TRENDS IN NATURAL EXTRACTS
The Cosmetics Design Team

William Reed’s CosmeticsDesign brand has been the leading online news source for the cosmetics and personal care industry for more than 13 years, leveraging our digital-first position to bring powerful insights and robust information to help your business succeed.

Our team of award-winning journalists deliver daily news, analysis, online and face-to-face events, podcasts and video coverage of the issues and stories impacting decision makers in the industry.

Gary Scattergood
OUR GEOGRAPHICAL REACH

N.B: All figures are average unique monthly users for the period July – December 2016
What this presentation is about:

A global overview of the natural extracts sector

- State of the market
- Key consumer developments
- Challenges to growth
- Major ingredient trends
Can we define a natural extract?

Very little in the way of a coherent, global definition of what constitutes a natural extract from a regulatory point of view.

Regulatory issues aside, the best definition of natural maybe the one your consumer already understands.

It is far easier for new products to reflect where consumer understanding already is, than try and take it in a new direction.
What’s happening in the global natural and organic market?

• The global natural and organic personal care and cosmetic market is projected to reach $19.8 billion by 2022, representing growth of 10.2% from 2016 to 2022.

• Asia-Pacific is expected to register the highest annual growth during that time.

• Between 2015 and 2016 34% of APAC beauty and personal care launches claimed to be sustainable or had an organic claim.
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Extraction considerations

• It is really important that the extraction process is natural and energy efficient as possible.

• But obviously the most important point is that the extraction process manages to retain the active properties of the ingredient.

• Cold press extraction process are generally most favored, as this requires lower levels of energy and chemicals, while also retaining the active properties.
Sustainable sourcing

• Consumers do care

• Environmental, energy and transport consideration

• How do you treat suppliers and local communities?

• Consumer confusion over standards and logos
Biotechnology breakthrough

- Increasing use in cosmetics industry
- Sourcing and sustainability benefits
  - New wave of extracts
  - Marketing implications
Natural extract hotspots – Africa

- Rooibos
- Bulbine frutescens
- Kigelia extract
- Kalahari Melon
- Marula
Natural extract hotspots – The Amazon

• Waliwex (Guava fruit)
• Casthana (Brazil nut)
• Maracuja (Passion fruit)
  • Pitanga
  • Andiroba
Natural extract hotspots – Australian outback

- Mountain pepper berry
  - Snake vine
  - Macadamia
- Native river mint
- Manuka honey
Natural extracts: Global stars

- Kale
- Pumpkin
- Coconut
- Charcoal
Five trends to watch

• Consumer creations: ‘Kitchen beauty’
• Extracts to dominate NPD process
• Waste not want not: Where food and cosmetics meets
  • The magic of micro algae
• From supplements to cosmetics
Key takeaways

• Natural extracts are in massive demand these days, thanks to continued growth in the global natural and organic beauty and personal care market.

• A vast array of often exotic ingredients are being sourced from multiple locations. Technology will see these numbers soar.

• Key challenge is how to meet high demand while simultaneously farming both sustainably and ethically.

  • Consumer demands shows no sign of slowing, but they will become increasingly concerned about environmental and sustainability issues. Think waste not want not!
Thank You!

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