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Birds Eye Business Transformation - Investing in Brands to fully exploit the long-term
category growth opportunities

13 March 2019



Nomad Foods Overview

€2.2B
Net Revenues

13
Primary Countries
Across Western
Europe

90%
Of Core Portfolio Ranked
#1 Or #2 In Market Share

4,600
Company
Employees

#1
In Western Europe's
€25B
Savory
Frozen Food Category



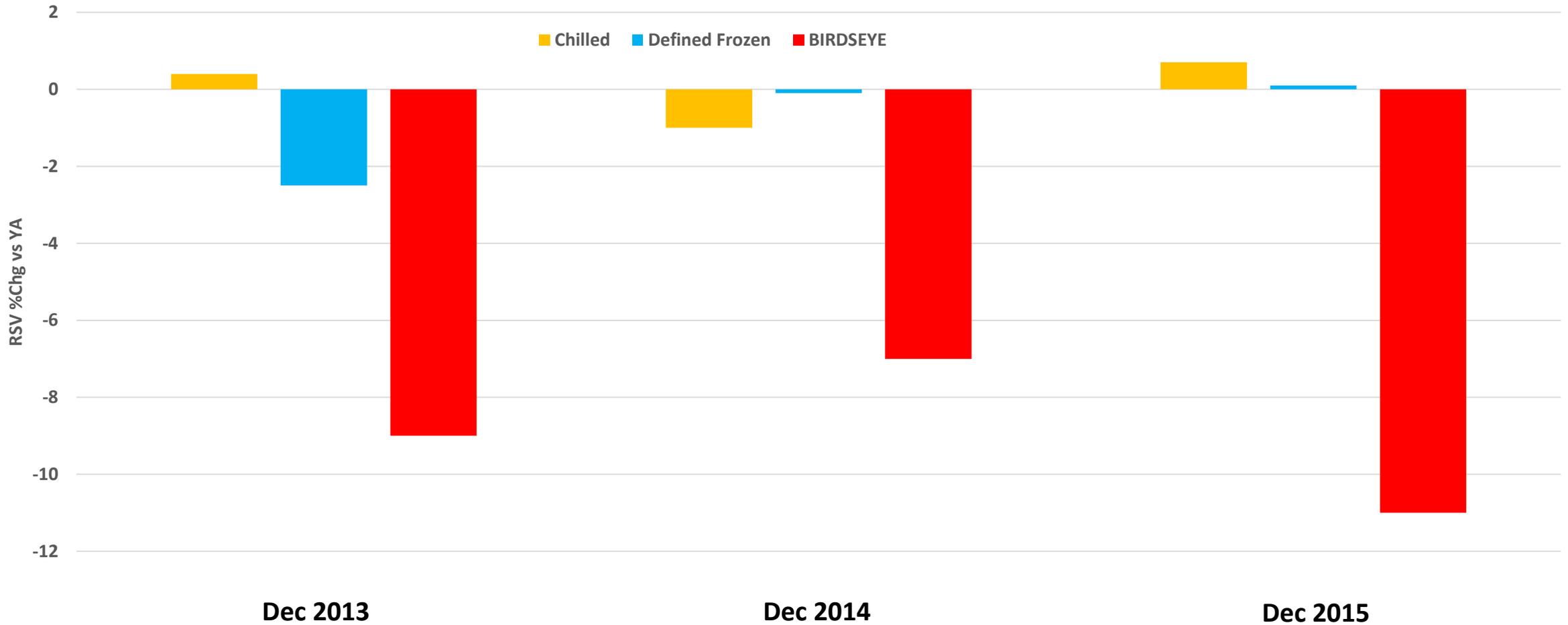
€350m Media Investment since 2016



A Closer Look At Birds Eye



January 16 – Not a very inspiring arrival



Could it be Strategy related?



Three Things that needed to change

1 – Our Culture!



Three Things that needed to change....!!!

2 – Our Focus - drive Core not innovation



Three Things that needed to change

3 – Our Value!!!



