

Getting started with Growth Platforms



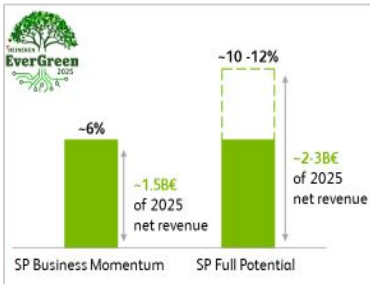


1. The why, what, how of Growth Platforms
2. Deep dive into Growth Platforms
3. Call to action

The why, what, how of Growth Platforms



One year after the launch of EverGreen, we move from 'planning and strategy' to 'execution and implementation'.

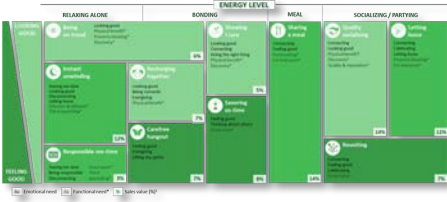


Innovation is a key contributor, critical to reach EverGreen 2025. Another 1.5Nn annual innovation revenue required.



Re-introduction of Innovation Rate as KPI, with a target of 10% by 2025

Global Demand Map



Polaris enabled us to identify global demand spaces that revealed opportunities for us to grow.



On-trend



Showing I care



Letting Loose



Instant unwinding



Savouring us-time

Five demand spaces were selected, and a number of opportunity areas connected to these demand spaced based on consumer frictions have been identified.



The first 7 were brought to life to inspire OpCos in their innovation journey. More will follow in the upcoming months.

What is a growth platform?

Opportunities for transformative, incremental growth ...



... rooted in unmet consumer needs within the context of a specific demand space ...



... requiring product, brand and/or business model innovation



New to world categories to overcome consumer trade-offs

11% Demand space
Letting loose

Buzz without the Booze
Consumers want to enjoy the buzz of celebrating and letting loose with their friends, yet don't always like the side-effects of alcohol on their body, their mental health or their image. They want to stay in control.

I love the buzz from drinking & partying.
I don't like the effects of alcohol on me.
The buzz from partying is great, but I don't want to feel the side-effects of alcohol on my body and mental health.

In a bar with a group of friends. Socializing and partying with energy.
People, music, flavored beer.
Fully enjoying the time with friends at making a perfect choice for the time and place.

Letting loose demand space (left)

Country: Canada, UK, USA, France, Germany, Australia
Age: <35 years old
Gender: 55% Male, 45% Female

I choose non-alcoholic because of Taste 23%

Existing categories with potential to grow

6% Demand space
Choosing I care

Sustainable Discovery
More and more people are trying to reduce their impact on the planet, and want to spend their money on brands and products that show they care. They don't want to compromise on being sustainable or looking cool.

I want to reduce my alcohol intake.
I want to look good and feel good.
The idea of low-alcohol beer is great, but I don't want to compromise on being sustainable or looking cool.

On a wedding, alone or with a small group of people.
Low-alcohol beer, others.
Choosing right for the planet as well as to express their personality.

Choosing I care demand space (left)

Country: Canada, UK, USA, France, Germany, Australia
Age: <35 years old
Gender: 50% Male, 50% Female

50% of consumers choose low-alcohol beer because it's better for their health.

Growth platform overview



On-trend

1. Natural Wind Down



Showing I care

2. Enhanced Refreshments



3. Sustainable Discovery



Letting Loose

4. Buzz without the Booze



5. Future FABs



Savouring us-time

6. Elegant & Simple



Instant unwinding

7. FABs for Grown Ups





Letting loose

↖ demand space



Buzz without the Booze

Consumers want to **enjoy the buzz** of celebrating and letting loose with their friends, yet **don't always like the side-effects of alcohol** on their body, their mental health or their image. They want to stay in control.



I love the buzz from socializing & partying

I don't like the effect of alcohol on me.

