International Delight Creamers

Presentation

Core 4 flavors deliver 60% of category volume: Leverage ID product superiority to reach 90 acv!

$26MM Opportunity

	1	2	3	4
	French Vanilla	Caramel Macchiato	Hazelnut	Cold Stone Sweet Cream
Product Score v. CM[1]	**Superior***	**Slight Adv.**	**Superior**	**Superior**
Market Rank[2]	**#2**	**#1**	**#2**	**#2**

#1 Caramel SKU by $s & Velocity

Biggest flavor in category: ID unlocking **NEW "best-ever Vanilla"** (more to come!)

Goal: 90 ACV

	French Vanilla	Caramel Macchiato	Hazelnut	Cold Stone Sweet Cream
ID ACV	85	82	76	76
CM ACV	89	43	88	86

Gap closure based $/TDP and reaching 90 ACV on each item

[1]Conducted in SF & Chicago, June 2020 Blinded seq. monadic CLT, N=153 Traditional Hazelnut creamer users (P6M consumption) [2]Source: IRI, MULO, L26W ending 9/6/2020 (excl CM Italian Sweet Crème due to recent service issues – data from Q2 2020) – branded flavor (ID and CM)

Internal Only

What drives Creamer Consumption? Flavor and brand – these are key purchase drivers among creamer buyers

#1 Decision: *Flavor*

- Availability
- Variety
- Flavored vs. Unflavored
- Sweetened vs. Unsweetened
- HIGH cross purchase among flavors

Mainstream (85%)			**Emerging** (70%)		
Basic Flavors	(More) Indulgent Flavors	Seasonal & Specialty	PB / All Natural	Functional / CL	H&H / HWC
72%	73%	58%	61%	32%	43%

#2. ***Brands*** act as guide posts for shoppers to find their favorite flavors

Coffee-mate reaches ***80%*** of consumers

International Delight reaches ***72%***

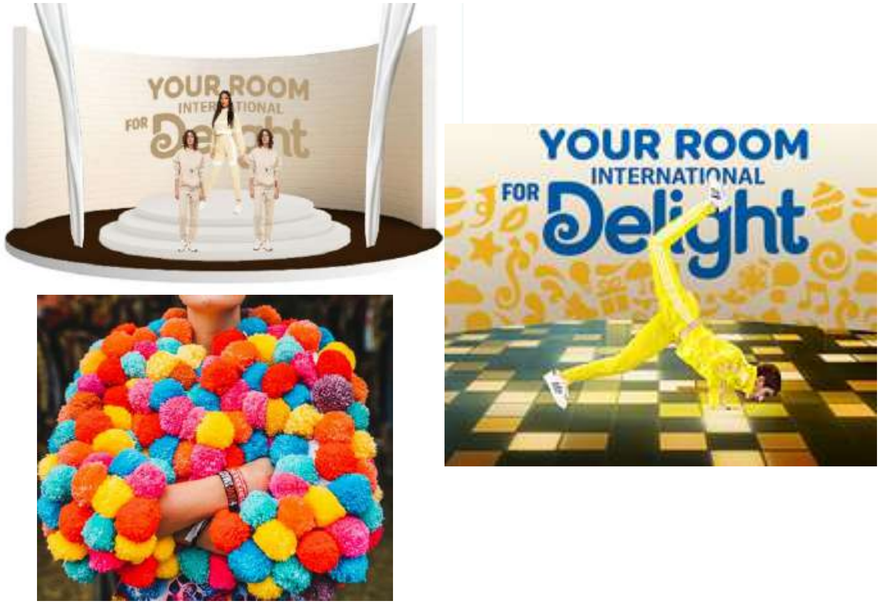
Silk reaches ***46%***

ID reaches 2X *its fair share of shoppers (vs. dollar share)!*

(#%) = net penetration, meaning % of shoppers that definitely would buy (DWB) at least one variety within a product cluster – a Top Box 9 selected on a 9 point scale i.e.: 85% of category buyers would definitely buy Mainstream creamers (selected 9 out of 9 on purchase interested scale)

We will bring Campaign to life in a way that excites, engages and recruits the Next Gen of consumers

Video: Engage through the power of dance and music; own room through celebration of flavors



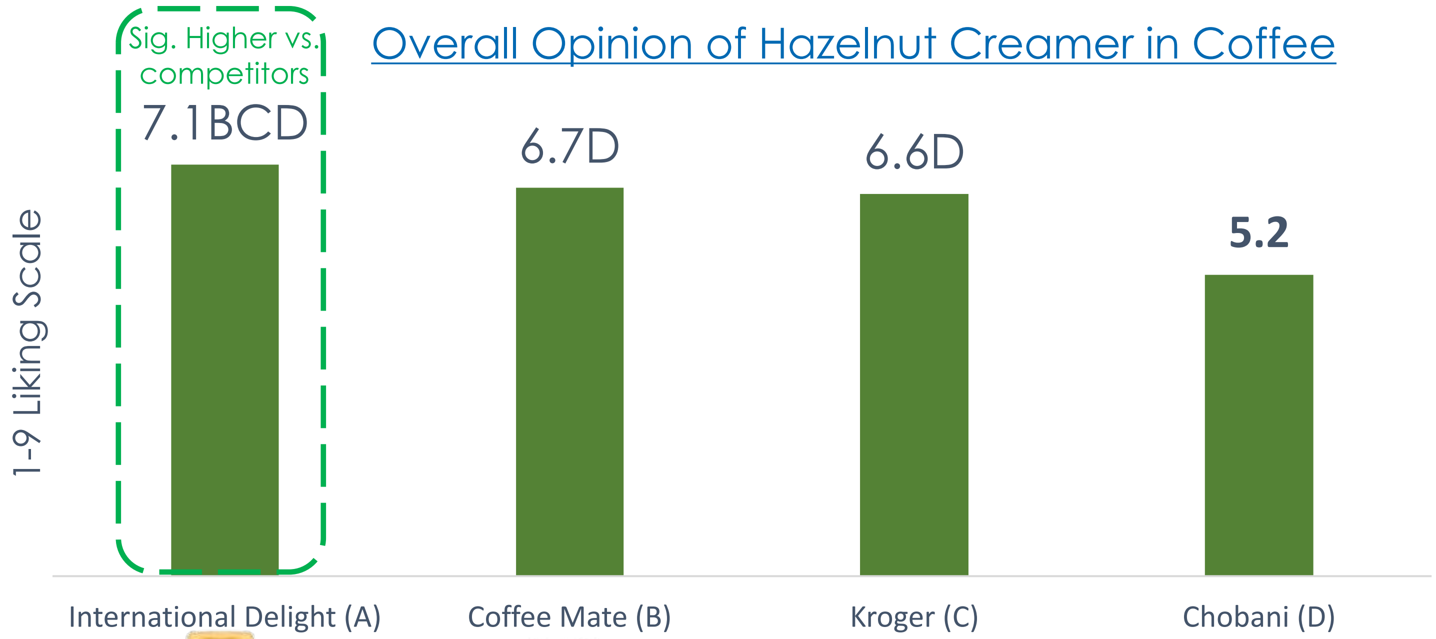
Invite participation through Social with natural extension into new channel (TikTok)

