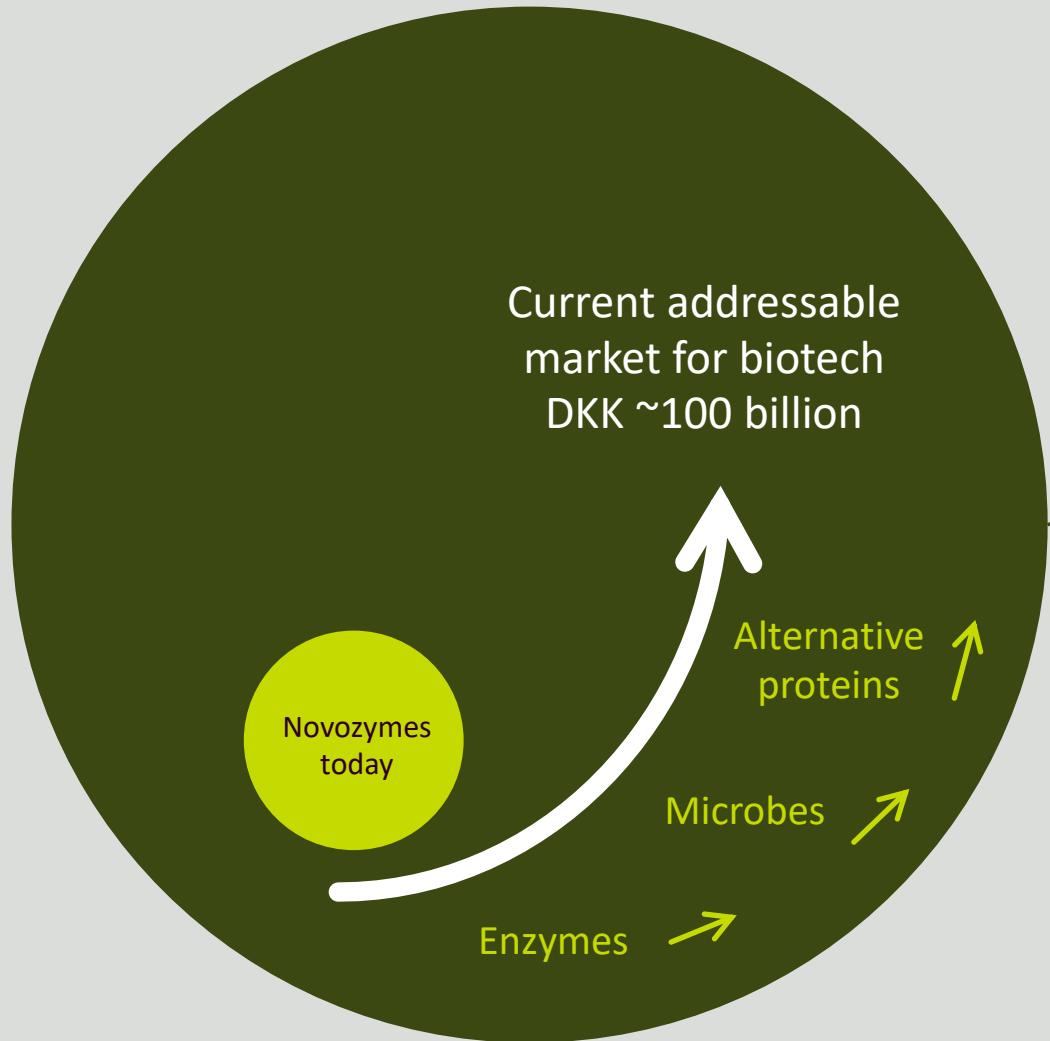
then...

10% of chemical pesticides were replaced with biologicals



 **300 million tons** of CO₂ avoided
 **equivalent to** 125 million cars off the road
 **250 million tons** of chemicals avoided from entering our ecosystems

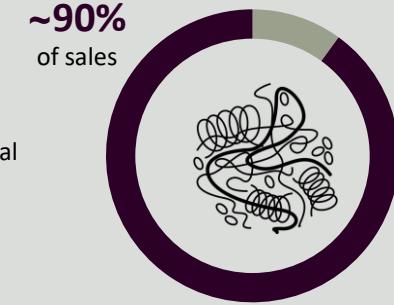
A world of opportunities



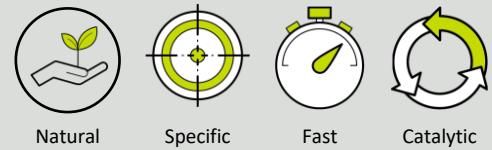
Enzymes are...
... proteins that catalyze chemical reactions and thus often **replace chemicals** in products and industrial productions



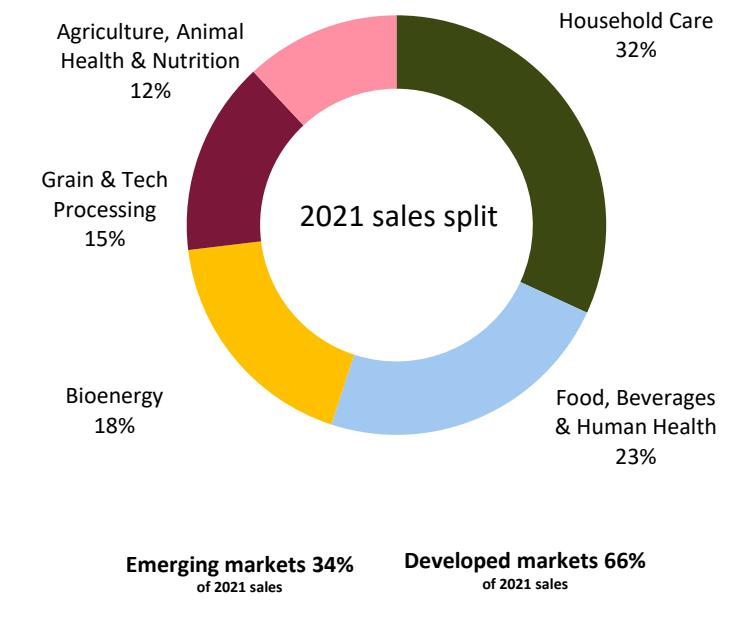
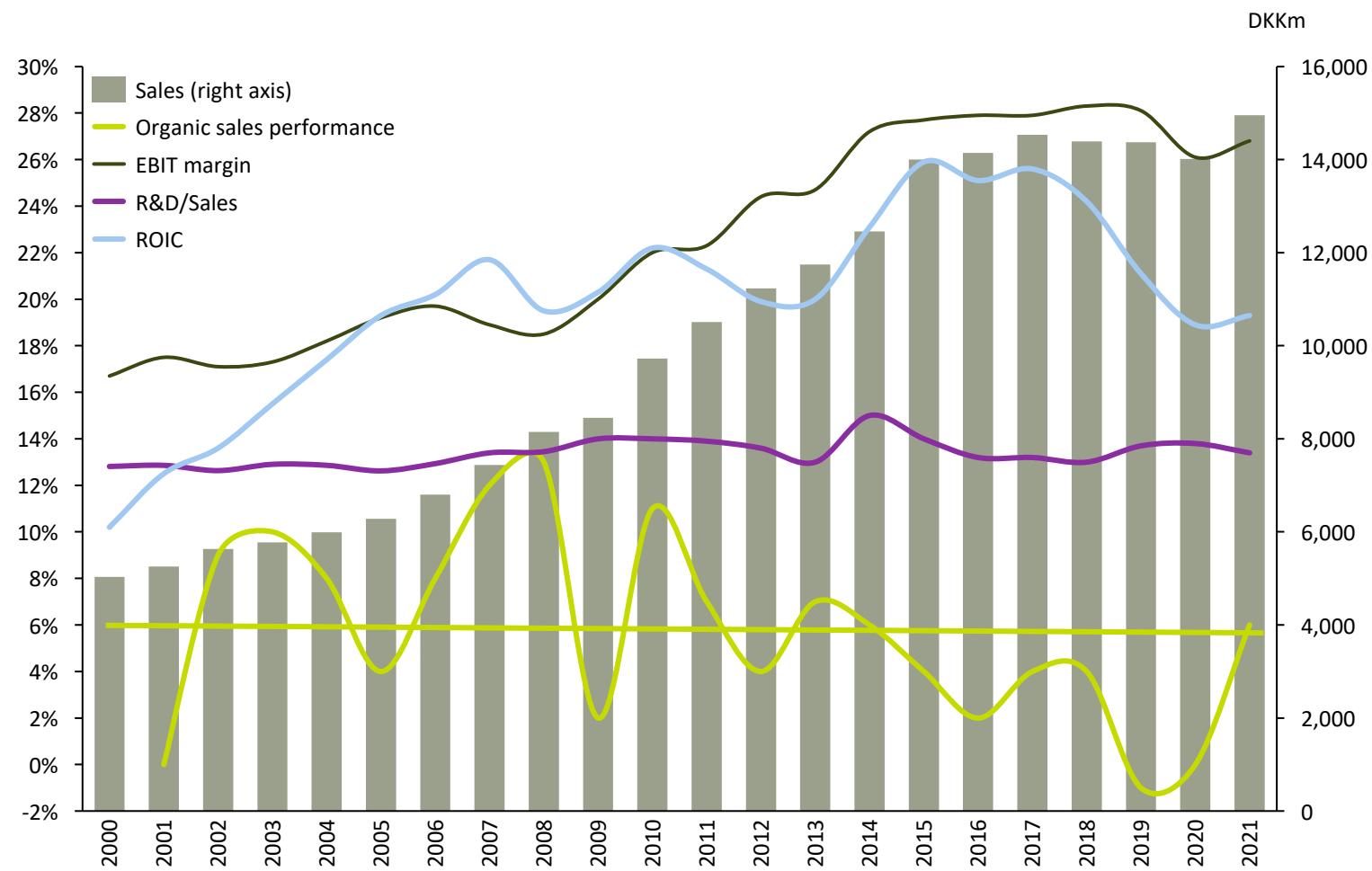
Global market for chemicals, food and health ingredients, feed additives, etc.



Microbes are...
... living microscopic organisms, such as bacteria and fungi. They are **essential for nourishment, immunity and replication** in e.g. plants and animals



The ability to adjust is what shapes our future



Uniquely diversified group creating synergies and opportunities

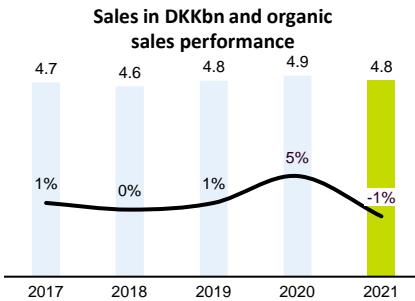
We launch technologies in five main business areas

Household Care

32% of 2021 sales



Laundry
Automatic dishwash
Hand dishwash
Professional cleaning

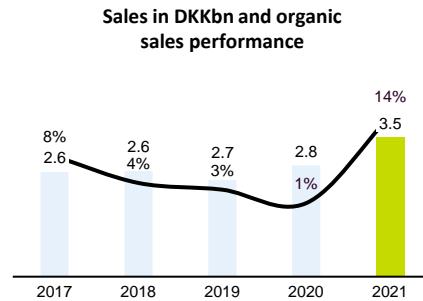


Food, Beverages & Human Health

23% of 2021 sales



Baking
Food & protein
Beverages
Human health

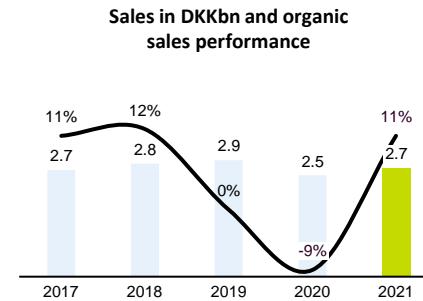


Bioenergy

18% of 2021 sales



Conventional biofuels
Biomass conversion
Biodiesel

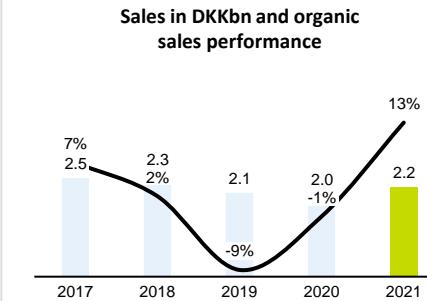


Grain & Tech Processing

15% of 2021 sales



Grain milling & starch processing
Distilling
Vegetable oil processing
Textile, Leather and Forrest
Water

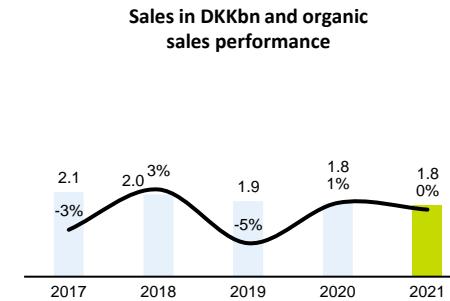


Agriculture, Animal Health & Nutrition

12% of 2021 sales



BioAgriculture
Animal health
Animal nutrition



World leader in industrial enzymes and microbes across the value chain

We are uniquely positioned to drive innovation opportunities

Innovation leadership

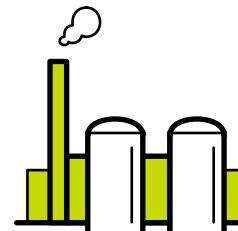


- Strong R&D organization and broad technology platform supports **continued product development**
- **Forefront of technology** to secure our leading position through innovation allowing for massive parallel screening: **bigger libraries, better answers**



Increased pipeline selectivity to accelerate time to market **from ~5 years to ~3 years**

Best-in-class production



- Cutting-edge protein engineering **improves enzyme efficacy**
- Genetic engineering of host organisms and production process optimization is **driving higher throughput**



The **world's largest producer** of fermented proteins. Efficiency gain have doubled the **available capacity**

Diversified global presence



- Highly skilled technical sales and service teams enables **long-standing customer relationships**
- **Highly diversified** selling to +2,000 customers covering +30 industries in ~140 countries

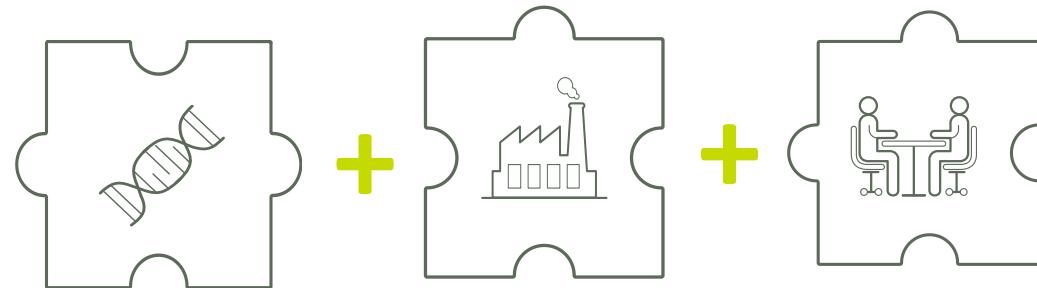


Market leader and strong positions across business areas

Novozymes is about turning amazing science into sustainable biological solutions...

R&D is a cornerstone of Novozymes

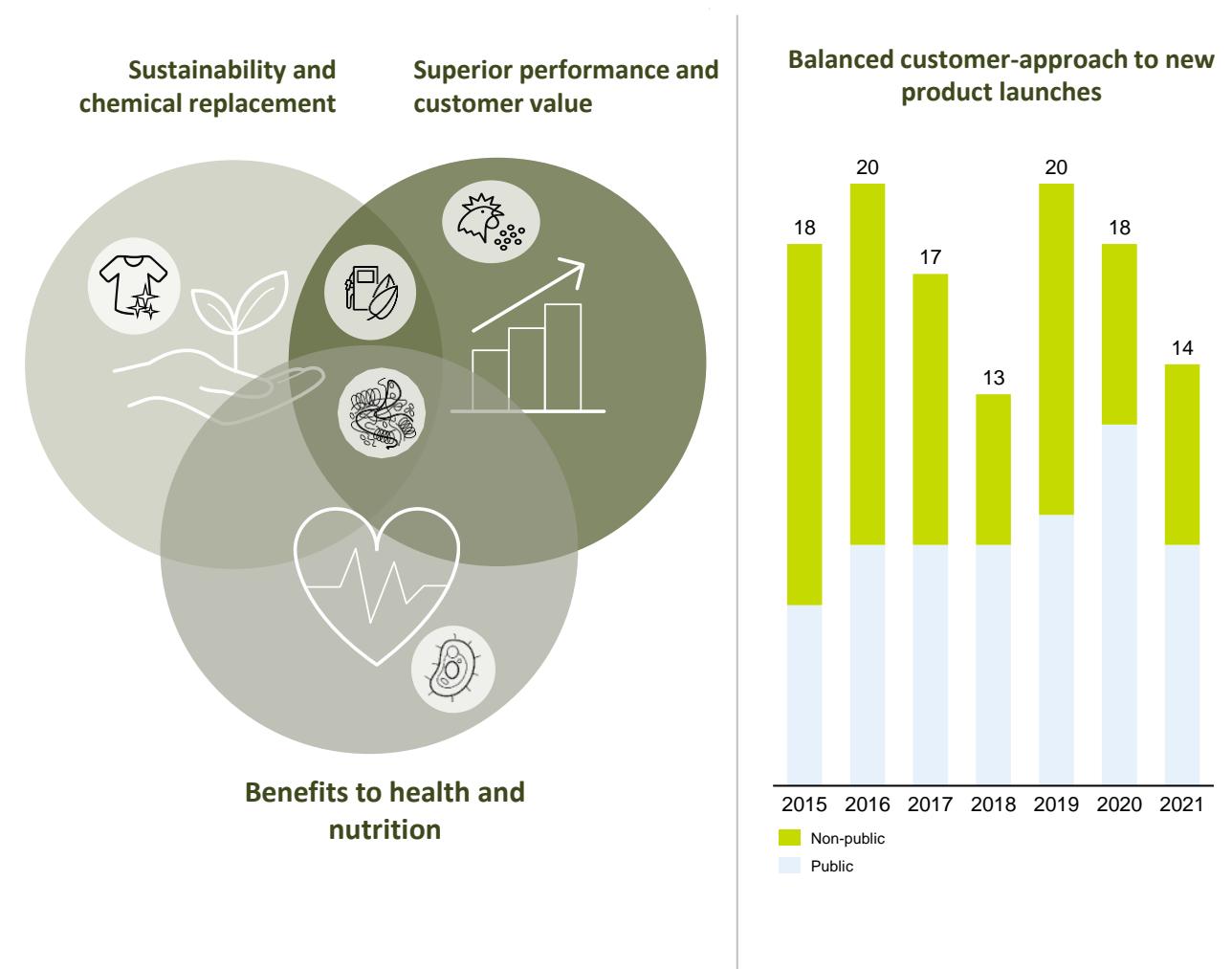
- Novozymes has always been and continues to be at the very forefront of biotechnology
- Enable cross-fertilization to leverage innovation and synergies across industries
- Secure technology leadership through continued investments and technology scouting