I love being with my friends, going a bit nuts on the dance floor... I just don't always feel like drinking alcohol yet I do want to feel the buzz and feel part of my gang.

Occasion

In a bar with with a group of friends. Socializing and partying. High energy.

Drinks

Tequila, vodka, flavored beer...

Friction

Fully enjoying the time with friends vs. making a positive choice for their well-being.

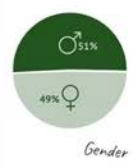
Letting loose demand space stats

Emotional needs
Connecting Celebrating Letting loose

Functional needs
Prevents bloating For everyone

Relevant countries

Based on first 5 markets that completed Polaris. More to follow.



<35 years old
75% is 34yo or younger

I choose non-alcoholic because of



opportunity

Booze-free but buzzy

Non-alcoholic beverages with active ingredients that mimic the stimulating effects of alcohol.



Unmet need potential
20 billion EUR

What if we capture 1% with new innovations?



Why play here?

- Our social DNA gives us a right to play, lead and win
- Leveraging our ability to create beverages for adult enjoyment
- Number of relevant brands in our portfolio - and opportunity to launch a new brand.



Innovation Directions



Alcohol-free liquors



THC-infused.
Cafeine kick.



Stimulating plant ingredients: terpenes, hard ketones, nootropics, adaptogens, kavalactone

Ingredient to create non-alcoholic cocktails



Strong & spicy flavours



Torps & Co - spirits to lose the booze but keep the sensation.



Fast-acting THC seltzer



Pocket-sized cannabis beverage



Passion Peach Mate



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introduction
video



Inspiration from the market



Terps &co 0.0% spirits

Non-alcoholic terpene spirits that help people lose the booze but not the feels as terpenes work by binding to receptors and neurotransmitters in the brain.



Sun Chaser

Startup brand Sun Chaser leverages a blend of nootropics, which are 'smart drug' supplements to improve cognitive function to simulate the feeling of the 'buzz' without alcohol.



Kaló THC infused Seltzer

Kaló launched two THC-infused version of their most popular flavours in response to consumer demand for great-tasting, natural and alcohol-free beverages that deliver a buzz in under five minutes.



Savouring Us Time

↖ demand space

HEINEKEN

Elegant & Simple

People want to share interesting, special drinks with their partners to elevate moments together but find categories like whiskey or craft beer often **too complex in choice and taste to enjoy the experience...** and end up back with their tried and tested choices.

I like complex & elegant beverages but want to fully enjoy the drinking experience.

"I know drinking craft beers or fancy whiskies makes you look sophisticated and elegant, but honestly I think the taste is often too daunting and complex for me to enjoy..."



Occasion

At home, in the evening. Connection moment together with partner.

Drinks

Wine, whiskey, craft beers

Friction

A connecting moment accompanied by an elegant drink vs. a beverage that is easy to choose and enjoy



Savouring Us Time demand space stats

♥ Emotional needs
Feeling good Thinking about others

⚙️ Functional needs
Great taste

Relevant countries

Based on first 5 markets that completed Polarix. More to follow.



<34
years old
75% is 34yo or younger

79%

79% is married or living together

Taste
41%

Taste is the key factor for consumers in these moments

opportunity

Sophisticated yet accessible drinks

Simple drinks that dress up *smart*, depicting a **sophisticated, premium image** yet have an **accessible and delicious taste**.



Unmet need potential
19 billion EUR

What if we capture 1% with new innovations?



Why play here?

- Leverage our popular big brands and utilising global portfolio
- Leverage core capability: brewing
- Opportunity to profit from Beerwolf
- Potential to stretch to Gen Y & Z, going beyond >55yo



Innovation Directions



Re-package existing brands from around the world, dial up heritage and storytelling



Collabs between our big brands and craft brands to balance great taste & easy drinking.