PR INFLUENCERS

Shopper Marketing bring campaign In-Store

ID Hazelnut formula and velocities outperform competition

ID Hazelnut outperforms three key competitors on Overall Liking and is more often described with positive terms of **flavorful and rich**



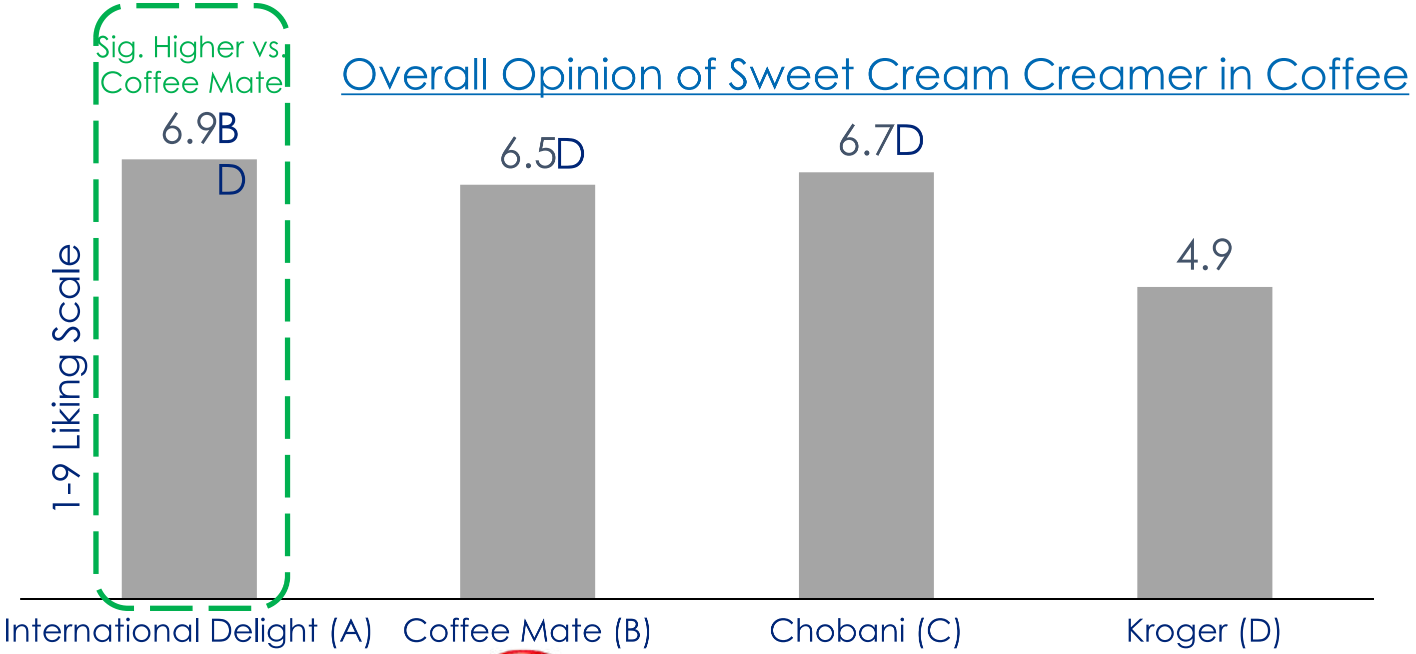
ID vs CM Hazelnut Velocities
($/TDP % chg. vs YA, w/e 9/27/20)

Hazelnut 32oz	L5W	L13W	L52W
ID 76 TDPs	+8%	+10%	+17%
CM 88 TDPs	+9%	+7%	+0.1%

Conducted in SF & Chicago, June 2020
Blinded seq. monadic CLT, N=153 Traditional Hazelnut creamer users (P6M consumption)
Lg. letter following mean indicates sig. difference from the product listed at 95% CI

ID Sweet Cream formula and velocities outperform Coffee Mate

ID Cold Stone Sweet Cream outperforms Coffee Mate on Overall Liking and is more often described with positive terms of **smooth, flavorful, indulgent, and balanced**



ID vs CM Sweet Cream Velocities
($/TDP % chg. vs YA, w/e 9/27/20)

Sweet Cream 32oz	L5W	L13W	L52W
ID 76 TDPs	+26%	+17%	+19%
CM* 86 TDPs	(60%)	(14%)	(0.1%)