World-class bio-engineering toolbox

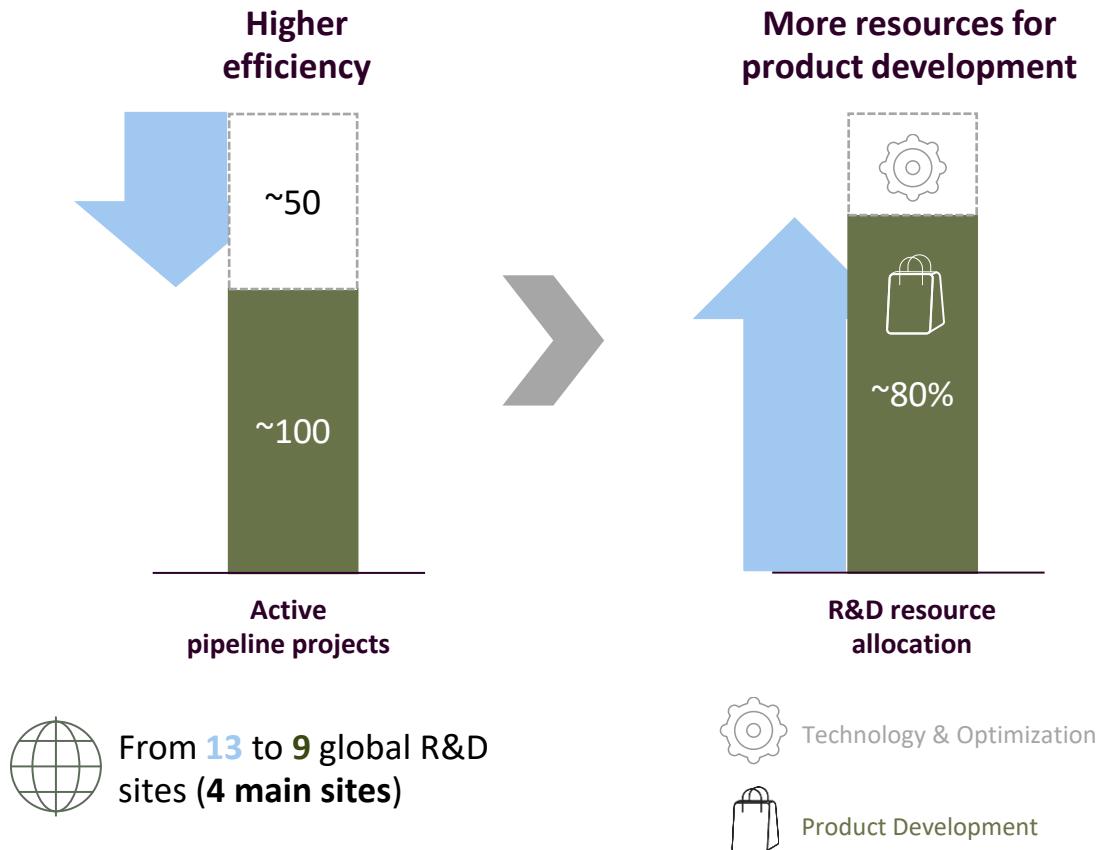
High-quality scale-up and manufacturing

Mastery of real-world applications

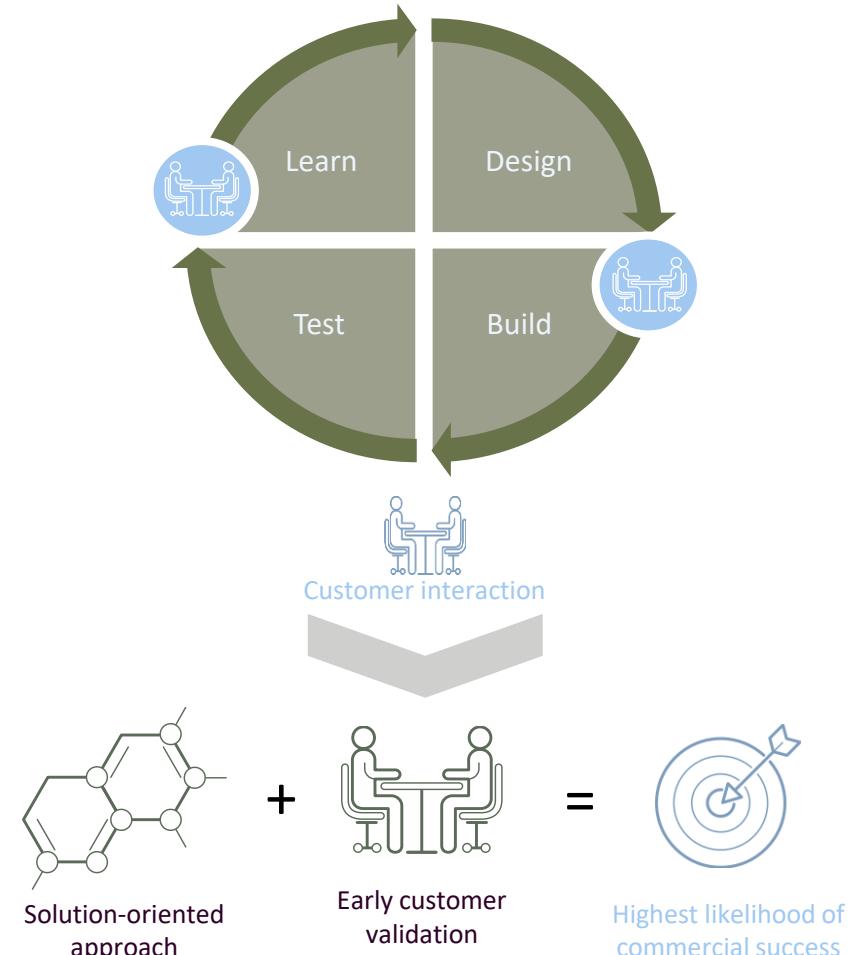


...and we are still learning to be even better

Reshaping of R&D to focus on topline growth



Putting customer centricity at the heart of our innovation



Unique technology sets Novozymes apart

We re-invest ~ 13% of sales into R&D projects for product innovation and productivity improvement

Product innovation



Consumer needs

- Nine billion people by 2050
- Increasing urbanization
- Growing demand for food, water and health



Customer needs

- Fight for profitability
- Global race for consumer preferences
- More regulation and standards

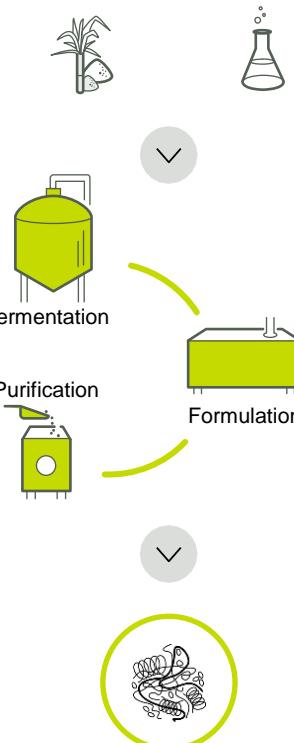


Planet needs

- Global climate change
- Societies stuck on oil
- Biodiversity under threat

Process innovation

Raw materials Micro-organisms



1. Improve production strain

2. Optimize industrial production

3. Improve enzyme efficacy

Technology development



Industrial-scale fermentation

Production of enzymes and proteins whilst continuously optimizing and improving yields



Molecular biology

Strain development using protein engineering, genetic modification, DNA sequencing, etc.



Bio-informatics & Systems biology

Application of computer algorithms in the computational discovery of enzymes in DNA databases



Screening systems

Application of high-throughput robotics to find the best enzyme candidates

Delivering sustainability impact through our products

We are reducing CO₂ emissions together with our customers



Detergent
100 kg CO₂
per ton of laundry



Animal feed
130 kg CO₂
per 1000 chicken



Textile
350 kg CO₂
per ton of fabric



Agriculture
15 kg CO₂
per ton of corn



Beverage
25 kg CO₂
per 1000 liters of beer



Leather
50 kg CO₂
per ton of hide



Vegetable oil
44 kg CO₂
per ton of oil



Paper making
150 kg CO₂
per ton of pulp



Biomass based biofuel
2200 kg CO₂
per 1000 liters of ethanol



Enabling a low carbon future

In 2021, we saved 60 million tonnes of CO₂ by enabling low carbon fuels in the transport sector.



Fewer chemicals, cleaner water

In 2021, we managed to reach 4.1 billion people with our laundry solutions that help reduce chemicals and aquatic pollution.

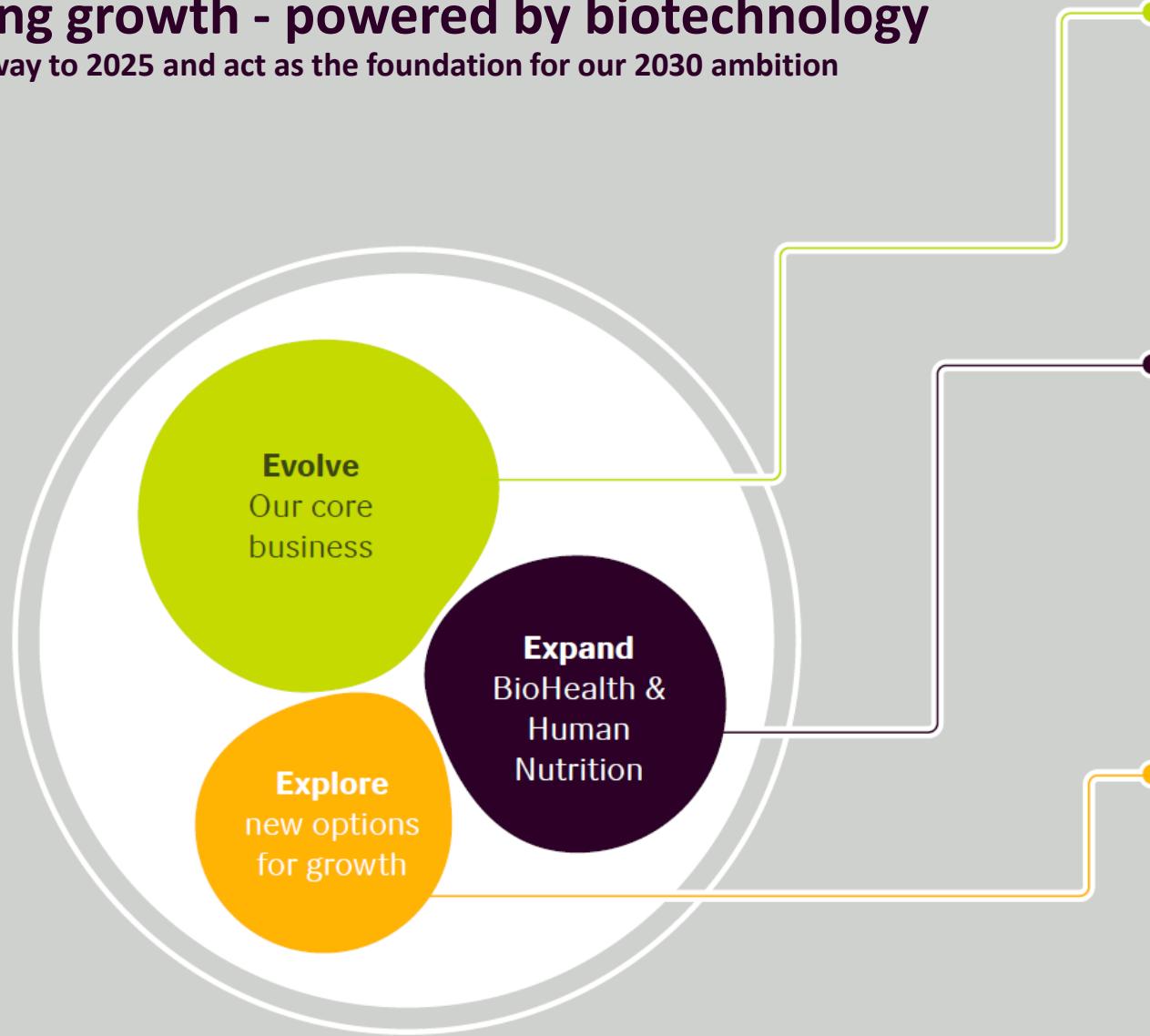
Enabling customers to produce more from less

In 2021, we estimate that 206,000 tonnes of food was gained using our solutions.

These reductions are estimates from third party reviewed Life Cycle Analysis studies for representative products in Novozymes

Unlocking growth - powered by biotechnology

Guiding the way to 2025 and act as the foundation for our 2030 ambition



Evolve our core business

In this growth pillar, we find the areas where we currently see most of our sales, such as detergents and bioenergy. These continue to offer solid growth opportunities which we will tap into via innovation, commercial excellence, digitalization, and production optimization.

Expand BioHealth & Human Nutrition

In the areas of BioHealth and Human Nutrition, we have solutions that provide natural answers to a growing focus in society on healthy people, healthy animals, and a healthy planet. We expect strong growth here and we intend to invest in these areas to ensure we can be close to our customers and have the capabilities to meet demand and capture attractive growth opportunities.

Explore new options for growth

In our Explore pillar, we aim to be bold and ambitious in our pursuit of new opportunities. Through a venture mindset, we will explore opportunities, such as carbon capture, fertilizer replacement and plastic degradation, which come with very high potential but also increased risk. An agile approach will ensure that we can quickly test out the viability of any opportunity and only move ahead with the ones that have the strongest potential.

A woman with dark skin and braided hair is smiling while working in a lush green field. She is wearing a blue apron over a white shirt and a light-colored headband. The background is filled with dense green foliage.

x2030

2030 ambition

Doubling sales ... sustainably

Accelerate
towards a climate-
neutral society

Transform
food systems

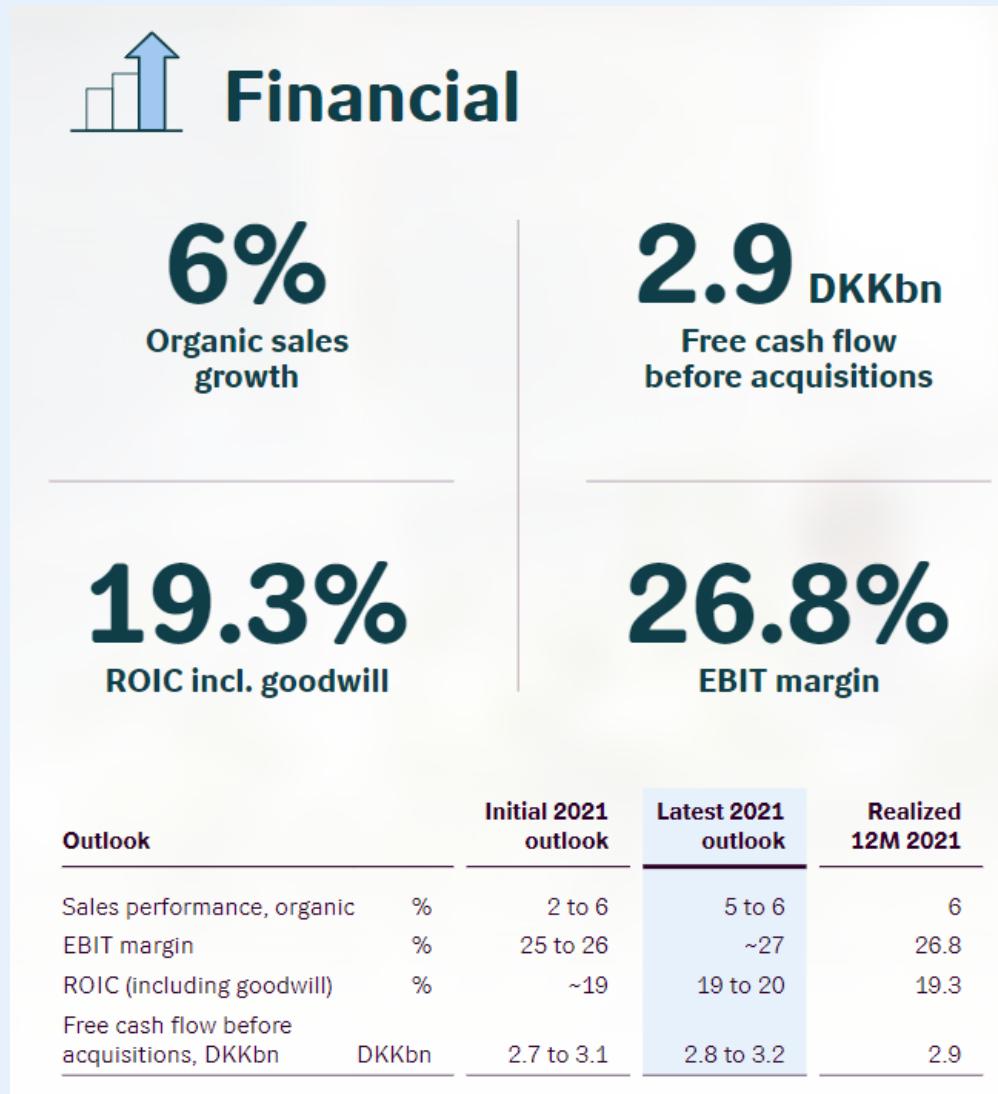
Enable
healthier lives

Financials & ESG

x2030
Doubling sales
... sustainably



Performance highlights 2021



Historical performance demonstrates delivery track record



Sales by geography

Europe, the
Middle East
& Africa



38%

of 2021 sales

2% Organic sales growth

Full-year organic sales grew 2% compared to the previous year with a strong performance in Food, Beverages & Human Health while Household Care, Agriculture and Animal Health & Nutrition was soft.

North
America



31%

of 2021 sales

3% Organic sales growth

Full-year organic sales in North America increased by 3% organically in 2021 compared to 2020. Bioenergy and Grain & Tech Processing were the main growth drivers while particularly Agriculture, Animal Health & Nutrition declined.

Asia
Pacific



20%

of 2021 sales

10% Organic sales growth

Full-year organic sales increased by 10% in 2021 compared to 2020 with all five business areas contributing. Growth was especially strong for Food, Beverages & Human Health and Grain & Tech Processing.