ODFELLA'S

4 Category growth platforms rooted in consumer insight & macro trends – A £670M opportunity!

HUGE GROWTH HEADROOM FOR FROZEN OCCASIONS

- Frozen only used in 21% of meal occasions*
- Frozen considered but not used in a further 30%*



MAKE A MEAL OF IT - £300m
Getting consumers to think frozen as the go to for ingredients and components to deliver the nations favourite meals

CONSUMERS WANT TO HAVE MORE BALANCED DIETS

- % of occasions chosen for health reasons up 10%pts in 5yrs
- Freezing requires no preservatives - 62% of consumers are trying to avoid artificial flavours/preservatives/colours**



SURPRISINGLY BALANCED - £180m
Reassurance that frozen foods can be a convenient way to provide balanced and nutritious meals

CURRENTLY FROZEN = FUNCTIONAL NOT INSPIRING

- Taste is the most important factor in meal choices (80% meals)*
- Shoppers typically pay a +29% premium for an item chosen for "fancied a change"



INSPIRING CUISINE - £85m
A frozen category that raises expectations by delivering food full of taste and quality for more special mealtimes

SPEED AND EASE OF PREPARATION IS KEY FOR CONSUMERS

- 71% of meal occasions are chosen because they are quick or easy to prepare*
- Frozen food over-indexes in providing convenient solutions*



OPEN ALL HOURS - £111m
The freezer as a destination for products and solutions that deliver quick and simple meal solutions for consumers

Data sources:* Nomad UK U&A Study 2018 ** Nielsen "What's in our food and on our mind" report, Aug 16



Our role as Category Leaders to transform perceptions of Frozen Food

2016
'FROZEN'

Present Day
'FREEZING IN
THE GOODNESS'

Lifeless box of food

Product

Food at its best with all the goodness locked in

Last resort

Freezer

First destination for meal inspiration

Emergency

Occasion

Everyday



A new Strategy was introduced

STEP 1

Turnaround

Rebuild our frozen food credentials and iconic brands

STEP 2

Transformation

Grow organically and through the right acquisitions

STEP 3

Global Business

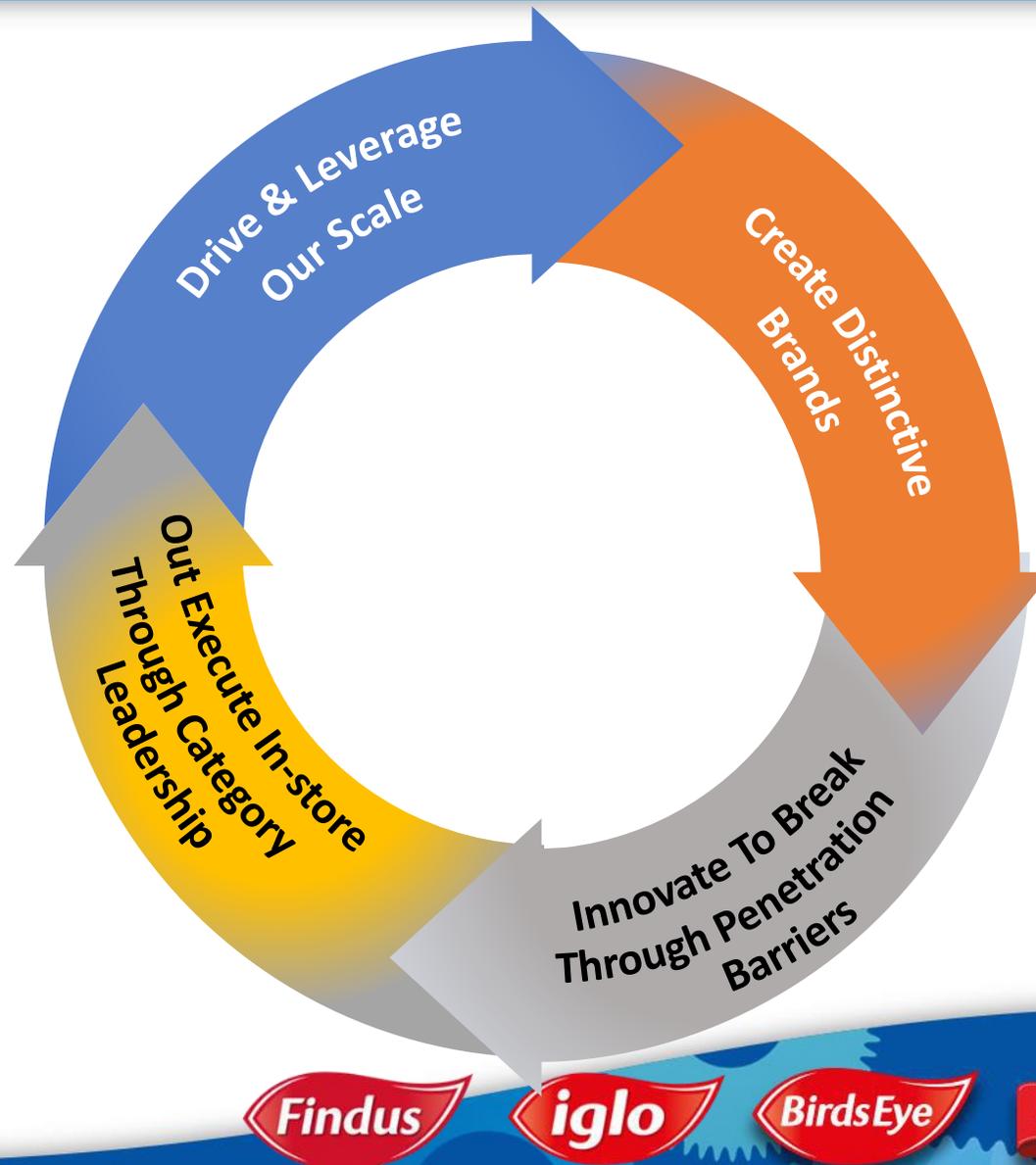
A portfolio of best-in-class food companies and brands