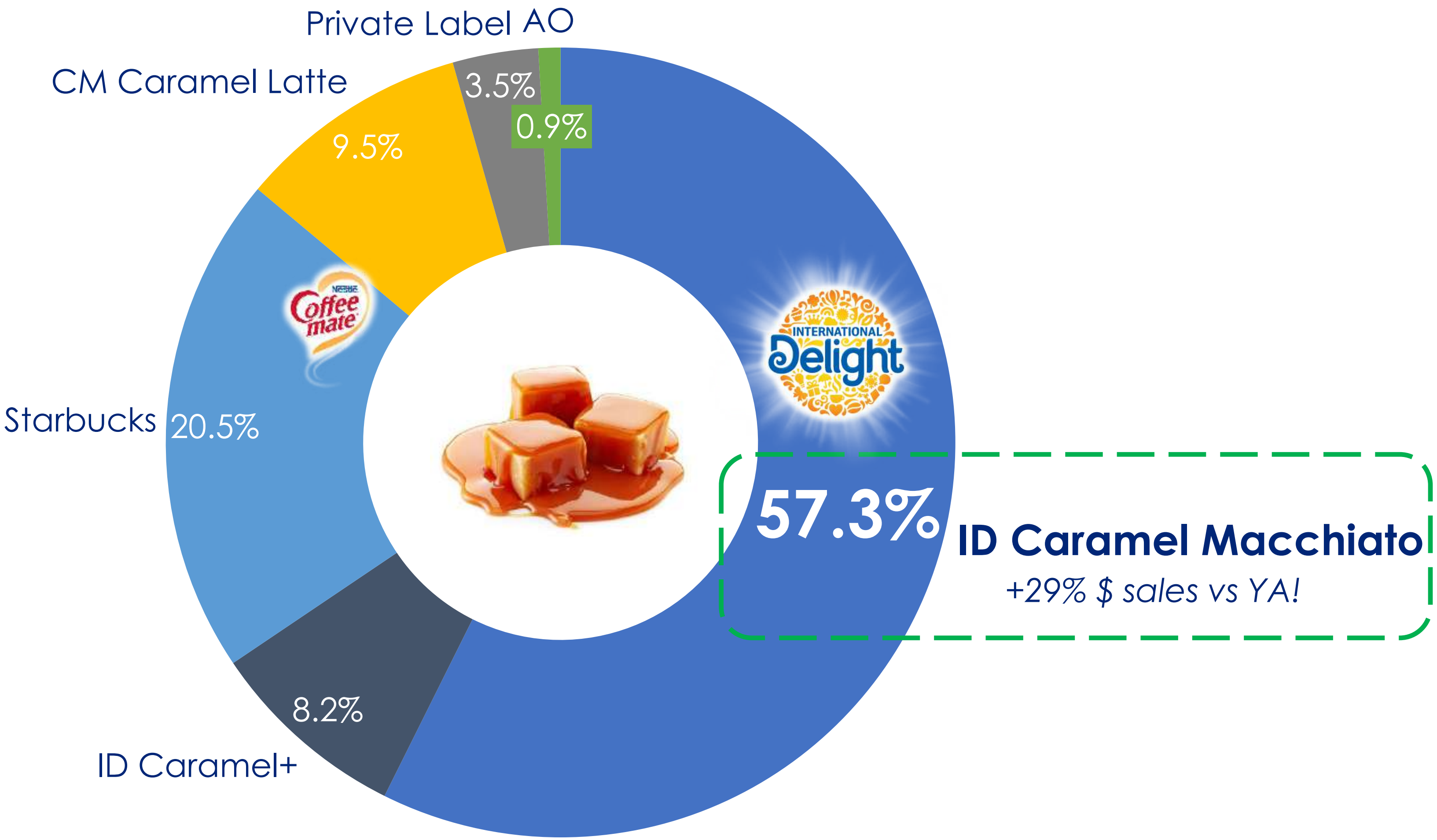
*impacted by recent service issues

Conducted in SF & Chicago, June 2020
Blinded seq. monadic CLT, N=153 Traditional Hazelnut creamer users (P6M consumption)
Lg. letter following mean indicates sig. difference from the product listed at 95% CI

ID Caramel Macchiato is #1 in $230MM Caramel space within trad creamers

$68MM in sales L52W

Share of Caramel Rfg Trad Creamers Sales by Brand
All Sizes, L52W



Source: IRI, MULO, L52W ending 9/27/20 – Trad Creamer UPCs, all sizes, "CARAMEL" flavor

large size is driving 45% of growth & nearly 2X its fair share in contribution: Close ID distro gap

$90MM Opportunity

	1 French Vanilla	2 Caramel Macchiato	3 Hazelnut	4 Cold Stone Sweet Cream
		Only Caramel 64oz!		

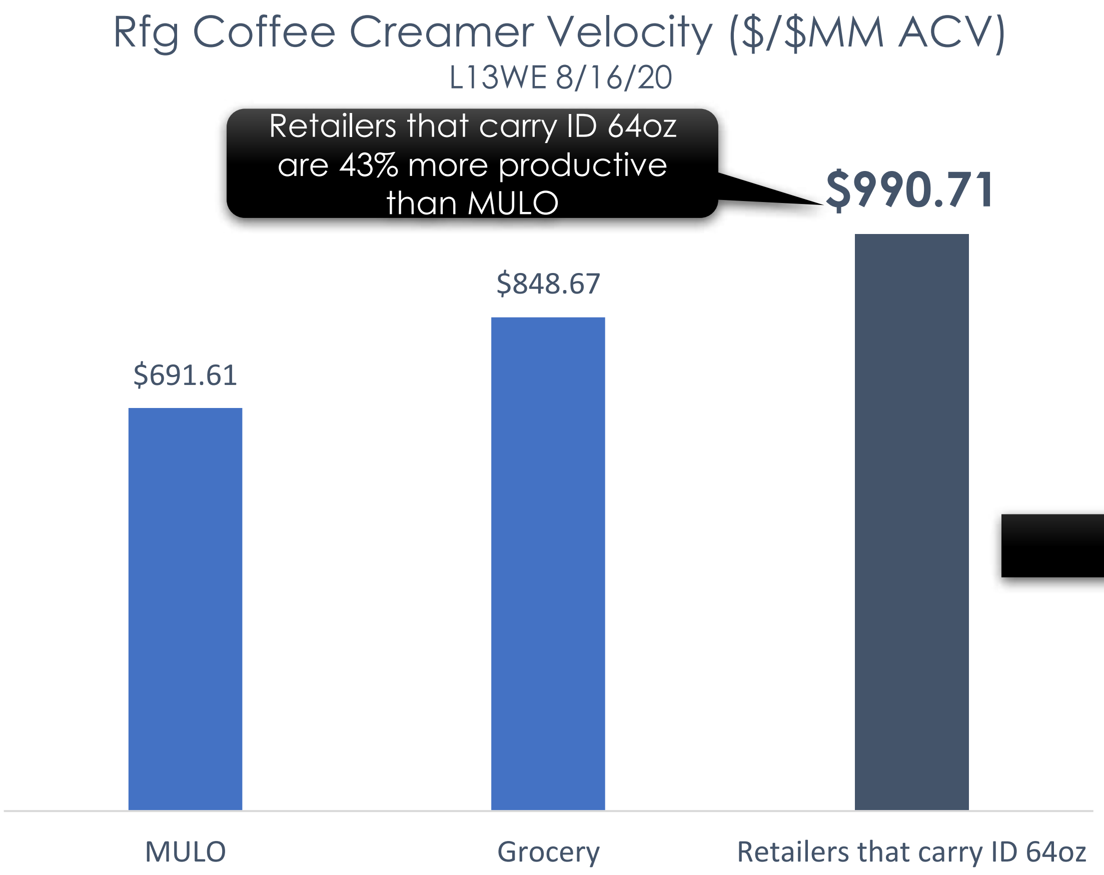
	French Vanilla	Caramel Macchiato	Hazelnut	Cold Stone Sweet Cream
ID ACV	46	33	2	24
CM ACV	84	NA	81	71