Latin
America



11%

of 2021 sales

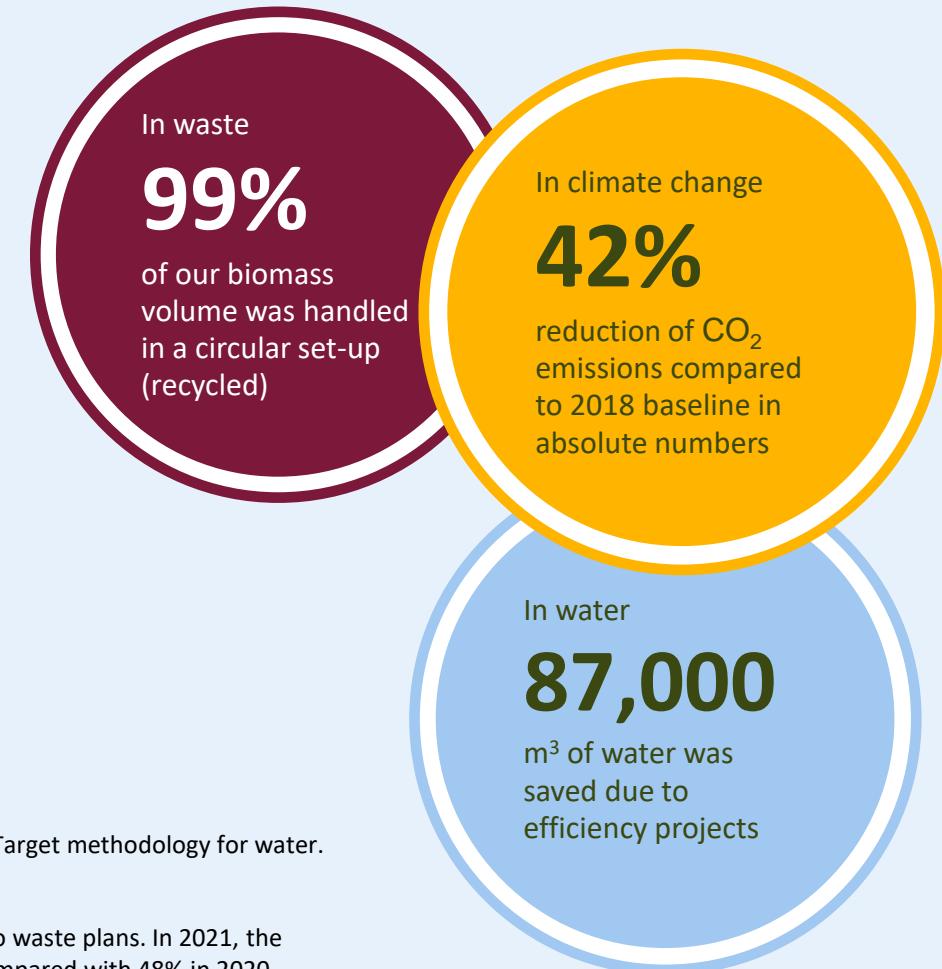
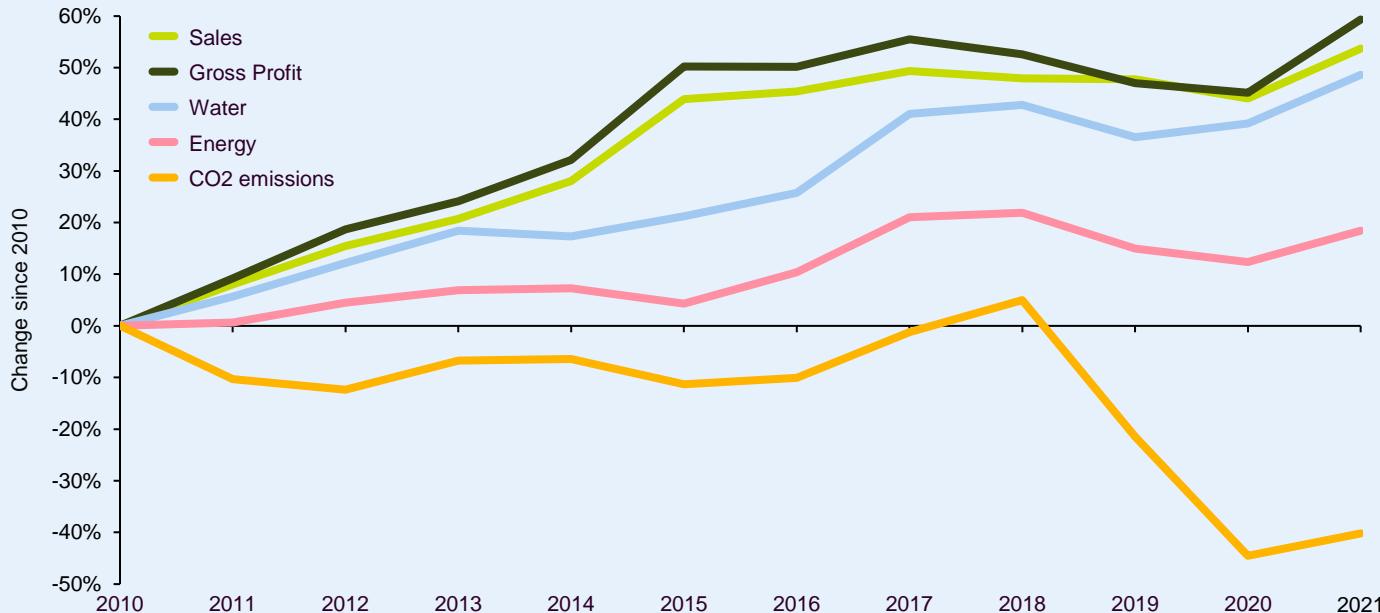
31% Organic sales growth

Sales in Latin America increased by 31% organically in 2021 with broad-based growth across all business areas. Performance was especially strong for Agriculture, Animal Health & Nutrition, Bioenergy, and Grain & Tech Processing.



Environment: Ambitious actions

We are committed to improve our footprint

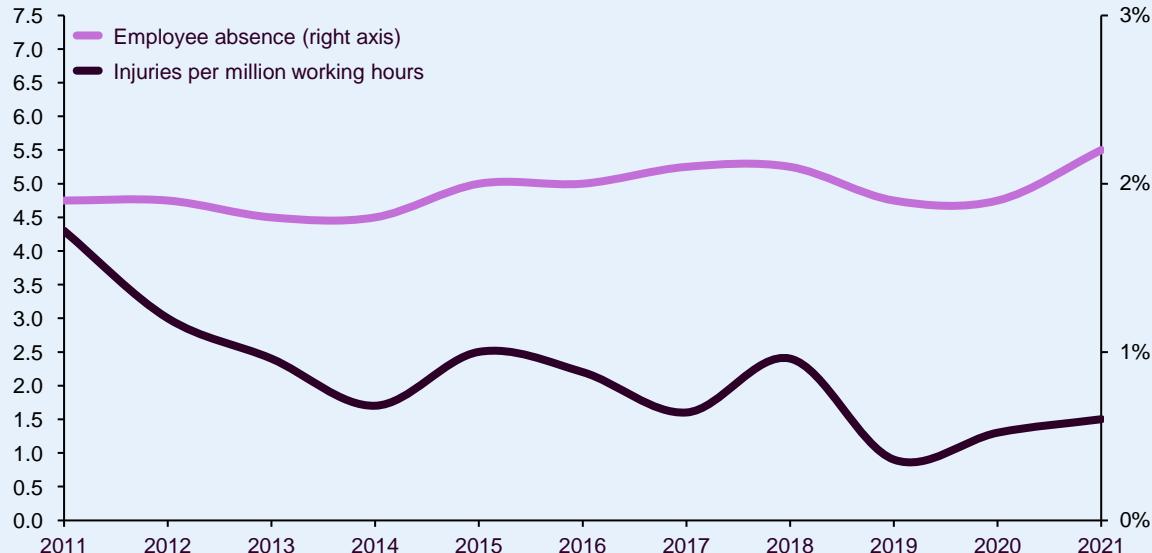


Our commitments to address climate, water and production and consumption

- ✓ We raised our ambition to 50% reduction* in absolute emissions from operations & supply chain (Scopes 1+2+3) by 2030.
- ✓ 11 out of our 15 production sites had programs with actions to help us address local water challenge in context-based-water programs.
- ✓ We have begun to pilot the draft Science Based Target methodology for water.
- ✓ 10 of our 15 production sites had developed Zero waste plans. In 2021, the recycling rate of non-biomass waste was 62% compared with 48% in 2020.

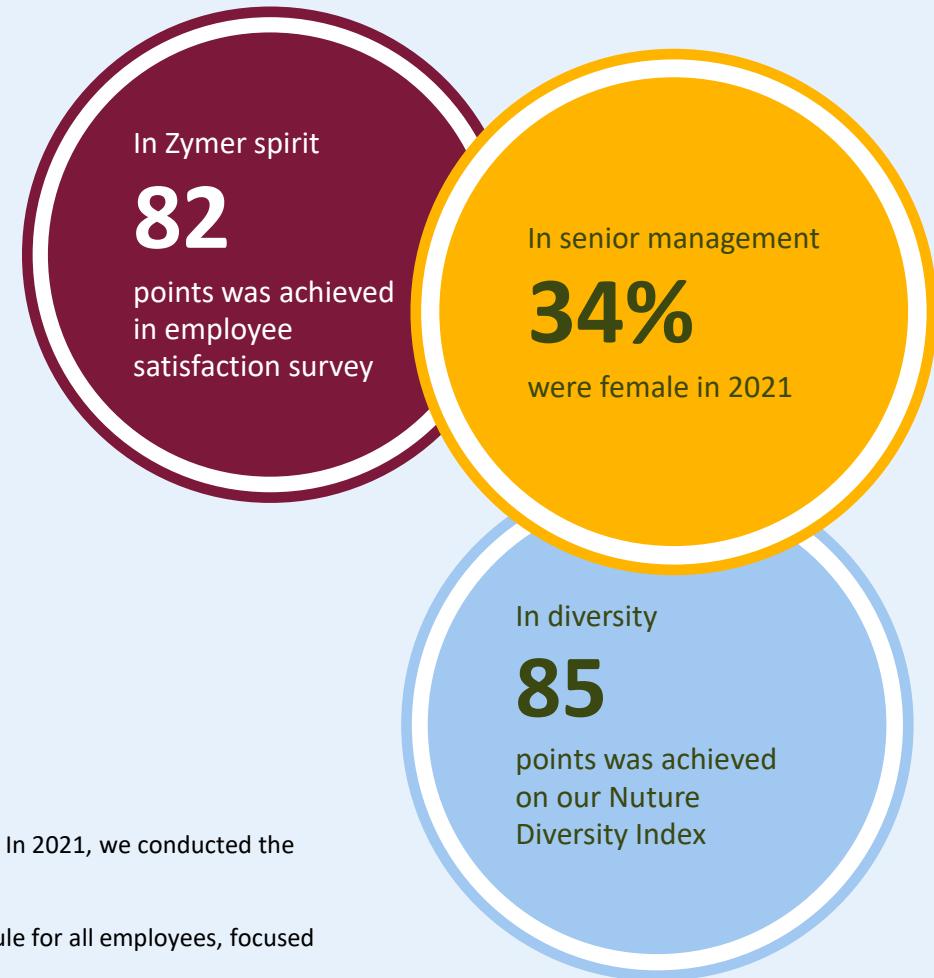
Social: Zymers and society

We are investing in a workplace where Zymers can stay safe, thrive and grow



Our commitments to Zymers and society

- ✓ Enable learning score: 79 achieved in our employment survey.
- ✓ Our Zymers joined forces with the Novo family and helped raise funds to support UNICEF, through COVAX, and together we raised DKK 23 million enough to fully vaccinate 800,000 people.
- ✓ Conducted the Human Rights impact assessment. In 2021, we conducted the human rights impact assessment for China.
- ✓ We launched a mandatory safety e-learning module for all employees, focused on current safety challenges across Novozymes.



Strong oversight of sustainability performance across Novozymes

Board of Directors

Provides input to executive management on overall approach to sustainability, and signs off on remuneration policy

Executive Leadership Team

Signs off on Novozymes' overall approach to sustainability, sets new targets and reviews performance on a quarterly basis

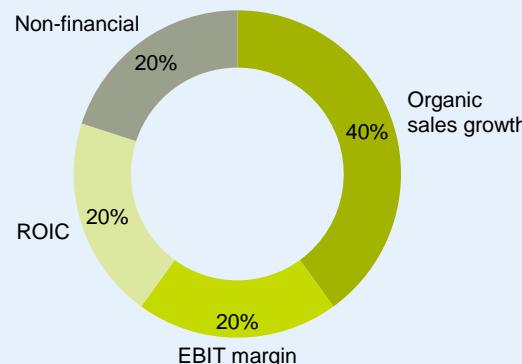
Functional and Divisional level

Develops and executes sustainability roadmaps, recommends new targets and reviews performance on a quarterly basis

Team and Site level

Implements sustainability activities in the roadmap

Non-financial targets are integrated into our long-term incentive programs



Novozymes' new long-term incentive programs covers the Executive Leadership Team, the Senior Leadership Team and directors, and other employees

Our strong ESG performance is endorsed by rating agencies...



AAA rating (2021)



ESG rating: Low Risk (2021)



A- (Climate Change 2021)
B (Water Security 2021)



Constituent of FTSE4Good and Ethibel Sustainability Indices



Recognized among the top 1% for our sustainability performance on Ecovadis

... and we continue to support the global call for collective action



Our climate targets are being validated by the Science Based Targets initiative.



We have joined the RE100 coalition and committed to 100% renewable electricity by 2030.



We strongly support the TCFD recommendations and will improve reporting on it in 2021.



We are a signatory to the WEP and support the principles through our policies.



We have joined the CEO Water Mandate to promote water stewardship.

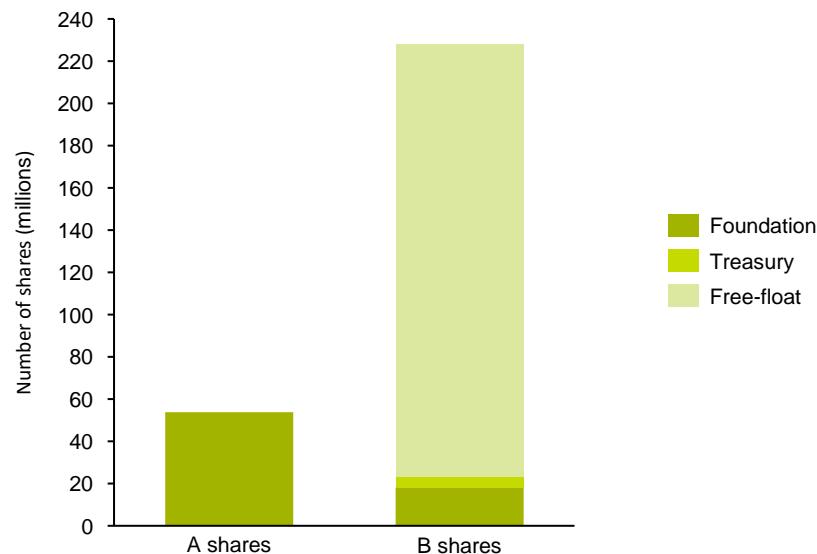
Foundation ownership advocates long-term focus

Purpose of the Novo Nordisk Foundation

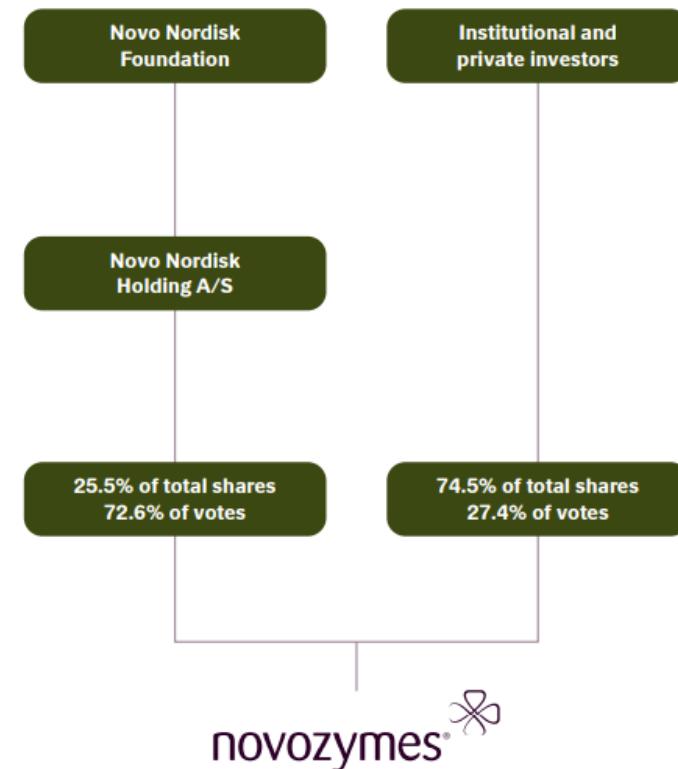
The Novo Nordisk Foundation is an independent Danish foundation with corporate interests.

The objective of the Novo Nordisk Foundation is twofold:

- Provide a stable base for the companies within the Novo Group, incl. Novozymes
- Support scientific, social and humanitarian purposes by contributing to communities in large scale through donations and impact investments, to which Novozymes indirectly contribute through our dividend payments



Structure and ownership



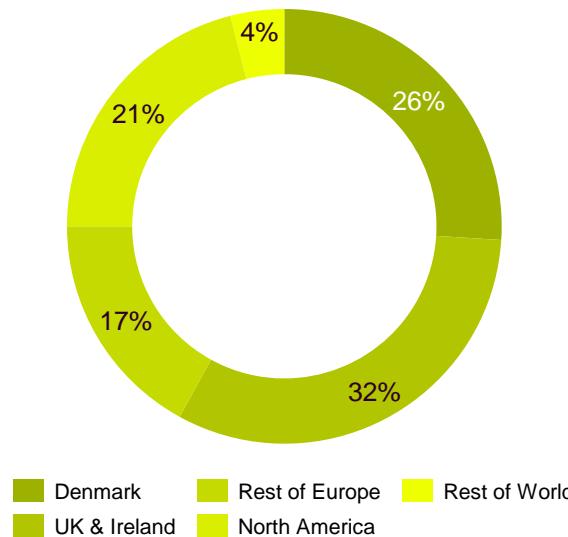
Shareholder distribution and dividend payouts

As of December 2021

- Novo Holdings held 25.5% of the share capital and controlled 72.6% of votes (all A shares and 8.0% of B shares)
- Novozymes had more than 57,000 shareholders of whom 95% were private shareholders in Denmark

Shareholder distribution of B shares

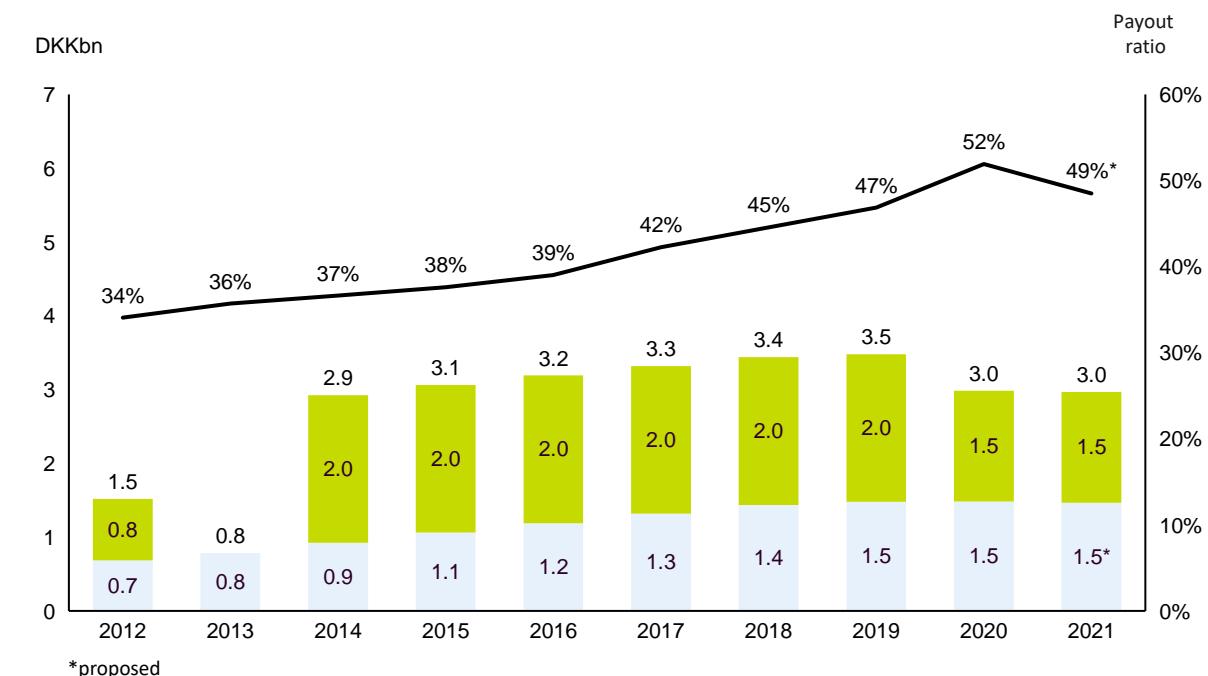
Novo Holdings was the only major shareholder holding more than 5% of Novozymes' common stock



DKK ~27.7bn returned to shareholders since 2012

All B shares listed in Copenhagen under the symbol 'NZYM B' and all A share capital and 18,166,400 B shares held by Novo Holdings, who is wholly owned by the Novo Nordisk Foundation

■ Buyback
■ Dividend
— Payout ratio (right axis)



