



**DANONE**  
ONE PLANET . ONE HEALTH

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**CAPITAL MARKET EVENT**

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# FROM LOCAL FIRST TO “TRANSFORM TO WIN”

Shane Grant  
CEO North America



## STRONGER MAKES EVERYTHING BETTER

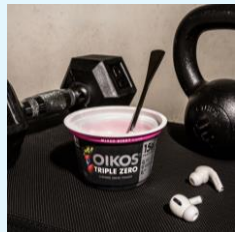


# NORTH AMERICA AT A GLANCE

## ON TREND, GROWTH CATEGORIES



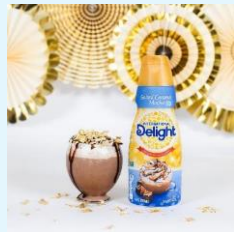
**Probiotics & Gut Health**



**Protein Renaissance**



**Healthier Hydration**



**Permissible Indulgence**



**Flexitarian & Plant-based**



**Healthy, Tasty @ Home Rediscovery**



**Local Food & Transparency**



**Scientific Nutrition**

## BALANCED PORTFOLIO, STRONG ASSETS

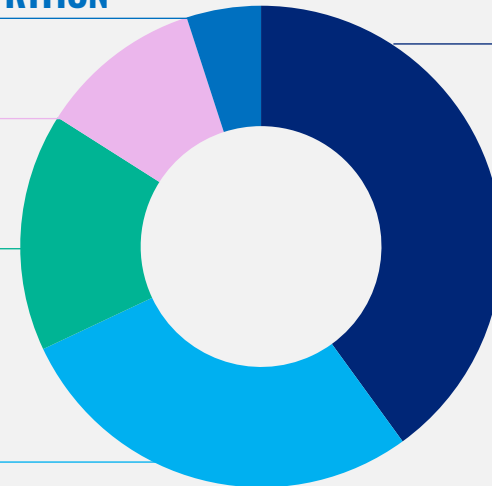
SPECIALIZED NUTRITION

PREMIUM DAIRY

PLANT-BASED

CREAMERS & RTD BEVERAGES

YOGURT



**#1** Yogurt  
Plant-Based  
Organic Milk

**#2** Creamers  
RTD Coffee MS  
Specialized Nutrition  
Import Waters

# UNDERPERFORMANCE TO GROWTH RESET

## UNDERPERFORMANCE

## GROWTH RE-IGNITION



SOV = Share of Voice

# GROWTH CENTRIC STRATEGY

## CROSS CATEGORY GROWTH STRATEGIES

**01**  **GROW CONSUMER CENTRIC LEADING BRANDS**

**02**  **SERVE THE FOOD REVOLUTION WITH CUSTOMERS**

**03**  **DEVELOP WINNING GROWTH CAPABILITIES**

**04**  **UNLOCK THE POWER OF OUR PEOPLE**



## CLEAR PORTFOLIO MISSIONS

**Growth Bet** | Plant Based competitiveness & footprint expansion

**Focus to Grow** | Yogurt scaled insurgent  
Winning Creamers & RTD Beverage  
Scale-up Specialized Nutrition

**Generate Cash** | Profitable Premium Dairy leadership

Transform to **WIN** 



# MARKET CENTRIC CULTURE

- Strategy to Structure Org
- Delayered
- 'Fit for Purpose' SN & Water

## MARKET CENTRIC ORGANIZATION

## GROWTH CAPABILITIES

- Digital
- RGM
- Supply Chain Modernization

Transform to **WIN**

- 3 YR Program
- 1/3<sup>rd</sup> Executed

## COST OUT FOR RE-INVESTMENT

## PRIORITIZATION & EXECUTION

- Simplification
- Agile Teams
- Execution Ramp

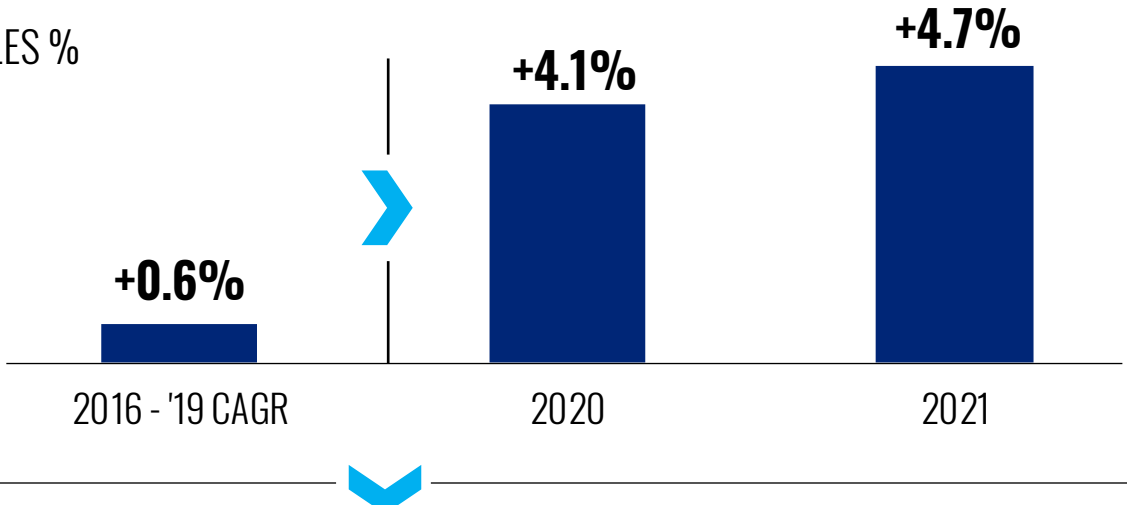
## CULTURE & LEADERSHIP BEHAVIORS



# GROWTH & COMPETITIVENESS ACCELERATING

## MULTI-CATEGORY LED BY YOGURT TURNAROUND

NORTH AMERICA NET SALES %  
VS. PRIOR YEAR



Yogurt decline to mid-single digit growth; winning share



Creamers/RTD to high-single digit growth; winning share



Plant-Based mid-single digit growth sustained; competitive challenge



Premium Dairy mid-single digit decline to stabilization



SN & Waters accretive growth & synergy enablers



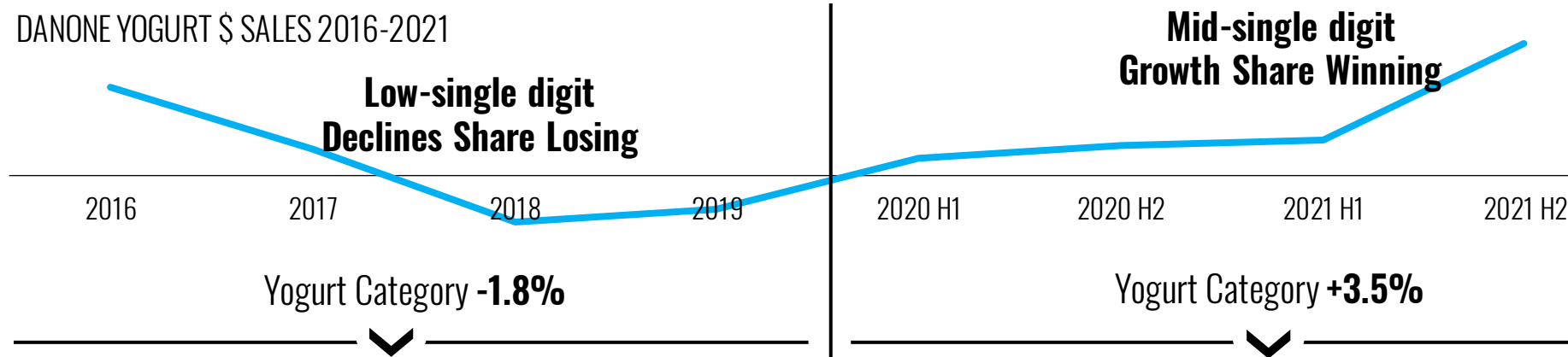
Source: Danone NORAM Net Sales 2016-2021