TO BUILD
ON OUR HERITAGE
AND CREATE A
LEADING GLOBAL
CONSUMER
FOOD
COMPANY



And a new Growth Model



Key Principles of our Growth Model

- Reintroduce key brand assets
- New more attractive, 'food first' pack designs
- Step change in media support and mix
- Significant investments to upgrade quality
- Innovation which targets new pockets of penetration
- Huge focus on distribution and physical availability



Underpinned by a new Culture and set of values

We love our brands and are proud of the food we produce

We are cost conscious

We are global or local where it matters

Great people make the difference

We are accountable

We keep it simple to act fast

We are entrepreneurial team players

We are never fully satisfied so always striving



Turnaround - Begins July 16



Renewed Focus on the Core

From....
Masterbrand Approach



To...
Challenger approach to win at the
Category Level



New design validated which heroes the food, increases prominence of the Captain as a Brand beacon

From

Masterbrand



To

Captain Design



	Masterbrand	Captain Design
Purchase Intent	74%	87%
Opinion of Brand (TB)	29%	37%
Overall Pack Appeal (TB)	26%	34%

Source: Project Dory, August 2016 - UK



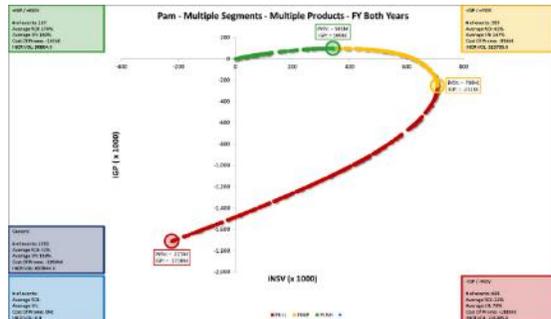
A massive reinvestment in Quality



Instore execution is a key lever for driving more value into the Brand and Category

Continuous improvement of our promotional effectiveness

- **Strong Analytics:** 15k promos analysed / year
- **Capabilities in Net Revenue Management** improved
- Strict compliance to **promo guidelines** maximising NS and GP incrementality



Making our assortment in store work harder

- Maximising distribution of our “**blockbusters**”
- Proactive delisting of “**slow movers**”

Power	-	307,790	2,210,757	25,499,463
	0.0%	1	3	26
		0.5%	3.4%	38.7%
		307,790	736,919	980,749
Thinning Level				
Safe	46,099	2,088,358	5,635,704	16,631,602
	1	13	25	43
	0.1%	3.2%	8.5%	25.2%
	46,099	160,643	225,428	386,781
Safe Level				
Endangered	136,801	2,239,674	3,416,904	3,631,706
	3	28	25	16
	0.2%	3.4%	5.2%	5.5%
	45,600	79,988	136,676	226,982
Delist Level				
Critical	56,194	980,237	603,146	427,687
	2	19	8	3
	0.1%	1.5%	0.9%	0.6%
	28,097	51,591	75,393	142,562
	Low	Sub Scale	Scale	High

