2020 Strategy
Flavours

Givaudan

engage your senses

Global trends
Impact on Flavours

Almost **80%** of flavours market growth in high growth markets*

Biggest opportunity is in high growth markets

Local and regional brands gaining relevance with consumers

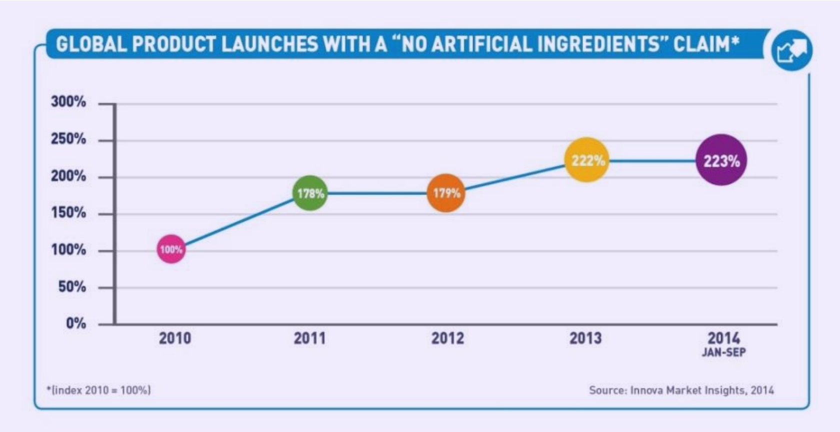
Global customers seeing more share from high growth markets

*Givaudan estimate

Global trends
Impact on Flavours

More consumer empowerment & desire for transparency and authenticity

Customers moving towards **natural and clean label** products



Doubling of product launches with **"no artificial ingredients"***

In H&W category, **"natural"** is the most frequent product positioning, accounting for almost 40% of the category**

*Innova Marketing Insights 2014
**2013 Euromonitor International's health and wellness data

Global trends
Impact on Flavours

Beverage calories in school reduced

69%

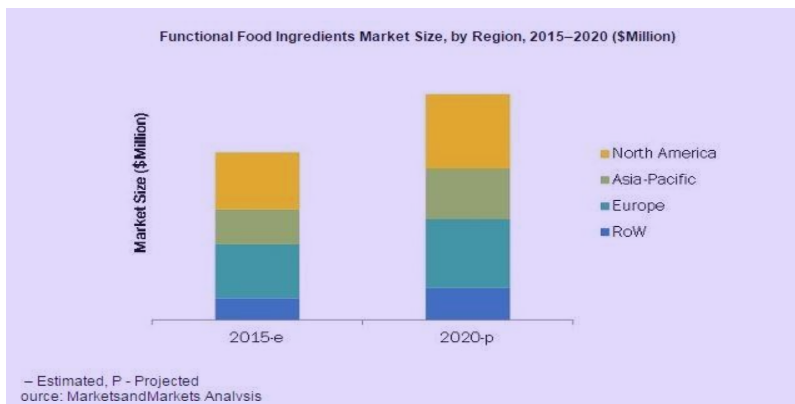
Increased demand for healthier products with **less fat, sugar, salt**.

- In H&W category, **21%** are **better-for-you** products.*

Role of food changing with focus on well-being

Growing popularity of 'functional foods'.

- In H&W category, **35%** are **fortified/functional** products.*



Functional food ingredients market worth **2.5 B USD** by 2020**

*2013 Euromonitor International's health and wellness data
**Markets and Markets, "Functional Food Ingredients Market…Global Forecast to 2020", June 2015

