



# Protein Program

Gustavo  
**VALLE**

Executive VP Dairy and  
Resources Efficiency

Susanne  
**LUICK-NIJBOER**

Vice President PROTEIN



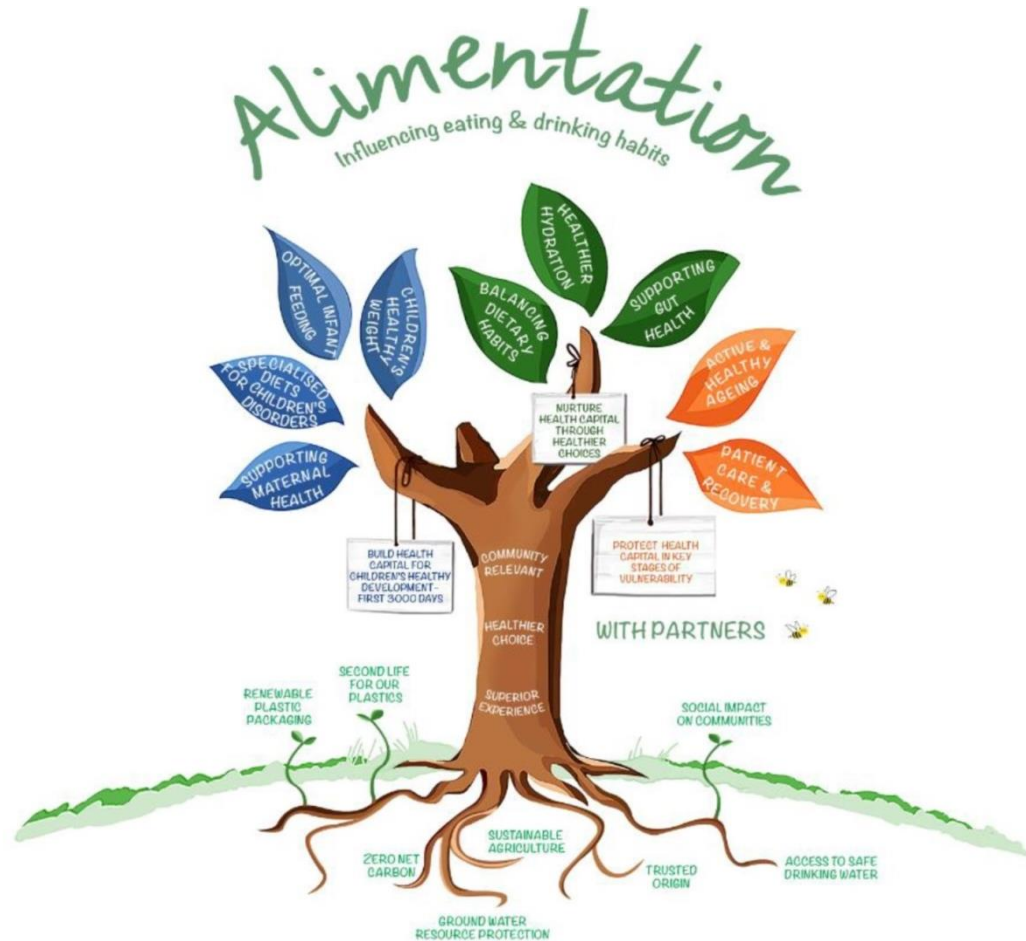
# Introduction to Program Protein

Gustavo **VALLE**

Executive VP Dairy and Resources Efficiency

Evian 2017 - Investor Seminar

# Step up our ability to seize consumer opportunities



## Work more efficiently

# Launching a comprehensive, company-wide program

Disciplined  
Choices

Maximize Efficiency...

