Drivers of growth and value creation

REMCO STEENBERGEN,
CFO
Proven track record

A consistent and successful path – track record of last 5 years

- Volume growth CAGR of 4.4% over last 5 years, above global confectionery market growth of 1 to 2% per year
- Volume growth from Outsourcing: + ~30-40k MT per year
- Gourmet and Specialties & Decorations: ~9% CAGR
- Today, 720k MT from Emerging markets: ~6.5% CAGR
- A fully integrated player; and Cocoa ingredient third party sales today at 455k MT
- Truly global footprint with over 60 factory locations
- 22 Chocolate Academy centers with more than 40 Chefs and an Ambassador network of 200+ Chefs; the first Chocolate Online Academy
- EBIT growth outpacing volume growth driven by business, product and customer mix, at a CAGR of 7.4% over last 5 years
- We pass on - for the majority of our business – the cost of key raw materials through our cost-plus model

<table>
<thead>
<tr>
<th></th>
<th>Volume growth (k MT)</th>
<th>EBIT growth (CHF M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 13/14</td>
<td>1,717</td>
<td>416</td>
</tr>
<tr>
<td>FY 17/18</td>
<td>2,036</td>
<td>554</td>
</tr>
</tbody>
</table>
Proven track record
A consistent and successful path – track record of last 5 years

<table>
<thead>
<tr>
<th>Group performance</th>
<th>FY 2013/14</th>
<th>FY 2017/18</th>
<th>CAGR</th>
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<tbody>
<tr>
<td><strong>Sales Volume (Tonnes)</strong></td>
<td>1,717</td>
<td>2,036</td>
<td>4.4%</td>
</tr>
<tr>
<td><strong>EBIT (CHF M)</strong></td>
<td>416.2</td>
<td>554.0</td>
<td>7.4%</td>
</tr>
<tr>
<td><strong>ROIC (%)</strong></td>
<td>10.5%</td>
<td>13.3%</td>
<td></td>
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<tr>
<td><strong>ROE (%)</strong></td>
<td>14.7%</td>
<td>15.7%</td>
<td></td>
</tr>
<tr>
<td><strong>Earnings per Share (CHF)</strong></td>
<td>46.0</td>
<td>64.9</td>
<td>9.0%</td>
</tr>
<tr>
<td><strong>Share price (CHF)</strong></td>
<td>1,125</td>
<td>1,728</td>
<td>11.3%</td>
</tr>
<tr>
<td><strong>Dividends per share (CHF)</strong></td>
<td>15.5</td>
<td>24.0</td>
<td>11.6%</td>
</tr>
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</table>

1 per 29.08.2014 and 31.08.2018 respectively
Our new mid-term guidance for 2019/20 to 2021/22

Drivers of growth and value creation

**Average volume growth +4-6%**

- Global Confectionery **volume** expected to grow 1.4% per year over the next 5 years
- All we do, fueled by **strong Innovation** and **Sustainability**
- **Outsourcing** to add on average 30-40k MT per year – permanently working on strong pipeline
- **Gourmet** growth outpacing the other businesses, further increase **Group profit contribution**
- **Emerging Markets**: 4.1B consumers, big potential for chocolate consumption growth

**EBIT growth on average above volume growth**¹

- Drive **Innovation** to allow our customers to differentiate, **improving our product mix**
- Drive **business mix**: Food Manufacturers, Gourmet & Specialties and Cocoa
- **Customer mix**: Corporate-, Global-, Regional partners and Distributors
- Remain **Cost Leader**: global network, scale benefits, sourcing excellence, and further **operational and G&A cost leverage**

**NOTE:**
The Executive Committee’s annual incentive target is based, besides volume growth and EBIT, for 30% on Free Cash Flow and for 10% on Sustainability
The long-term Executive Committee’s incentive plan based upon performance is evaluated on the criteria 50% TSR and 50% ROIC
¹ in local currencies and barring any major unforeseen events
Outsourcing was and will remain an important growth driver.

- Share of total Group volume: 35%
- 5 year volume CAGR from Outsourcing: 10% CAGR

Drivers of growth and value creation
Driving continued market penetration through:

- Our extensive network to get closer to the customer and deepen distribution
- Expanding our direct sales force
- Traditional distribution channels being complemented by digital (e.g. TaoBao and Tmall in China)
- Improving market positions and closing White spots
  - Acquisition of Inforum in Russia
  - Outsourcing deal with Garudafood
  - Greenfield factory projects
  - Go-to market setup in selected African countries

Emerging Markets: 4.1B consumers, big potential for growth

<table>
<thead>
<tr>
<th>Country</th>
<th>Share of total Group volume</th>
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<tbody>
<tr>
<td>India</td>
<td>44%</td>
</tr>
<tr>
<td>Indonesia</td>
<td>36%</td>
</tr>
<tr>
<td>Brazil</td>
<td>20%</td>
</tr>
<tr>
<td>China</td>
<td>18%</td>
</tr>
<tr>
<td>EEMEA*</td>
<td>18%</td>
</tr>
<tr>
<td>Russia</td>
<td>5%</td>
</tr>
</tbody>
</table>

*excluding Russia

5 year chocolate volume CAGR\(^1\) for selected Emerging Markets

\(^1\) CAGR 2013/14 to 2017/18
Drivers of growth and value creation

Strengthening our internal processes to improve quality and operational and G&A cost leverage

Supply chain transformation

- Transformational project to drive true Integrated Planning across Regions and between Chocolate and Cocoa
- Improved demand planning based on streamlined processes and supported by latest data technology
- Demand shaping based on available capacity
- Deeper collaboration with customers and suppliers

Better utilization of property, plant and equipment, and efficient use of Working Capital

Finance operation excellence

- Value creation partner
- Analytical engine
- Quality reporting
- Driving cost efficiency
- Information systems
- BP
- FP&A
- Expert functions
- Accounting
- SSC

Investor Day 2019 - Drivers of growth and value creation
Financing

Strong financing of our balance sheet, supporting business model

How we finance Barry Callebaut

- Core Working Capital level financed with long-term fixed rate Debt
- In-year seasonality (mainly beans related) financed by Commercial Paper backed up by RCF

Recently issued Schuldcschein, strengthening debt financing

- The average tenor is 7.8 years and has extended the overall Group maturity to 5.5 years
- Attractive interest rate of 1.65% lowering average cost of long-term debt
- The successful issuance reflects the trust of the investors:
  - Within top three of the biggest transactions for companies outside Germany
  - Schuldcschein with longest tenors on average (8 years)
  - Global investor interest: Germany 38%, Switzerland 21%, Asia 25%, RoW 16%
  - Largest CHF denominated Schuldcschein (CHF 152m)
  - First Sustainable Schuldcscheindarlehen ever issued
Key take-aways

Based on a successful track record and a proven playbook

- Successful path over the past 5 years with profit growth outpacing volume growth
- Proven playbook to improve our product mix with innovation, to drive the right business mix and to enhance our profitable customer mix across the globe

Confident to issue a new mid-term guidance

- All elements in place that make us confident to confirm the growth guidance of +4-6% volume growth and EBIT growth on average above volume growth
- Strengthening internal processes will improve quality and create cost leverage

Driving continued growth and value creation

- Continue to drive value throughout all activities resulting in ROIC and ROE accretion and target accelerated earning per share and shareholder value
- Maintain strong financing of our Balance Sheet and received a strong signal of trust with the successful issuance of the Schuldsccheindarlehen

1 in local currencies and barring any major unforeseen events
Thank you!