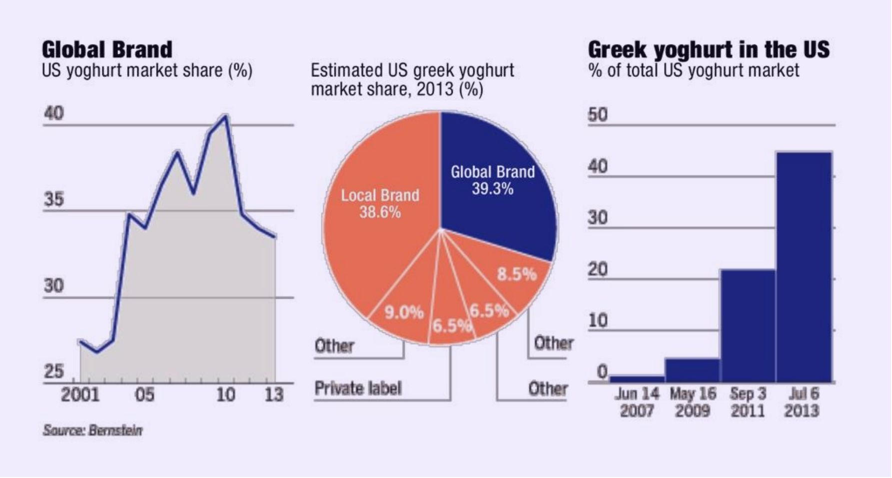
Global trends
Impact on Flavours

Large customers removing costs while seeking to **spur innovation**

Top 25 US food and beverage companies **lost equivalent of 18 B USD in market share** since 2009*

New local and small brands preferred by consumers & customer expectations are shifting

Stronger competitive market



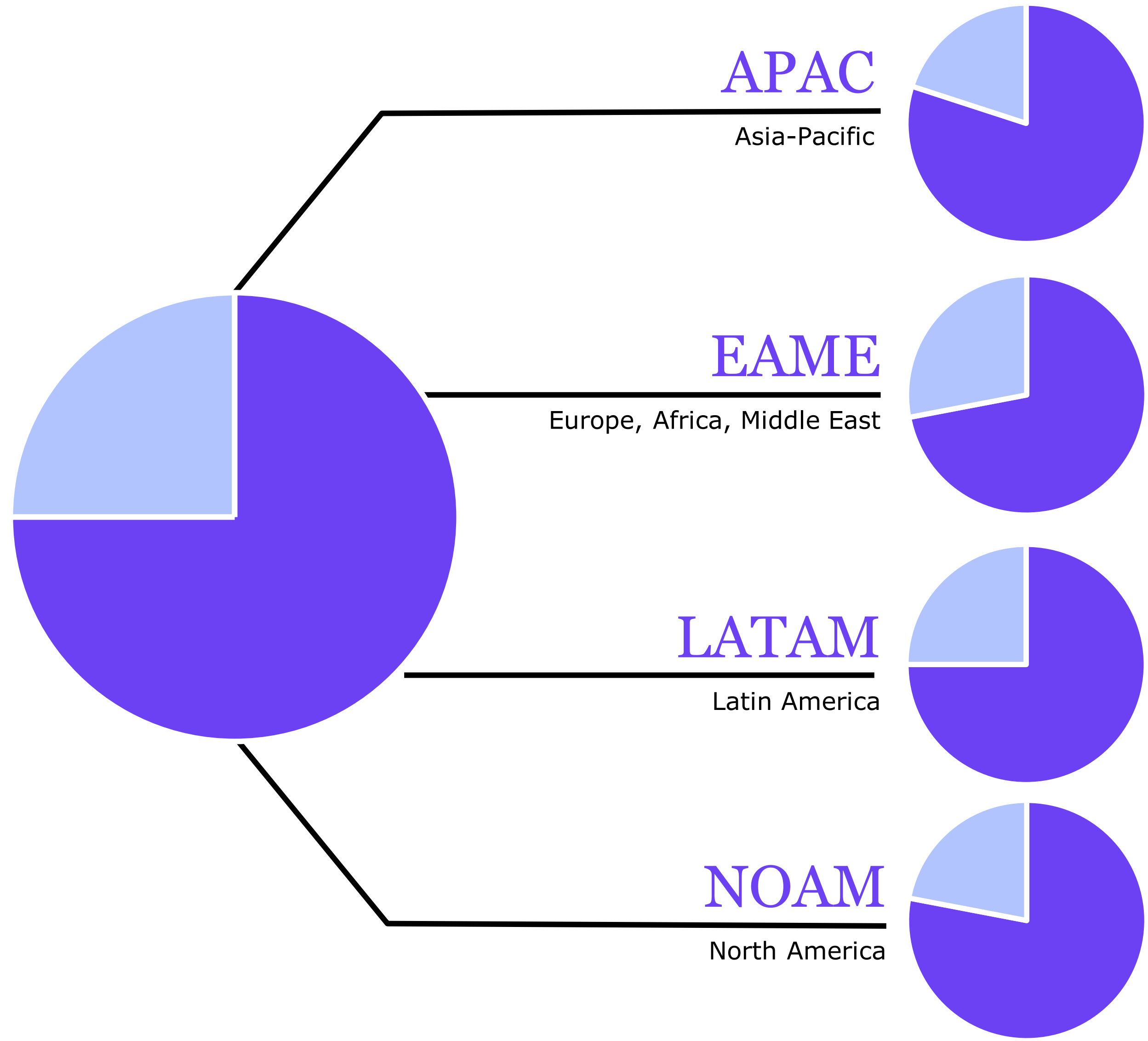
Small players transform traditional categories