Sustainably

**BUY BETTER**  
**SPEND BETTER**  
**WORK BETTER**

...To build muscle  
Reinvest in growth projects

Invest  
for Impact

## PROGRAM PROTEIN

SCOPE

professional services  
sales & marketing spendings  
operations spendings

**€ 1 bn**  
**SAVINGS**

Fuel for growth

Margin



# Protein: the right program at the right time

---

Right maturity and  
discipline



Clear mandate to  
deliver results

---

Proven  
methodology

---

Right team:  
100% dedicated





# Program Protein

Susanne **LUICK-NIJBOER**

Vice President PROTEIN

Evian 2017 - Investor Seminar

# How we do Program PROTEIN

---

- Efficiency focused
- Business led
- Maximizing synergies
- Enforced processes & policies
- Sustainable
- Driving simplicity



# What success looks like for Program PROTEIN

---

€ 1 bn

---

Sustainable savings by 2020

---

Smart spending choices

---



# Program PROTEIN activation

2016

2017

2018

2019...

Global Roll Out

Smart Category Engine

Learning Phase

Pilots

Design



# Program PROTEIN organization



**Cockpit**



18

**Smart  
Category  
Engines**



30

**ZBB  
in Clusters**

# Program PROTEIN

## Sustainably unlocking all levers across categories



Culture & Mindset



Buy better

Use scale across categories & geographies



Negotiate



Spend better

Specify better quantity & specifications



Buy less & Cheaper



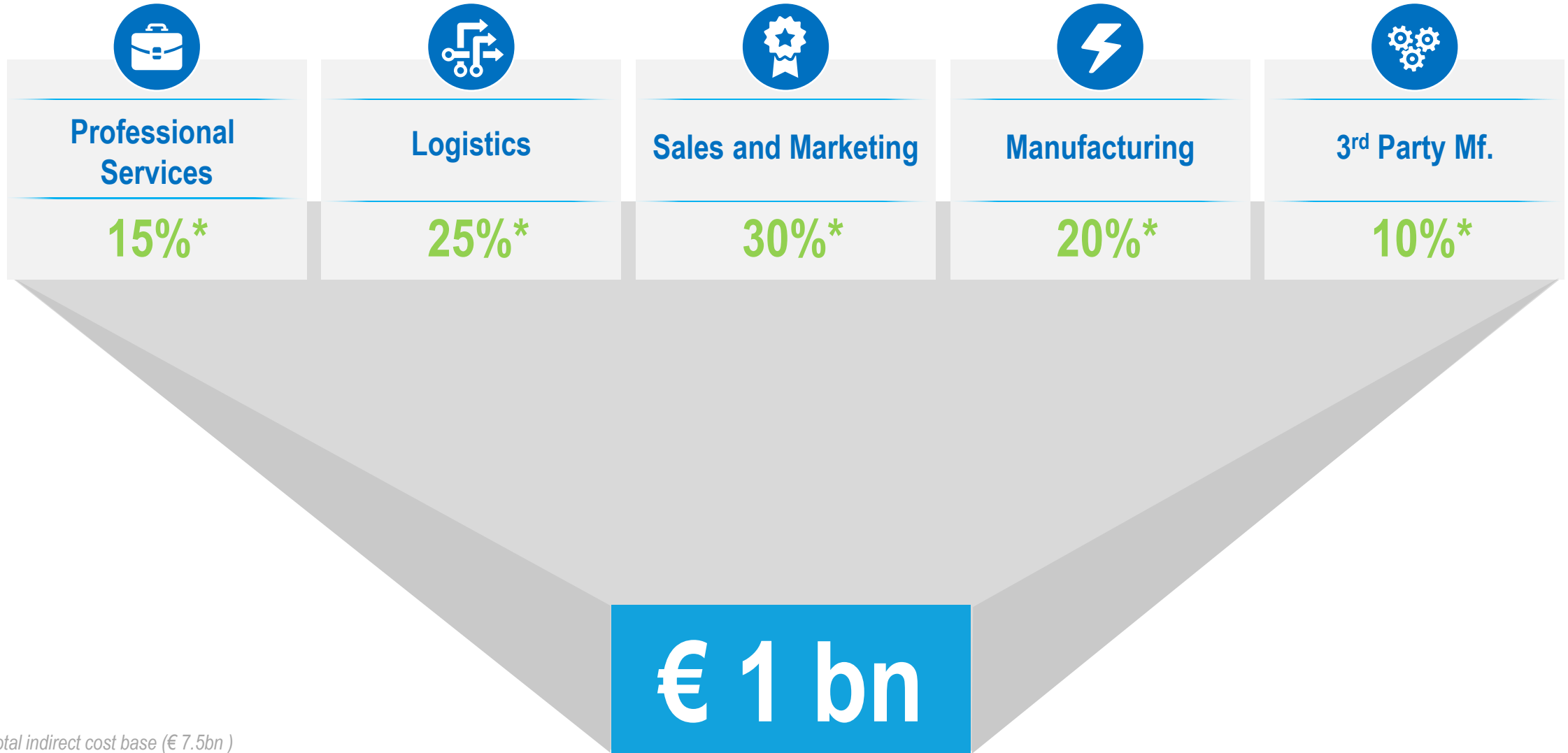
Process better

Ensure compliance & sustainability



Policies  
Processes  
Systems

# Program PROTEIN scope ~ €7.5bn



\*% of total indirect cost base (€ 7.5bn)



