



**Antoine de Saint-Affrique**  
Chief Executive Officer

# OBJECTIVES

OF THE DAY

**01**

**REFLECT ON  
DANONE'S RADICAL  
TRANSFORMATION  
OF THE LAST 2 YEARS**

**02**

**TAKE STOCK THAT  
WE ARE NOW A  
TRULY DIFFERENT  
COMPANY**

**03**

**PROJECT OURSELVES  
INTO THE NEXT  
3-4 YEARS**



**01**

**REFLECTING ON THE RADICAL  
TRANSFORMATION OF THE LAST 2 YEARS**

# OUR STARTING POINT TWO YEARS AGO

GOOD ASSETS, STRUCTURAL UNDERPERFORMANCE, TRIPLE RESET NEEDED

## MY STARTING POINT

FACING THE REALITY

WE OPERATE IN HEALTHY, ON-TREND  
AND GROWING CATEGORIES

WE HAVE A STRONG PORTFOLIO  
OF BRANDS AND ASSETS

WE HAVE A UNIQUE HERITAGE

BUT...

WE HAVE UNDERPERFORMED OUR  
CATEGORIES AND PEERS

WE LACKED CONSISTENCY IN GUIDANCE  
AND DELIVERY

OUR ORGANIZATION AND DISCLOSURE  
HAVE BEEN UNSTABLE

## IN SUMMARY

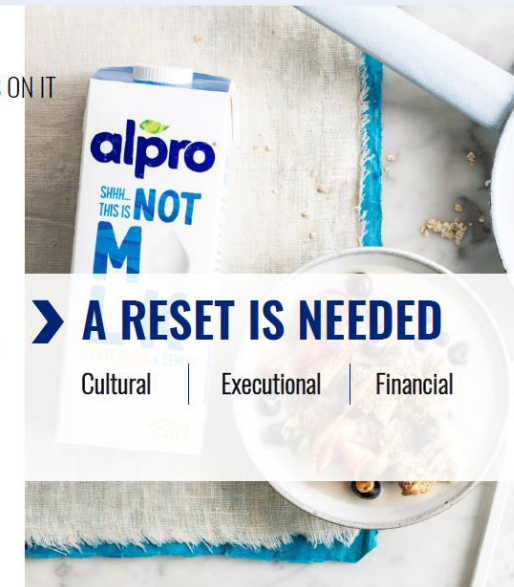
WE HAVE WHAT IT TAKES, WE NEED TO FOCUS ON IT

Our categories are on trend and offer growth  
and added value potential

We have solid assets to build on, we can do a  
better job at leveraging them

We can significantly step up our innovation  
and quality of execution

We need to reinvest, in brand support  
and capabilities



01

02

03

# TWO YEARS OF RADICAL TRANSFORMATION

## STARTING WITH OUR GOVERNANCE

### A renewed Board of Directors

**11**  
Directors

**89%**  
independence rate<sup>1</sup>

**44%**  
percentage  
of women<sup>1</sup>

**56%**  
with a non-French  
nationality<sup>1</sup>

### Active across dimensions

Shareholder  
engagement

Strategy, risk mgt,  
sustainability

Performance and  
delivery, portfolio

Incentives, talent  
and governance

### Bringing decisive support

Portfolio management  
and rotation

Incentive schemes  
evolution

Volatility and crisis  
management

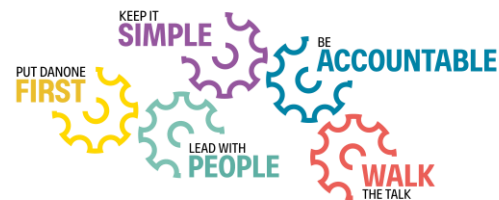
# TWO YEARS OF RADICAL TRANSFORMATION

DRIVING A MAJOR CULTURAL SHIFT, SHAPING A PERFORMANCE-ORIENTED, PROBLEM-SOLVING ORGANIZATION

## Stronger leadership team



## Performance culture and constructive dissatisfaction mindset



## Greater operational intensity



01

02

03

# TWO YEARS OF RADICAL TRANSFORMATION

DRIVING A MAJOR CULTURAL SHIFT, RECONNECTING PURPOSE WITH PERFORMANCE

## Focused



## Strategy driven

Focused on Impact  
Embedded in business

## Transformational

Methane & Agriculture  
Water & Energy  
People



01

02

03

# TWO YEARS OF RADICAL TRANSFORMATION

REBUILDING DISTINCTIVE CAPABILITIES

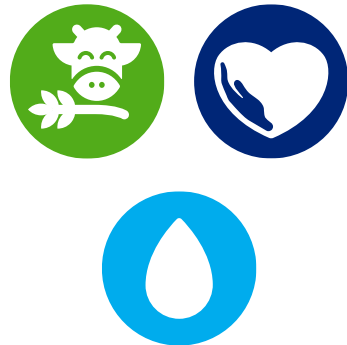
## Operations and R&I

Differentiating capabilities

Leveraging the ecosystem






## Category thought leadership



## Marketing & Sales execution



## Data, Digital and Artificial Intelligence

-  GenAI enabled segmentation
-  GenAI enabled customer care
-  Factory digitalization