# YOGURT RE-IGNITION OPPORTUNITY TO ACTION

DANONE YOGURT \$ SALES 2016-2021



Leadership in probiotics, kids, plant based  
BUT missed Greek & weakened brands



**01** GROW CONSUMER  
CENTRIC LEADING  
BRANDS

Portfolio, Brands Modernize,  
Innovation Scale

Market leading reach  
BUT commercial execution gaps



**02** SERVE THE FOOD  
REVOLUTION WITH  
CUSTOMERS

Lead the Category,  
Commercial & Channel Drivers

Multiple consumer trend tailwinds  
BUT not fully harnessed



**03** DEVELOP WINNING  
GROWTH  
CAPABILITIES

Operations, Productivity,  
Digital

Deep & loyal user base  
BUT recruitment stalled & key occasion losses



**04** UNLOCK THE  
POWER OF  
OUR PEOPLE

Market Centric Organization  
& Re-ignite Execution Culture

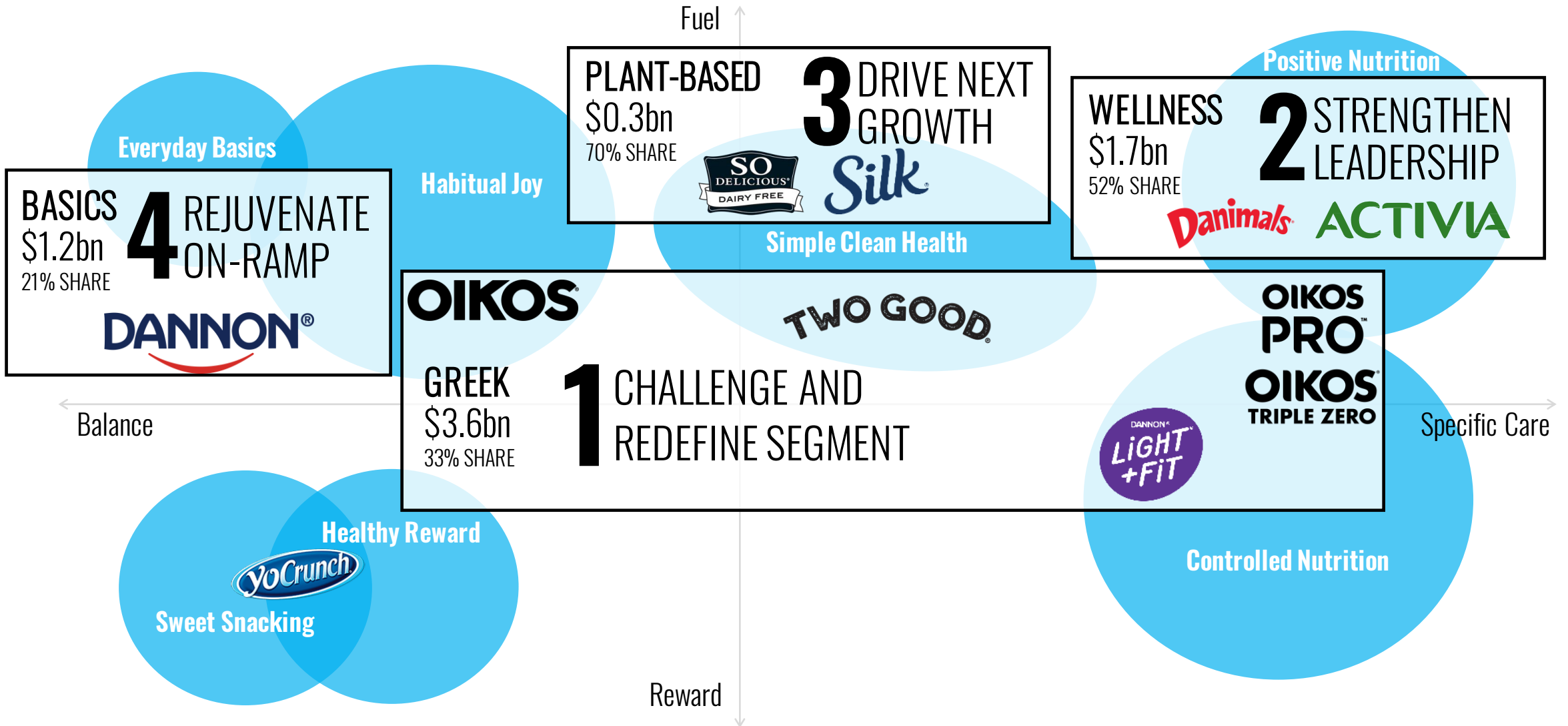


MULO = Multi-Outlet Store Universe in IRI; Danone Yogurt Total MULO Sales % change vs. YAGO 2016-2021

# DEEP CONSUMER UNDERSTANDING

CLEAR GROWTH MISSIONS. UNRIVALED PORTFOLIO OPPORTUNITY.

**01** GROW CONSUMER CENTRIC LEADING BRANDS



Source: IRI MULO Sales \$ & Danone Yogurt Share 2021

# SCALED GREEK CHALLENGE AND REDEFINITION

## OIKOS REVAMP

**01** GROW  
CONSUMER CENTRIC  
LEADING BRANDS

Habitual Joy

Controlled Nutrition

Positive Nutrition

Simple Clean Health

CORE



**Re-Invent for Differentiation**

ZERO



**Re-Stage for Scale**

PROTEIN



**Launch to Lead High Protein**

**NOW**

#1 Growth Brand in Protein Forward

Expanding Velocity & Distribution

Category Accretive

**-8.5% > +3.8% > +14.0%**

Retail \$  
2018-20<sup>1</sup>

Retail \$  
2021

Retail \$  
'Oikos Black'

