

OUR STRATEGY

How we are delivering on our strategy

Our vision

Our vision is to become a leading global provider of speciality food ingredients and solutions. Our strategy is to deliver this vision through:

- A disciplined focus on growing our Speciality Food Ingredients division through:
 - deeper customer understanding
 - continuous innovation
 - stronger positions in high-growth markets
- Driving our Bulk Ingredients division for sustained cash generation to fuel this growth.

Deep customer engagement

We believe that getting closer to our customers, developing a better understanding of their needs and changing the ways we interact with them is a key part of delivering sustainable long-term growth.

Innovation

Creating a world-class innovation capability is a key part of our growth strategy. The Innovation and Commercial Development group (ICD) provides a fully integrated approach to developing and commercialising innovation to meet our customers' needs.

New markets and customer channels

Our aim is to build our presence significantly in emerging markets and in those parts of the speciality food ingredients market where historically we have been under-represented, specifically in SMEs and private label.

Sustained cash generation

Within Bulk Ingredients our strategy is to provide stable, long-term cash flow to help fund growth in Speciality Food Ingredients.

Speciality Food Ingredients

Bulk Ingredients



Our Strategy in Action
Pages 16 and 17



Global network

Our global Commercial and Food Innovation Centre in Chicago, USA is helping us transform the way we work with our customers. It has:

- Full sensory capabilities
- Full culinary capabilities
- High-tech food laboratories
- A pilot plant
- Global communications capabilities.

We have also developed a global network of regional applications and technical services facilities enabling us to interact directly with customers across our markets, helping them develop new concepts and get them to market faster.

Progress

- ➔ Increased level of customer interaction at our global Commercial and Food Innovation Centre and our other client-facing facilities worldwide
- ➔ Step change in the way we are perceived by food and beverage customers in the speciality food ingredients industry

2015 Priorities

- ➔ Broaden customer interaction through our global network of innovation, applications and technical services facilities
- ➔ Improve quality and size of customer project pipeline
- ➔ Convert more customer relationships into strategic partnerships



Ideas within our innovation pipeline are derived from three sources:

In-house innovation (part of ICD)

- New products or technologies generated by in-house scientists

Open innovation (part of ICD)

- Leverages our global network of research institutions, start-ups and universities
- Provides route to market for technologies or products close to commercial launch

Tate & Lyle venture funds

- Invests in early-stage speciality food ingredients concepts by partnering with research institutions, other venture funds, universities and entrepreneurs.

Progress

- ➔ Addition of PromOat® Beta Glucan, PrOatein™ Oat Protein and PULPIZ® Pulp Extender to our speciality food ingredients portfolio
- ➔ Commercialisation of recent innovations such as SODA-LO® Salt Microspheres
- ➔ Continued to progress projects through the innovation pipeline which remains robust

2015 Priorities

- ➔ Launch new products from within our innovation pipeline
- ➔ Increase sales from recently launched products
- ➔ Continue to leverage open innovation network and partnerships



Expanding in new markets

- Building dedicated speciality food ingredients businesses in both Asia Pacific and Latin America.
- Forming direct selling relationships with local food and beverage manufacturers as well as multinationals.
- Investing in local infrastructure with the opening of satellite applications and technical services facilities in the emerging markets.

SMEs and private label

- Changing the way we access and work with SMEs and private label customers by developing more direct relationships.

Progress

- ➔ Continued strong organic growth in Asia Pacific and Latin America
- ➔ Expanded presence in Asia Pacific through Tate & Lyle Howbetter and agreement to acquire Winway Biotechnology
- ➔ Established new applications and technical services facilities in Singapore and direct sales presence in Japan

2015 Priorities

- ➔ Deliver another year of strong organic growth in emerging markets
- ➔ Complete acquisition of Winway Biotechnology and continue to expand our presence in emerging markets
- ➔ Leverage dedicated resources to develop relationships with both SMEs and food service customers



We aim to achieve sustained cash generation by:

- Dampening earnings volatility by diversifying our income streams into new areas
- Optimising margins by gradually moving the corn that we grind away from markets that are in long-term structural decline into higher margin speciality food ingredients
- Ensuring the security of our supply of raw materials
- Reducing costs and continuing to improve operational efficiency.

Progress

- ➔ Bulk Ingredients performance held back by challenges posed by a soft beverage season, severe and prolonged winter weather and lower co-product returns
- ➔ Further investment in corn storage capacity for security of supply

2015 Priorities

- ➔ Optimise margins by improving product mix and delivering further operational efficiencies
- ➔ Further divert corn grind to Speciality Food Ingredients division
- ➔ Further investment in strengthening security of raw material supply
- ➔ Leverage fermentation assets and expertise to drive diversification