WHILE DRIVING A CONSUMER-CENTRIC, CUSTOMER-FOCUSED, RESULTS-ORIENTED CULTURE



01

02

03



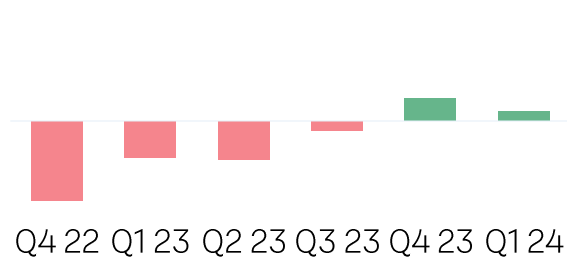
# TWO YEARS OF MATERIAL PROGRESS

DRIVING OUR CORE, FIXING OUR UNDERPERFORMERS AND BOOSTING OUR WINNERS

## Driving our Core



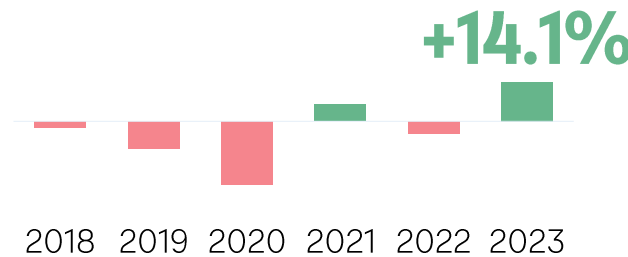
EDP vol/mix quarterly evolution



## Fixing our Underperformers



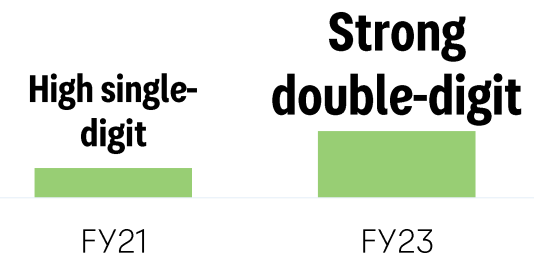
Mizone like-for-like sales growth



## Boosting our Winners



Winners' av. like-for-like sales growth



# WHILE REMAINING CONSTRUCTIVELY DISSATISFIED

STILL MORE PROGRESS TO BE MADE

**Not all businesses are where they should be**

Plant-Based Beverages  
Dairy in Emerging Markets

**Our capability journey is far from over**

Marketing and Sales execution  
Operations | Process, Data & IT

**We need to keep working on our culture**

Faster, better, simpler



01

02

03

# WE PROVED OUR MODEL UNDER PRESSURE

DELIVERING ON OUR TARGET BUSINESS MODEL TO RECONNECT WITH TRUE PERFORMANCE

Improving competitiveness

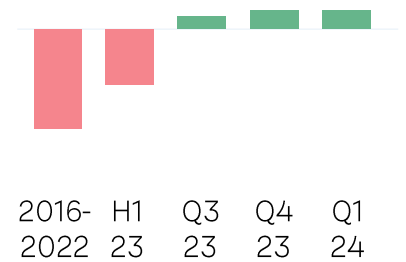
+

Rebalancing our growth model

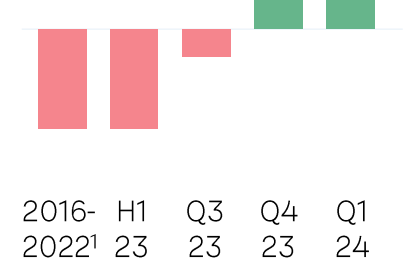
+

Connecting with a self-financing growth model

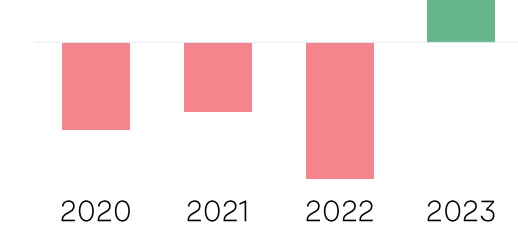
Danone value market share



Danone vol/mix evolution



Danone gross margin<sup>2</sup>



Reconnecting with performance

**+7.1%**

av. 2022-2023 LFL growth

**€2.6bn**

FY23 Free cash flow

1. Volumes only; 2. Margin from Operations



01

02

03

# WE PROVED OUR MODEL UNDER PRESSURE

WHILE DEEPLY TRANSFORMING THE COMPANY

## Strengthening our portfolio, starting with a deep pruning of our assets

Disposal and deconsolidation of non- strategic assets



Selected bolt-on value adding acquisitions in-line with strategy



## Taking no shortcuts to address long-term structural issues

Breaking Research and Innovation silos



Bridging Operations and Supply Chain gaps



01

02

03



02

# A RADICALLY RENEWED COMPANY

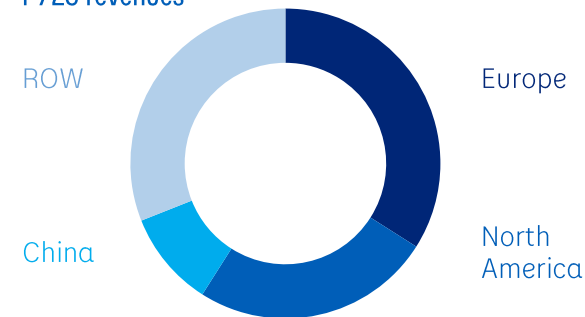
# WE ARE A STRONGER COMPANY TODAY, READY FOR MORE

WITH CLEAR ROLES ASSIGNED TO EACH CELL, MORE DIVERSIFIED AND DIFFERENTIATED

## Geographic footprint

Balanced, with clear roles assigned to each zone

FY23 revenues



## Channel footprint

Diversified and intentionally driven towards more valorized channels

Strategic channels<sup>1</sup>  
**more than 50%**  
of FY23 sales



1. Include away from home, Impulse and on the go, Pharmacies, Hospitals and Homecare channels

## Portfolio differentiation

Actively strengthened by portfolio choices and intentional resource allocation

**c. €1bn in High Protein**  
vs 400m in FY21

**> €1bn exited from  
Fresh Milk**



01

02

03

MARKETS PLAY TO WHAT MAKES US

