



**HARMLESS™ IS COMMUNITY**  
REINVESTING IN YOUR PEOPLE PAYS THE DIVIDENDS THAT MATTER.



Investor Seminar  
October 22, 2018

# Bringing disruption and shareholder value through venture investment



**MANIFESTO VENTURES**



Laurent Marcel  
Managing Director, Danone Manifesto Ventures

# A food revolution is underway...

As a response to deep consumer aspirations...



Health



Authenticity



Sustainability



Immediacy



...and a result of changes brought by technology



## New delivery models



## New digital engagement models



## New retailer models



## New approach to research and agriculture



# Danone Ventures was started in 2016

## With a mission to partner with entrepreneurs



**Our Mission : Bring the Danone Manifesto to life by partnering with a tribe of disruptive entrepreneurs**

**Investing**



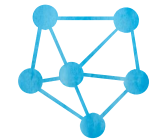
in Innovative companies that invent new products, brands and models

**Supporting**



them to their next stage of development

**Cross-Fertilizing**



Danone with an entrepreneurial mindset and innovative ideas



# Our investment territories are diverse And aligned with Danone's broader agenda

## The Upstream Ecosystem



Zero Waste

Next Gen Protein

Urban Farming

Alternative / Sustainable / Local sourcing

## Emerging Brands & Products



Organic, clean label & beyond

Plant-Based & Superfood

Fermented & Probiotics

Natural Energy

Healthy Aging,  
Food for Beauty, Sleep

Healthy Babies & Kids

Ultra Freshness

## New Consumer & Shopper Models



New Vending technology

D2C Models

Place of wellness

@ Home

Personalization & Smart Health

Digital engagement,  
Big Data & AI

We have invested nearly 100 m\$  
In disruptive companies and partners

venture investments



growth stage investments



**HARMLESS HARVEST®**

fund of funds

**accel  
foods.**



**Total Investment Ambition  
By 2020**

200 m\$

# In 2 years, we have formed a diverse portfolio of investments in disruptive companies in the US and in Europe

direct investments



Leading French F&B revolution with unconventional premium indulgence



Increasing fresh food accessibility via vending/ connected fridge innovation



Redefining model for healthy, organic frozen baby food prep in France



Drive growth & pioneer sustainability in new deep ocean water category



Leading 'Harmless', Fair for Life business model development offering plant-based beverages



Innovative oat offering for plant-based foods



Direct-to-consumer kids meal kits



Purified & Personalized Home water system



H2 2016

H1 2017

H2 2017

H1 2018

H2 2018

partnerships



Partner to expand network and expertise in early stage, US packaged F&B ecosystem



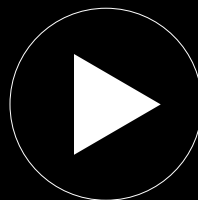
CASSIUS.

Access tech / digital expertise and identify next gen partners for F&B brands





“Meet our Entrepreneurs” (Video)



# Accelerate growth and create value Through collaboration projects in various areas



innovation & marketing



go to market/international



sales & distribution



accel  
foods.



people & organization



finance & regulatory



operations / supply chain



**FARMER'S  
FRIDGE** **HARMLESS  
HARVEST®**





# Accelerate growth and create value

## By leveraging the Danone global expertise



New Product Launch



**HARMLESS HARVEST**

New Product launch & Co-Manufacturing

**FARMER'S FRIDGE**

Quality & Food Safety

**blédina**  
DU CÔTÉ DES MAMANS

**Yooji**



Brand Refresh

Reinforce retail presence

Expand factory



G&I & Alimentation teams

Nutrition, New Models, New Retail

CASSIUS.



Digital

CASSIUS.