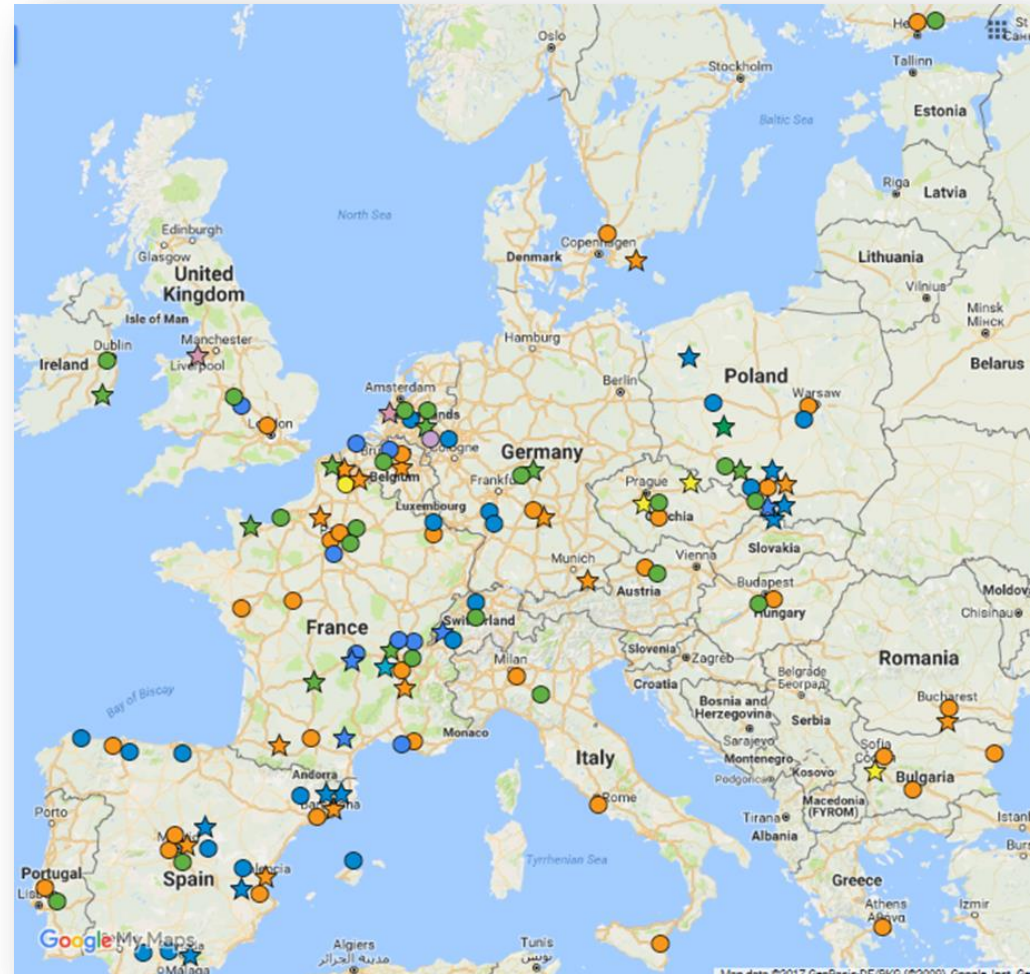
# Warehousing in Europe

110 Warehouses across our categories

**>15 %**  
savings potential



- Use of new technology