# UNIQUE

**OUR  
FOCUS ON  
HEALTH**

**OUR  
UNIQUE  
SCIENCE**

**OUR  
CATEGORIES  
AND BRANDS**



# WE HAVE THE HEALTHIEST PORTFOLIO OF THE SECTOR

# 89%

percentage of volumes sold from products scoring 3.5 stars or more in HSR<sup>1</sup>



1. Percentage calculated for EDP and Waters Categories. HSR algorithm considers negative components of the products that could potentially increase some health risks such as energy, saturated fat, sodium and total sugars. According to this system, any product that scores 3.5 stars or above can be confidently promoted as a healthy choice.



01

02

03



# WHILE HEALTH AND NUTRITION ARE MORE INTERTWINED THAN EVER

CHANGES IN THE WAY WE EAT, AGE AND LIVE ARE STRUCTURAL TAILWINDS FOR DANONE

**The world is growing older, but not getting any healthier**



+550m 65+yo by 2040  
c. 20m cancer patients p.a.

**Nutrition can support health, but can also lead to NCDs<sup>1</sup>**



c. 40% - prevalence of raised cholesterol  
c. 30% - prevalence of overweight

**Gut is the new brain impacting physical & mental health**



70% of the immune system is based in the gut.  
40% of adults suffer from Gut health issues of varying severity

# AND WE HAVE A COMPETITIVE ADVANTAGE ON KEY EXTERNALITIES

VERSATILE PORTFOLIO, DISTINCTIVE  
CAPABILITIES AND FIRST MOVER ADVANTAGE



## Towards a multipolar world



### 60%

of consumers desire to  
know more about the  
source of origin of the  
products they buy



Global and local  
brands reaching  
consumers and  
patients **at every  
price point, and  
at every relevant  
occasion**

## Sustainable and resilient



### 1 in 2

of the world  
population will be  
facing water scarcity  
by 2025



**Differentiating  
capabilities** in  
Methane reduction,  
Regenerative  
Agriculture, Water  
management and  
Packaging

## Flexitarian as the new norm



### 25%

consumers globally  
call themselves  
flexitarian



**Unique expertise  
across plants**  
combined  
with differentiating  
fermentation,  
biotech and nutrition  
capabilities



01

02

03

# OUR CUTTING-EDGE SCIENCE IS A UNIQUE ASSET

BRIDGING HEALTH AND CONSUMER GOODS ON KEY BENEFIT PLATFORMS



Everyday  
nutrition  
& hydration



Children's  
Growth



Immunity  
& Allergy



Gut  
Health



Physical  
Performance  
& Recovery



Metabolic  
Health



Mental  
Well-being &  
Brain Health



# AND WE ARE INCREASINGLY LEVERAGING IT ACROSS CATEGORIES

THE EXAMPLES OF GUT & MICROBIOME AND PROTEIN

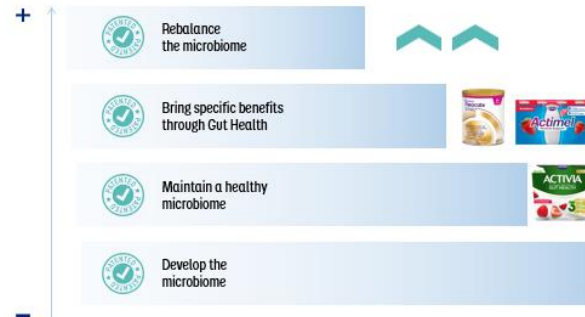
# Relief starts here, with Neocate

The world's #1 hypoallergenic amino acid-based formula brand



## PUSHING THE BOUNDARIES OF GUT AND MICROBIOME

Scientific and technologic sophistication (cumulative)