Source: IRI, MULO, LW ending 9/6/2020 (excl CM Italian Sweet Crème due to recent service issues – data from Q2 2020) – branded flavor (ID and CM)
Gap closure based $/TDP and reaching 60 ACV on each item

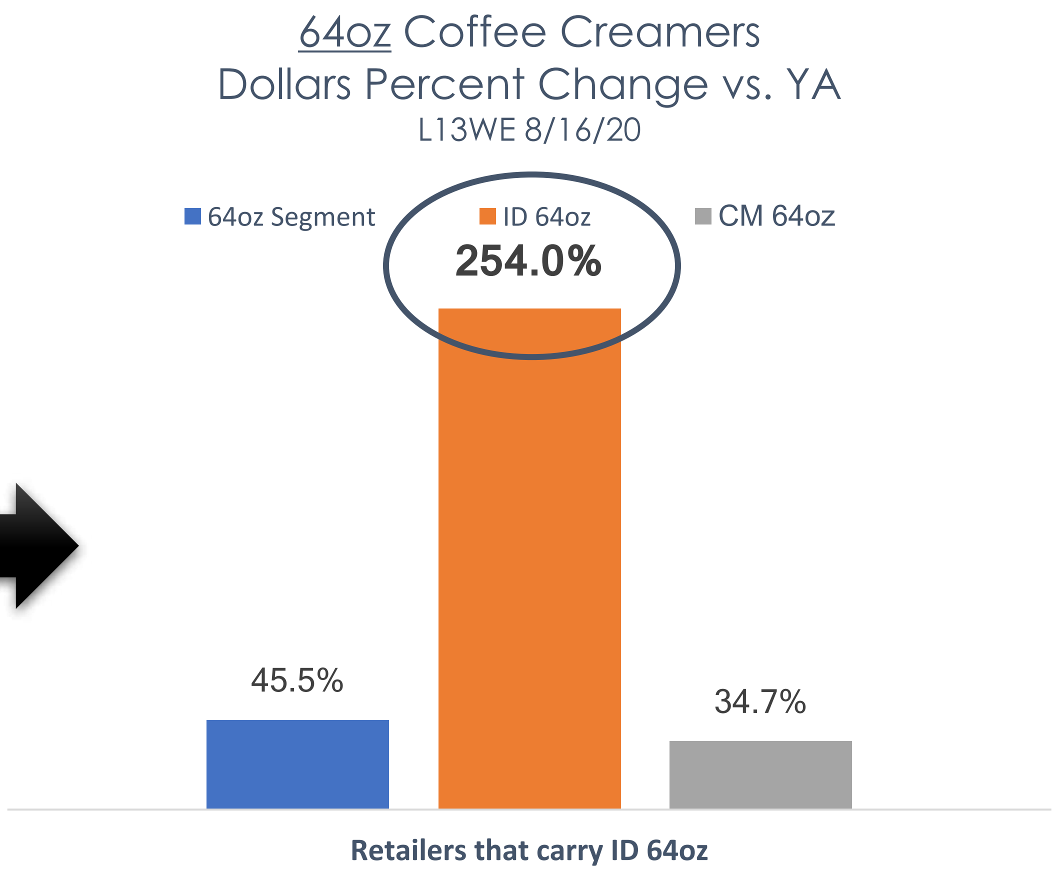
Internal Only

Retailers that carry ID 64oz are 43% more productive than mulo on average, with ID driving growth

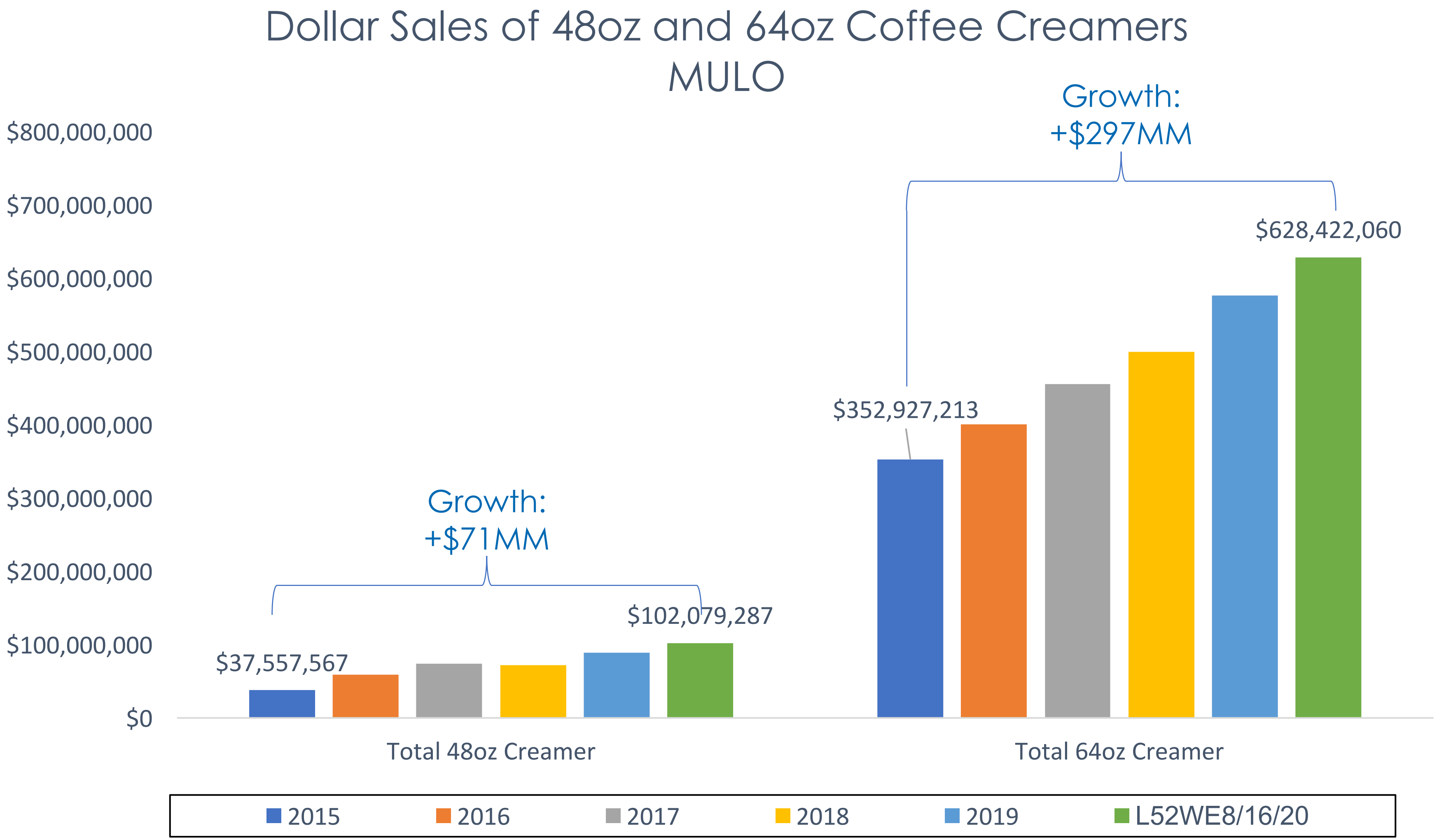
64oz is up **16.7%** Nationally, while Retailers specifically carrying ID 64oz are up **45.5%**, With ID 64oz driving growth



