



DANONE
ONE PLANET . ONE HEALTH

CAPITAL MARKET EVENT

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- Due to rounding, the sum of values presented in this presentation may differ from totals as reported. Such differences are not material.

01

Logistics
and agenda

02

Chairman introduction –
Gilles Schnepf

03

Strategic framework –
Antoine de Saint-Affrique

04

Value creation model –
Juergen Esser

05

Danoners in action –
Executive Committee
members

06

CEO Conclusion –
Antoine de Saint-
Affrique

OPERATIONS POWERING DANONE GROWTH

VIKRAM AGARWAL

Chief Operations Officer,
End-to-end Design To Delivery coordinator



DANONE OPERATIONS POWERING GROWTH

01

**ACKNOWLEDGING 2022
GLOBAL CONTEXT**

03

**ADDRESSING SHORT TERMS BATTLES
TO FUEL GROWTH**

02

**CAPITALIZING ON
DANONE'S TRANSFORMATION**

04

**BUILDING OPERATIONS
CAPABILITIES OF THE FUTURE**

DANONE OPERATIONS POWERING GROWTH

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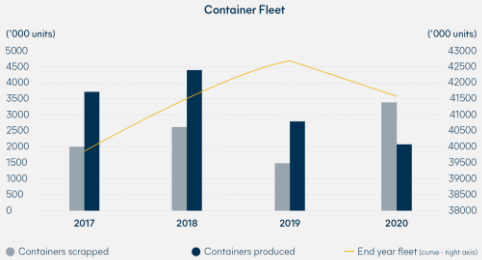
**BUILDING OPERATIONS
CAPABILITIES OF THE FUTURE**

SUPPLY CHAINS IN A VOLATILE WORLD

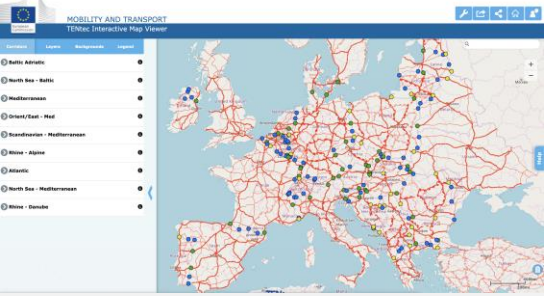
UPSTREAM FACTORY DISRUPTIONS



GLOBAL CONTAINER SCARCITY



NUMEROUS BOTTLENECKS & DELAYS



SHORTAGES OF MANPOWER



CHALLENGED OPERATING ENVIRONMENTS

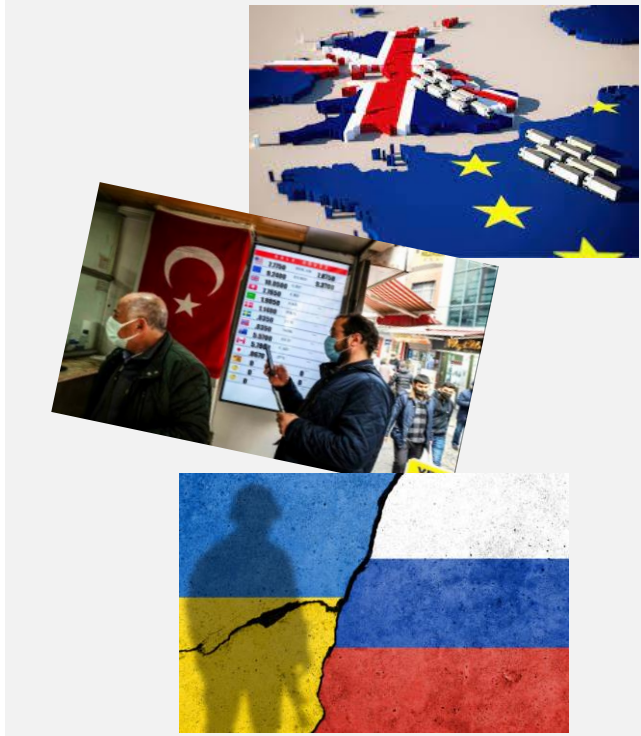
FOOD SAFETY STANDARDS



TAXATION IMPACTING OPERATIONS



GEO-POLITICAL & ECONOMIC SITUATION



UNPRECEDENTED LEVEL OF INFLATION ACROSS CATEGORIES & ZONES

FURTHER ACCELERATION OF GROSS INFLATION...