Building a new execution capability: **Space & Place**

New capability with pilots in place in to test new

- Double Facings of hero skus
- Macro space and shelf position
- Secondary displays



- Goal to implement perfect store in 10% of stores per year with an expected uplift of 3%



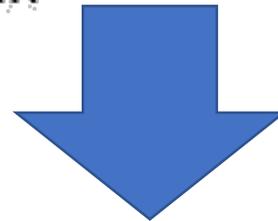
Increased investment in Media: built on principle of driving long term equity and 'availability' of our most distinctive Brand assets at scale



MENTAL AVAILABILITY



PHYSICAL AVAILABILITY



Distinctive Assets



Always On



Be where they buy



When people think of Birds Eye, Fish Fingers is the strongest association followed by the Captain & Peas

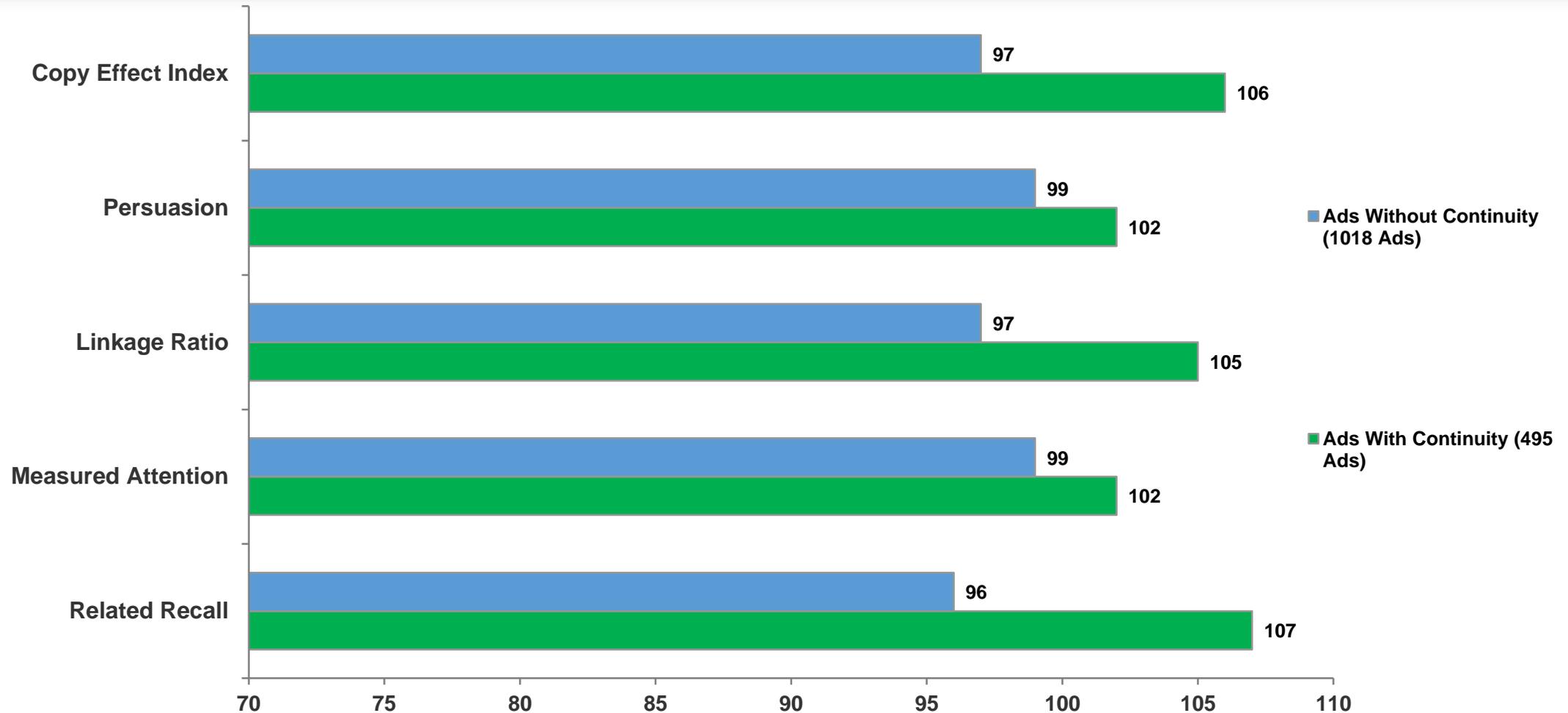
Mind Clouds – Spontaneous Brand Association



Using these iconic products & brand assets such as the Captain for the brand in our communications will help to bring the brand front of mind for consumers...