Trends are the same for Traditional Creamers



In retailers that swapped ID 48 to ID 64oz, ID 64OZ driving 2.3X its fair share of 64oz growth

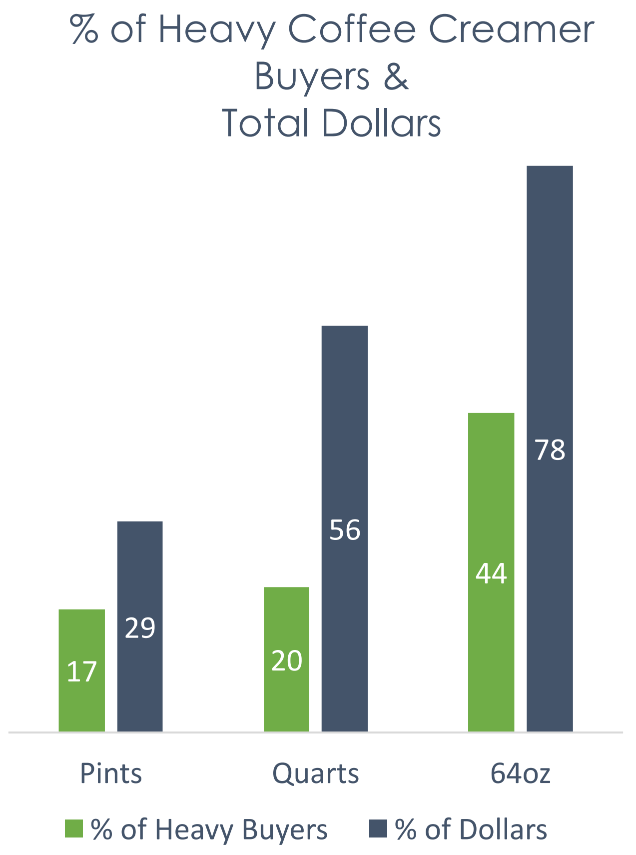


Takeaways

- ID is roughly 13% of 64oz dollars in MULO but 23% of growth, driving 1.8X its fair share
- However, in retailers that swapped ID up from 48oz to 64oz, ID has a 15% share of 64oz and is driving 35% of growth, or 2.3X its fair share

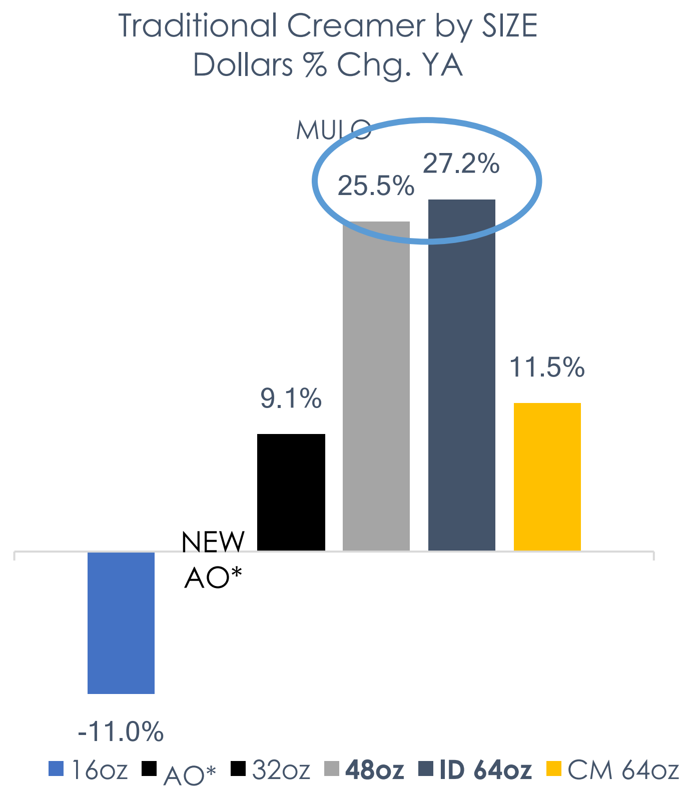
Retailers benefit from carrying large size creamers, which capture valuable heavy buyers & its growth is driven by ID

Large size creamers capture the most **heavy buyers** – 44%! – and nearly 80% of dollar sales



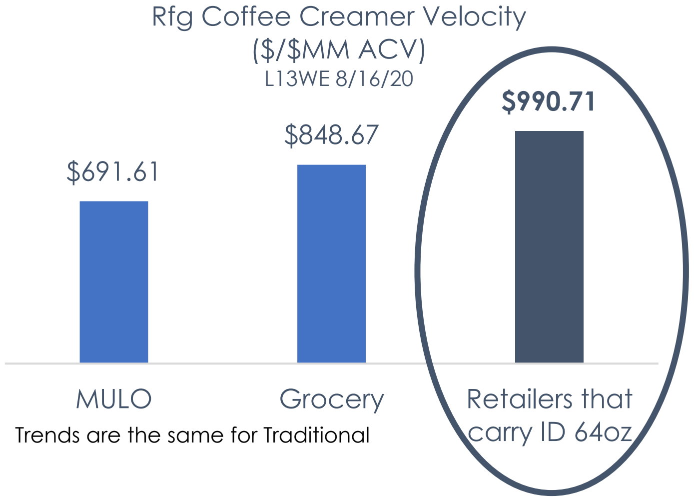
Large size creamers **driving category growth**

