

Words from the President

A year of rebound in sales and improved profitability

How would you summarise the year 2021?

In short, I would say that we managed to deliver a bounce back from 2020 – thanks to hard work, strong marketing initiatives and our focus on innovation and brand development.

I was particularly pleased to see that we were successful in our efforts to bring organic sales of Branded packaged products to above 2019 levels. This was achieved mainly through successful marketing, strategic innovations, such as fruit-based candy and Kexchoklad Vegan, as well as a further focus on sales fundamentals. I was also delighted to see that our actions taken in the Pick & mix business during the year yielded results, where our margin-enhancing initiatives brought the segment close to break-even for the full year.

What was the most important or satisfying achievement during the year?

In general, I would say that the most satisfying achievements during the year were the enormous efforts made by all our people to facilitate this bounce back. This was made possible by a strong commitment and hard work by colleagues in all areas within the organisation and across the markets where we operate.

For the long-term, it was definitely the launch of Cloetta’s more ambitious sustainability agenda, “A Sweeter Future”. It will be the base of our business and change our way of working in the coming years.

What is the most important part of the upgraded sustainability agenda?

We have set ambitious Science Based Targets to reduce our greenhouse emissions across all three scopes. Our Climate Action Programme activates teams across the organisation to work towards our emissions reduction target of 46 per cent by 2030.

We also have a responsibility to be prepared for future demands and to evaluate new paths, including packaging, products with less or no sugar, fulfilling demand for transparency and portion control among other things.

“Our more ambitious sustainability agenda will be the base of our business and change our way of working in the coming years.”

Any specific event during the year that speaks to what Cloetta represents?

I believe Cloetta has a strong corporate culture. We conducted a big employee survey during the year and recorded very good scores, despite that this was done during the pandemic when we had challenges in our factories.

Another specific moment in the business was the extensive work on our company’s values that engaged more than 60 people digitally, where people around the world

attended from their home offices simultaneously. It was encouraging to see how each and everyone contributed as One Cloetta.

Any specific joyful moments during the year?

The Halloween media campaign that the Pick & mix team launched with the video on demand service SF Anytime. I was proud of our people who put that together through hard work. It moved me to see the result after extraordinary efforts.

From a personal point of view, a joyful moment was in September when the whole Group Management Team of Cloetta met for the first time in 1.5 years. It showed the importance of meeting each other in person, and it also reminded me of what we bring to the market – products and joyful moments when people gather for special events or celebrations.

Your greatest challenges ahead?

To start with: I see more opportunities than challenges.

We will continue to grow the Branded business, strengthen the brands, and recover the product mix. In addition, we continue the journey to create sustainable value within Pick & mix, partly by premiumising the offering where the CandyKing concept paves the way. When we bought Candyking back in 2017 the whole industry had been competing on price – we focus on building value.

Furthermore, we continue our focus on efficiencies, and during the year we were successful in expanding our sustainable VIP+ cost savings as well as progressing with the Perfect Factory programme. Building on the success of these programmes, we have also launched a Net Revenue Management programme to drive further efficiencies in new areas such as pricing and trade spend.



With regards to the global supply chain challenges and cost inflation currently seen, we have over the last two years successfully managed to maintain business continuity. We have also announced and initiated negotiations concerning price increases in response to the significantly higher input costs.

Your biggest opportunities?

We have so much unexploited potential. Just doing better with our existing branded business, where local brands grow faster than international brands. We see large potential

here to be driven by innovation, valorisation and marketing spend.

Secondly, we intend further penetration in Germany and UK, where we have our own organisation in place which gives us the right set up to grow. These markets are large, our market share is relatively small, and we already see good sales figures – all in all the potential is great and our position is right.

Thirdly, we also believe there is so much more to do within our Pick & mix segment based on consumer demand and trends.

Finally, we want to focus more on the international business. We have brands in

many parts of the world and we have to go from export only to actually know the local demands working more closely with our distributors and third parties with prioritised brands.

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