

# Delivering our vision

**Our purpose: To deliver better nutrition for every step of life's journey.**

**Our unique portfolio of brands and ingredients addresses thriving health and wellness trends.**

When people feel better, stronger and more nourished, they live better. We deliver better nutrition using insight and science-led innovation to create healthier products that meet the ever-evolving needs of our consumers and customers.

## Our strategy

Our strategic priorities will help us to achieve our ambitions and to harness Glanbia's global growth potential. We will continue to develop our key enablers, our world-class strategic capabilities and our strong assets.



SEE OUR BUSINESS MODEL ON PAGES 18-19.

CMD metrics <sup>1</sup> 2023-2025			Metrics delivered in 2024		
Avg. Adj. EPS growth <sup>2</sup> <b>5-10%</b>	Avg. OCF conversion <b>+80%</b>	Avg. ROCE <b>10-13%</b>	Adj. EPS growth <sup>2</sup> <b>+6.8%</b>	OCF conversion <b>88.0%</b>	ROCE <b>12.4%</b>

1 Glanbia Group ambition targets as per Capital Market's Day ("CMD") November 2022.  
2 Constant currency.

## Better Nutrition – Strategic priority #1

# Grow the core

Our core brands and nutritional ingredients are leaders in categories that are driven by strong health and wellness trends.



## Our strategy

- Capture global potential of billion dollar Optimum Nutrition brand;
- Build North America's branded lifestyle nutrition platform;
- Continue to scale our international business; and
- Continue to innovate our core brands and ingredients.

## 2024 progress

- GPN revenue growth of 0.5% constant currency, with strong growth in Optimum Nutrition and healthy lifestyle portfolio;
- GN NS volume growth of 3.6%;
- Optimum Nutrition revenue growth of 7.5% constant currency;
- Scaled international business delivering 2.3% revenue growth, constant currency;
- Continued to invest in innovation and capacity; and
- Expanded capabilities with the acquisition of Flavor Producers.

## Looking ahead to 2025

- Drive distribution and visibility for Optimum Nutrition while relentlessly recruiting performance-driven consumers in and outside the category;
- Accelerate the growth of GPN's healthy lifestyle portfolio;
- Scale our international business in strategic markets; and
- Capture proteins growth with active lifestyle nutrition consumers through enhanced proprietary solutions.

## KPIs

### Adjusted EPS (\$)

# 140.03c

+6.8% constant currency

### GPN revenue

# \$1.8bn

+0.5% constant currency

### GN revenue

# \$2.0bn

+10.9% constant currency<sup>1</sup>

## Key risks

- Macroeconomic headwinds and geopolitical uncertainties including tariffs and key ingredient pricing volatility impacting demand; and
- Competitor promotional activity or unexpected rapid changes in consumer behaviour.



**FOR MORE INFORMATION ABOUT RISK, SEE PAGES 64-77.**

## Link to remuneration

- Adjusted Earnings Per Share is a performance target in both the annual incentive and Long Term Incentive Plan ("LTIP") for Executive Directors and Group Operating Executive;
- Business segment EBITA forms part of the annual incentive for the CEOs of GPN and GN;
- GPN branded revenue growth forms part of the annual incentive of the CEOs of GPN; and
- NS volume revenue growth forms part of the annual incentive of the CEO of GN.



**FOR MORE INFORMATION ABOUT REMUNERATION, SEE PAGES 120-139.**

## STRATEGY IN ACTION

### Optimum Nutrition beyond \$1 billion

Optimum Nutrition is the world's number one sports nutrition brand, sold in over 100 countries and with annual revenue well in excess of \$1bn. The Optimum Nutrition product portfolio caters to a range of performance needs and occasions and includes 100% Gold Standard Whey – the world's number one protein powder – as well as Amino Energy, Serious Mass and Creatine.



1. Based on 2023 pro forma.

Better Nutrition – Strategic priority #2

# Optimise our business



Improving the operational, commercial, sustainability and financial performance of our business to maximise returns and long-term value.

**Our strategy**

- ➔ **Science-led innovation;**
- ➔ **Refine business and operating model;**
- ➔ **Optimise opportunities for margin expansion; and**
- ➔ **Digital transformation.**

**2024 progress**

- Continued to leverage our deep innovation capability across our Better Nutrition brands and ingredients;
- Increased investment in marketing and capabilities to support growth agenda;
- Implemented new commercial arrangements related to our US joint venture; and
- Appointed a Chief Digital and Transformation Officer to unlock opportunities for digitisation and automation.