- Drive consolidation of warehousing and logistics



# IS-IT - Global datacenter strategy

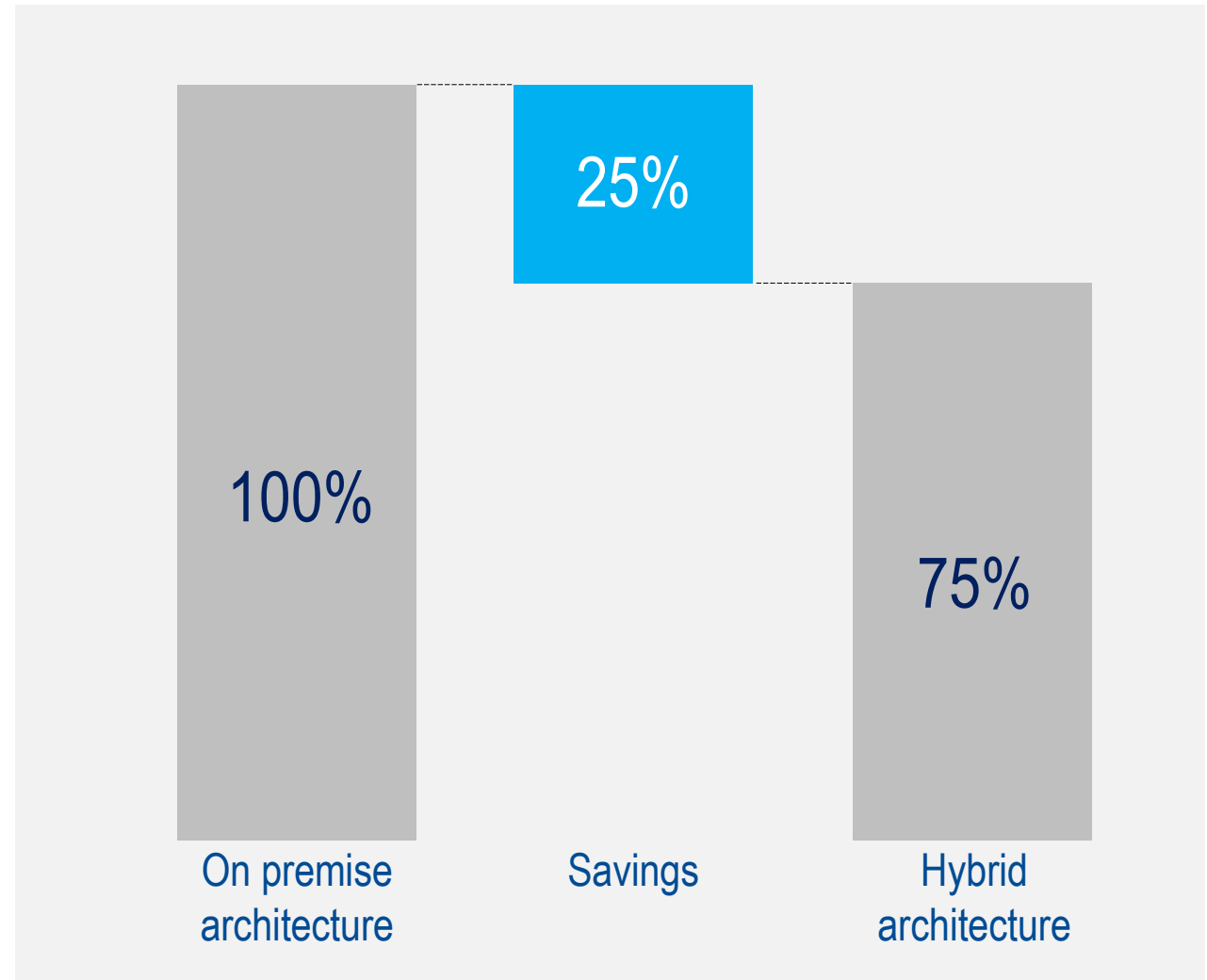
**100% of Danone datacenters**  
are located on premise