Unlocking growth - to drive shareholder value



Business

Organic sales CAGR

5% or higher until 2025

EBIT margin

26% or higher by 2025

ROIC incl. goodwill

20% or higher by 2025

Model assumptions

Net working capital/sales: improving as % of sales

Net investments/sales: ~10% excl. DKK ~2bn APS (2021-2023)**

Effective tax rate: 22% to 23%

Net interest-bearing debt/EBITDA: ~1x***

Dividend payout ratio: ~50%



Zymers & society

Include

An inclusive and diverse workforce

Achieve gender balance across all professionals and in senior leadership by 2030

Thrive

A workplace where Zymers stay safe, thrive and grow

Take action and monitor progress to ensure organizational wellbeing

Inspire

A culture of changemakers

Pledge 1% of our time to community outreach



Operations

Climate

50% reduction in absolute CO2 emissions from operations and supply chain by 2030 and net zero by 2050

100% renewable electricity by 2030

Water

100% of sites to manage water in balance with local conditions by 2030

Circular

Zero waste from operations by 2030

* All targets assume constant currencies, no additional acquisitions, no divestments, no special items, a gradual normalization of the global economy and supply chain post-COVID, and no new severe disruptions of the global economy

** Excluding Advanced Protein Solutions investment; DKK 2 billion in 2021-2023, of which DKK ~1.7 billion in 2022-2023

*** Leverage at around 1x NIBD/EBITDA but could temporarily go higher on acquisitions of strategic assets

Consumer Biosolutions

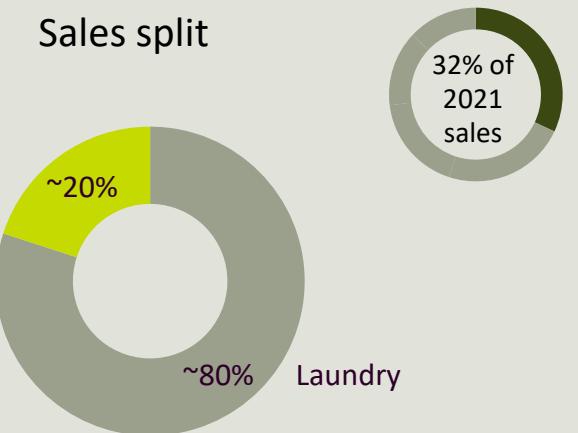
Helping customers meet consumer demand through biological solutions



Household Care

Sales split

Home Care & Professional



32% of
2021
sales

Sales composition



Laundry



Automatic dishwash



Hand dishwash



Professional cleaning

The value we create



Eliminate
harsh chemicals



Save energy,
water, time



Remove stains,
boost whiteness



Preserve fabric
texture, color



Deal with complex
hygiene issues



Decrease dose,
increase performance

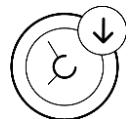


Overview Household Care

Key trends



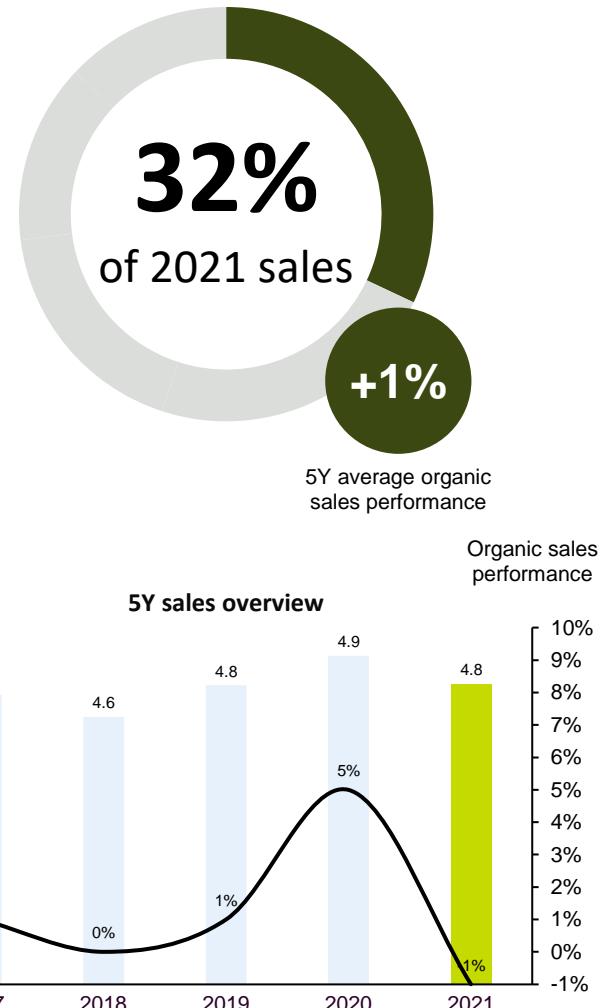
Increasing demand for solutions that enable hygienic cleaning



Transition to more convenient detergent solutions



Increasing industry focus on bio-based and green detergents



Growth drivers

- Higher enzyme inclusion and innovation addressing key consumer concerns e.g. improved **wash performance** also at low temperatures, improve **sustainability** profile and enabling **optimized formulations**
- Demand for better-performing products as well as GDP and population growth in **emerging markets**
- Increasing investor, regulatory, customer, retailer, and consumer focus on **sustainability** and **ingredient transparency**

Growth barriers

- Traditional consumer washing **habits**, e.g. high temperatures
- Consumers' lack of **ability to differentiate** between product performance
- Regulations favoring surfactants** over enzymes in emerging market product standards
- Sustained **low petrochemical input costs** reducing the adoption rate of high-performance enzymes

Growth driver Enzyme inclusion

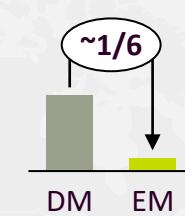
We see large potential for future enzyme inclusion, especially in emerging markets

Big potential in emerging markets

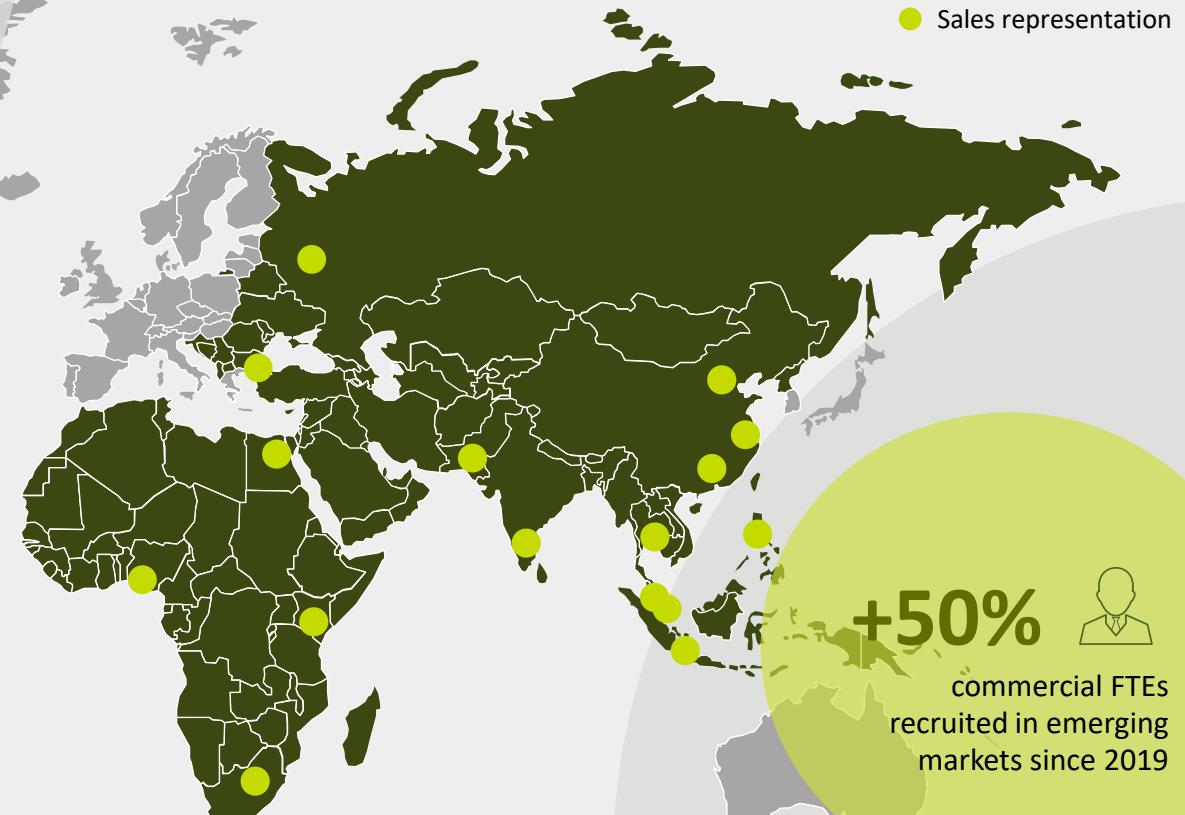
Detergent volume*



Enzyme penetration**



Sales representation



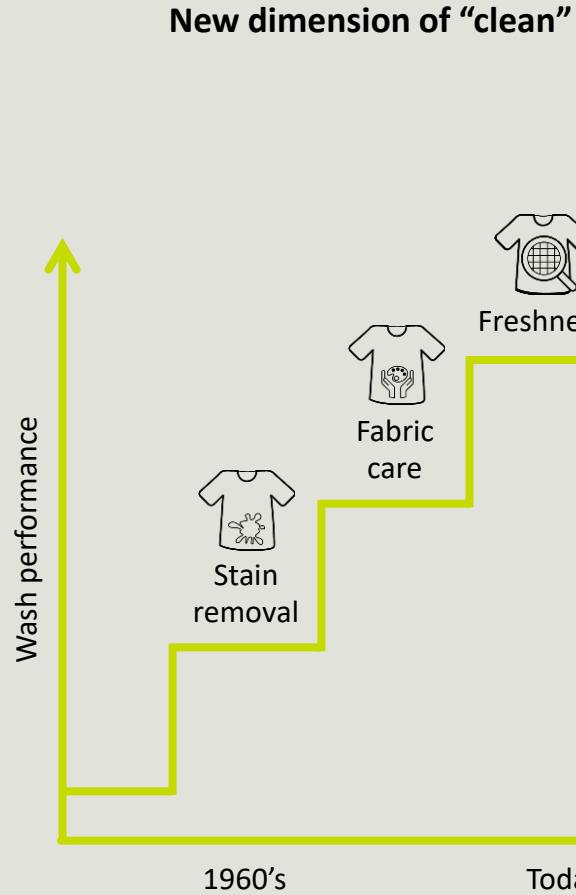
+50%
commercial FTEs
recruited in emerging
markets since 2019

* Total global detergent volume. The figures include both enzymatic and non-enzymatic detergent

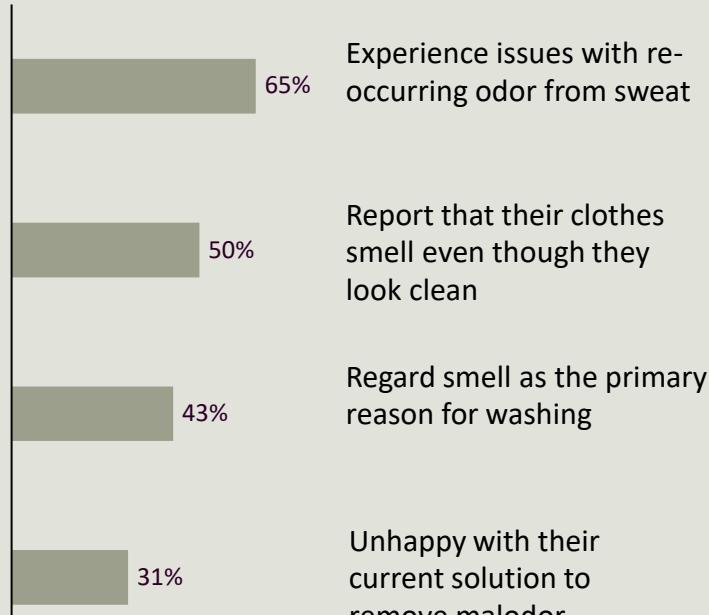
** Novozymes' Household Care sales in 2020 divided by total global detergent volume as defined above (DKK/kg)

Growth driver Freshness platform

Lifestyle changes are spurring demand for freshness, and we are on track to deliver DKK 1bn



Consumers ask for new solutions



Novozymes Freshness

Washed without
Novozymes'
Freshness technology



Washed with
Novozymes' technology

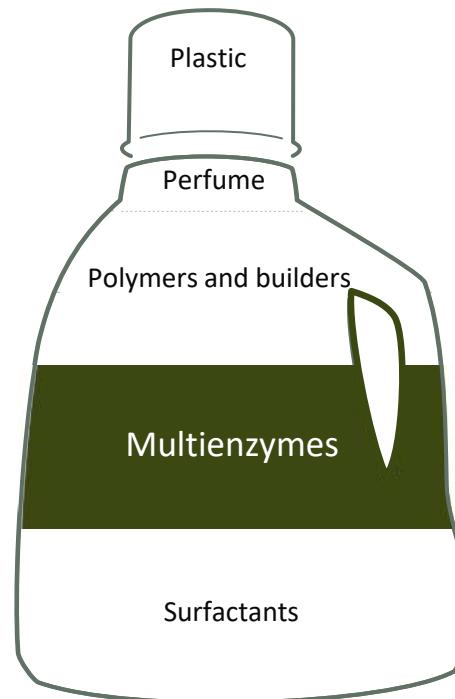
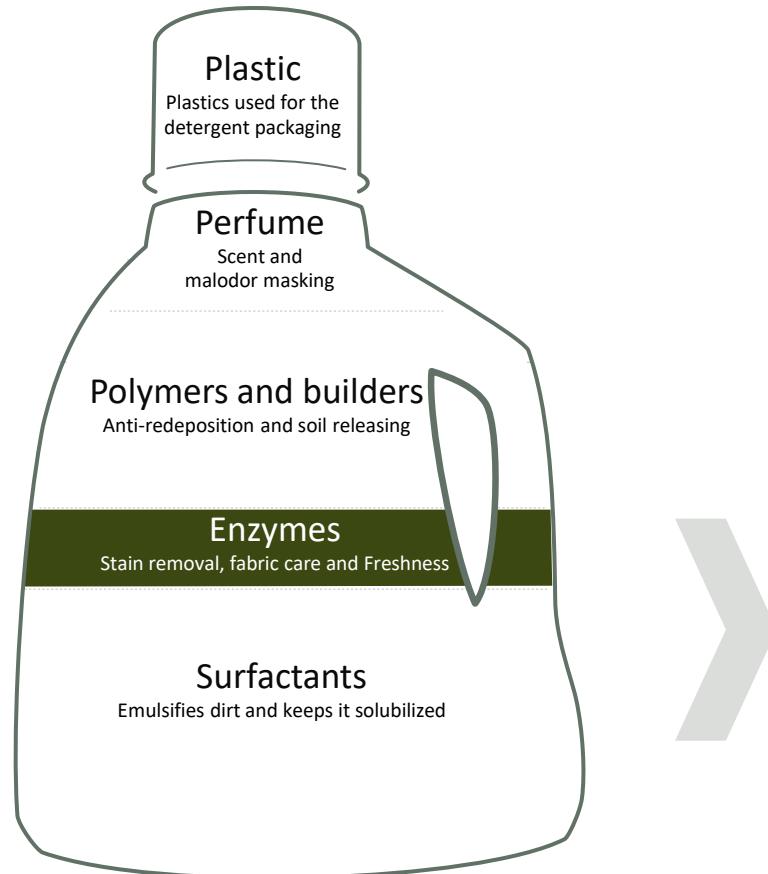


80%
prefer a
T-shirt washed
with Freshness

Growth driver Detergent compaction and sustainability

We believe enzymes can contribute even more to detergents and to compaction

Raw material costs*



Most ingredients in laundry detergents are fossil-based.
Actually, only less than

15%**

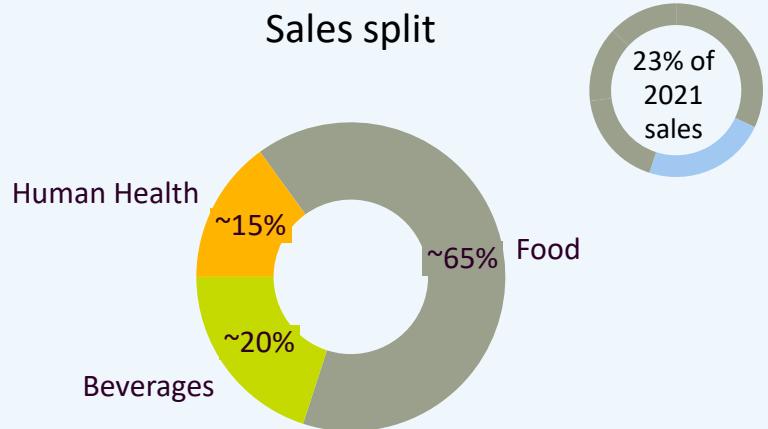
of detergent raw materials
are renewable and
biodegradable

The power of enzymes

- Using new as well as existing enzymes in higher dosage to keep cleaning performance in lower surfactant environment
- Using enzymes to compensate for performance loss when reducing pH level and the need for builders
- Freshness solutions to reduce the need for perfume
- Enzymes to replace polymer functions, such as fabric care and whiteness

* Breakdown of raw material cost in a standard laundry detergent
** As share of volume (not cost)

Food, Beverages & Human Health



The value we create

- Health, safety and sustainability
- Optimize raw material use
- Freshness and taste
- Meet demand for new product claims



Overview Food, Beverages & Human Health

Key trends



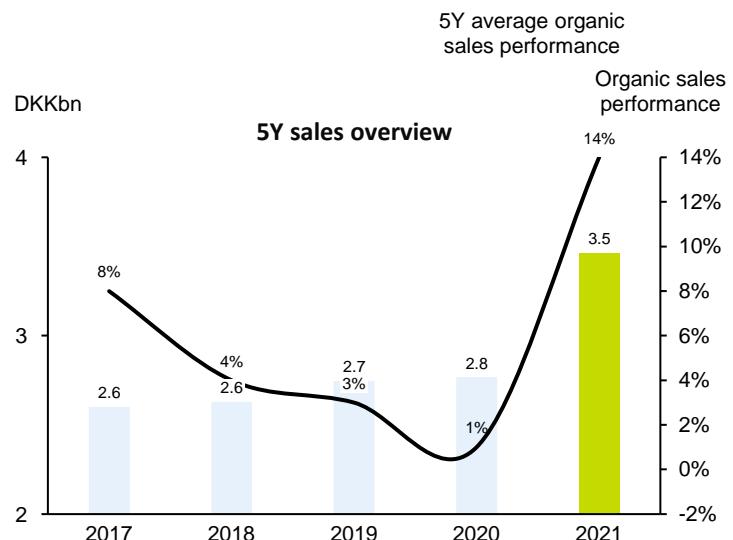
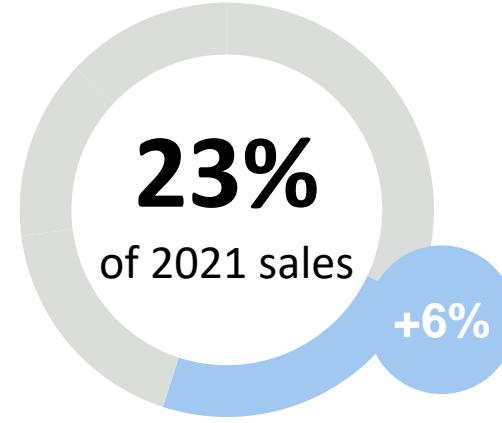
Increasing demand for plant-based foods & beverages due to health and environmental concerns



Consumer and food producer requirements for better taste, texture and quality push the need for biological solutions



Growing focus on preventative solutions in health & nutrition



Growth drivers

- Demand for better and more **convenient food** with awareness about **food safety** and "**naturally healthy**" products
- Increasing demand for **vegetable proteins**
- Growing demand for **probiotics** and other biological health solutions fueled by aging demographic, better consumer understanding and stronger product health benefits
- Optimization of **emerging market** food value chains