**STRONGER**

**NEXT**

Equity & Awareness Ramp

Broaden Reach - Format, Flavor, OBPPC

Expand Occasions

\*OBPPC = Occasion Brand Price Pack Channel

Source: IRI  
MULO Retail  
Sales \$ 2018-  
2021

# SCALED GREEK CHALLENGE AND REDEFINITION

## TWO GOOD SUCCESS & SCALE-UP

01 GROW  
CONSUMER CENTRIC  
LEADING BRANDS

Habitual Joy

Controlled Nutrition

Positive Nutrition

Simple Clean Health

### NOW

**#1** Yogurt Greek Growth  
Brand 2020-2021

**#1** Category  
Growth Driver  
2020-2021

Retail \$ Growth 2020-21



Differentiated, Slow Strain Tech

Top 25 CPG Innovation

Price Premium



### NEXT

**Boost Winning Proposition**  
Less Sugar. More Taste. Less Waste.

**Fast Expansion with Premium  
Channels, Customers, OBPPC**

**New Platforms**  
Occasions, Product



# STRENGTHENING WELLNESS LEADERSHIP

## KIDS CATEGORY RECRUITMENT & REJUVENATED ACTIVIA

**01** GROW CONSUMER CENTRIC LEADING BRANDS

Kids' Recruitment



Adult Relevance & Retention

Entry



**Strengthen Leadership**

**NOW**

**#1** Kids Yogurt  
**Accelerated**

Premium



**Launch & Scale**

**\$0.5bn** Portfolio Whitespace  
**#1 Organic Milk, Expandable**



**Re-Stage for Modern Gut Health**

**#1** Probiotics  
**Rejuvenated**



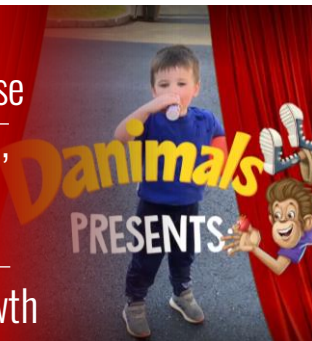
New Households  
Younger Users

**NEXT**

Drive winning mom/kid promise

Retail 'must win' verticals

OBPPC for growth



Awareness & trial

Scale portfolio additive format



Modern probiotics relevance

Equity enhancing Innovation

Expand Occasions



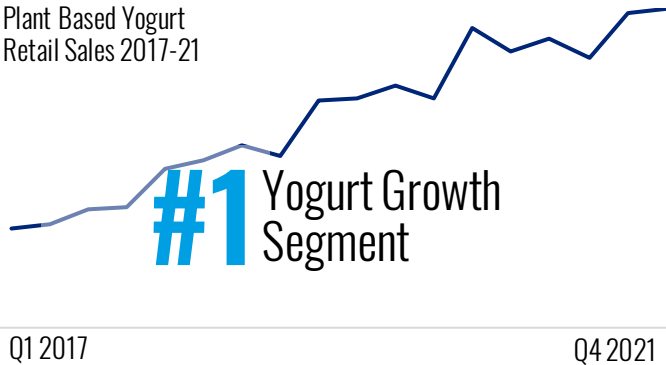
Source: IRI MULO Sales & Share Data for 2021; Activia 52 weeks pre-Campaign compared to 52 weeks in 2021

# DRIVING NEXT CATEGORY STEP-UP

## PLANT-BASED LEADERSHIP

### NOW

Plant Based Yogurt  
Retail Sales 2017-21



Flexitarian Scale (44% 'dual' users)

Ingredients to Dairy Replication

2X Households 2017-21



### LEADERSHIP

**Silk**



**71%**  
PB Share



**01** GROW  
CONSUMER CENTRIC  