*Credit Suisse analyst Robert Moskow cited in Fortune, 01/06/15

Market structure
Flavours

10.5 B CHF

Market Potential as of 2015



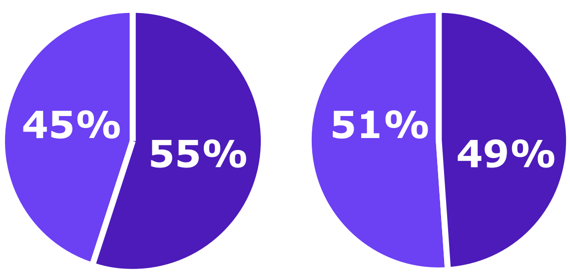
Market potential as of 2015

Givaudan market share as of 2015

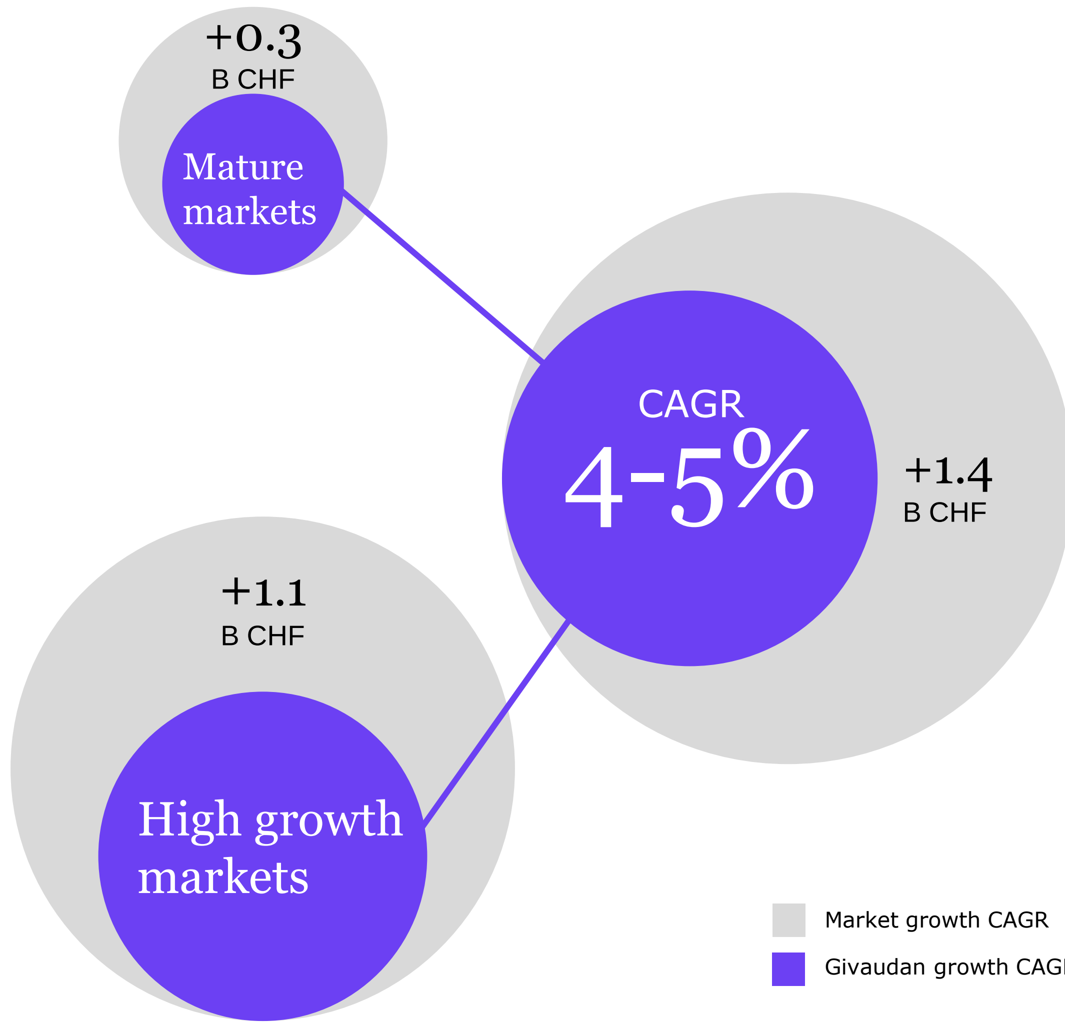
Based on Givaudan internal estimates

2020 Growth aspirations
High growth vs. mature markets

2015 % of sales | **2020** % of sales



High growth markets | Mature markets



Market growth CAGR
Givaudan growth CAGR

Givaudan internal estimates

Responsible growth.
Shared success.