**25%**

savings potential



**Introduction of hybrid,  
partly cloud-based model**





# Professional Services

**> 1,000**

professional services partners  
covering less than 30% of the spend

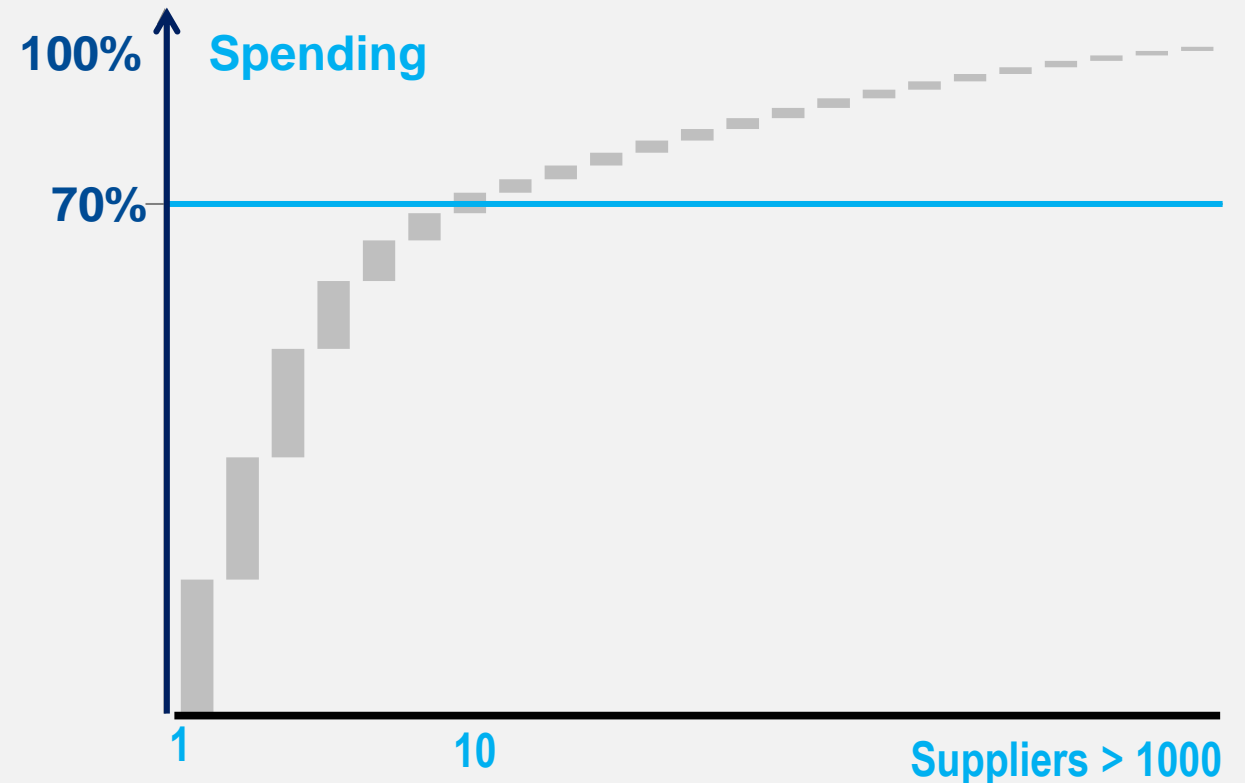
**30%**

savings potential



- Systematic review of requirements
- Increase value from our partners
- Reducing needs
- Consolidating spend