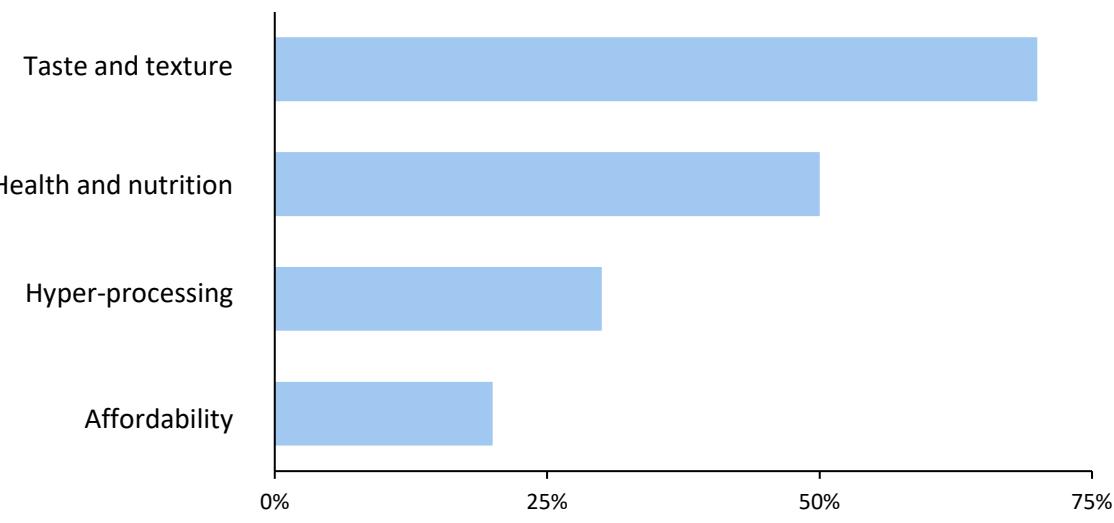
Growth barriers

- **Conservative industries** with consumer preference for traditional foods
- Consumer and industry **skepticism** about technology in food and beverages production
- **Fragmented local markets** and dietary **habits** as well as regulation

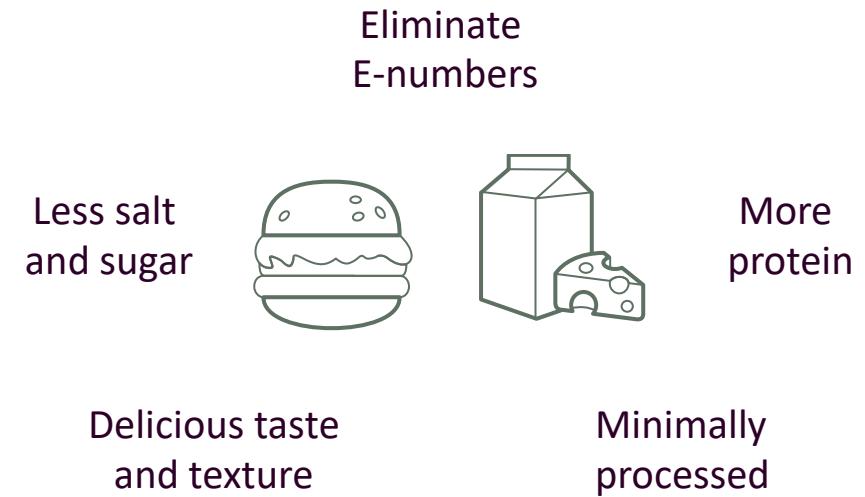
Growth driver Taste, texture and nutrition

Taste, texture and nutrition of plant-based alternatives need to improve

Barriers for consumer adoption of plant-based meat and dairy alternatives



Improving plant-based products with biology

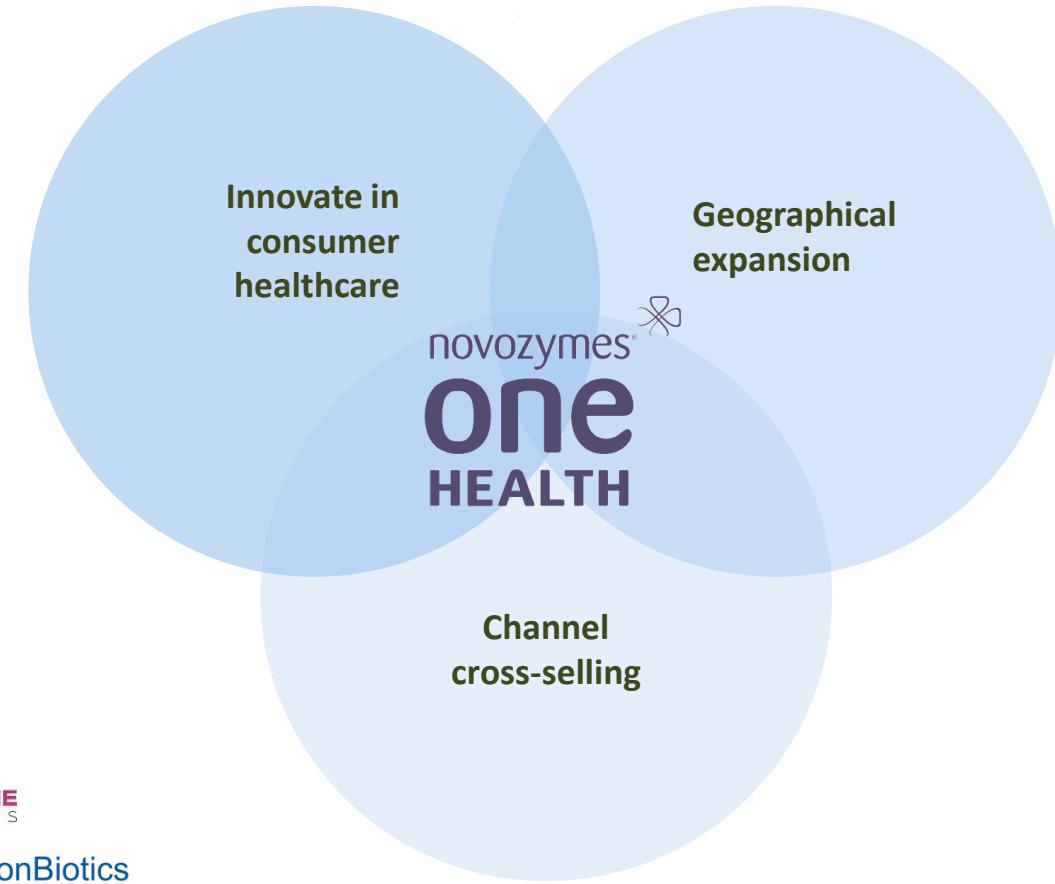
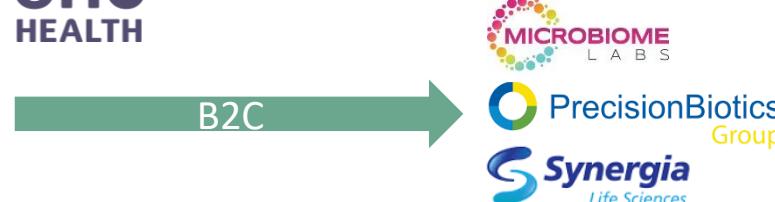


Growth driver Human health

Innovative solutions that can be proven to solve profound consumer health challenges

-  Metabolic & Cardio Health
-  Cognitive Health
-  Oral & Skin Health
-  Gastro-Intestinal Health
-  Protective & Immune Health

Multichannel strategy represented by 3 brands

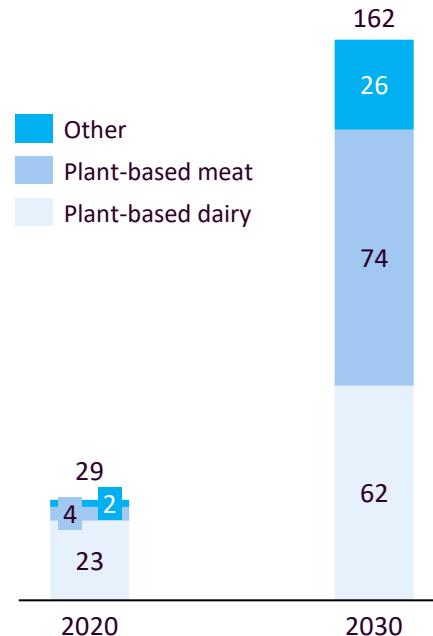


Growth driver Advanced protein solutions

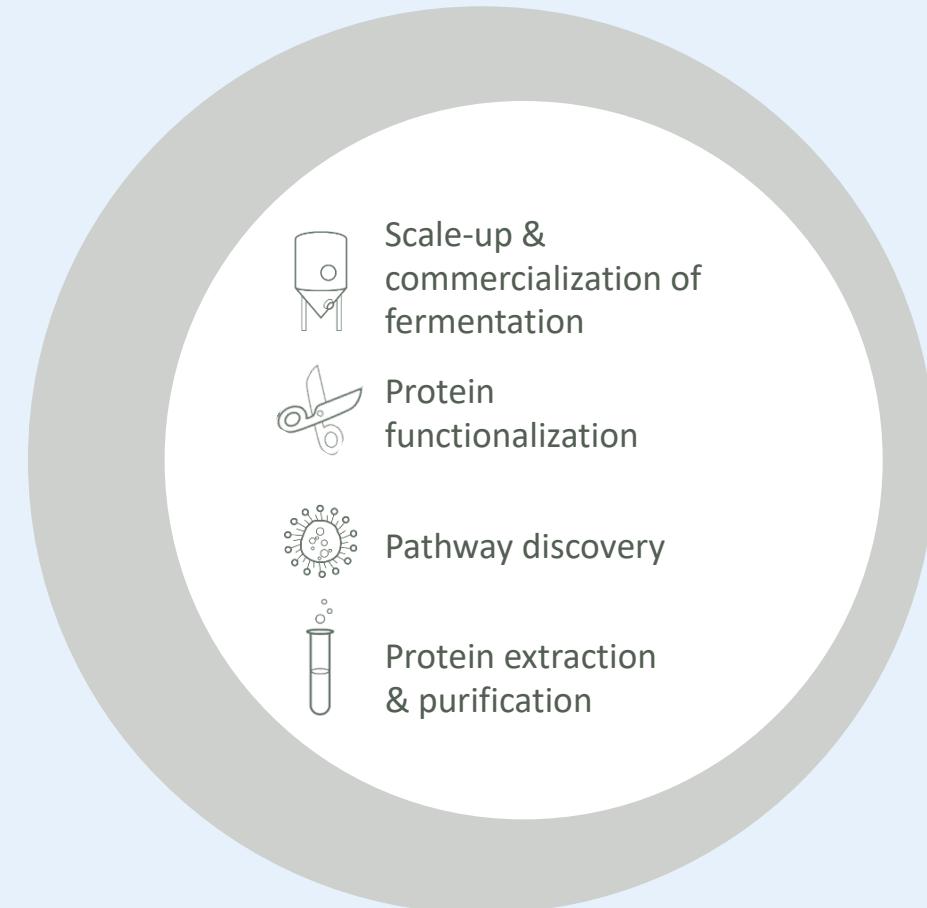
Consumers are actively looking to replace animal-based proteins due to both health and sustainability

Global plant-based retail market size

15-20% CAGR, 2020-2030

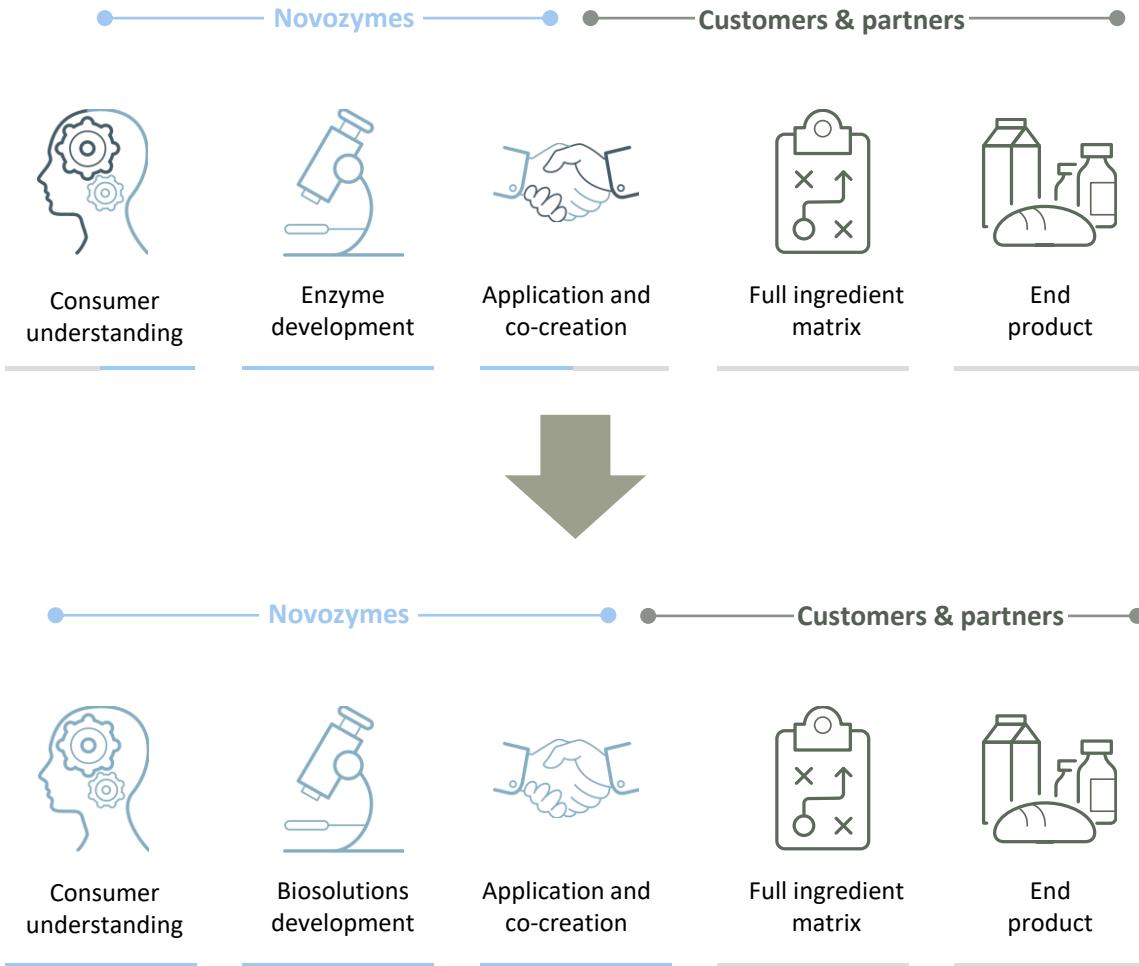


Source: Bloomberg Intelligence, OECD FAO Agricultural Outlook,
retail market size, USD billion, base case scenario



Growth driver Customer Co-Creation Platform

Using our Customer Co-Creation Platform as a growth accelerator to strengthen capabilities for Food & Health



Strengthening Food & Health co-creation capabilities



Food processing

Nutrition & food formulation

Sensorial appeal

Health benefits

Mechanistic health understanding

Claims & regulatory development

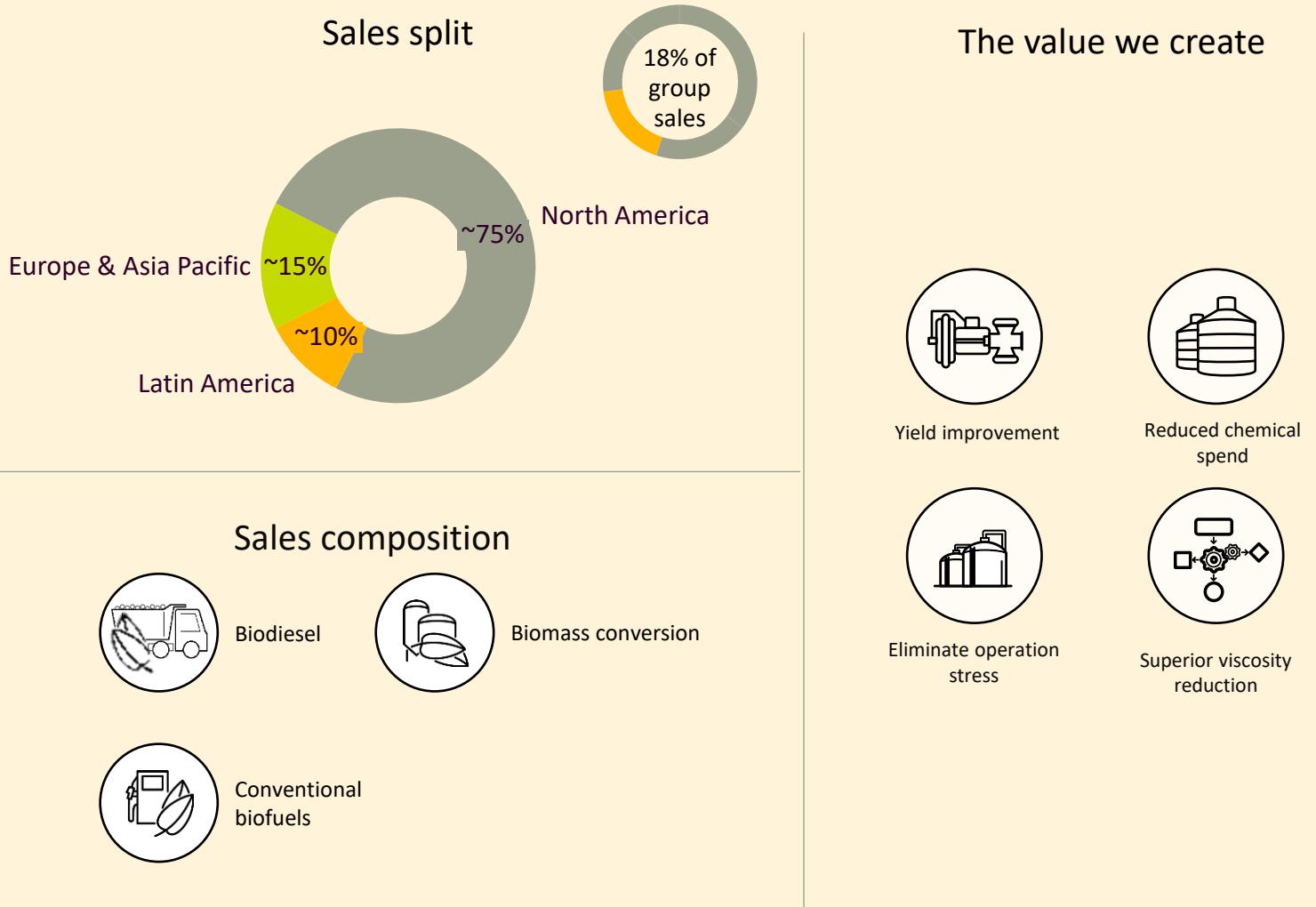
Consumer & end market insights

Agriculture & Industrial Biosolutions

Helping customers boost
performance and differentiate
through biological solutions