**RESEARCH & INNOVATION**

Ongoing Deal Flow / Diligence Sharing



**mitte**  
Go-to-Market & Commercialization Strategy

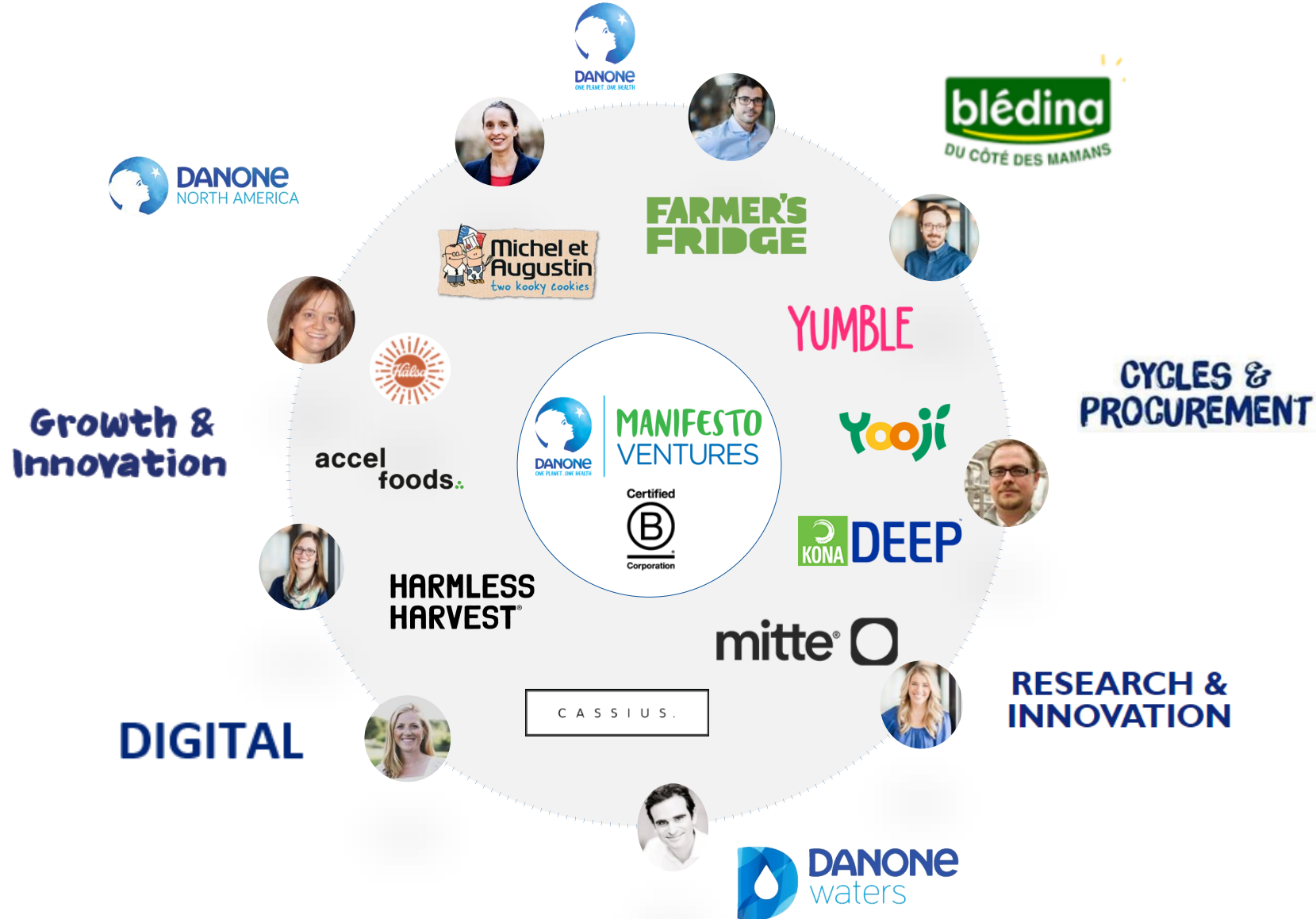
**KONA DEEP**

Sustainability Road mapping

**euw**

# Accelerate growth and create value

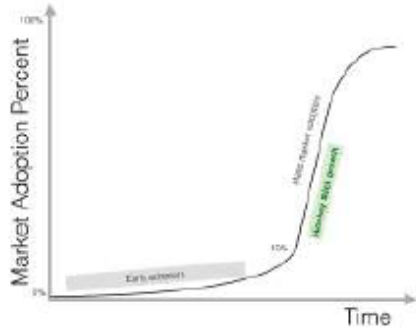
## Manifesto Ventures team as an interface between Danone and our Portfolio