Range of beers that mimic key styles and taste accessible



Simple beer cocktails



Two new flavours in Big Drop 0,5% alc craft beers



Mosaic Oasis – a Karl Strauss Modern Times collaboration



Praha: combination of rich taste, bold aroma and lightness



Painter IPA, Maine's First Non-Alcoholic Beer



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introduction
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Inspiration from the market



Big Drop Brewing

Ultra low alcohol beer range (0.05%) that makes a play on being full of flavour: “light herbal and floral hop aromas, a hint of caramel with peppered spiciness on the palate, and a touch of orange at the end.



Praha Lager

New Pilsner Lager created by master brewers Staropramen: unique combination of rich taste, bold aroma and lightness. Inspired by the effervescence of Prague.



Karl Strauss & Modern Times collab

Mosaic Oasis IPA is a dank and citrusy San Diego-style treasure brewed by Karl Strauss in collaboration with the IPA experts from Modern Times Beer. Fruity and easy to drink.



demand space



Future FABs

Letting loose

People want to **connect with friends over what they drink** when partying. As everyone has specific preferences; sweet, low cal, light... it's hard to find a **drink that is perfect for partying** and an **all-time favourite** to everyone.



I want my drink to be light, tasty and better for me

I want to connect with my friends over what we drink

If there was a drink that was appealing to everyone... for both beer lovers and beer haters, not too heavy, not too many calories, festive but not super expensive.

Occasion

In a bar with with a group of friends. Socializing and partying. High energy.

Drinks

Tequila, vodka, flavoured beer...

Friction

Connecting with friends over what we drink vs. a beverage that everyone enjoys.

Letting loose demand space stats

Emotional needs

Connecting Celebrating Letting loose

Functional needs

Prevents bloating For everyone

Relevant countries

Based on first 5 markets that completed Polaris. More to follow.

Gender

51% ♂
49% ♀

<35 years old

75% is 34yo or younger

28% of people live healthier since the start of COVID

Low sugar

Low in sodium

Low calorie

opportunity

A better for you FAB

Developing of a **Better for You FAB category**, a range of affordable and delicious drinks that are **impossible to dislike and ideal for sharing** in party moments.



Unmet need potential
20 billion EUR

What if we capture 1% with new innovations?



Why play here?

- Already have a credible and sizable FAB portfolio
- Potential to own and lead the category vision
- Great brands and great flavoured drinks technical capability
- Scale to deliver affordable propositions



A brand of full-flavor alcohol beverages

Innovation Directions



Drier, more 'sessionable' ciders



Leverage Seltzers portfolio



Natural botanicals or fruits contributing to taste

Low in carbs, low in sugar



Light and sweet taste

Spirit manufacturer collaboration



New 'better for me' GENZY beer brand, ULTRA-inspired



Sapporo's first hard seltzer



Topo Chico Hard Seltzer Debuts Ranch Water



Ketel One Botanical Vodka Spritz



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Inspiration from the market



Spiked Lemonade

Molson Coors Beverage Company and Coca Cola developed a brand of full-flavor alcohol beverages inspired by the US #1 chilled juice brand, Simply.



Water Sour

Japanese brewery Sapporo is debuting its first hard seltzer products. Low-alcohol at 3%, light sour taste yet refreshing mouthfeel. Unsweetened.



Ketel One Vodka Spritz

Vodka brand Ketel One has extended its botanical range into RTDs by launching a range of Vodka Spritz cans. Three flavours, ABV 3,6% and zero carbs.

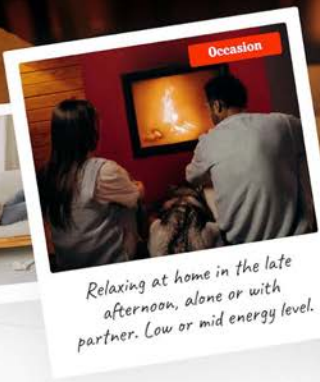


← demand space

Natural Wind Down

Consumers are looking to **wind down after a long day of work**, release tension and have a moment of enjoyment. Their go-to options are often alcoholic, but they would love **non-alcoholic alternatives that are better for them.**

Being on trend



Being on trend demand space stats

Emotional needs
Looking good

Functional needs
Physical benefit Prevents bloating Discovery

Relevant countries

Based on first 5 markets that completed Polarix. More to follow.