## Overview of professional services spend



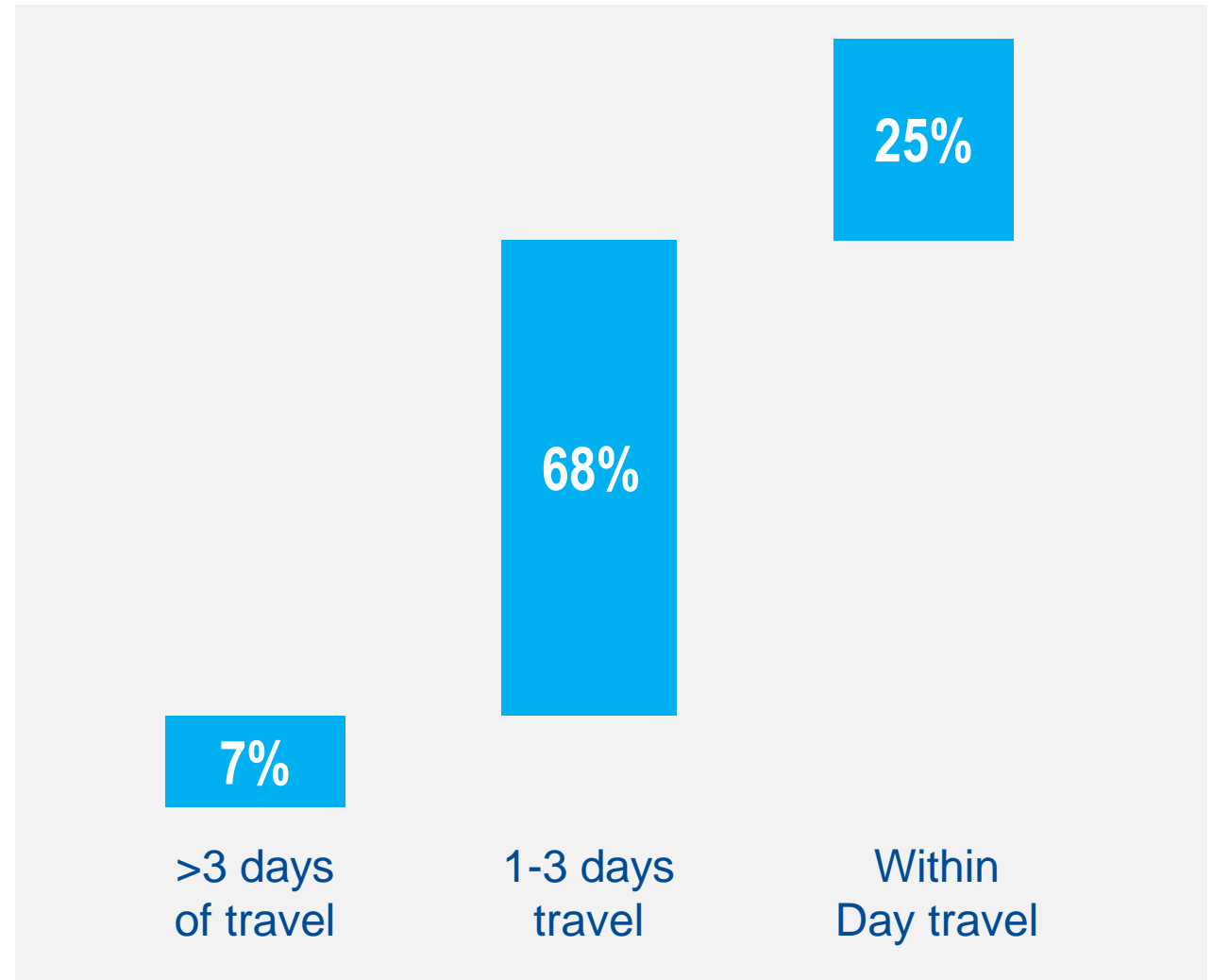
# Travel

**> 100 million miles**  
travelled by Danone employees  
globally in 2016

**30%**  
savings potential



- **Use of Video Conference technology for multiparty meeting**
- **Eliminate within day travels**
- **Additional benefits on carbon footprint reduction**



# Market & Consumer data

>200K questionnaires  
of external data sourced  
for marketing & consumer insights