Bioenergy



Overview Bioenergy

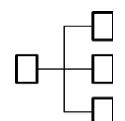
Key trends



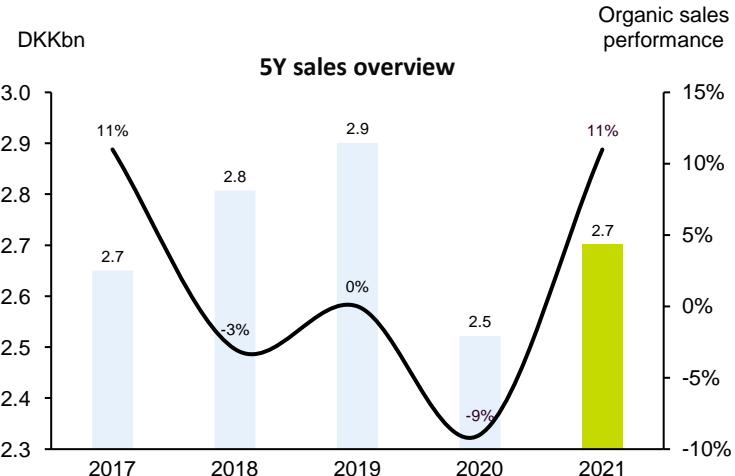
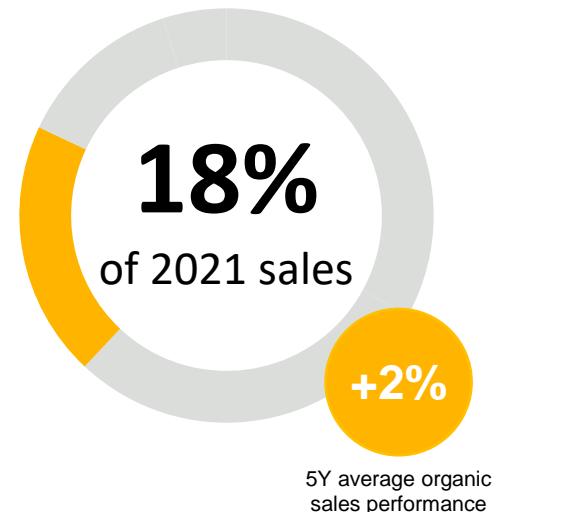
Increasing push for clean energy solutions



Growing demand for biofuel in emerging markets increases geographical diversification



Producers are diversifying into value streams beyond ethanol



Growth drivers

- Increased use of **alternative fuels**
- Innovation for **yield enhancement** and **chemical cost reduction** remains a strong differentiator
- Demand for reducing CO₂ emissions in **transport sector**

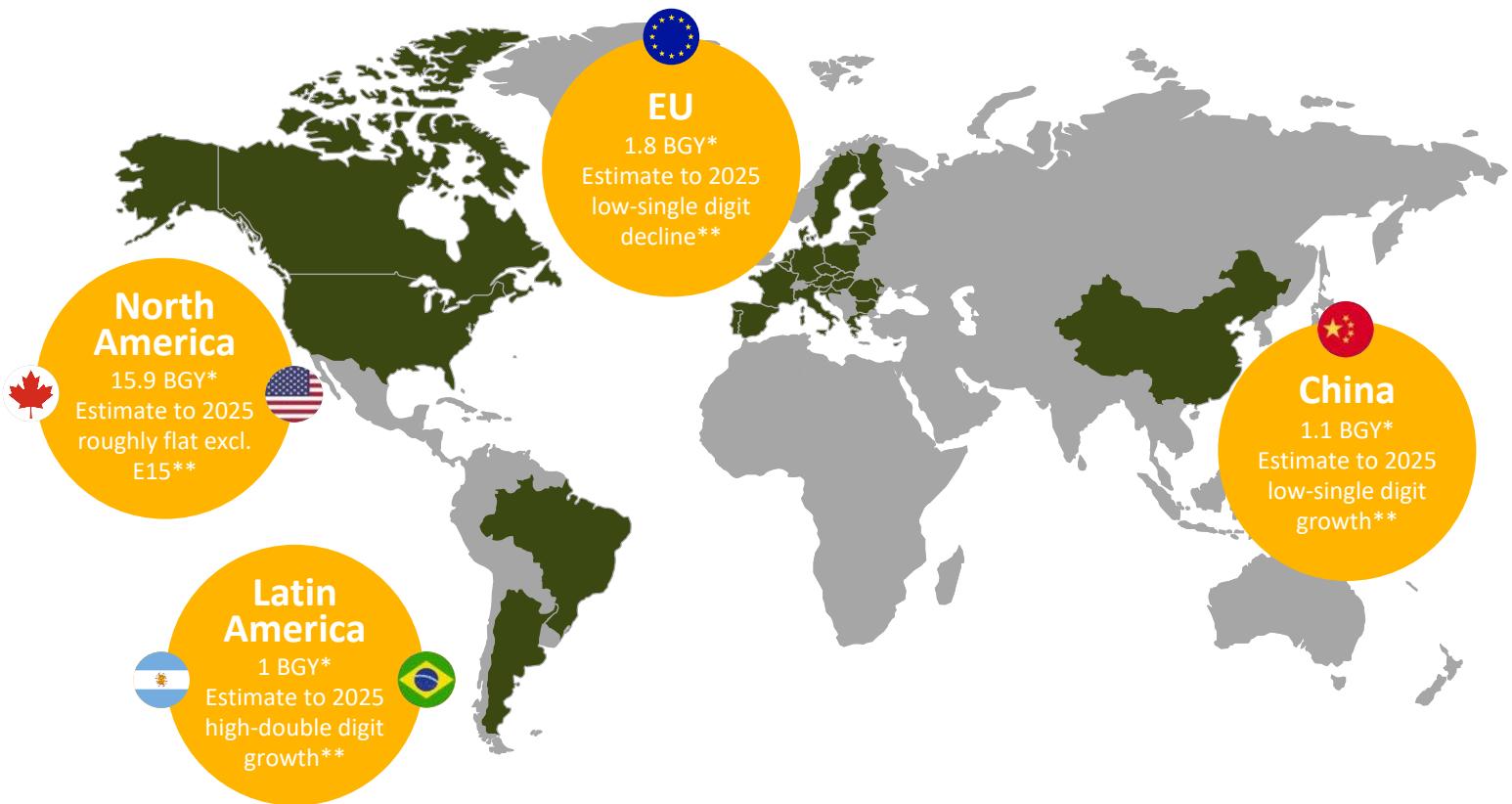
Growth barriers

- Inconsistent political commitment** to set and enforce blending mandates
- An energy industry with a **vested interest in traditional fuels**
- Competition** with other transport technologies for “best way” to reduce CO₂ emissions
- Competition** with other industries and technologies for feedstock conversion

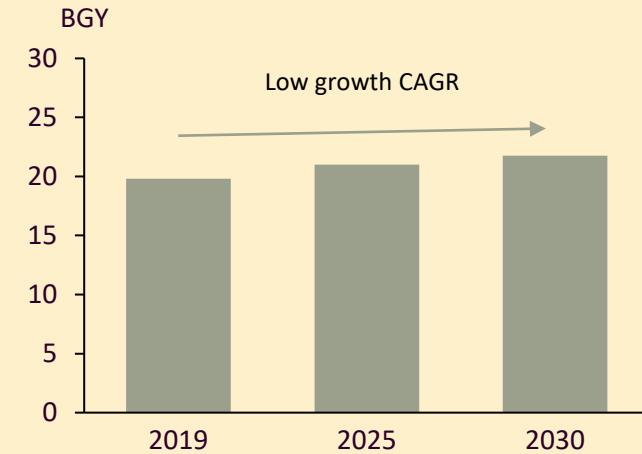
Growth driver Sustainable transportation

Global demand for more sustainable transportation is increasing

Regional starch-based ethanol volume estimates



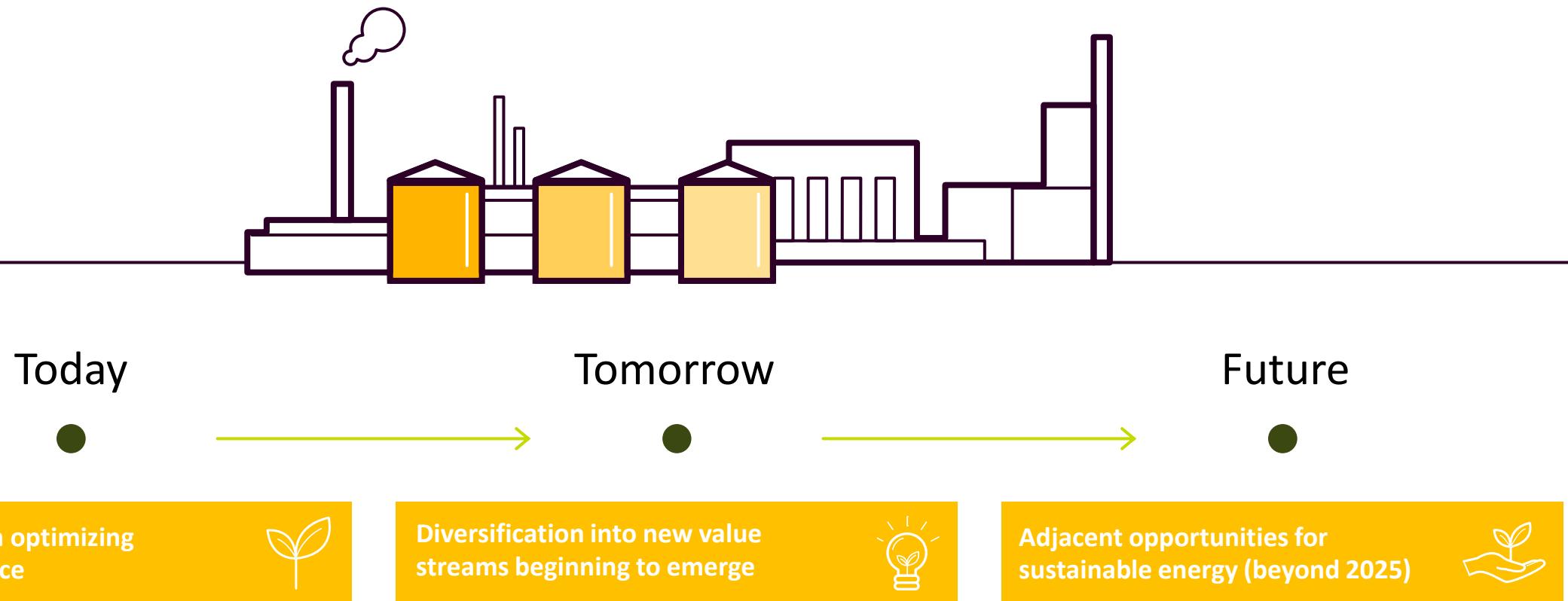
Global starch-based ethanol volume estimates



Source: EIA, Houston Biofuels, EV forecasting reports. Most aggressive EV scenarios have less than 1% impact on 2030 CAGR

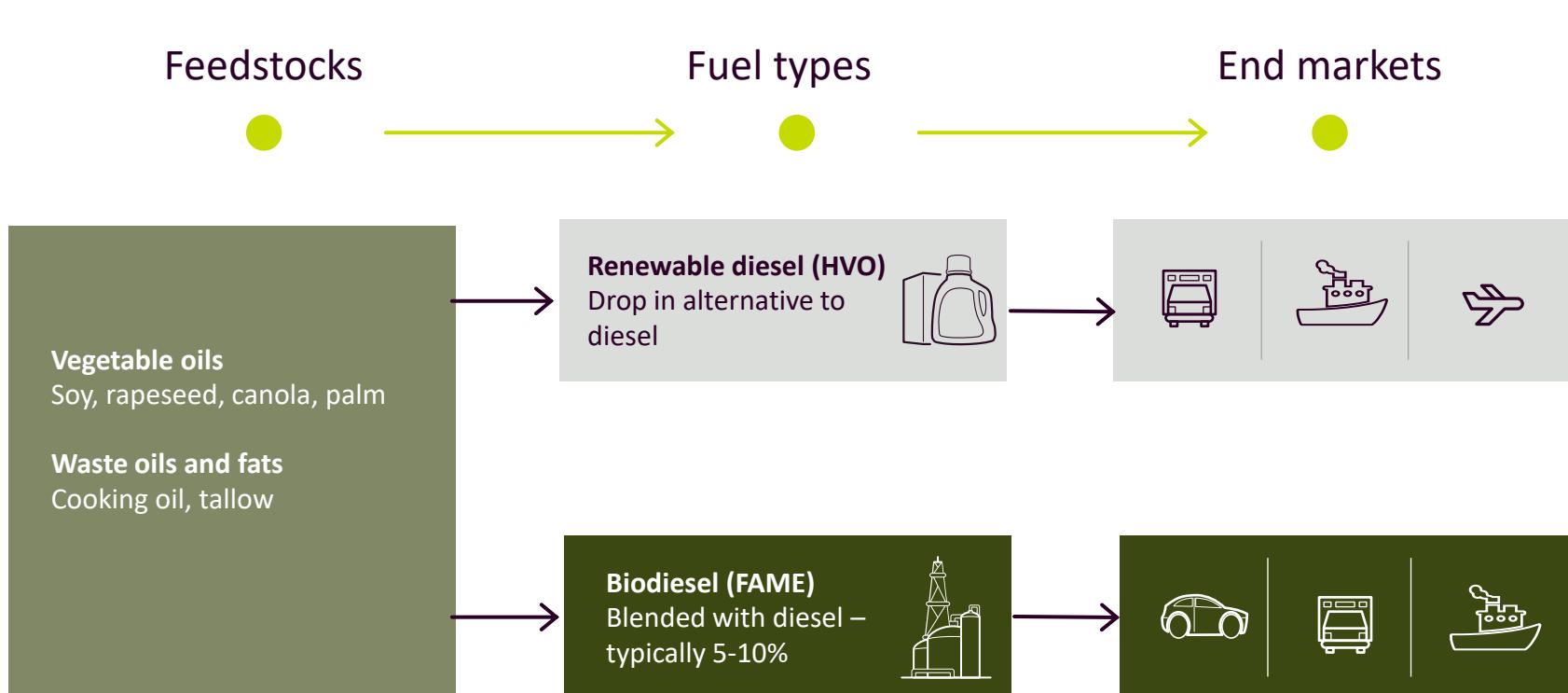
Growth driver Diversifying industry

Additional opportunities as the industry continues to diversify

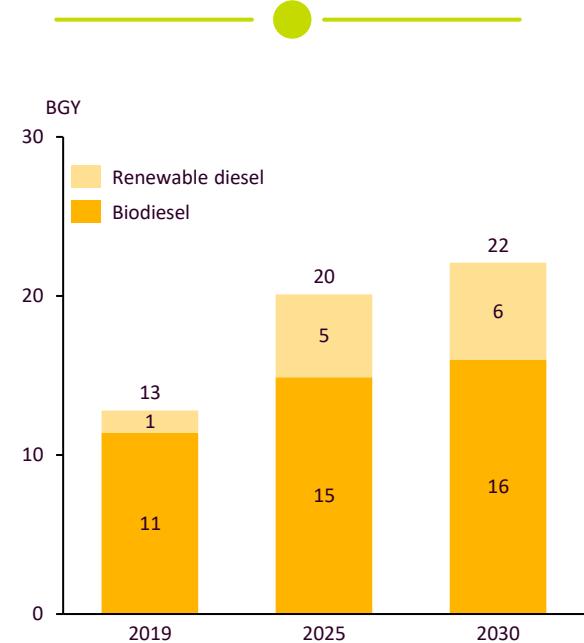


Growth driver Sustainable diesel production

Sustainable diesel production has significant potential with increased adaptation of biotechnology

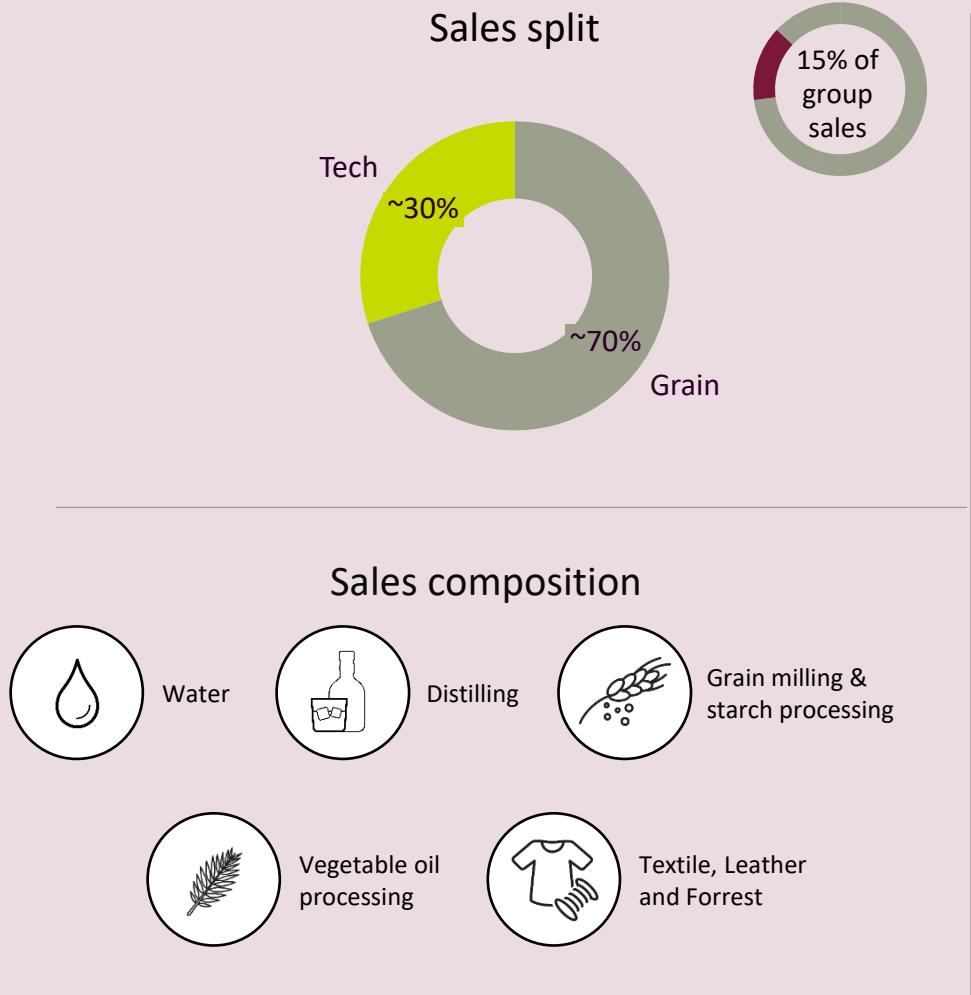


Global volume estimates



Source: LMC Global Biodiesel Outlook report, 2020

Grain & Tech Processing



Overview Grain & Tech Processing

Key trends



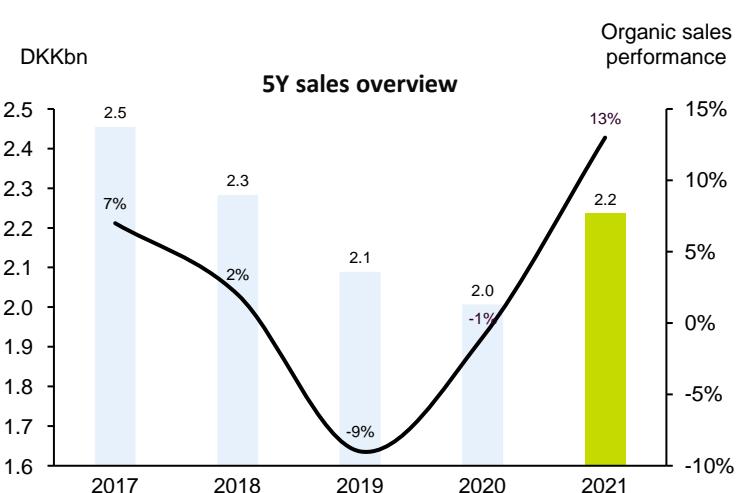
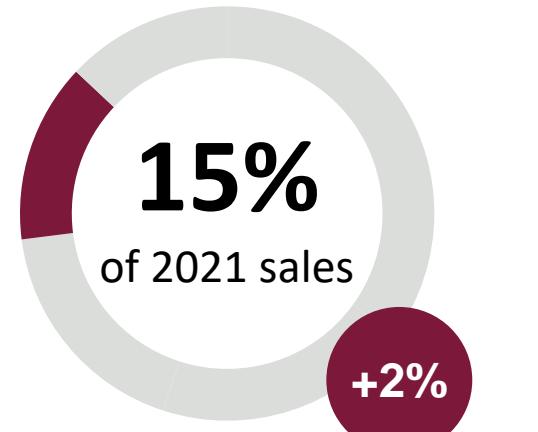
Consumers pushing increased sustainability deeper into the food value chains