Gender

53%

53% of people are decreasing alcohol consumption in this demand space



opportunity

Alcohol-free relaxation

Creating on-trend, mature beverages that help people unwind and relax without the harmful effects of alcohol.



Unmet need potential
26 billion EUR

What if we capture 1% with new innovations?



Give me all of the flavour,
none of the booze.

Why play here?



- This is a big stretch for us. As moderation increases, consumers might start to turn away from our core category and opt for non-alcoholic beverages that help them unwind.

Innovation Directions



Zero-proof spirits
with herb flavours



Natural functional ingredients
that support relaxation.
Think CBD or Adaptogens.

Wild ingredients,
botanicals

Leverage colours for mood change
and a heightened sensory delivery



Matcha, earl grey and
green tea flavours

Kombucha with a twist



Sparking South African
Chenin Blanc



Amass creates cannabis-
infused 0% ABV 'spirit'



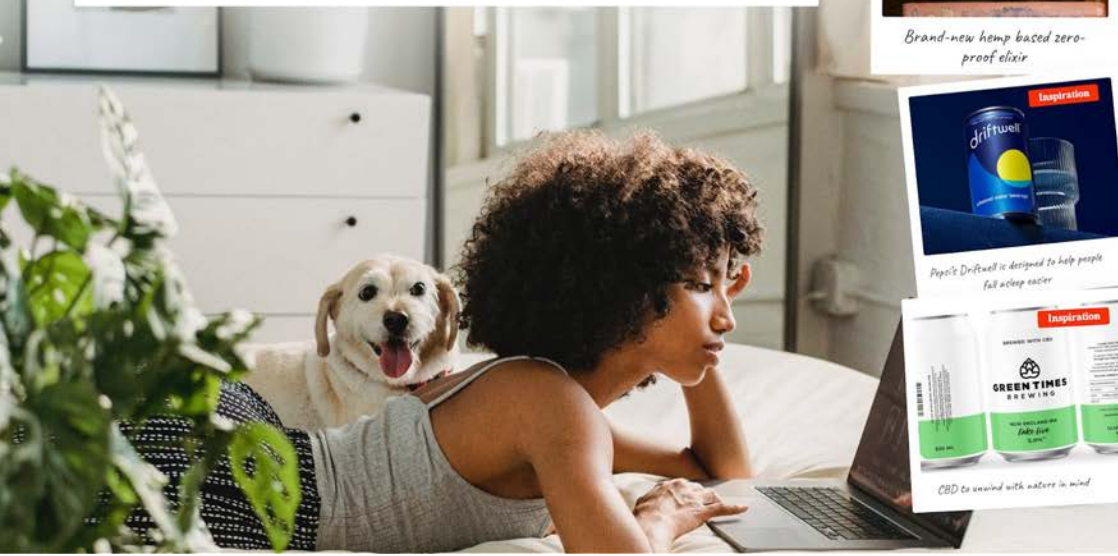
Brand-new hemp based zero-
proof elixir



Peptic Driftwell is designed to help people
fall asleep easier



CBD to unwind with nature in mind



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Inspiration from the market



HUN alcohol free wine

HUN alcohol free wine is designed for the modern-day millennial who want to enjoy the day after as much as the night before.



AMASS Afterdream

Non-alcoholic spirit infused with 14 botanicals, eight terpenes, THC and delta-8. The latter are the psychoactive compounds found in cannabis. Power of plants.



PepsiCo's Driftwell

PepsiCo launched a relaxation beverage containing 200 grams of L-theanine, an amino acid found in teas, and which appears to improve sleep quality and reduce anxiety.