Growing with our customers

High growth markets

Health & wellbeing

Consumer-preferred products

Integrated solutions

Delivering with excellence

Excellence in execution

Partnering for shared success

Innovators

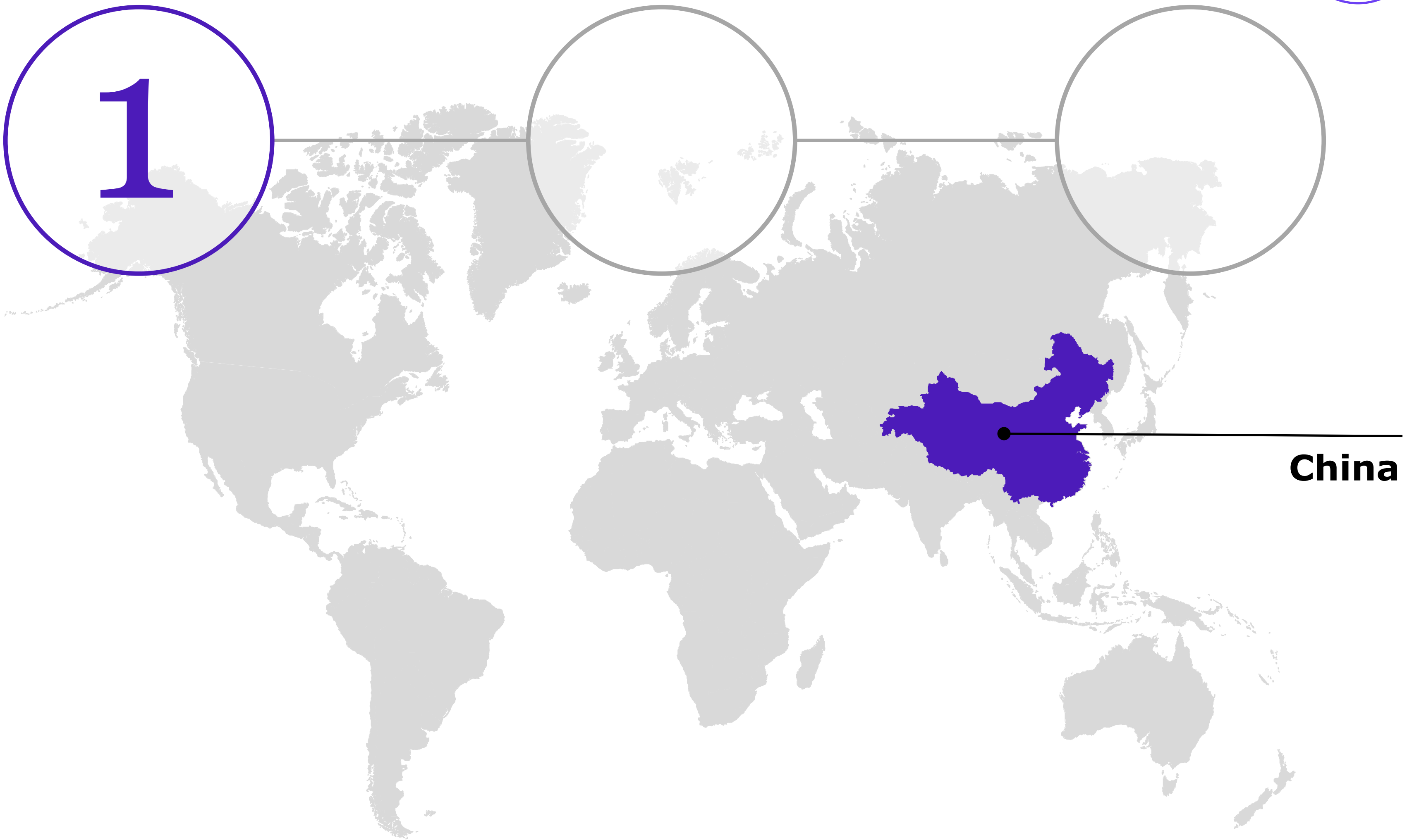
Suppliers

People

Communities

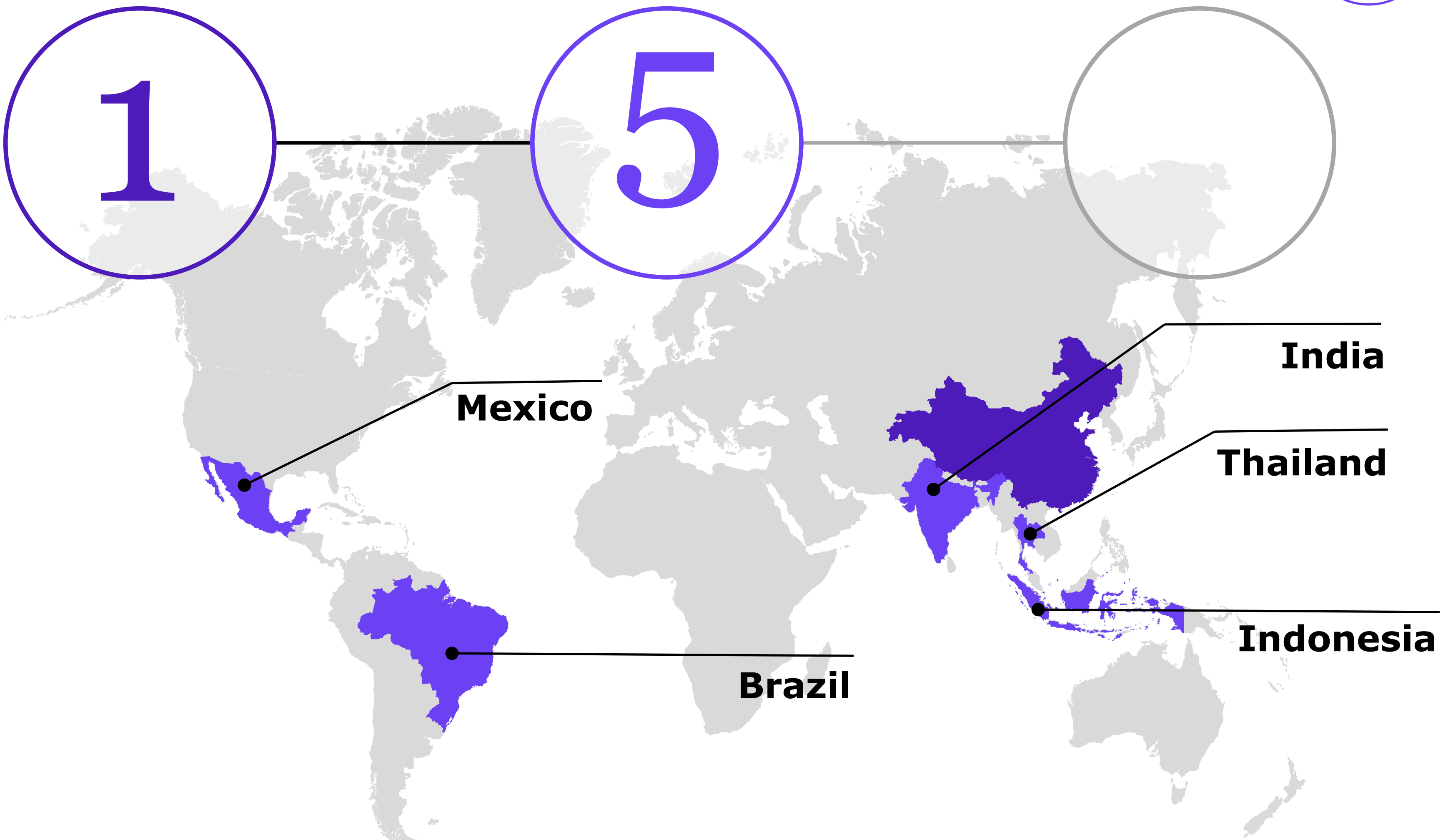
High growth markets
Where to play

Growing with our customers



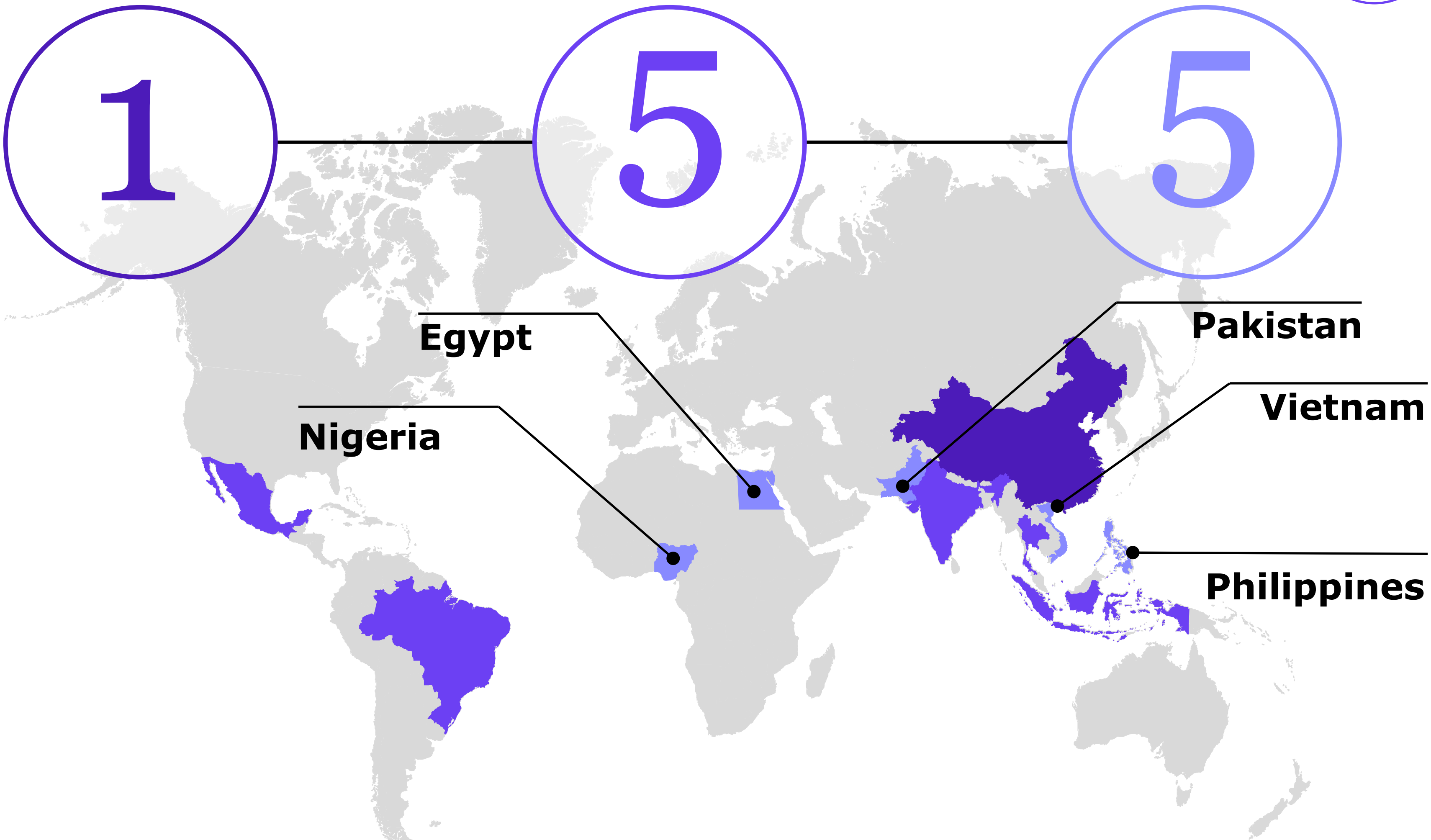
High growth markets
Where to play

Growing with our customers



High growth markets
Where to play

Growing with our customers



High growth markets