**Looking ahead to 2025**

- Drive innovation in GPN and Health & Nutrition;
- Commenced a group-wide transformation programme to drive efficiencies across the new operating model and support the next phase of growth; and
- Enhance productivity and drive efficiencies across operations through our transformation programme.

**KPIs**

**Adjusted EPS (\$)**

**140.03c**

+6.8% constant currency

**Employee engagement score**

**73 points**

+1 point

Increase in point score for employees who said they were happy working at Glanbia

**Carbon emission reduction**

**7.5%**

Scope 1 & 2 GHG emissions reduction versus 2023

**Key risks**

- A failure to attract, develop, engage and retain key talent;
- Adverse cyber security events resulting in significant operational impacts; and
- Climate or pandemic-related events impacting supply chains.

➔ **FOR MORE INFORMATION ABOUT RISK, SEE PAGES 64-77.**

**Link to remuneration**

- Adjusted Earnings Per Share is a performance target in both the annual incentive and LTIP for Executive Directors and Group Operating Executive;
- Development of talent is a personal objective of Executive Directors and the Group Operating Executive; and
- Short-Term Incentive Plan (“STIP”) and LTIP incentives for Executive Directors and the Group Operating Executive include measurable metrics aligned to our strategic road map to deliver on our ESG targets.

➔ **FOR MORE INFORMATION ABOUT REMUNERATION, SEE PAGES 120-139.**

STRATEGY IN ACTION

**New operating model**

We have commenced a multi-year group-wide transformation programme to drive efficiencies and support the next phase of growth. This includes setting up a new operating model, delivering productivity initiatives, accelerating digital transformation and further optimising our portfolio. This programme includes a new operating model with three focused divisions: Performance Nutrition, Health & Nutrition and Dairy Nutrition. We are targeting annual cost savings of at least \$50 million by 2027. These actions are designed to drive focus, unlock value and position Glanbia for its next phase of growth.



## Better Nutrition – Strategic priority #3

# Disciplined capital allocation



Prioritising long-term value through the focused allocation and reallocation of capital.

## Our strategy

- **Accretive M&A;**
- **Balance between investment and return of capital to shareholders;**
- **Focus on cash generation; and**
- **Portfolio optimisation.**

## 2024 progress

- Acquired Flavor Producers, a leading flavour platform in the US;
- Transitioned to new commercial arrangements associated with the Group's joint venture operations;
- Delivered strong cash generation with 88.0% (2023: 90.4%) operating cash conversion;
- Net debt: adjusted EBITDA 0.81 (2023: 0.50) and adjusted EBIT: adjusted net finance cost 16.7 (2023: 38.1); and
- Increased dividend by 10% and returned €102 million to shareholders via share buyback programmes.

## Looking ahead to 2025

- Pursue other margin accretive strategic M&A opportunities to complement the current portfolio;
- Maintain progressive capital allocation strategy through mechanisms such as dividends and share buyback programmes; and
- Identify opportunities to reallocate capital and maximise growth.

## KPIs

### OCF conversion

# 88.0%

2023: 90.4%

### ROCE

# 12.4%

2023: 12.2%

### Net debt

# \$436.0m

2023: \$248.7m

## Key risks

- Ineffective due diligence, transaction completion or business integration; and
- Failing to obtain accurate and relevant market intelligence.



**FOR MORE INFORMATION ABOUT RISK, SEE PAGES 64-77.**

## Link to remuneration

- OCF conversion is a performance target in the annual incentive for Executive Directors and the Group Operating Executive; and
- ROCE is a performance target in the LTIP for Executive Directors and the Group Operating Executive.



**FOR MORE INFORMATION ABOUT REMUNERATION, SEE PAGES 120-139.**

## STRATEGY IN ACTION

### Progressive shareholder returns

Our strong cash generation and available debt facilities provide us with significant capacity to fund future growth opportunities. We have clear capital allocation priorities, with a balanced approach to investing in the business and providing returns to shareholders. Our progressive dividend policy has a targeted dividend payout ratio of 25%-35%. We supplement this with further returns to shareholders via share buyback programmes and in 2024 €102 million was returned in that way.