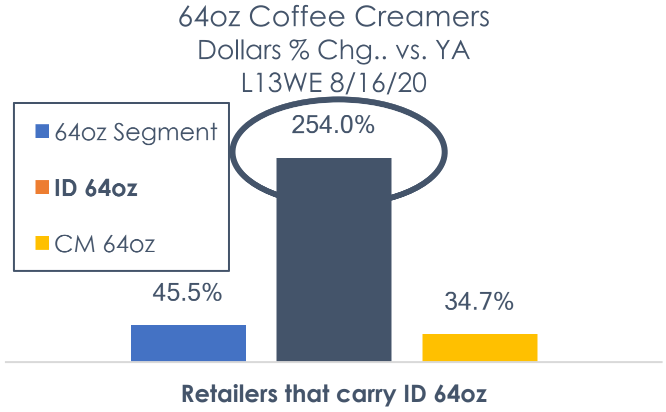
ID 48oz & 64oz are fastest growing sizes*



*AO Size is primarily Starbucks, which entered the market July 2019

Retailers that carry ID 64oz are more productive, with growth driven by ID

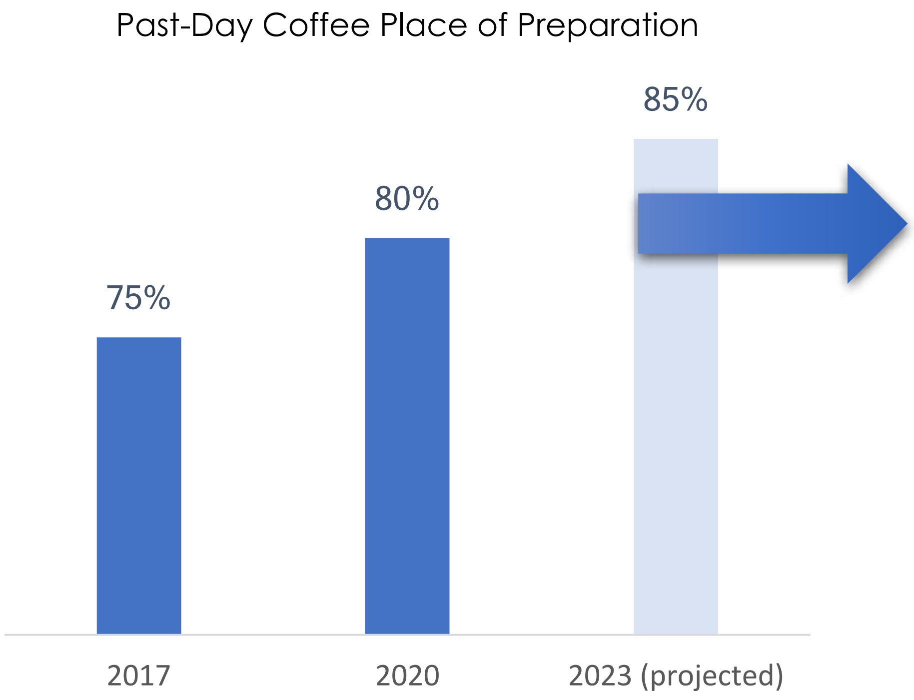




At-home is the top venue for coffee consumption, and is up IN BOTH PRE- AND during COVID

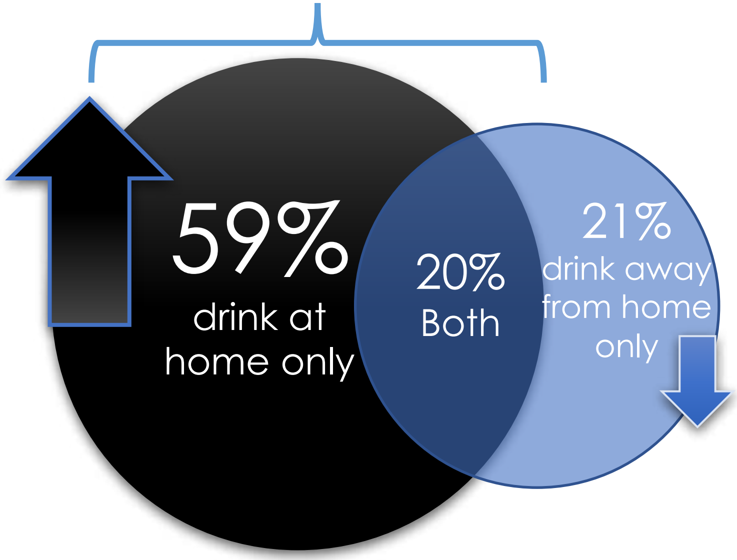
- Nearly 60% of coffee drinkers consume solely at home, up 5 pts vs. 2017
- Nearly 80% of drinkers consume both at home & AFH, +3 pts

4-in-5 of coffee drinkers prepare coffee at home, up 5 points vs. 2017



More consume coffee at home than out-of-home, and more are planning to do so even post-Covid-19

79% drink coffee at home, +3pts vs. 2017



- 59% of coffee drinkers consume solely at home, up 5 points from 54% in 2017
- 20% drink both in-home & away from home
- 21% drink away from home only, down from 24%