How to win

Growing with our customers

Local

Local talent

Local infrastructure

Localised business model

Consumer preferred products
Where to play

Growing with our customers

01 Beverages

02 Yogurts

03 Processed meats

04 Dairy drinks

Consumer preferred products

How to win

Growing with our customers

Innovation & Creativity

Leverage innovation and creativity

Focused investments

Refined business model

Health and well-being

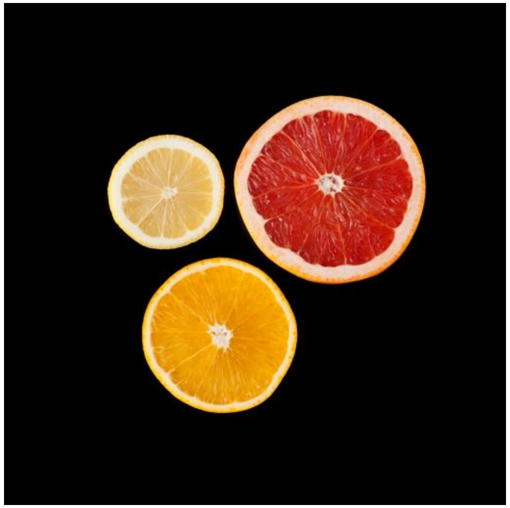
Where to play

Growing with our customers

Enable 'positive' health ingredient use

