

Novozymes is unlocking growth with the ambition of doubling company revenue by 2030

With the launch of “Unlocking Growth – Powered by Biotech” Novozymes presents its 2025-strategy. It sets out an organic sales growth target of 5+% CAGR for the 5-year period until 2025, coupled with the ambition to double the company’s revenue by 2030.

COPENHAGEN, DENMARK – 27 September 2021 – “Unlocking Growth – Powered by Biotech” is Novozymes’ strategy towards 2025 based on the solid foundation and successful execution of “Better Business with Biology”. As part of ‘Unlocking Growth’ Novozymes is further cementing its position as a Biotech Powerhouse by leveraging and investing in its unique knowledge and position in biological innovation, scale-up, customer interaction, and new high-growth opportunities.

- “We’re building on and leveraging our position as a Biotech Powerhouse with a clear focus and commitment to drive strong top-line long-term growth. Our refreshed strategy builds on the ‘Better business with biology’ and further defines how we plan to prioritize our efforts,” says President & CEO Ester Baiget, Novozymes and continues:
- “We commit to clear 2025-targets while also allowing ourselves to look further ahead with the ambition to double our sales by 2030. The investments we’re making today will allow for a strong long-term growth profile and enhanced sustainability impact. Together with our customers we are able to create significant results and drive the world towards a healthier planet.”

Novozymes sets out an organic sales growth target of 5+% CAGR for the period until 2025 with solid earnings including significant re-investments to secure high long-term growth, enabling the ambition to double the company’s sales by 2030.

The company will expand its production footprint into new and higher growth areas with dedicated CAPEX investments. There will also be dedicated investments of up to DKK ~300 million by 2025 to staff and operate new customer co-creation centers in key markets allowing for closer customer interactions, particularly in the areas of Food, Beverages, Health and Nutrition.

Key strategic elements

Novozymes will turn proportionally more of the company’s overall investments and focus to high growth areas such as Health and Nutrition while investing to secure solid performance in core businesses. The strategy also allows for a more structured venture approach to future growth bets with significant sales potential such as carbon capture, nitrogen fixation and sustainable plastics.

Novozymes will continue to build strong positions in the strategic opportunity areas of Bio-Health and Human Nutrition with initial investments already announced.

As part of ‘Unlocking Growth’ Novozymes will drive sustainability leadership with clear 2030 commitments to people, operations, and the surrounding world. The targets include:

- Reducing greenhouse gas emissions by 50% across its operations and value chain (scope 1-3) by 2030 from a 2018 baseline
- Becoming net zero by 2050
- Continued focus on sustainability leadership with ambitious targets for Operations, Zymers & Society as well as Commitments for a healthier planet
 - As a passionate employer Novozymes will support employees at all life stages.
 - Zymers can pledge 1% of their time to community outreach.
 - As part of the Novozymes inclusion and diversity efforts the company will achieve gender balance and mirror the diversity of the surrounding societies by 2030.

Press Release

The portfolio and innovation pipeline will be directed at high growth markets, regions, and segments, and the company will be utilizing M&A as a tool for technology and market access.

Supported by a strong commercial excellence the company will further execute on and simplify the segmentation logic with a clear and differentiated approach defined by market needs and definition.

Financials

Novozymes expects 5% or higher organic sales growth CAGR during the five-year strategy period to 2025 coupled with significant investments in high-growth areas and customer co-creation centers while still enabling an EBIT margin of 26% or above by 2025. The company expects ROIC including goodwill of 20% or above by 2025.

Novozymes expects to double sales by 2030 (from 2020 base) mainly through organic growth supported by acquisitions. The company will maintain a well-defined cash return profile including ~50% dividend pay-out ratio and a full return of free cash to shareholders, complemented by share buybacks.

Novozymes Capital Markets Day

Novozymes welcomes external stakeholders to join the company's Capital Markets Day 28 September 2021 to learn more about "Unlocking Growth – Powered by Biotech".

Please join the virtual session from 13.00 to approximately 15.45 CEST through our livestream link at <https://novozymes.com/investor>

Presentation materials will be available on the website below from approximately 09.00 CET on the same day.

About Novozymes

Novozymes is the world leader in biological solutions. Together with customers, partners, and the global community, we improve industrial performance while preserving the planet's resources and helping build better lives. As the world's largest provider of enzyme and microbial technologies, our bioinnovation enables higher agricultural yields, low-temperature washing, energy-efficient production, renewable fuel, and many other benefits that we rely on today and in the future.

We call it Rethink Tomorrow. www.novozymes.com

NASDAQ OMX: NZYM-B • 6,200 employees • DKK 14,5 billion turnover • 30+ industries • 700+ products

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