YOUNGER COFFEE CONSUMERS DRIVING THE COFFEE EVOLUTION

Millennials driving growth today; Gen Z is the growth for the future

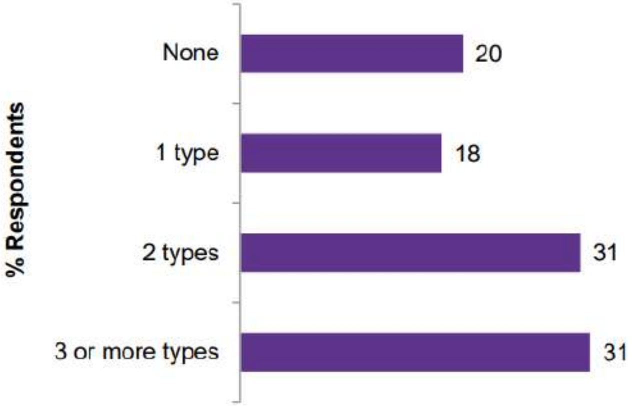
CONSUMERS ENTERING EARLIER

17.1
Average age Millennials started drinking coffee

14.7
Average age Gen Z started drinking coffee

ARE MORE ENGAGED & TRY MORE TYPES OF COFFEE

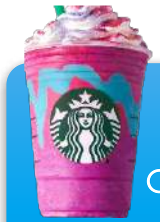
NUMBER OF TYPES OF COFFEE CONSUMED



Consumers drinking 3 or more types:
- 16% more likely to be Gen Z (36%)
- 65% more likely to be Millennial (51%)
- 48% more likely to have children (46%)

PREFER TO WHITEN BUT ALSO SEEK ADDITIONAL BENEFITS

Generation Z



Enter on sweet & creamy coffee drinks

84% whiten their coffee

IDEAL ATTRIBUTES

48%	43%	35%
Energy Boosting	Helps to Relax	High Protein

PURCHASE INTEREST

32%
Would rather drink functional coffee than take vitamins / supplements

Nearly 80% of coffee drinkers add milk, cream or creamers while roughly only 1-in-5 drink coffee black

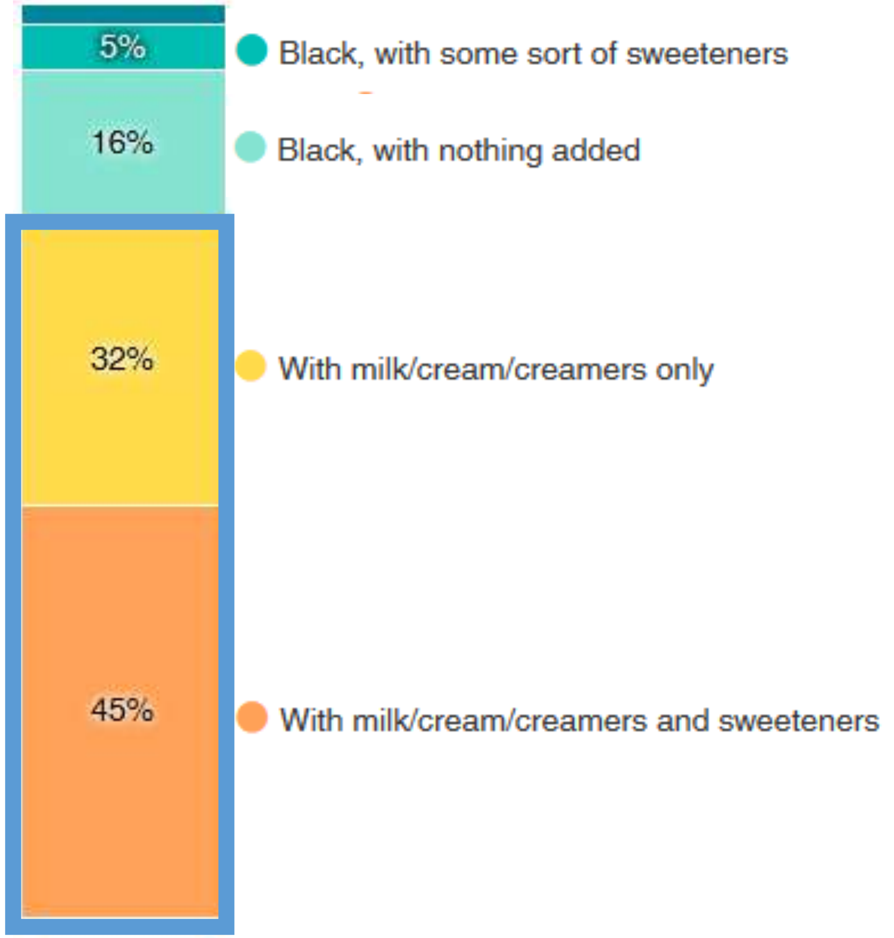
Black coffee driven by older consumers

30% of 60+ aged consumers vs. 6% of 18-24 aged consumers

Creamed coffee driven by 18-24 year olds

- Nearly 60% more likely to whiten vs. 25+ year olds
- More than 2X likely as 60+ year olds

How do you take your coffee at home?



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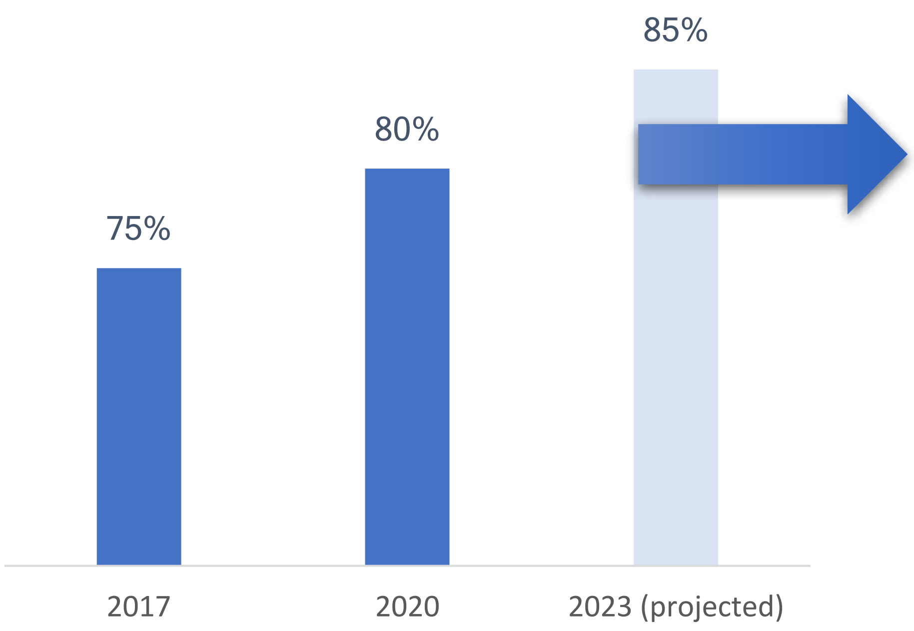