Stable demand growth for grains & oils, driven by emerging markets



Technical processing industries increasing focus on sustainability themes



Growth drivers

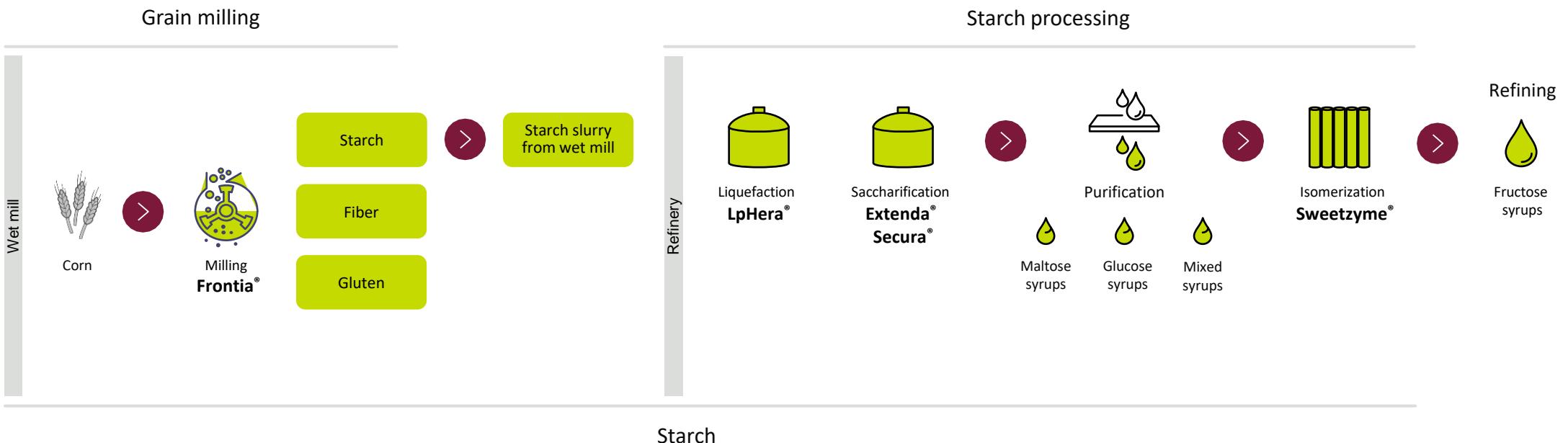
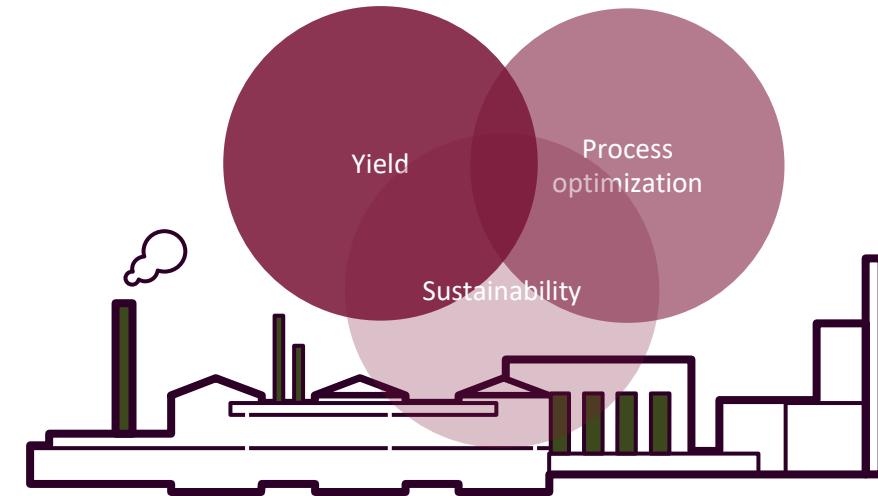
- Demand for **optimization** of grain processes.
- Consumer demand for **improved textile quality** and longevity drives focus on **sustainability** in textiles.
- Demand for **wastewater solutions** due to increasing water scarcity and pollution cleanup regulations.

Growth barriers

- Outside grain, fragmented and chemically-driven technical industries.
- Price-driven acceptance of low-quality textiles and raw materials in **emerging markets**.
- Preference for lower-cost, chemical solutions.

Growth driver The grain value chain

Novozymes offers multiple solutions across the value chain

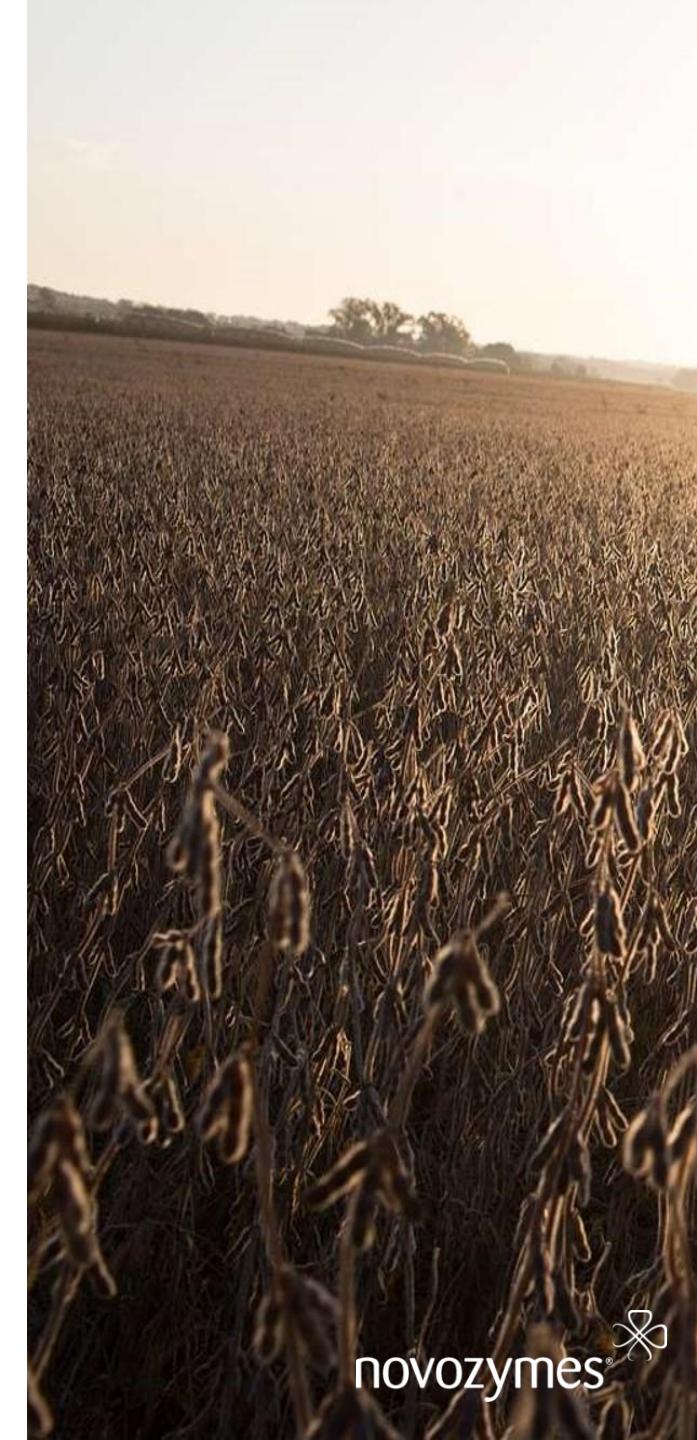
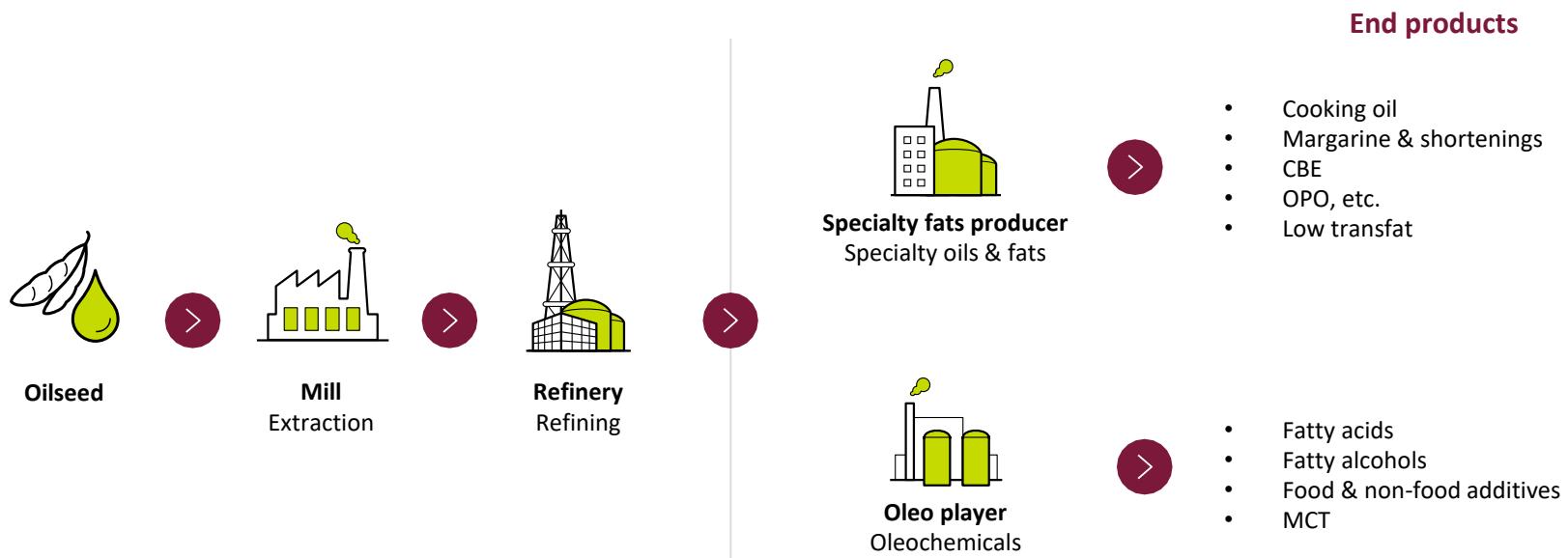


Growth driver Vegetable oil processing

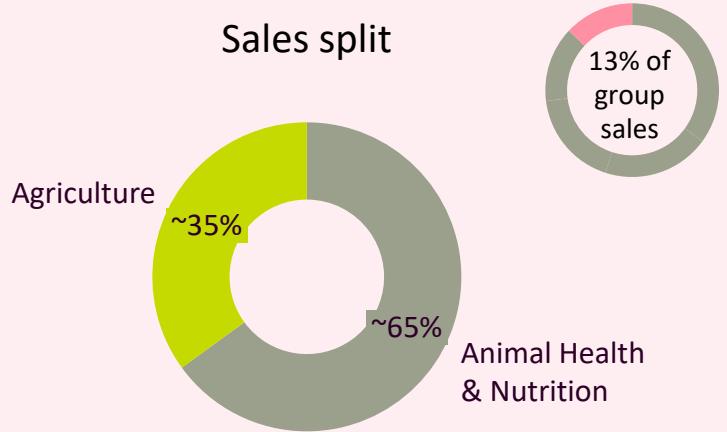
Enzymatic applications for vegetable oil processing has vast potential

New agro-processing applications

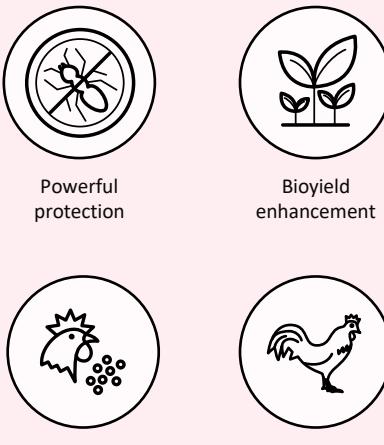
- Novozymes offers multiple solutions across the value chain (i.e., from higher yields in oil extraction & refining to transformation of oils & fats into specialty products for Food, HPC and industrial applications).
- Improving efficiency (process optimization and yield enhancement) in vegetable oil production.
- Replacing chemical catalysts for specialties applied into Food, Nutrition, Personal care and Industrial applications.



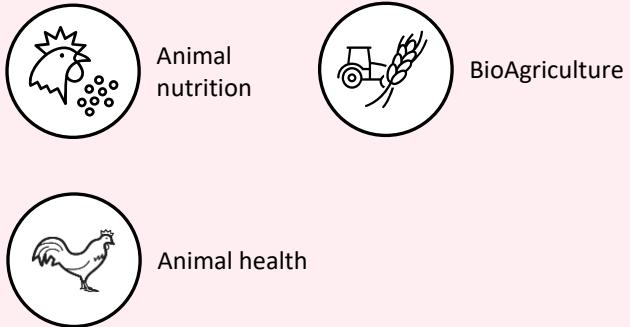
Agriculture, Animal Health & Nutrition



The value we create



Sales composition



Overview Agriculture, Animal Health & Nutrition

Key trends



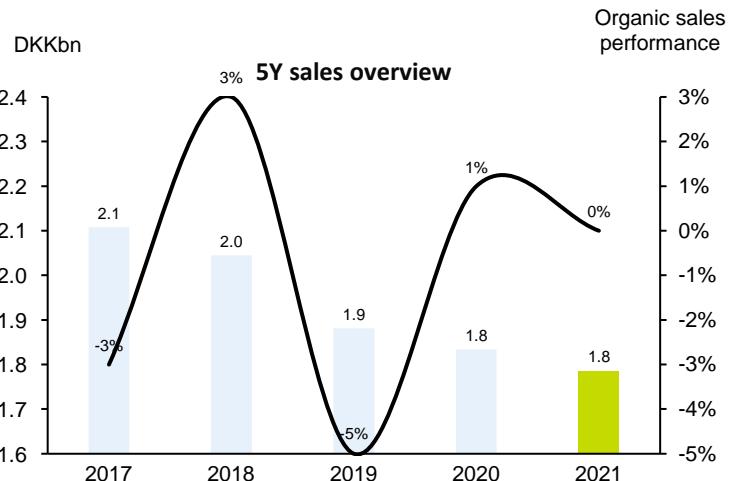
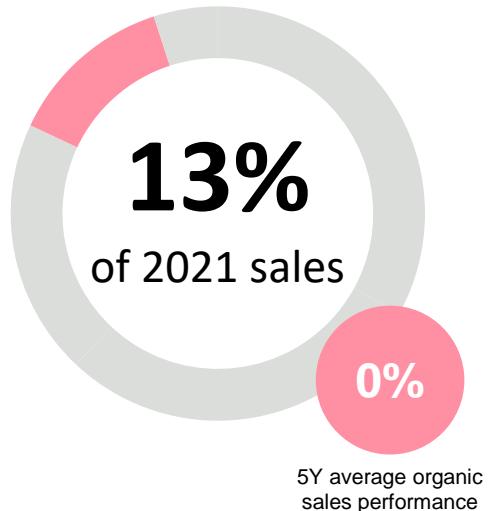
Farmers increasingly need to enhance crop yields and support healthier animals



Tightened regulations and consumer push for reduction of the use of chemicals



Growing population, increasing protein demand and focus on animal health



Growth drivers

- Governments in **emerging economies** focusing on **agriculture productivity**
- Increased **demand for alternatives** to chemical pesticides and fertilizers
- **Regulatory requirements** for more sustainable farming practices as well as focus on animal welfare and reduction of antibiotics
- Increased demand for food and protein due to **changes in dietary habits**

Growth barriers

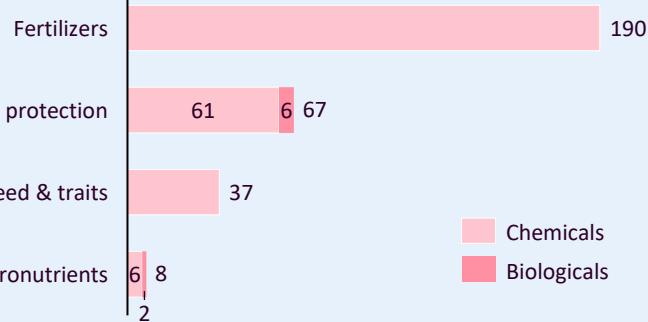
- **Low pricing** for traditional fertilizers, pesticides and crops
- **Incomplete scientific understanding** of plant and animal microbiome
- Fragmented and **complicated regulation** in local markets

Growth driver Potential in Ag biologicals

Capturing high growth potential in Ag biologicals

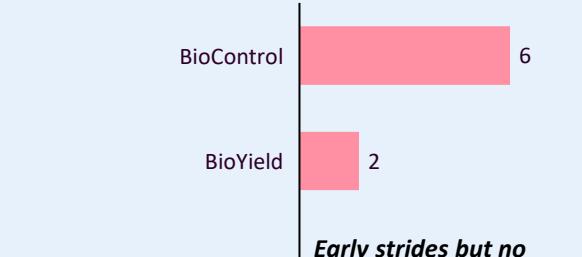
Agriculture inputs*

USD ~300 billion, 1-2% CAGR



Ag Biologicals*

USD ~7 billion, 10-15% CAGR



*Source: Agbioinvestor, Dunham Trimmer, Context Consultants, International Fertilizer Association, Datastream



Growth driver Strong partnering model

Strong partnering model combined with a new direct go-to-market model



R&D partnerships

BioYield
BioControl



Early-stage partnership for enzymatic biocontrol



Commercial and innovation partnership, including in upstream corn

Commercial partnerships



Commercial collaboration for Argentina



Commercial partnership for downstream products in Canada



Product specific partnership for Taegro biofungicide



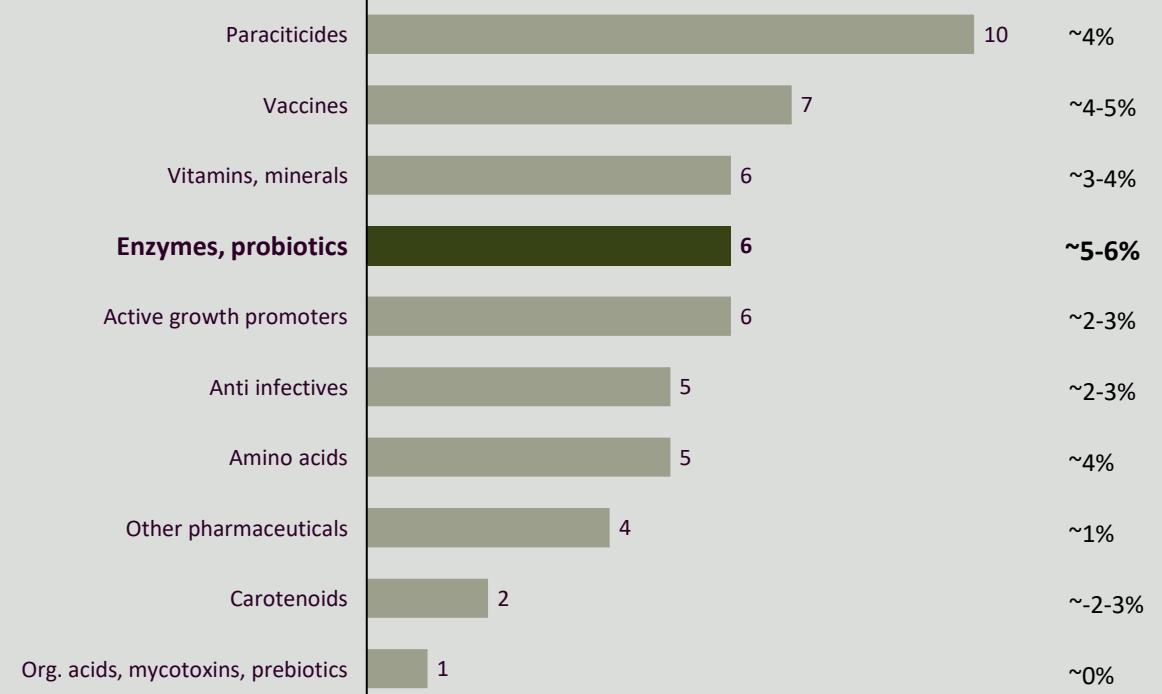
Growth driver Animal health

Leveraging strong position in Nutrition into the higher growth area of Animal Health