Instant Unwinding

↖ demand space



FABs for Grown Ups

Grown-up consumers tend to **like FABs**; easy to drink, fruity & tasty... but they feel as if the category is no longer aligned with their lifestyle. **Drinks are stuck in the past** with flat flavours and new offers being too juvenile.

I like to mix up my drinks repertoire with flavoured drinks

Most flavoured drinks are tailored to the needs of 18-year olds

"I developed a more refined taste palate as I grew older; I still like a drink with a fruity flavour but why can't they have a more refined flavour."

Occasion

Almost always at home, on a weekday. By themselves.

Drinks

Rum, vodka, craft beers

Friction

People like the flavoured drinks category vs FABs are executed for teens

🕒 Instant unwind demand space stats

♥ **Emotional needs**

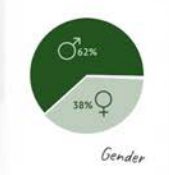
Having me-time Letting loose
Looking good Disconnecting

⚙️ **Functional needs**

Effective & efficient Thirst quenching

Relevant countries

Based on first 5 markets that completed Polarix. More to follow.



All ages

Fairly equally distributed

US & Indonesian consumers care about feeling good instead of looking good



opportunity

Mature FABs

Create flavoured beverages that **match the maturity level of our consumer** in flavours and execution. Away from the juvenile, moving towards **sophisticated & cultured**



Unmet need potential
12 billion EUR

What if we capture 1% with new innovations?



Why play here?



- Drives our core consumer (35yo+, at home) into new categories
- Plays on our expertise as beverage developers
- Enables us to enter new profit pools and penetration moments

Innovation Directions



Authentic references to production and origin; batch, single origin, Japanese Yuzu



Grown-up twists on classic favorites; hard lemonade, tea, coffee made more mature



Packaging solutions that fit the moment; e.g. single serve



Mature favorites simplified; wine spritzers



Two Days Juicy Peach Vodka Soda Has a 3% ABV



Alcoholic and non-alcoholic Hard Seltzer in the same pack



Martini launched a range of RTDs across Europe



Rogue Ales & Spirits Releases Lemonade Iced Tea Vodka Soda



Dragonfruit hard seltzer



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Inspiration from the market



Two Days Vodka Soda

New juicy peach flavour in the Two days vodka soda range. 3% ABV along with zero sugar, makes this a low-calorie offer at 70 cal per can.



Primer Hard Seltzer

Primer Hard Seltzer has launched a multi-pack that combines alcoholic and non-alcoholic seltzers, designing its brand as a one-stop shop.



Rogue Sparkling cocktails

Rogue's line of sparkling canned cocktails is made with Rogue Spirits and 100% natural ingredients to offer authentic, gluten-free, bar-quality recipes in the convenience of a can.



Showing I care

demand space



Enhanced Refreshments

Consumers are growingly conscious about their health and they know **hydration is key** to a healthy lifestyle. They hydrate because they have to but are **bored with plain water or tea...**

Being healthy should be enjoyable!



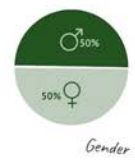
Showing I care demand space stats

Emotional needs
 Looking good Connecting Doing the right thing

Functional needs
 Physical benefit Discovery

Relevant countries

Based on first 5 markets that completed Polariz. More to follow.



<35 years old

75% is 34yo or younger



75% pay attention to their appearance and image



97% are interested in sustainability

opportunity

Excitement in hydration

Bringing novel drinks to consumers that turn the 'water drinking moment' into a **grown-up, vibrant** and refreshing experience.



Unmet need potential
20 billion EUR

What if we capture 1% with new innovations?



Why play here?



