

Strategy

Today's global problems are daunting and complex. But so are the opportunities. At Novozymes, we are committed, together with our partners and customers, to building a more sustainable future – and that is what our purpose and strategy are all about.

Our purpose and strategy steer us in a direction that will strengthen our position as the global market leader in biological solutions. We can – and will – contribute to a sustainable future.

Tiny solutions, big impact

The world's population is expected to rise to 9.8 billion people by 2050, yet our natural resources cannot keep pace. We need to find innovative and sustainable ways to feed and fuel the world.

Novozymes' enzymes and microorganisms may be too small to see with the naked eye, but these tiny wonders can help solve great global challenges.

“Together we find biological answers for better lives in a growing world – Let's rethink tomorrow.” This is our purpose, and it is deeply rooted in everything we have accomplished as a company. Our purpose also looks forward to what we can achieve together with customers, government, academia and other institutions. Together, we can find sustainable answers to the world's greatest challenges.

Partnering for lasting impact

Our Partnering for Impact strategy comprises four focus areas aimed at fulfilling our purpose. At the core of this approach is a commitment to creating impact through partnerships.

For Novozymes, partnerships are deep-rooted collaborations with mutual benefits and obligations. One such partnership is the one we have with our customers. Our solutions are often an integral element of their production processes. Enzymes and microorganisms enable more sustainable and efficient production, and are often the ingredients that set our customers apart from their competitors.

By understanding the social, environmental and economic realities facing our partners, we can help create real and sustained impacts, such as optimized processes, smaller environmental footprint, improved profitability and breakthrough products.

Novozymes' four strategic focus areas



Rally for change

We will form partnerships and networks with customers, consumers, governments, suppliers, academia and others around us to make a sustainable difference.



Lead innovation

We will inspire and excite our customers by delivering more significant innovation, tailored to their local markets.



Focus on opportunities

We will prioritize the customers, markets and activities that hold the biggest opportunities for creating impact.



Grow people

We want to be better at enabling our employees to develop their professional and leadership skills.

Strategy unfolded

2017 achievements in our four strategic focus areas



Rally for change

In 2017, Novozymes continued to work with like-minded organizations to promote sustainable growth. For the fourth time, CEO Peder Holk Nielsen took part in the UN Annual General Assembly in New York. During the meeting, he shared Novozymes' Impact Assessment tool and management concept, which is based on the UN Sustainable Development Goals (SDGs). The tool allows us to understand the links between innovation opportunities, business solutions and potential SDG impact.

HelloScience, Novozymes' open innovation initiative, invites start-ups, entrepreneurs and academia to collaborate with us to solve global challenges such as those addressed in the SDGs. The first theme launched in September 2017 was water scarcity. In December 2017, it was announced that Novozymes and Grundfos would be combining biology and pump technology in collaboration for clean water as part of the HelloScience initiative.



Lead innovation

In 2017, Novozymes made significant progress on its innovation pipeline. We launched a total of eight new products.

In Household Care, we launched our first freshness & hygiene solution. The solution is groundbreaking innovation to deal with odor and hygiene, and it is the most important launch within our Household Care business for many years. By entering the area of freshness & hygiene solutions, we are removing completely new types of stains, once again expanding the territory for what enzymes can do.

In Bioenergy, we launched Spirizyme[®] T, an enzyme that converts the sugar trehalose into ethanol, reducing residual starch and sugars and increasing ethanol yield. We also launched Palmora[®], our first offering for the palm oil industry. Palmora[®] improves yield and processes for palm oil producers. Frontia[®] is a new technology for the grain-milling process, delivering better yields and process improvements.



Focus on opportunities

One major area of opportunity is within emerging markets. In these markets, Novozymes focuses on intensifying partnerships with regional customers, providing more affordable solutions and expanding our offerings. Our new Progress[®] In is a low-cost solution for powder detergents in Africa, Asia and the Middle East. Medley[®] 2.0 also targets small and medium-sized players in emerging markets. In India, our new Detergent Design Center caters to Household Care customers in the Middle East, Africa and India. Customers can visit a model home and supermarket, explore biological solutions and see our products in action.

Our strategy also aims to explore new growth areas. In animal health, our work with probiotics is helping to meet growing demand for sustainable animal-based protein. Our probiotic Alterion improves poultry health and weight gain and, consequently, reduces antibiotic use. Launched with our partner Adisseo in 2016, Alterion is now also available in China. In March, we also announced a partnership with Boehringer Ingelheim to develop and commercialize probiotic products for hatcheries.



Grow people

In 2017, Novozymes focused on leadership, talent development, diversity and promoting biotechnology across the world. Our new Lead the Way program helps leaders to excel in the workplace of tomorrow, amid less stringent decision matrices and ever-changing employee expectations.

We also value a diverse workforce with an international mindset. In 2017, we added new requirements for monitoring diversity in leadership positions to our succession management system. To grow our business and our people, we have also prioritized getting more people closer to our customers and invested in more opportunities in emerging markets.

Biotechnology is at the heart of everything Novozymes stands for, and we want to share our knowledge, insight and passion with the next generation. Our new Teach for Tomorrow program gives our employees the opportunity to learn more about biotechnology and share that knowledge with local elementary school students.