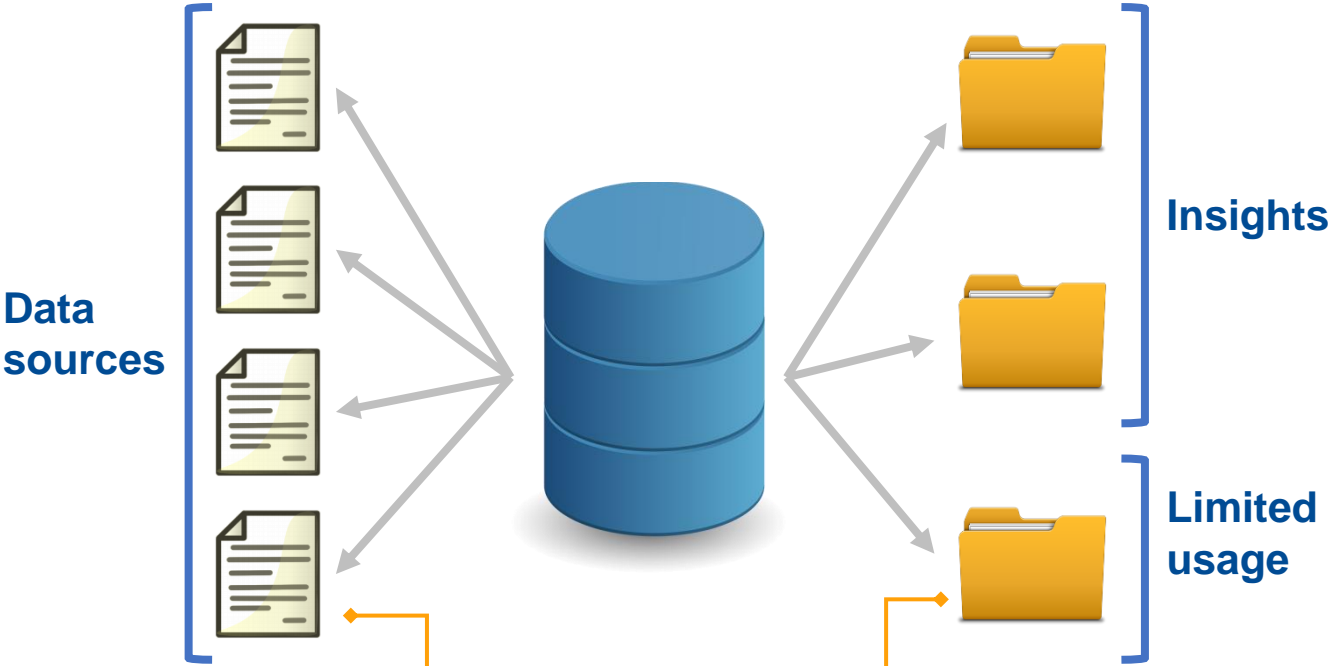
30%

savings potential



- Buy data once
- Global data warehouse
- Use data cross-DANONE
- One source of truth

## Market data



- different frequencies
- duplicated information
- reports not providing sufficient insights vs. cost



# Program PROTEIN activation

2017

2018

2019

2020...

ZBB Activation in 30 Clusters

18 Smart Category Engine

Learning Phase

Pilot Mexico

Pilot French HQ

Pilot DACH



# €1bn in S&G for strong, profitable and sustainable growth

## PROTEIN

Eliminate **FAT**...