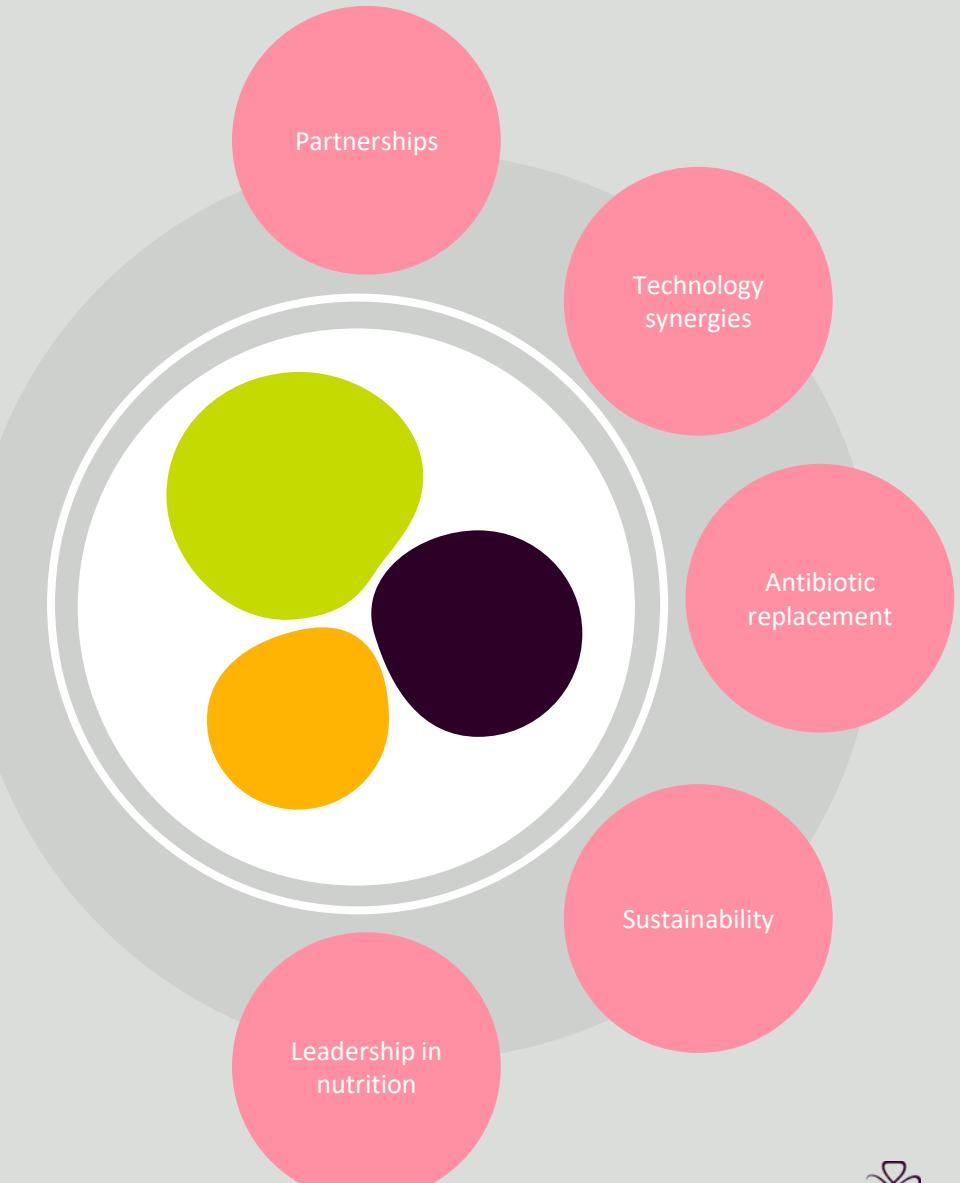
Animal Nutrition & Health Market*

USD ~50 billion, CAGR 3-4%

Estimated CAGR
'20-'25E



*Source: Agbioinvestor, Dunham Trimmer, Context Consultants, International Fertilizer Association, Datastream



Growth driver Strong feed enzymes alliance with DSM

Increasing focus on animal health solutions complementing strong feed enzymes alliance with DSM



R&D partnerships

Health

Enzymes Microbes



Commercial partnerships

Adisseo



Boehringer Ingelheim



Nutrition

Enzymes



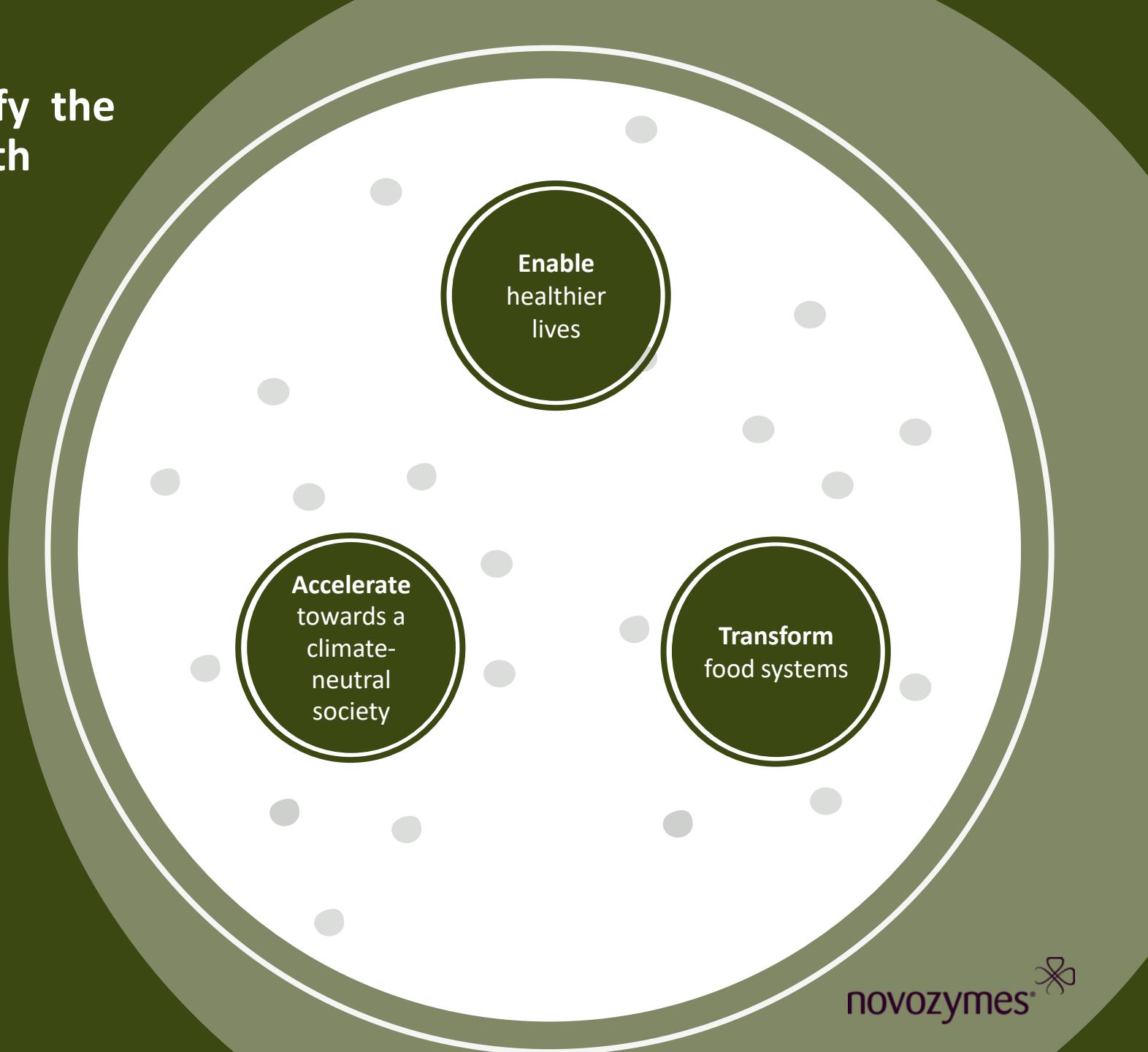
novozymes®

Exploring new areas

Bold and ambitious in the pursuit of new opportunities

Exploring new ventures to identify the most viable and significant growth platforms of the future

- ✓ Focus on opportunities addressing our core sustainability commitments
- ✓ Sales potential of at least DKK 500-1,000 million
- ✓ Material sales potential in next 5-10 years*
- ✓ Applying rigorous due diligence to screen, validate and prioritize



*Explore venture projects are not expected to contribute to sales in the five year strategy period

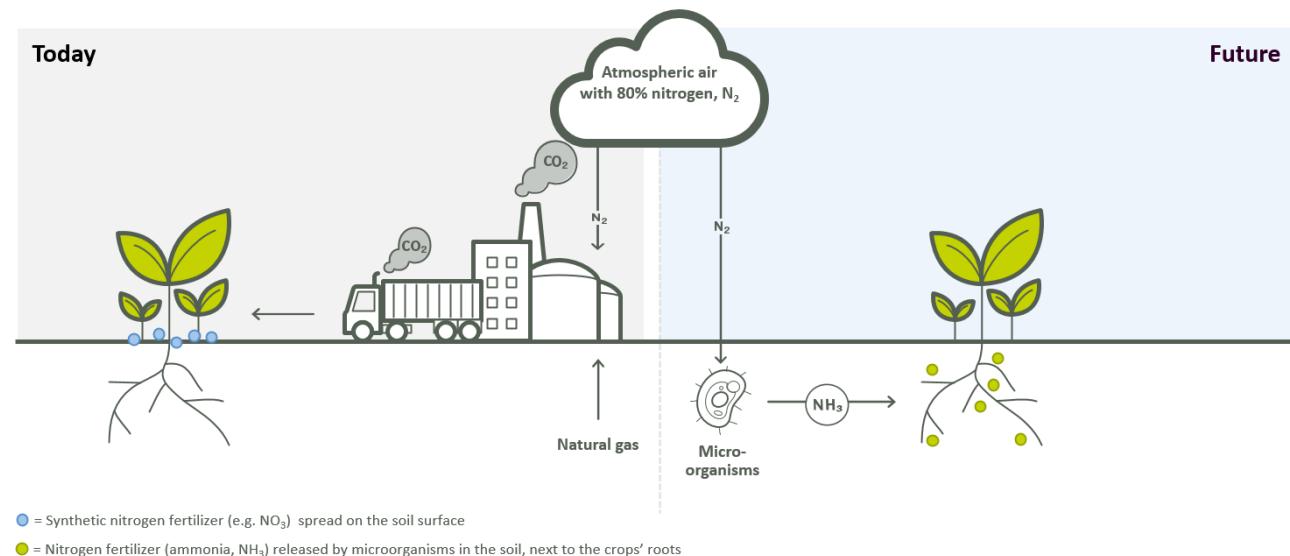
Opportunity to reduce environmental impact using biological alternatives to synthetic fertilizers

Market

- ✓ Replace a fraction of the >100 bn USD nitrogen fertilizer market used to feed over half the world's population
- ✓ Biological solution that is non-pollutant to water quality and marine wildlife

Technology

- ✓ Novozymes' solution targets a solution fixating 25-30% of the required Nitrogen
- ✓ Allowing replacement of 50-60lbs of fertilizer per corn-acre per year



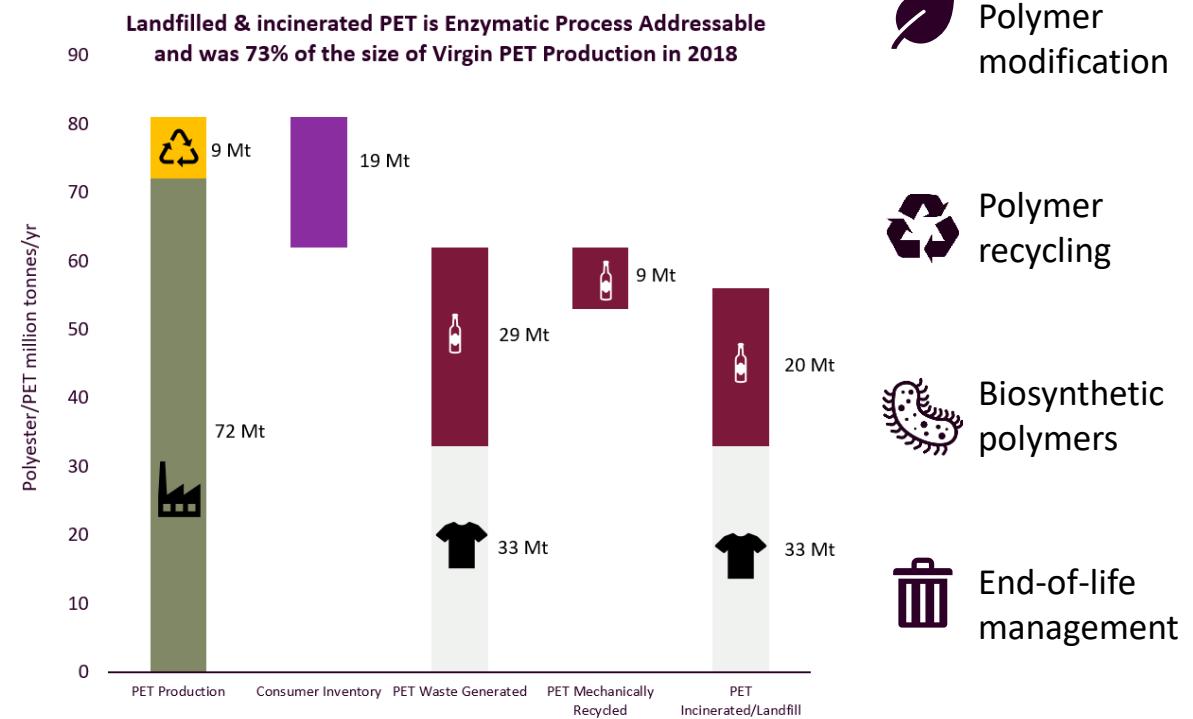
Opportunity to drive a step-change in plastic recyclability by applying enzymes and microbial science

Market

- ✓ Use enzymes to increase recyclability of 53 million tons of PET bottles and fibers currently sent to incineration or landfill

Technology

- ✓ Opportunity for Novozymes to explore sustainability along the entire plastic life cycle
- ✓ Enzymatic modification of natural polymers, enzymatic recycling and enhanced degradation of disposed plastics



Opportunity to reduce greenhouse gas emissions through enzymatic carbon capture

Market

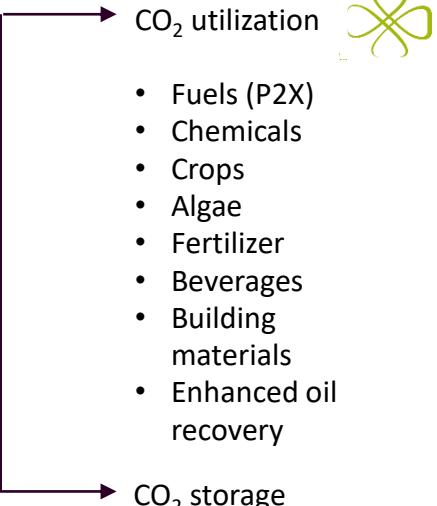
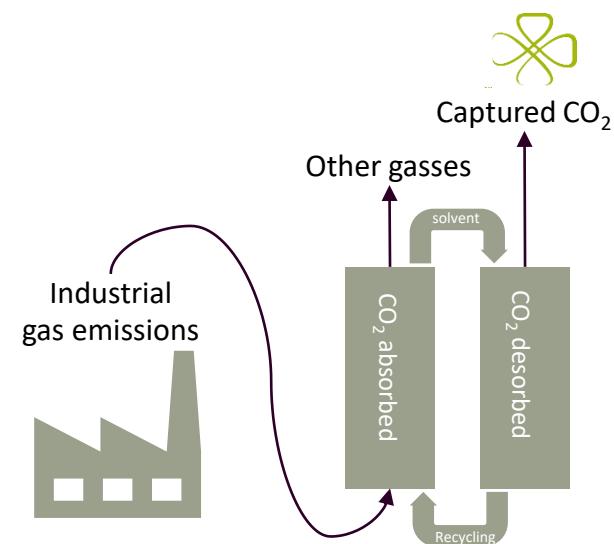
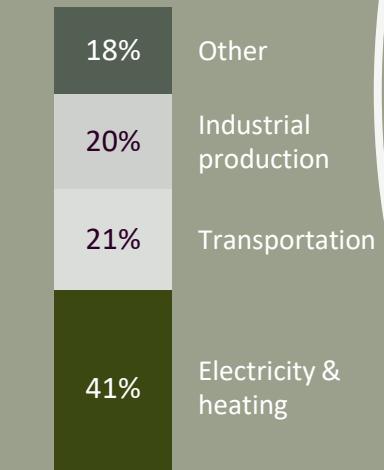
- ✓ Remove a fraction of the 37 billion tons of CO₂ emitted annually into the atmosphere
- ✓ Representing 75% of all greenhouse gases causing global warming

Technology

- ✓ Opportunity for Novozymes to explore enzyme-based carbon capture systems that are more efficient, more energy-effective and more environmentally friendly compared to current technologies

Total greenhouse gas emissions

Billion tonnes CO₂ equivalent
~37 billion tonnes annually



Contact Our investor relations team

Further investor relations information is available from the company's website at investors.novozymes.com



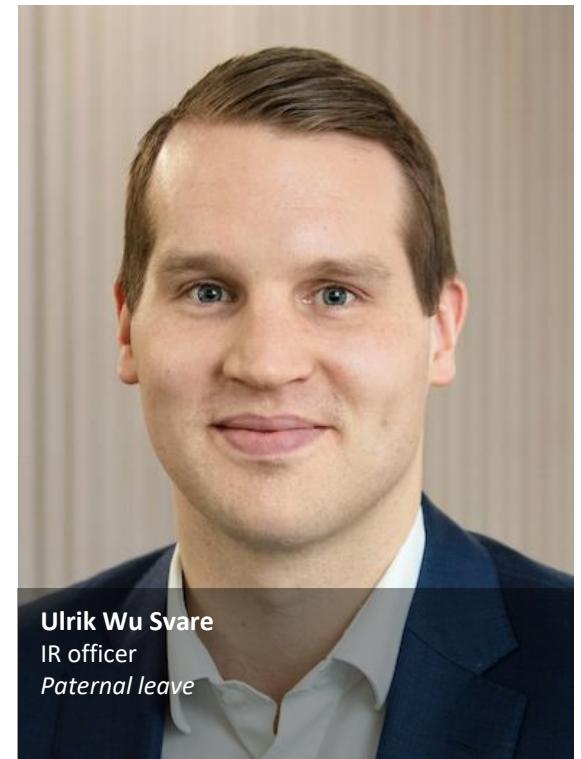
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