## LEADING AND SHAPING THE PROTEIN SPACE

Scientific and technologic sophistication (cumulative)

Product valorization



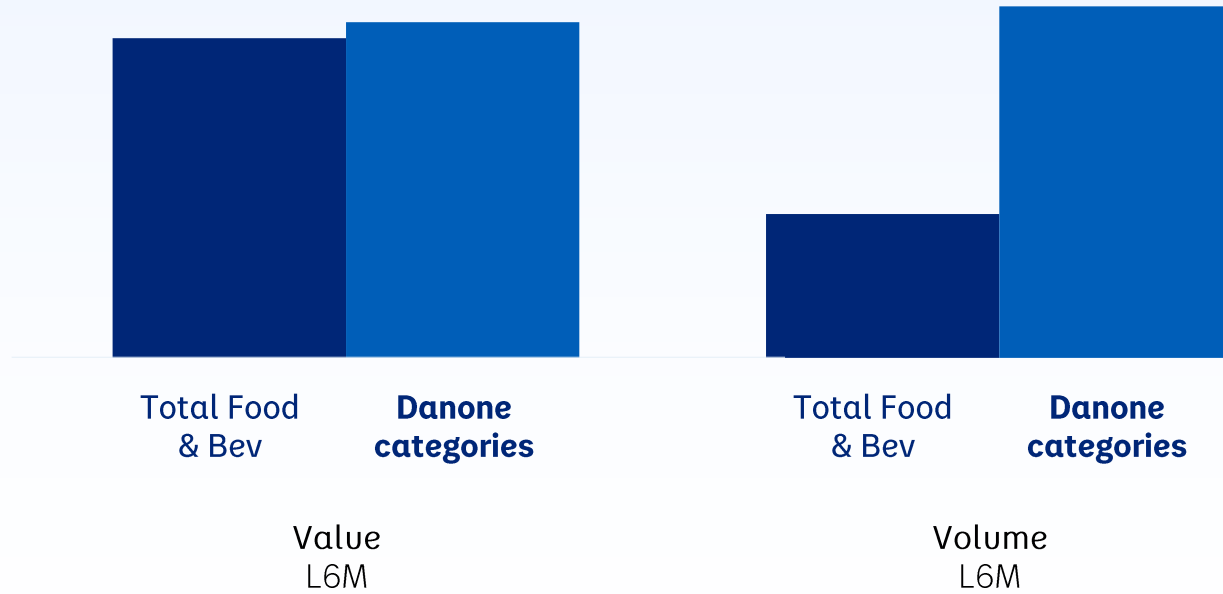
01

02

03

# LET'S DISPEL A MYTH: OUR CATEGORIES ARE ATTRACTIVE

GROWING, RESILIENT AND RECOVERING AT OR ABOVE  
AVERAGE FOOD & BEV



01

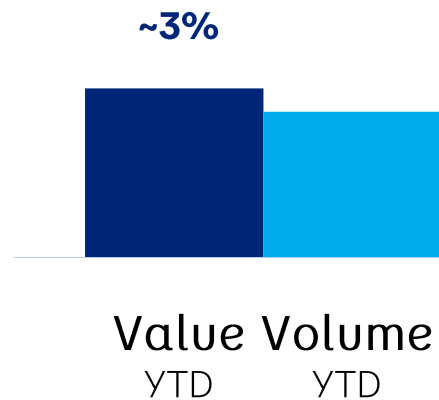
02

03

# YOGURT IS PROVING TO BE A GROWTH CATEGORY

IN VOLUME AND VALUE, AS WE RETAKE OWNERSHIP

**Europe**  
Yogurt and Desserts



**United States**  
Yogurt



**QUARTERLY PENETRATION** ↑



**FREQUENCY AND BASKET SIZE/VALUE** ↑



01

02

03

# WHILE MEDICAL NUTRITION OFFERS SIGNIFICANT GROWTH POTENTIAL

IN CATEGORIES WHERE DANONE HOLDS #1 OR #2 POSITIONS

## Medical nutrition today

c. **1.5**bn

addressable  
patients worldwide

c. **20**%

penetration of  
Medical Nutrition

c. **20**bn€

addressable  
market



# WHILE MEDICAL NUTRITION OFFERS SIGNIFICANT GROWTH POTENTIAL

IN CATEGORIES WHERE DANONE HOLDS #1 OR #2 POSITIONS

Medical nutrition  
**today**

**c. 20bn€**

addressable market

Ageing demographics  
