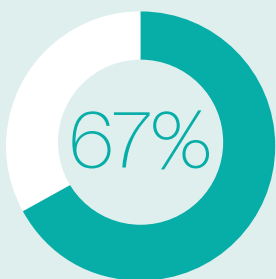


Doubling down on dairy

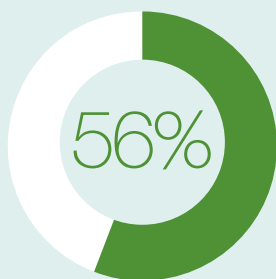
Dairy products have long enjoyed a health halo, thanks to a well-recognized list of essential nutrients. And in the modern world of label-friendly expectations, dairy's appeal is expanding and evolving rapidly.



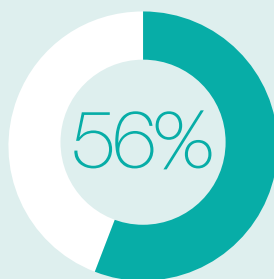
Dairy buyers set a high bar¹



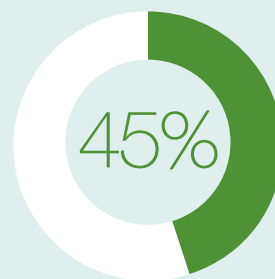
expect dairy products to have few ingredients



say ingredients help them determine if a dairy product is highly processed



say real dairy is a necessity for a balanced diet



expect dairy products to be healthier than other foods

Dairy is squarely on-trend:



LABEL-FRIENDLY
Authentic, fresh perception



SNACKING
Convenient & portable

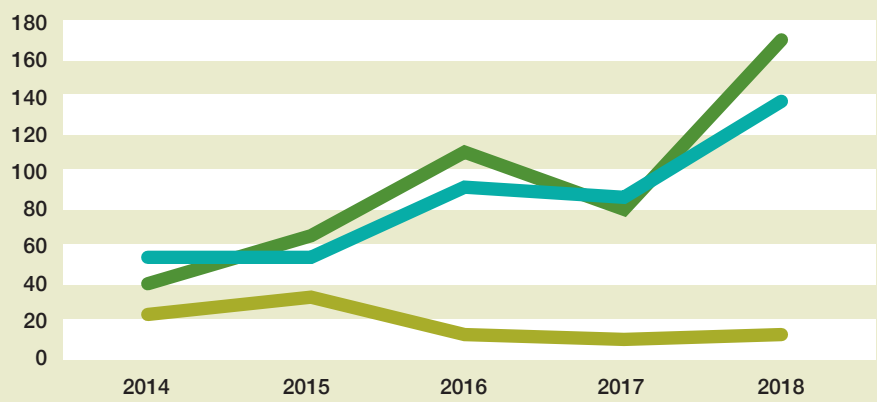


PROTEIN
Inherent & enriched sources

But the focus is shifting...

Low-and no-sugar dairy claims are on the rise²

— Low sugar
— No added sugar
— Sugar free



Plant-based dairy gains prominence

↑6.7%

Milk alternatives up +6.7%, while traditional milk declined 1.5% (2005-2020)³

60%

extremely/very open to **plant-based protein** in dairy⁴



4 in 10 say they consume both **traditional and alternative dairy**⁵

RICH OPPORTUNITY SPACES FOR DAIRY/ALT BEVERAGES



DIGESTIVE FUNCTION

30% growth in refrigerated probiotic drinks since 2016⁶



FITNESS REFUELING

12% use dairy (19% use alternatives) as a post-workout drink⁷



MORE THAN MILKS

Dairy-alternative creamer sales up +34.3%; non-dairy yogurts, +31.3% (2018-19).⁸

Delivering on dairy's promise

Both traditional and alternative dairy have the opportunity to innovate and polish the category's healthy image by focusing on consumer priorities and thinking outside the carton.

FEATURED LABEL-FRIENDLY INGREDIENTS

Plant-based proteins

High-quality plant proteins, including pea and soy protein, offer robust protein content and a consumer-pleasing sensory experience.

Stevia sweeteners

Our label-friendly stevia portfolio includes leaf-based extract and stevia sweetener produced sustainably via fermentation for clean, sweet taste and up to 100% sugar reduction.

Custom Texturizing Systems

Tailored, optimized systems provide simple, drop-in solutions for improving viscosity, body, stability and texture.

Your partner in label-friendly dairy

These ingredients are just the beginning. Cargill offers a full portfolio of ingredients to support your formulation goals, including sweeteners, texturizers, oils, proteins, salt and chocolate – backed by world-class technical expertise and a collaborative approach to finding the right solution for your application.



Learn more at cargill.com/labelfriendly

Sources:

¹ Cargill Proprietary Plant Protein Research, 2019.
² Cargill Proprietary Research. Challenges, Opportunities in Texturizing and Sweetening Label-Friendly Dairy, 2019.
³ Euromonitor International, May 2020.
⁴ Cargill Proprietary Research. Dairy Category Research Report, 2018.
⁵ Ibid, Cargill Proprietary Research.
⁶ Dairy Reporter. "Demand for Probiotics is Increasing Significantly," April 2018.
⁷ Mintel. "Milk and Non-Dairy Milk-U.S.," cited in Beverage Industry, June 2020.
⁸ Plant-based Foods Association Data from SPINS, 52 weeks ending December 2019.