Why the Captain? Because ads with continuity – theme, characters, celebrities or style – outperform those without. Consistency is the key to creating strong assets



Source: Ipsos Connect Ad Testing database





The Strategy speaks for itself.....

New pack designs launched across MWBs

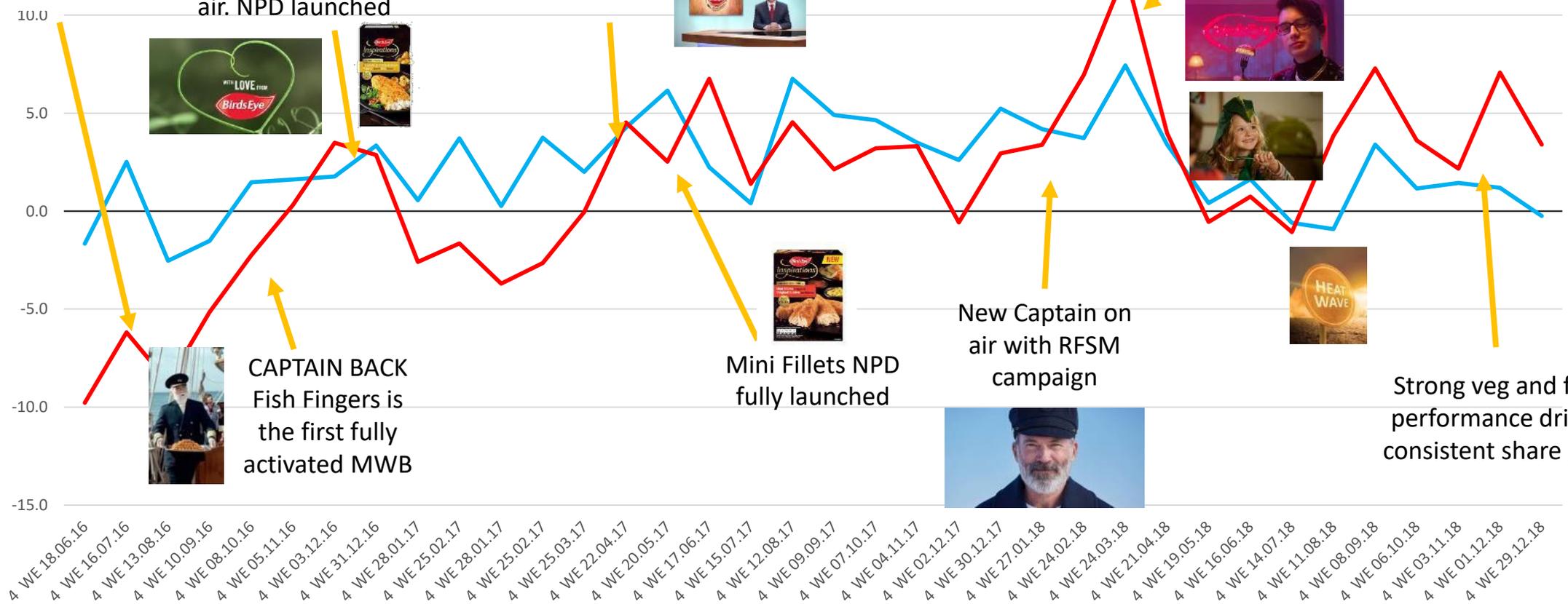
Peas & Inspirations on air. NPD launched