Diagnosis  
Prevalence  
Penetration

Medical nutrition  
**tomorrow**

**c. 30bn**

addressable  
market





# LEVERAGING POTENTIAL OF OUR CATEGORIES WITH DIFFERENTIATED ASSETS

€28bn

Net Sales  
in FY 2023

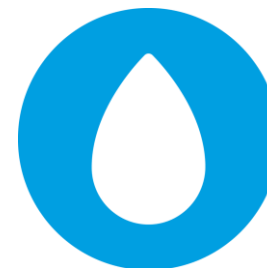


c. 70%

Value added  
in Dairy portfolio<sup>1</sup>  
+10pts vs 2021



#1  
Flexitarian company  
Dairy AND Plant-based



c. 85%

Highly Differentiated  
AFH, Impulse, Direct-  
to-Consumer



Undisputed  
leadership  
in Premium ranges



#1

in Fast-growth  
Medical Nutrition  
in Europe & China



Breakthrough patents  
Even closer  
to breast milk

Note: (1) Includes Functionals (Gut, Immunity, Protein, etc.), Indulgence, Kids and Coffee Creations

# WE NOW RUN A TRULY **GLOCAL** MODEL

LEVERAGING OUR GLOBAL ASSETS, DRIVING LOCAL RELEVANCE

## Global brands

leading global platforms



## Global platforms

rolled-out with discipline



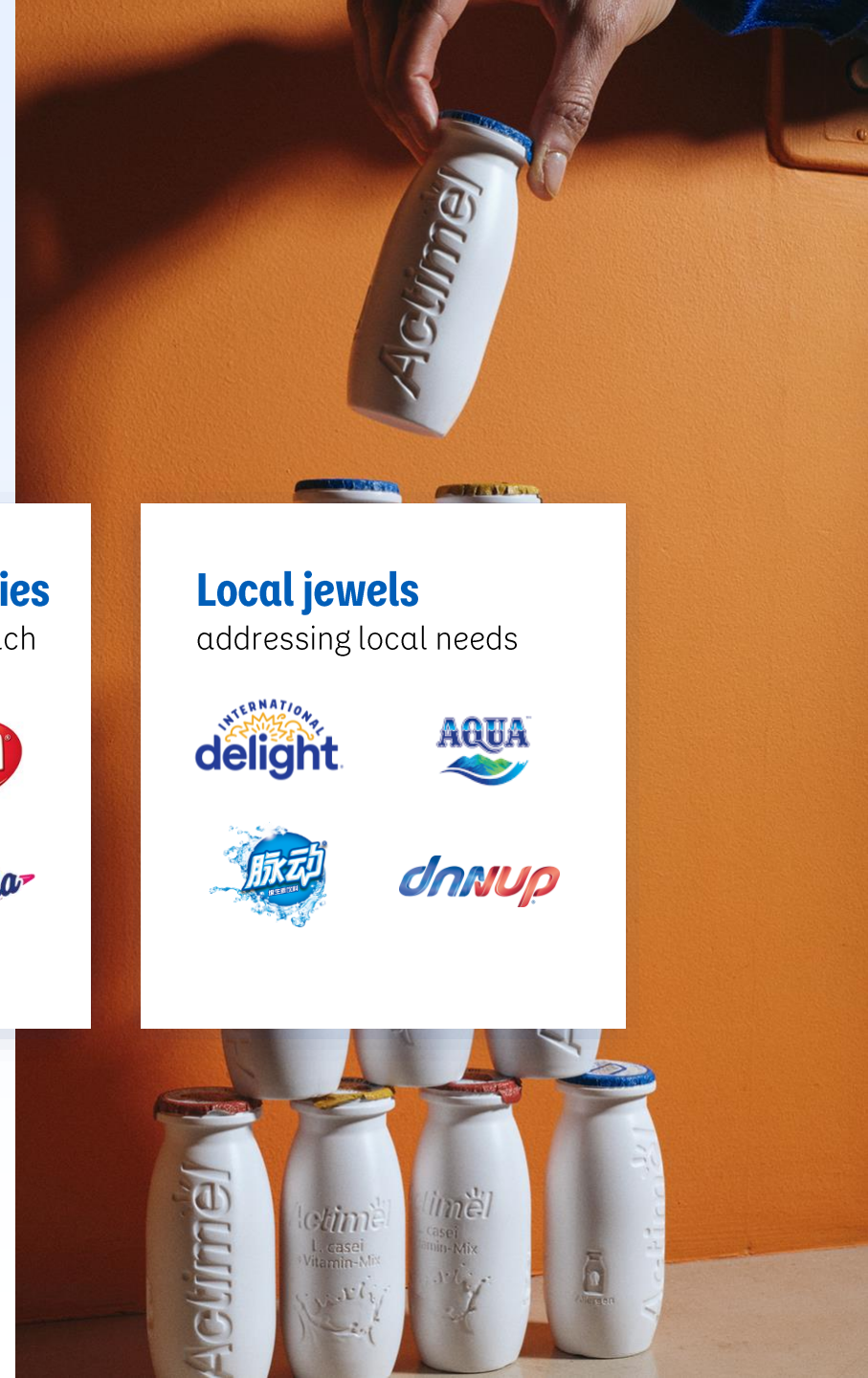
## Dual brand strategies

optimizing consumer reach



## Local jewels

addressing local needs






OUR TURN  
TO PLAY!