...to build **MUSCLE**



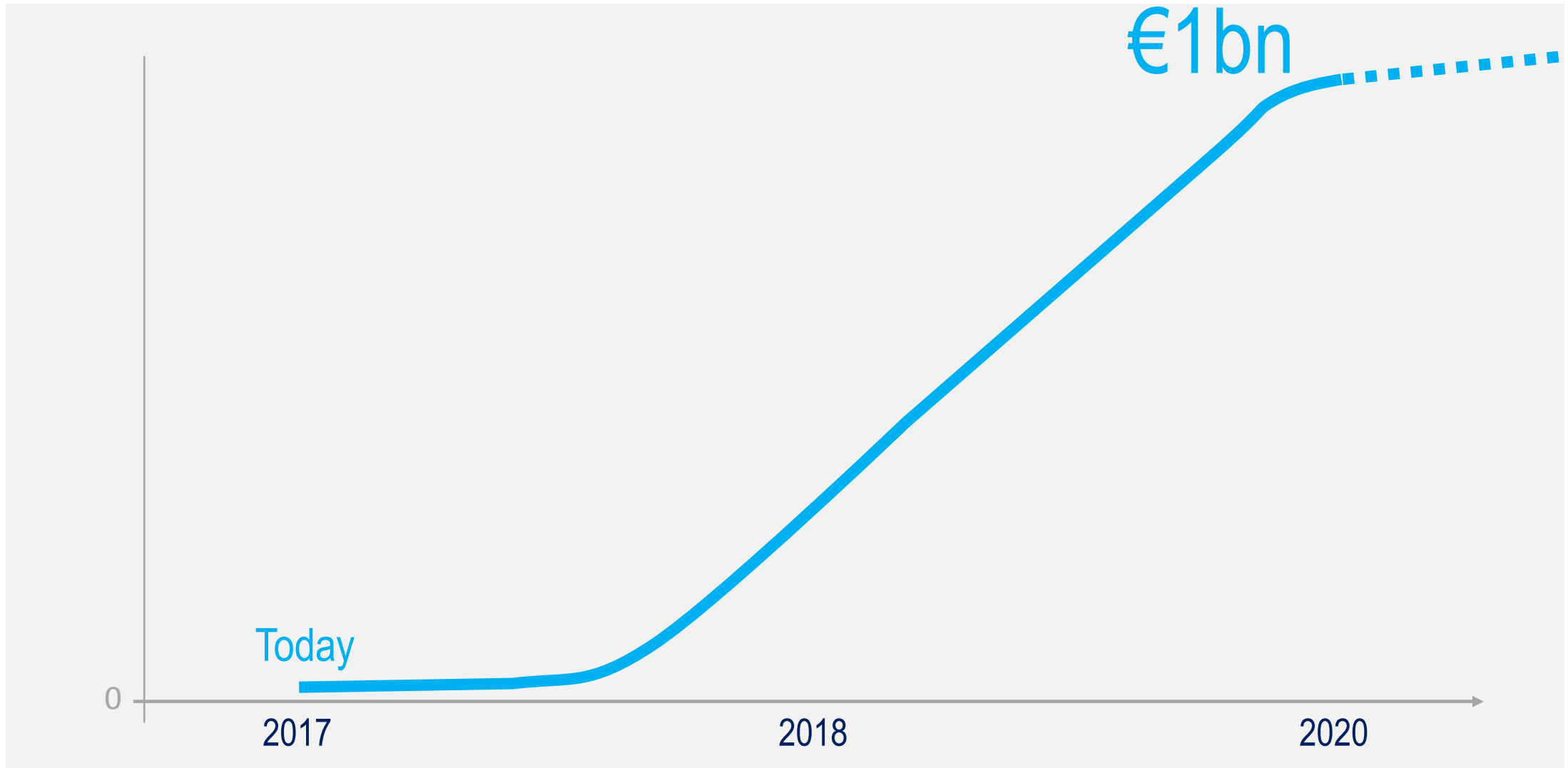
**Reduce non-value added cost**  
for DANONE's Mission and consumers

**Reinvest in growth & profit**  
to fuel DANONE's Strategy & Mission

- + We invest ~ €7.5bn in **Services & Goods** which are **not all visible** or **valued by our consumer**.
- + **Create visibility** on what we spend and **remove costs** that are not adding value
- + **Company-wide** and **cross-regional program**
- + **Zero Based Budgeting**
- + To find **sustainable value creation** in a transformation **led by the business**
- + **Systems, processes** and **policies** for **sustainability**
- + **ZBB-mindset embedded in our culture**



# Program PROTEIN is happening!







**DANONE**  
**2017 - 2020**

Shaping the growth model

Evian 2017 - Investor Seminar