100% Chicken campaign launches & Coated Fish back on air

Beast from the East, Winner Winner Chicken campaign begins, new peas ad on air



MWBs



CAPTAIN BACK Fish Fingers is the first fully activated MWB

Mini Fillets NPD fully launched

New Captain on air with RFSM campaign

Strong veg and fish performance drives consistent share gain

Source: Nielsen Scantrack trended 4w/e data to 6th October 2018



Fewer, Bigger, Better NPD with Media Support



£3.5M



£0.6M



June 2016 to present day - Birds Eye



Advantage

Manufacturers	Overall Performance (Rank of 11)
Unilever Ice Cream	1
Quorn Foods	2
Aunt Bessie's	3
General Mills (Frozen)	4
Young's Seafood	5
Birds Eye	6
McCain Foods	6
Froneri/R&R Ice Cream	8
Dr. Oetker	9
Heinz (Frozen Food)	10
Stateside Foods/Freiberger	11

- Two years of consecutive growth – first time in over 15 years!!!
- Return to great advertising – Bringing Back the Captain!
- £Multi-million quality investment -Fish and Chicken
- Doubled Media Investment – consumer facing (£11.7 - £22m)
- VOD moves from 78% to 50% - HUGE!!!
- Significantly improved our brand equity and consumer 'love' for the brand
- Launch a range of future facing innovation such as Chicken Shop, Veggie Bowls and Pulses
- Market Share gains across 52, 12 and 4 weeks
- External Recognition – Brand of the Year (FDF), Frozen Supplier of the Year (Grocer Golds), Frozen Brand of the Year (Good Housekeeping) and many more



Transformation - Acquisitions! Pizza – 3rd Largest Frozen Category in Europe



- Exciting & Growing Meal Occasion – 3rd largest across Europe
- Strong History of Growth
- Transformational in Ireland – 17 to 34% Market Share
- Consolidates Brand position in UK
- Innovative - Launched the first ever branded frozen vegan pizza in March 2018
- Category Sales and Margin expansion opportunity through applying our Growth model & NRM capability



Our Vision for Goodfella's: To step change the Frozen Pizza Category and revive a great Brand, building on its strong origins

GOODFELLA'S PIZZA IS MADE WITH THE RESPECT THAT QUALITY PIZZA DESERVES

- Freshly prepared dough every day
- Sauce made fresh in house
- Baked on Italian stone
- No artificial flavours or colours
- The first and original frozen pizza brand



Goodfella's will apply the Birds Eye model: Improve Quality, invest at scale, drive Category growth: Kicking off April

PRODUCT QUALITY



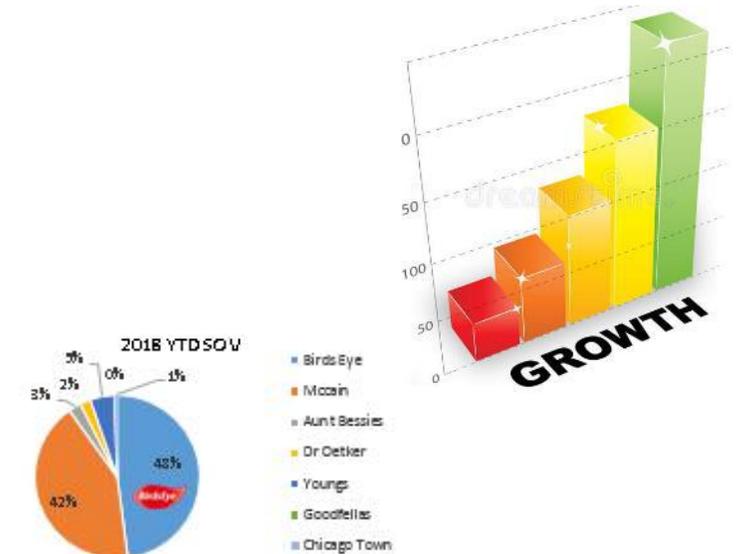
Investment into product quality across the three core ranges

COMMUNICATIONS



Heavily supported by ATL comms with a clear message of quality across media channels

CATEGORY GROWTH



Driving awareness of the frozen pizza category and adding value with a sustainable price and promo strategy



Aunt Bessie'sHere's Why!