DANONE, OFFICIAL PARTNER  
OF PARIS 2024

03

**OPENING THE NEXT CHAPTER OF OUR  
VALUE CREATION JOURNEY**



RENEW  
**DANONE**  
NEXT CHAPTER



01

02

03

# IT STARTS BY DOUBLING DOWN ON RENEW DANONE FUNDAMENTALS!

TO CREATE FURTHER VALUE WITH OUR PORTFOLIO AND ASSETS

## Driving our portfolio

Core  
Underperformers  
Winners

## Assuming category leadership



## Leveraging our science



## Driving returns discipline



## Building future-fit capabilities



## Fostering a winning culture



**CONSISTENT,  
COMPETITIVE,  
AMBITIOUS  
VALUE CREATION**



01

02

03

# AND BY DRIVING CONTINUOUS IMPROVEMENT ON CAPABILITIES, CULTURE AND TALENT

STRUCTURALLY TURNING THEM INTO COMPETITIVE ADVANTAGES

## Sharpening our capabilities



Continuous improvement  
People upskilling with the  
capabilities of the future

## Leapfrogging into the future



Sweating existing  
assets and deploying  
AI across our value  
chain

## Further driving returns discipline



From advanced MMM  
to sustainability ROI



## Becoming a talent magnet



Winning culture,  
purpose and  
capabilities



01

02

03

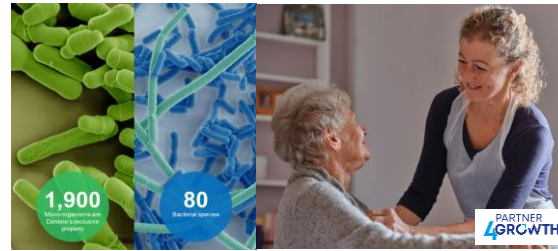
# WE START TO TRANSFORM WHILE WE DRIVE PERFORMANCE

UNLEASHING TOMORROW'S GROWTH SPACES

## Pivoting



## Broadening



## Expanding



01

02

03



# PIVOTING THE WAY WE LOOK AT OUR CATEGORIES

UNLOCKING SIGNIFICANT NEW GROWTH SPACES

## From largely IMF<sup>1</sup> to Early Life and Medical Nutrition



Driving penetration to lead the  
c. €20bn Medical Nutrition market

## From Yogurt to Gut Health and Protein expert



Leading and shaping the €120bn Gut  
Health and the €60bn Protein<sup>2</sup> markets



01

02

03



# BROADENING OUR REACH AND BUSINESS MODELS

BECOMING A TRULY MULTICHANNEL COMPANY

Extending patient journey in  
**Medical Nutrition** by  
expanding in Homecare

Starting  
point

**€500m**

net sales in FY23



# BROADENING OUR REACH AND

BECOMING A TRULY MULTICHANNEL COMPANY

**Accelerating**  
**Away from Home**  
leveraging the versatility of  
our ranges

**Starting  
point**

**€1.5bn**

net sales in FY23

# BUSINESS MODELS

We've added  
sparkles.