2021

~8%

2022

LOW TO MID TEENS

... DRIVEN BY ALL SPEND CATEGORIES



MILK



PACKAGING



OTHER MATERIAL



MANUFACTURING



LOGISTICS

DOUBLE-DIGIT



HIGH TEENS

MID SINGLE DIGIT

DOUBLE-DIGIT

DANONE OPERATIONS POWERING GROWTH

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**BUILDING OPERATIONS
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REINFORCEMENT OF FUNCTIONAL FOCUS AT COMEX WITH END-TO-END COORDINATION

REINFORCEMENT OF FUNCTIONAL FOCUS

CHIEF RESEARCH, INNOVATION, QUALITY & FOOD SAFETY OFFICER



CHIEF OPERATIONS OFFICER & DESIGN-TO-DELIVERY COORDINATOR



DESIGN TO DELIVERY COORDINATION



LOCAL AGILITY AND GLOBAL LEVERAGE

WIDELY DISTRIBUTED MANUFACTURING NETWORK

80% Local for Local



DEEP DISTRIBUTION NETWORK

Max 2 days Delivery to Customers



over 600'000 points of delivery

DEDICATED R&I CENTERS & PILOT PLANTS

Category Specific Expertise & Regional Relevance



Denver CO - USA

GLOBAL MANUFACTURING HUBS

Leveraging Scale (Upstream Dairy / Spec. Nut.)



Macroom Ireland

LEVERAGING DANONE PRODUCTION PLATFORM AND DISTRIBUTION CENTRES



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SECURING SUPPLY

01 MANAGING UPSTREAM FEED STOCKS

Paper Board
Plastic Resin

02 ROBUST CONTINGENT SOURCING

Cross region, cross countries
Simplification as an enabler

03 REACHING WIDER

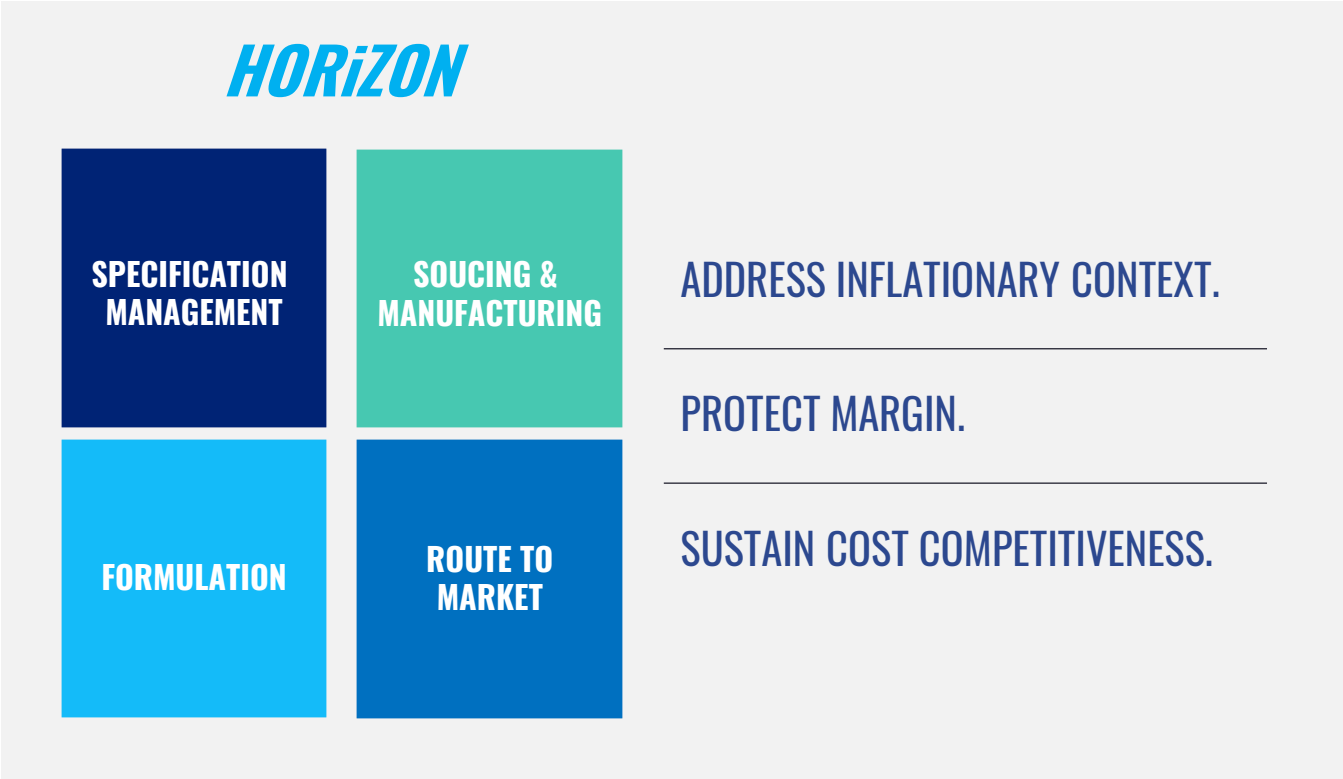
Multi source Supply Base
Flexible Formulations