- Another great meal occasion (The Roast Dinner) 1.6B in the UK alone
- Brand Leadership in Roast Potatoes and Yorkshire Puddings
- Complementary to our portfolio
- Sales & Margin expansion opportunity – leveraging our growth model and customer relationships

Findus

iglo

BirdsEye

Aunt Bessie's

GOODFELLA'S

A Powerhouse of 8 Must Win Battles and 5 Brand Platforms – Getting the best out of Global and Local

Peas
SteamFresh



'With Love from
Birds Eye'

Fish Fingers
Coated Fish



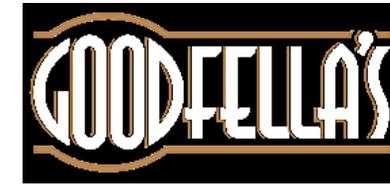
'Real Food, Simply
Made'

Chicken Grills
Chicken Pieces



'Winner Winner,
Birds Eye for Dinner'

Pizza



'Made with Respect'

Roast Dinners



'Bring out the Bessie
in You'

International Brands

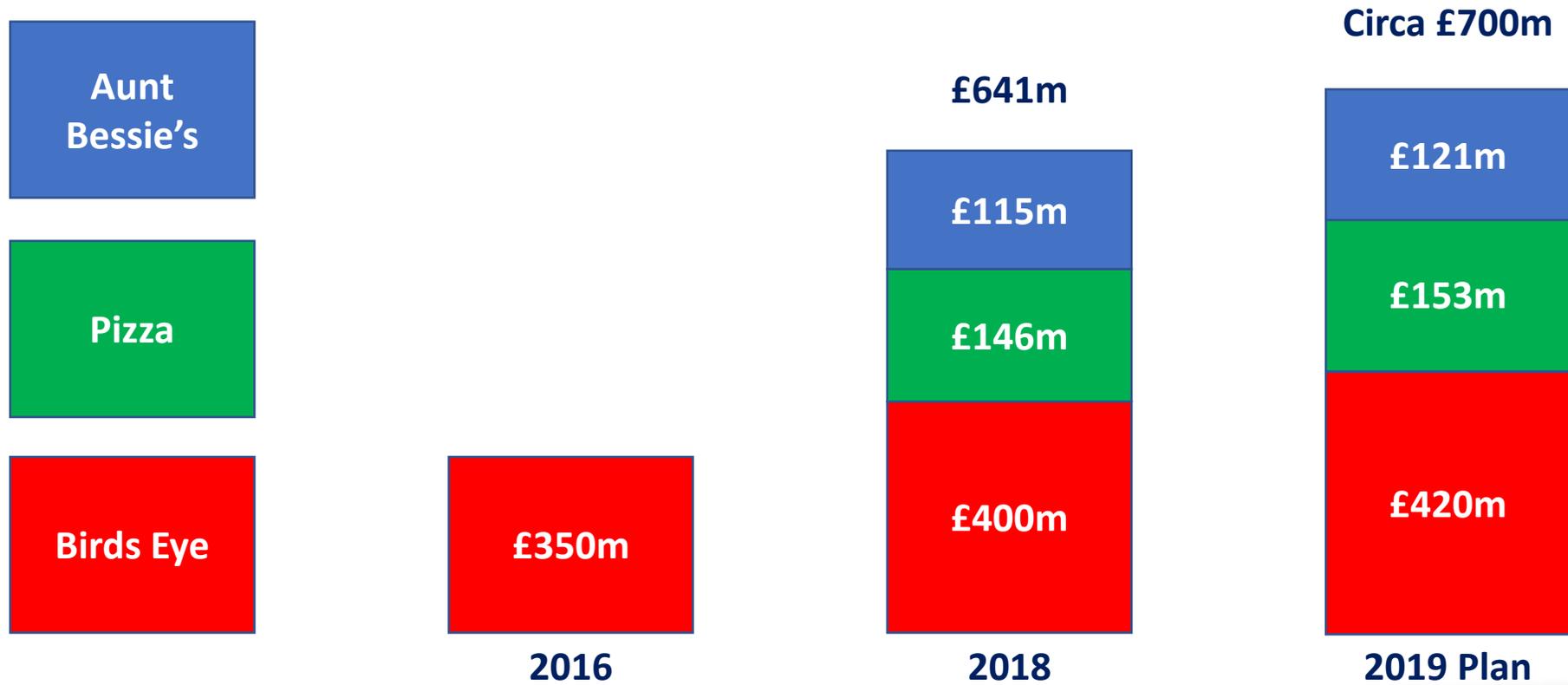
Local Brands





Breaking Penetration Barriers - exciting New launch into Pea Protein..

Birds Eye in 2019 ...A significant Business



Thank you for listening.....