DANONE  
**YoPRO**  
**High  
Protein**

IMPROVED  
RECIPE +MAGNESIUM  
+VITAMIN B9



Feed  
Your  
Progress

**NOW OFFERED  
AT YOUR TIMS**

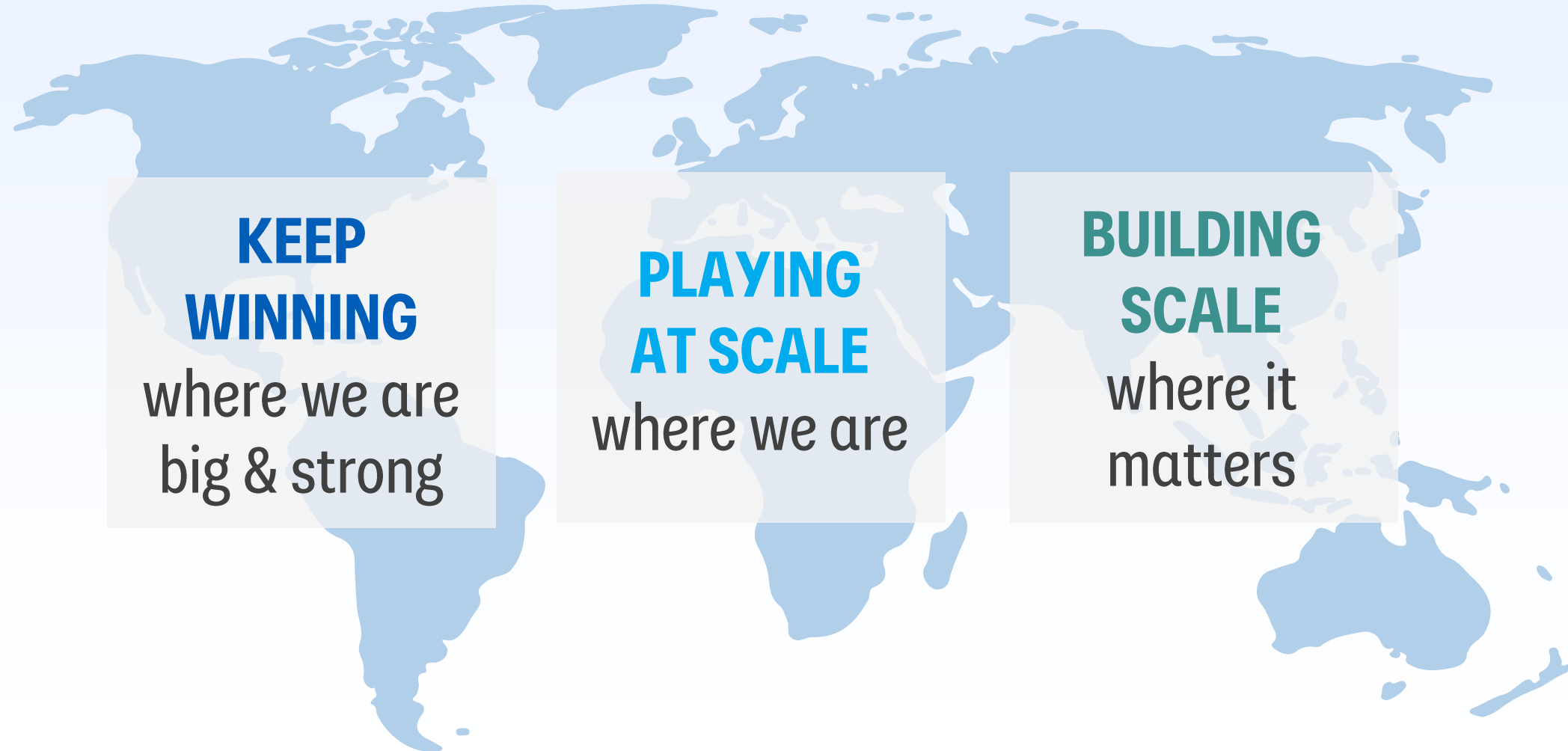
TRY DELICIOUS SILK BARISTA ALMOND  
IN YOUR FAVOURITE COFFEE



ORDER IT AT  
*Tim Hortons.*

# EXPANDING OUR GEOGRAPHIC FOOTPRINT

WHILE BUILDING ON EXISTING STRENGTHS



**KEEP  
WINNING**

where we are  
big & strong

**PLAYING  
AT SCALE**  
where we are

**BUILDING  
SCALE**  
where it  
matters



01

02

03

# MOVING TO THE FRONT FOOT ON PORTFOLIO MANAGEMENT

MOVING TOWARDS A MORE ACQUISITIVE - YET DISCIPLINED - PORTFOLIO STRATEGY

From focusing  
mostly on pruning...



... to being on the front foot  
on acquisitions and partnerships

With clear criteria

Strategic fit and portfolio synergy  
In-line with value-compounding ambition  
Accretive to Growth and Margins