LEADING BRANDS

### NEXT

## Category Development

**Silk**

CATEGORY ON-RAMP



CATEGORY COMMITTED

## 'Dairy Like' Product Solutions

UNDER-DEVELOPED  
DAIRY SEGMENTS



FAST GROWTH  
DAIRY SEGMENTS



## 'Dairy Like' Execution Scale

SHARE OF VOICE  
PORTFOLIO MERCHANDISING  
E-COMM RAMP



# COMMERCIAL EXCELLENCE

## YOGURT EXECUTION FUNDAMENTALS

02 SERVE THE FOOD REVOLUTION WITH CUSTOMERS

**+1.5-2pts**  
Revenue Growth from Execution Fundamentals Annually



**QUANTITY & QUALITY OF SPACE**

**FORMAT COVERAGE**

**Now**



**Next**



**Innovation Upgrade**

Many Sub-Scale Fewer Scaled



**Active Portfolio Management**

**-20%** Brands, Platforms, Products

**CORE AVAILABILITY**

**Yogurt 'Core 5'**



**~25%** NORAM growth Top 25 SKUs to 95%

# COMMERCIAL EXCELLENCE

## ENTERPRISE-WIDE CAPABILITY RAMP

**02** SERVE THE FOOD REVOLUTION WITH CUSTOMERS

### CUSTOMER VALUE CREATION

#### Customer Leadership

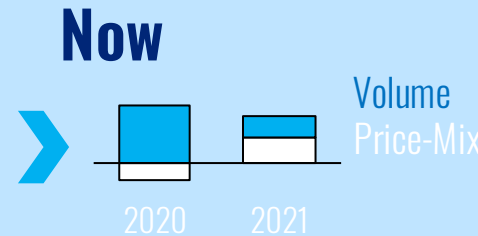


#### Customer Culture



### RGM AS A GROWTH DRIVER

Price Optimization  
Mix Management



OBPPC  
Diversification

Entry | Frequency | Upsize | Upscale

### MARKET SEGMENTATION

#### Strategic Precision



#### Execution Precision





# CONSTRUCTIVELY DISCONTENT

## NORTH AMERICA IS UNFINISHED BUSINESS



# FROM LOCAL FIRST TO 'TRANSFORM TO WIN'

Compelling Portfolio Opportunity

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Clear Growth Strategy

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Accelerating Performance Led by Core

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New Executional Intensity  
& Market Centric Culture

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Unfinished Growth Story



**DANONE**  
NORTH AMERICA

## STRONGER MAKES EVERYTHING BETTER



GAIN VS MAINTAIN  
GAIN VS MAINTAIN  
GAIN VS MAINTAIN

# FROM LOCAL FIRST TO “TRANSFORM TO WIN”

Shane Grant  
CEO North America

## STRONGER MAKES EVERYTHING BETTER