# Accelerate Danone's transformation

## Learning from the Start Up agile model

### Agile & resilient innovation model



YUMBLE

Stunt, digital,  
targeted  
marketing



Disrupting with  
products &  
packs



Capex "light,"  
flexible model



Partnering  
with retailers

# Our Ambition 2020

## Deliver value for Danone's shareholders and entrepreneurs



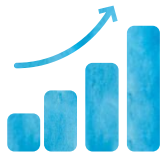
**Strong network  
and portfolio**

**Portfolio of 20-25 start-ups across stages, categories...**

—  
...**centered in US**, but leveraging **presence in Europe** and partners **in Asia...**

—  
...with **sizable and fast-growing revenues...**

—  
...and nourish 3-4 concepts that can become the **next Danone success stories**



**Significant impact  
on start-ups growth**

**Clear entrepreneur support model fueling growth**, generating positive word of mouth and referrals from founders

—  
**Founders satisfied with DV investment** due to value creation



**Successful cross-  
fertilization & integration**

Effective cross-fertilization efforts resulting in **Danone learning about disruptive brands and business models**

—  
Danone Ventures **reaching and inspiring a high share of employees** through communications, events, job rotations, BU partnerships and community building

—  
**Position Danone as an open and collaborative leader in the alimentation revolution**

# Our measures of success

## Combine financial, innovation and impact metrics

### Return



Cash return at par with leading consumer goods VCs and PEs

### Growth



Growth Stage: robust double digit growth

Venture Stage: fast growth

### Innovation



3-4 investments to become Danone success stories

### Impact



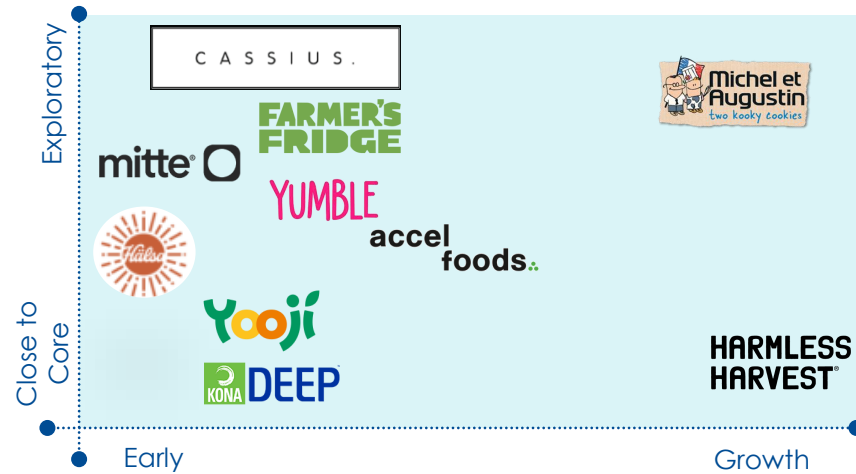
80% of portfolio companies to have a positive contribution to One Planet One Health Agenda

**Total Investment**

200 m\$ by 2020

# In a crowded investment space We believe 4 things make us different

## 1 Our Disruptive Scope



## 2 Our Collaborative Approach

We have started 30+ projects with our portfolio companies in:

- Innovation & Marketing
- Go-to-Market Strategy
- International Expansion
- Sales Strategy
- Operation Support
- Finance & Regulatory Support
- Team building support
- ...



## 3 Our International Reach



## 4 Our Mission-Driven Approach



First Corporate Venture Fund  
Independently Certified  
(Aug 2018)



**OUR BELIEFS**

*As Owners, we believe that*

**GOOD HEALTH IS EVERYTHING TO ALL OF US**  
Good health is a state of general well-being. It involves the mind as well as the body, and extends to feel an individual.