While continuing to optimize portfolio

“Business as usual” approach  
Most value creative solution



Profitable  
growth

ROIC

Leverage  
discipline



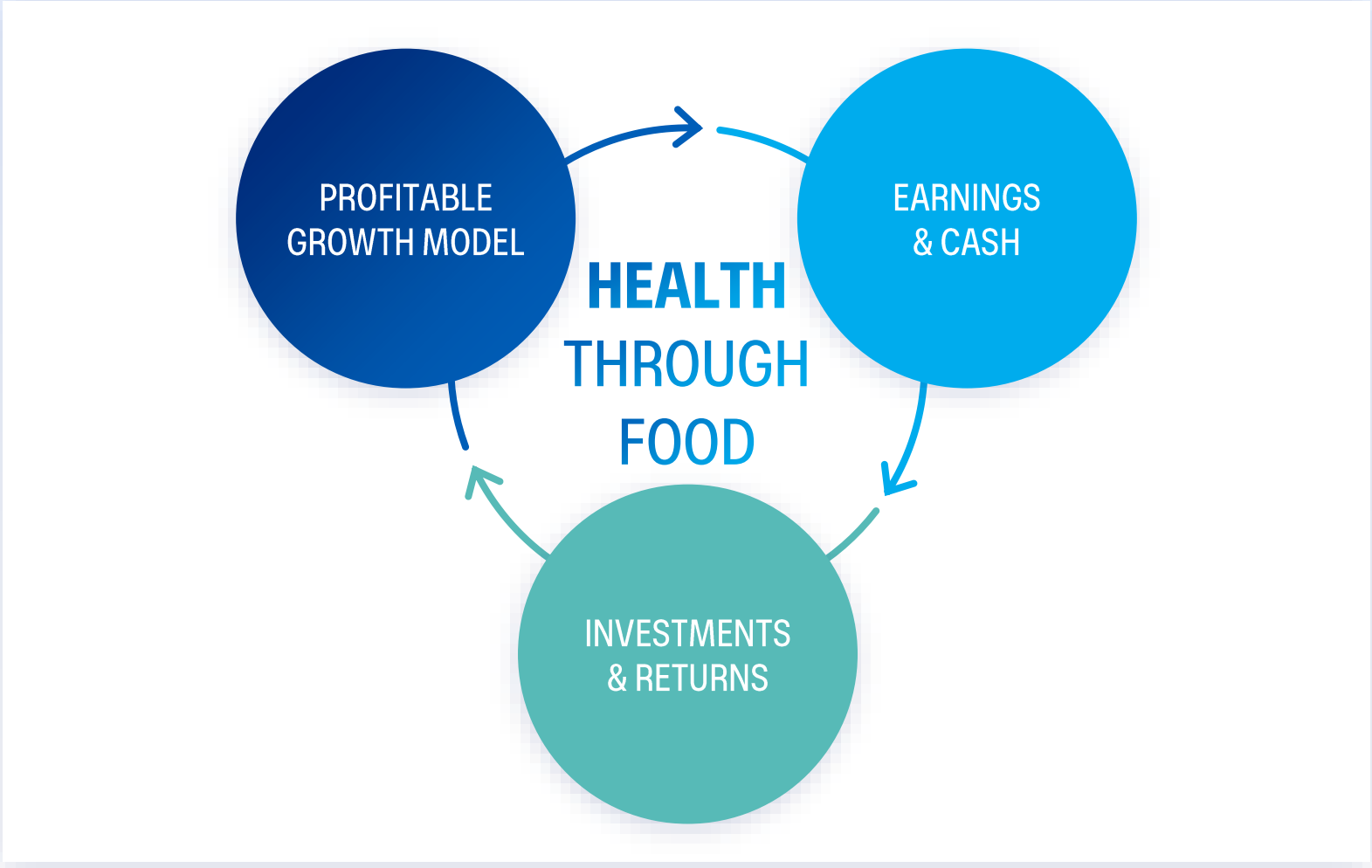
01

02

03

# BECOMING A VALUE COMPOUNDER

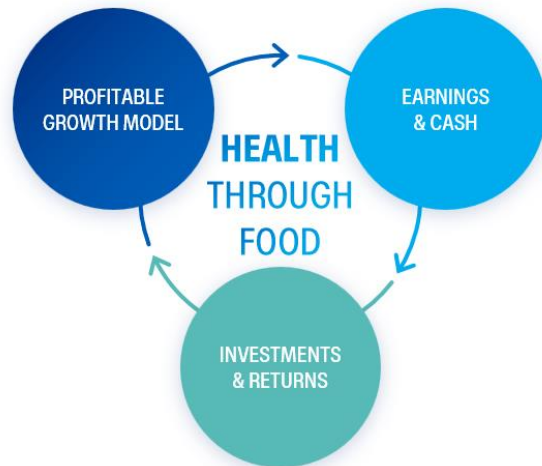
BY CONSISTENTLY DELIVERING ON A LONG-TERM BUSINESS MODEL



# BECOMING A VALUE COMPOUNDER

BY CONSISTENTLY DELIVERING ON A LONG-TERM BUSINESS MODEL

## Committed to a long-term business model



## Our 2025-2028 Guidance

LFL Sales growth

**+3% to +5%**

Recurring operating income

**Growing faster than topline**

## Our Ambition

Drive towards

**€3bn**

**free cash flow**

Structurally double-digit

**ROIC**



01

02

03

# TO CONCLUDE

**WE ARE AT  
AN INDUSTRY  
TIPPING POINT**

**WE ARE A  
DIFFERENT  
COMPANY  
VS 22**

**FUTURE  
LOOKING,  
SCIENCE DRIVEN,  
CONSUMER  
CENTRIC**

**A VALUE  
COMPOUNDER  
PIVOTING  
BROADENING  
EXPANDING**

# 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”, “objective”, “believe”, “forecast”, “guidance”, “outlook”, “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, predictions of future activities, operations, direction, performance and results of Danone.

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 description of these risks and uncertainties, please refer to the “Risk Factor” section of Danone’s Universal Registration Document (the current version of which is available on [www.danone.com](http://www.danone.com)).

Subject to regulatory requirements, Danone does not undertake to publicly update or revise any of these forward-looking statements. This document does not constitute an offer to sell, or a solicitation of an offer to buy Danone securities.

All references in this presentation to Like-for-like (LFL) changes, margin from operations, recurring operating income, recurring operating margin, recurring net income, recurring income tax, recurring EPS and free cash flow correspond to financial indicators not defined in IFRS. Please refer to the financial press releases issued by the Company for further details on IAS29 (Financial reporting in hyperinflationary economies), the definitions and reconciliation with financial statements of financial indicators not defined in IFRS. Finally, the calculation of ROIC and Net Debt/Ebitda is detailed in the annual registration document.

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



01

02

03



# CAPITAL MARKET EVENT