- Offering adult, tasty refreshment is at our core
- We can bring exciting twists to otherwise functional and boring categories
- We have examples of successful propositions in this space

Innovation Directions



Exciting, adult, tasty twist to water. E.g. infused with beer ingredients



Herbal, botanical taste twists

Vitamins in beer



Refreshing twists (hinting at water) on our core categories



Cacao, tea and coffee flavoured drinks

Collab with soft drinks brands



Corona launches Sunbrew 0.0%



Hoplark Launches New Craft Brewed Sparkling Waters



Sierra Nevada brewing launches hop splash sparkling hop-infused water



Coffee-flavoured S. Pellegrino Essenza line with Nectle



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Inspiration from the market



Corona Sunbrew

Corona Sunbrew 0.0%. This non-alcoholic beer contains 30% of the daily value of Vitamin D per 330 ml and 60 calories per serving. First launched in Canada.



Hoplark Water

A line of refreshing, crushable hop-infused sparkling waters in three flavors: Citra Hops, Mosaic Hops, and Sabro Hops, made by Hoplark brewery.



San Pellegrino Cacao & Coffee range

Sparkling water infused with cacao powder and medium roasted coffee beans. Gently caffeinated with zero calories.



Showing I care

← demand space

HEINEKEN

Sustainable Discovery

More and more people are trying to reduce their impact on the planet, and want to spend their **money on brands and products that show they care**. They don't want to compromise on being sustainable or looking cool.



I want to look cool and express my personality

I want to reduce my impact on the planet.

The drink I choose says something about me and my values. I care about the planet and want my drink to reflect that, but not in a boring way



Occasion

On a weekday, alone or with a small group of people.



Drinks

Non-alcoholic beer, Low-alcoholic beer, seltzers



Friction

Choosing right for the planet vs. desire to express their personality.



Showing I care demand space stats

♥ Emotional needs

Looking good Connecting Doing the right thing

⚙️ Functional needs

Physical benefit Discovery

Relevant countries



Based on first 5 markets that completed Polarix. More to follow.



Gender

<35 years old

75% is 34yo or younger



50% of Gen Z reduces how much they buy



45% of Gen Z stopped buying brands or products for ethical or sustainability reasons

opportunity

Better for the world

Develop **feel-good brands** or line extensions that consumers want to be seen with as they **make the world a better place**: environmental, sustainable or otherwise.

Let's save the world together, one drink at a time



Unmet need potential
20 billion EUR

What if we capture 1% with new innovations?



Why play here?



- We can drive premiumisation in Lager with this platform
- Local brands could be leveraged to deliver on this platform
- Opportunity to differentiate and become highly relevant to younger target audience

Innovation Directions



Local propositions, local sourcing & branding



New brand with a purpose and quirky vibe

Collab with sustainable brands or ambassadors



Low or no carbon product range



Sustainable packaging formats



Upcycle Spent Grains for Alt Protein



Brewing new cids drink donates 100% of profits to climate change initiatives



The Neitiv Coconut Flower Beer is High in Nutrition



Ultra-low carbon Budweiser can



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Inspiration from the market



Take Two Barley Milk

Anheuser-Busch InBev doubled down on its commitment to recycle barley protein from its brewing process for plant-based products. Take Two Barley Milk is made from upcycled barley grains.



Brewdog P.O.P Soda

Standing for "planet over profit", the range will launch exclusively with Tesco in February in single-can and multi-pack formats with 100 per cent of profits from sales being donated to climate change initiatives



Neitiv Coconut Flower beer

Neitiv provides consumers with a sustainable beer alternative. It is paired with coconut flower drops to add additional nutrients, protein and amino acids.



What's next

Got excited about the potential of Growth Platforms? GREAT!

HEINEKEN needs people like you to get the ball rolling and turn those opportunities into real, in-market, consumer-delighting, revenue-generating innovations.

We ask you to 1) assess which Growth Platforms could be relevant in your market, based on local unmet consumer needs, and 2) get started developing those brilliant innovations off the back of those platforms.

Let's stay in touch!

Hubertien Koopman
Global Innovation