MANAGED BY REAL TIME CONSOLIDATED DATA ANALYTICS

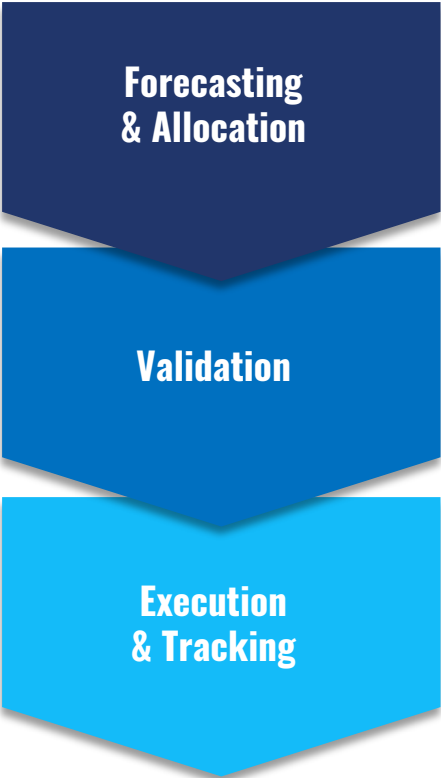
STEPPING UP OUR *COGS* PRODUCTIVITY

	INFLATION	PRODUCTIVITY
2021	~8%	~5%
2022	LOW TO MID-TEENS	> 5%



DEPLOYING CAPEX TO MAXIMIZE ROA

NEW CAPEX PROCESS



**RoA & FCF
Maximization**

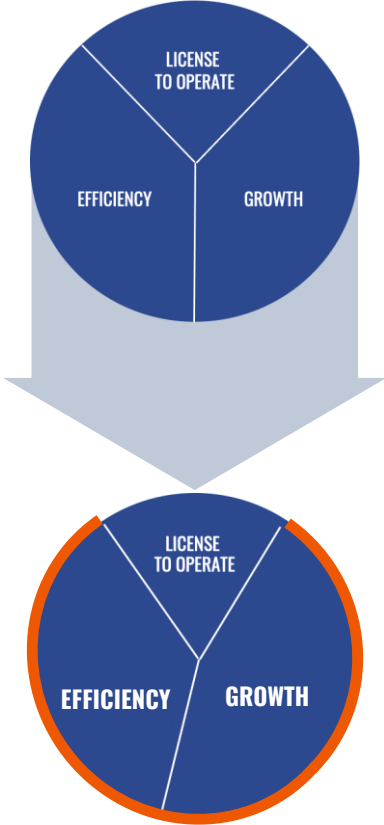
CAPEX Allocation based on Company Growth Strategy.

One Unique CAPEX timeline across all Zones and X-Categories.

Business Case with more precise indicators.
e.g. capex intensity / working-non working capex / ROA / IRR ...

Efficiency before CAPEX

OPTIMIZED DEPLOYMENT



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**BUILDING OPERATIONS
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BUILDING DANONE OPERATIONS OF THE FUTURE

01
**RESILIENT & STRATEGIC
 VENDOR BASE.**



Higher Service Level
 Lower Material Outages
 Lower Vendor Concentration

02
**EFFICIENT & FLEXIBLE
 MANUFACTURING FOOTPRINT.**




Improved OE
 Improved Capacity Utilization
 Lower Fixed Costs

03
**CONSOLIDATED &
 E-NABLED LOGISTICS.**



Reduced Cost to Serve
 Improved Customers' Service
 E-com Order to Deliver Response

04
**END-TO-END
 DIGITALISATION.**



Dynamic S&OE Management
 Lower Inventories,
 Real Time Tracking
 Higher Customer Service