**FOOD IS ESSENTIAL FOR EVERYDAY NUTRITION**  
Healthy, simple and diverse is an essential part of life, to build back to maintain our well-being and prevent disease. All our products are made with natural ingredients and are free from artificial preservatives, colors and flavors.

**HEALTHY CANNOT LIVE WITHOUT PLEASURE**  
Without appetite and delight, no-one would eat or keep eating well. Pleasure in food and beverage is a precondition of every healthy diet.

**FOOD IS THE WEALTH BEHIND EVERY CULTURE**  
Healthy eating is not just the good-tasting nutritional needs and appetites, but culture, in the form of many values or - always different and always growing - and worth taking the time to understand.

**THE WEALTH OF NATIONS GROWS FROM A HEALTHY PLANET**  
Everything we eat depends on the earth that it grows in or from. As guardians of this planet, we have a duty of care and a fiduciary obligation to change to responsible responsibility and sustainability.

**RESEARCH IS OUR BEST ALLY**  
Food is more than nutrition. It is the outcome of human experience, involving biological, social and cultural factors. Understanding its value and its potential requires a deep understanding of the science of food.

**PREPARING FOR TOMORROW IS THE BUSINESS OF TODAY**  
New ways can and will be found, to better serve this generation and the next, and to bring healthy, affordable food and safe water to the greatest number across the world.

**OUR COMMITMENTS**

*As Owners, we commit:*

**FOR HEALTH AND WELL-BEING**  
We will invest only in companies that are committed to good health, by encouraging diets and lifestyles that bring the most health to people's lives.

**WITH THE BEST WE CAN DO, ALWAYS**  
We will invest in all our products and services, with pride and openness, in a generation of quality and integrity, whatever environmental, social, and financial conditions may arise.

**FOR EVERY PERSON, AT EVERY AGE, WITH PLEASURE**  
We will stand for the widest range of products and services to meet the needs and wishes of every person at every life stage of life, encouraging balanced and diverse diets to promote overall health and well-being.

**FOR OUR OWN HOMES**  
We believe our own diversity and passion for the products that every culture has the right to enjoy is the most meaningful and long-term way of offering products inspired by and relevant for local needs and values.

**FOR OVERPLANT AND WELFARE OF ANIMALS**  
We will stand together for a healthy planet and always do our utmost to protect and promote the abundance of life and the variety of nature in its forms and ecosystems.

**FOR WHAT IS BEYOND FOOD AND WHAT STILL NEEDS TO BE INVENTED**  
We will always support our colleagues to progress solutions through new, sustainable ways to produce healthy food and access to safe water, the all-by bringing with innovation and collaboration. We will keep our place as the forefront of these efforts.

**NOT ALONE, BUT WITH PARTNERS AND FRIENDS**  
We are collaborators. Together, we will stand ready to our belief that it is better to work together and share benefits, by engaging with those consumers and more communities, to our common goal to find better health through better food and beverage, for the greatest number.

*Each of us has the power to make this happen.*

THANK YOU

L O N D O N 2 0 1 8

## Disclaimer

- *This presentation contains certain forward-looking statements concerning Danone. In some cases, you can identify these forward-looking statements by forward-looking words, such as “estimate,” “expect,” “anticipate,” “project,” “plan,” “intend,” “believe,” “forecast,” “foresee,” “likely,” “may,” “should,” “goal,” “target,” “might,” “will,” “could,” “predict,” “continue,” “convinced,” and “confident,” the negative or plural of these words and other comparable terminology. Forward looking statements in this document include, but are not limited to, statements regarding Danone’s operation of its business, the expected benefits of the transaction, and the future operation, direction and success of Danone’s business.*
- *Although Danone believes its expectations are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, which could cause actual results to differ materially from those anticipated in these forward-looking statements. For a detailed description of these risks and uncertainties, please refer to the “Risk Factor” section of Danone’s Registration Document (the current version of which is available on [www.danone.com](http://www.danone.com)).*
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- *Due to rounding, the sum of values presented in this document may differ from totals as reported. Such differences are not material.*