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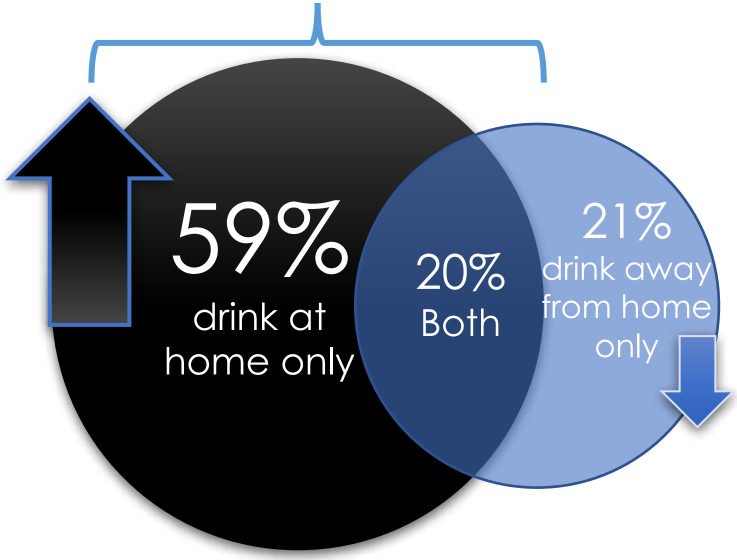

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Sources: National Coffee Data Trends, 2020 (NCA – National Coffee Association);
IRI Survey, 4/10-12 among National Consumer Panel representing Total U.S. Primary Grocery Shoppers

INTERNATIONAL Delight

DUNKIN'

Shelf Stable

2021 H2 Brand Updates

Danone is the #1 Manufacturer of shelf stable liquid creamers

Win with the #1 brands and flavors in shelf stable liquid

	Traditional					***Dairy***	
						Unsweet Dairy	*Sweetened Dairy*
					 Newest ID flavor		 New Dunkin' PC
ID Flavor vs. CM Flavor (like-for-like Dollar Sales)	**#1**	**#1**	**#1**	**#1**	**#2**	**#1**	**#1**

Biggest flavor in entire shelf stable creamer (powder + liquid) category
newest item in the ID shelf stable portfolio, available in **48ct**

New Items Draw on different Strengths to meet consumer needs

#1 Dunkin' flavor

Winning Proposition

- **#1 Dunkin' Flavor** – Best performing Dunkin' flavor in refrigerated creamers and #5 quart in the Danone portfolio
- Extra Extra 32oz is a top 15 turning SKU in grocery
- A taste consumers already know and love

#1 Flavor in shelf stable

Winning Proposition

- **#1 Flavor** in both liquid shelf stable and in shelf stable creamer category
- First time International Delight Original flavor has been offered in retail
- Only non-GMO project verified PC on the market

#1 Caramel in liquid shelf stable

Winning Proposition

- **ID Caramel Macchiato is #1 Caramel SKU in refrigerated** creamers
- Top performing ID flavor - #2 ID flavor in both refrigerated and shelf stable creamers
- A taste consumers already know and love!

IRI MULO: Latest 26w Pd ending 09-06-20
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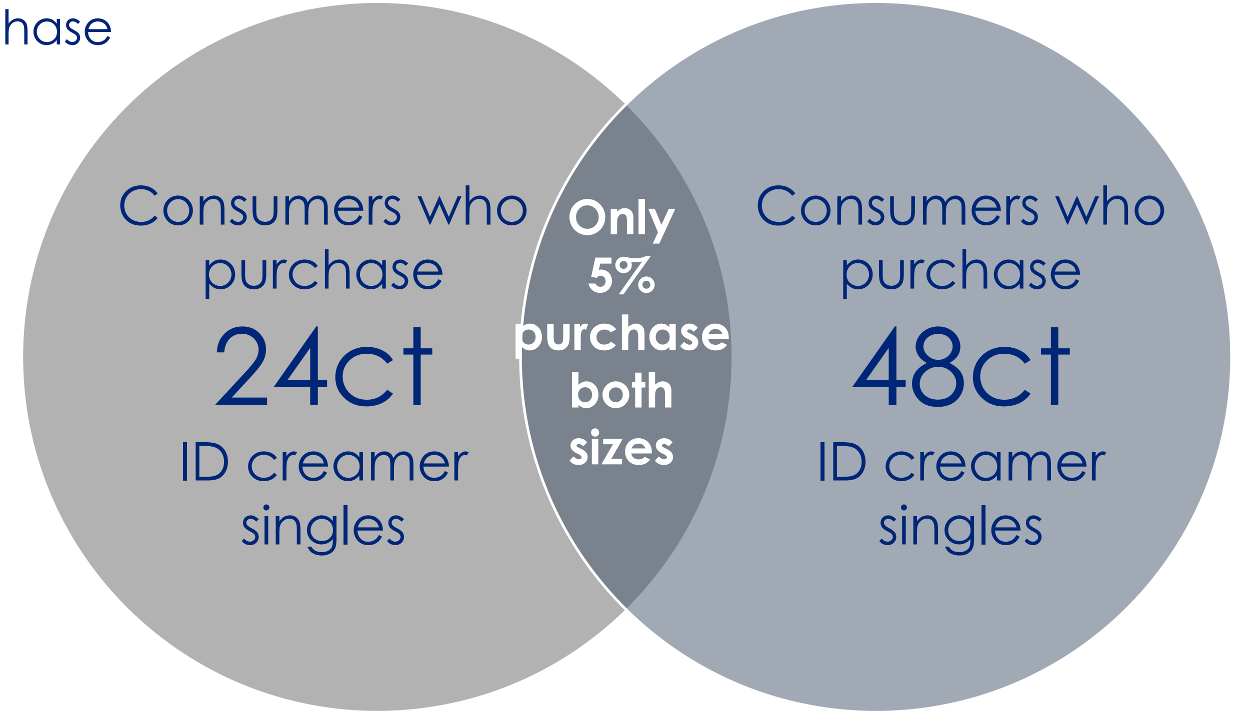
24ct and 48ct pack sizes Bring in different consumers and Should coexist on shelf

24ct & 48ct have a limited buyer overlap

Most consumers are loyal to a specific pack size with only 5.3% of consumers buying both 24ct and 48ct

ID 24ct Consumers

94% Exclusively purchase 24ct



ID 48ct Consumers

46% Exclusively purchase 48ct

Source: IRI, buyer overlap, L26W ending 9/6/20, 24-50ct size