Reduce 'negative' ingredient use

Strengthen our extensive natural flavour offerings



Health and well-being

How to win

Growing with our customers

Health & Wellness

Investing in masking and taste technologies

Natural products

Strengthening our naturals innovation platform

Leveraging traditional and emerging technologies

Leadership in regulatory landscape

Excellence in execution

How to win

Delivering with excellence

Customer experience

Create differentiation and competitive advantage through a superior customer experience

Operations

Ensure the delivery of high quality products and services that are cost efficient, safe and sustainable.

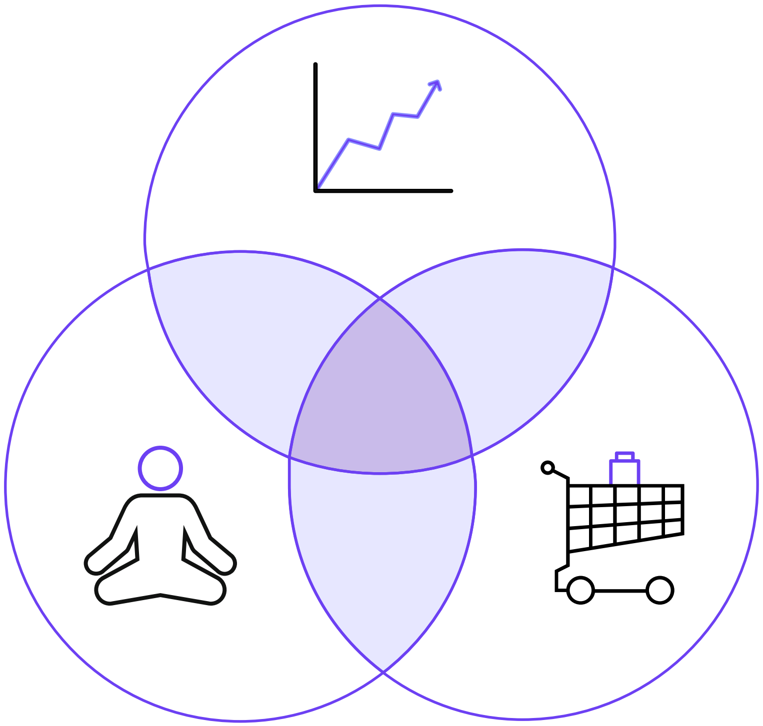
Streamlined enterprise

Improve efficiency and evolve business model

Agility

Be fast, focused and agile

2020 Growth aspirations
Growth drivers



Additional growth
Integrated solutions

Responsible growth.
Shared success.

Growing with our customers

High growth markets

Health & wellbeing

Consumer-preferred products

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Excellence in execution

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