

## RE: DMG CPI - Yoghurts

**From:** TRAKILOVIC Natasa <[REDACTED]@danone.com>  
**To:** Massimo Palmisciano <[REDACTED]@coles.com.au>  
**Cc:** Lottie Stanbury <[REDACTED]@coles.com.au>; OWER Andrew <[REDACTED]@danone.com>  
**Date:** Mon, 05 Sep 2022 09:27:20 +1000

Hi Massimo,

From what we've recently seen in market with competitor brands, they have seen little to no volume decline on baseline that has transpired because of price increases. In the Round 2 submission I've only changed baseline assumptions.

In the mentioned pack groups (Pouches and Yopro 700g) I've included NPD as a part of round 2 which wasn't included in round 1 submission. Pouches had 3 SKUs factored into baseline and however in round 2 we have 6 SKUs. Similar with 700g, 2 SKUs vs 3 SKUs in the Round 1 vs. Round 2 submissions.

Kindest,  
Tash

**From:** Massimo Palmisciano <[REDACTED - PII]@coles.com.au>  
**Sent:** Thursday, September 1, 2022 2:59 PM  
**To:** TRAKILOVIC Natasa <[REDACTED]@danone.com>  
**Cc:** Lottie Stanbury <[REDACTED]@coles.com.au>; OWER Andrew <[REDACTED]@danone.com>  
**Subject:** RE: DMG CPI - Yoghurts

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Hi Tash,

Thanks for sending this through.

Question re the volumes: in Round 2 submission we seem to have a large variance in some pack groups compared to Round 1, please see below. While some are fairly minor, changes in the 700g and 150g pouches seem quite significant. Could you please explain the difference?

Thanks

|   | Round 1 vs Current | Round 2 vs Current |
|---|--------------------|--------------------|
| Group Name                                | % Change           | % Change           |
| - MULTI - Danone Activia Yoghurt 4x125g   | (7.2%)             | (3.5%)             |
| - MULTI - Danone Ultimate Yoghurt 4x115g  | (13.7%)            | (8.0%)             |
| - SML - Danone YoPro Yoghurt 160g         | (18.1%)            | (15.1%)            |
| - TUB - Danone YoPro Yoghurt 700g         | (32.6%)            | 8.1%               |
| - MULTI - Liddells Yoghurt 4x140g         | (5.3%)             | (0.6%)             |
| - TUB - Liddells Yoghurt 700g             | (8.6%)             | (2.2%)             |
| - POUCH - Danone Yopro Pouch 150g         | 1.5%               | 26.1%              |
| - SML - Danone YoPro Perform Yoghurt 175g | 8.3%               | 13.8%              |
| - TUB - Danone YoPro Perform Yoghurt 700g | (14.5%)            | (14.5%)            |
| Grand Total                               | (11.4%)            | (3.6%)             |

**From:** TRAKILOVIC Natasa <[REDACTED]@danone.com>  
**Sent:** Wednesday, 31 August 2022 9:53 AM  
**To:** Massimo Palmisciano <[REDACTED - PII]@coles.com.au>  
**Cc:** Lottie Stanbury <[REDACTED]@coles.com.au>; OWER Andrew <[REDACTED]@danone.com>  
**Subject:** RE: DMG CPI - Yoghurts

Hi Massimo,

See attached updated trade plan

Kindest,  
Tash

**From:** Massimo Palmisciano <[REDACTED]@coles.com.au>  
**Sent:** Friday, August 26, 2022 5:34 PM  
**To:** TRAKILOVIC Natasa <[REDACTED - PII]@danone.com>; Ioanna Yiappos <[REDACTED]@coles.com.au>  
**Cc:** Lottie Stanbury <[REDACTED]@coles.com.au>; OWER Andrew <[REDACTED]@danone.com>  
**Subject:** RE: DMG CPI - Yoghurts

\*\* Caution - this is an external email \*\*

Thanks for sending this through Tash. Can you please send through the updated the Trade Plan so we can review your new proposal?

Thanks

**From:** TRAKILOVIC Natasa <[REDACTED]@danone.com>  
**Sent:** Wednesday, 24 August 2022 3:43 PM  
**To:** Massimo Palmisciano <[REDACTED - PII]@coles.com.au>; Ioanna Yiappos <[REDACTED]@coles.com.au>  
**Cc:** Lottie Stanbury <[REDACTED]@coles.com.au>; OWER Andrew <[REDACTED]@danone.com>  
**Subject:** RE: DMG CPI - Yoghurts

Thanks Ioanna for getting back to us on CPI, we've had a look at some of the concerns highlighted.

#### Volume decreases:

Initially we had model volume decline as part of what we've submitted to Coles. From what we've recently seen in market with competitor brands, they have seen little to no volume decline that has transpired because of price increases. Based on this our assumption is that baseline volumes will have little to no decline. If this ends up not being the case post price movements, we then review and consider what actions may need to be taken. It is in both our interests that volume does not materially decline. We have however considered the following to support volume going forward:

1. Ultimate 4 pack
  - a. I've looked at the promotional program submitted we can look to trial some \$3.50 price points in Q2, to see what price point delivers better uplift. In previous years, we've had 2 similar price points and we've noticed that in Coles there isn't a noticeable different in uplift and as a result the RSV is the same. I can remove 2 x \$3.75 promotions and added in 2 x \$3.50 which should generate additional volume. We can review the price points again once they've run in Coles and make a call on which delivers better unit uplift therefore generating an increase in volume.
2. YoPRO 700g & Perform 700g
  - a. Distribution gains at the next review could help drive additional volume and I could look to support this with MDI. Happy to explore and take back to the business if this can be implemented as a part of the minor review in March of 2023.

#### Promotional Review:

1. Removal of HP promotional in Yopro 150g Pouches and Yopro 160g
  - a. We'll be exploring how we bring back deep promotion from Q1 FY24 when we have more capacity in our factory (CAP-x is in final stages of approval). A consideration for our business is that promotions need to be bought back in a profitable way. We simply do not have the capacity at this stage to run HP promotions and the associated volume spikes that hit our factory.
2. Activia Promotions
  - a. Activia is an ongoing focus for the business and will be a strong focus in 2023. Lets work together on how we continue to grow this brand by continuing to drive growth for both businesses. Promotional program submitted will continue to be competitive in market. At this stage however we do not have the margins available on this PPG to be able to run the deeper promotions you are requesting. If you are open to discussing funding contribution, we may be able to revisit this position.

#### Improvements on 5<sup>th</sup> Margin:

We recognize the pressure that small 5<sup>th</sup> margin declines represent an issue to the Coles business. As a result, I have been able to get agreement to the following funding levels subject to full acceptance of the price increase by Coles.

- Activia 4 pack:
  - EDV \$4.00: Unit deal increase from \$[REDACTED] to \$[REDACTED]
  - \$3.50: Unit deal increase from \$[REDACTED] to \$[REDACTED]
- Ultimate 4 pack:
  - \$3.75 Unit deal increase from \$[REDACTED] to \$[REDACTED]
  - \$3.50 unit deal of \$[REDACTED]
- Yopro 160g and 150g
  - \$1.90 Unit Deal increase from \$[REDACTED] to \$[REDACTED]

I've also attached PAFS above for the changes in unit deals and promotions starting on the 14/9 in line with the CPI which is live on the 12/9.

Kindest,  
Tash

**From:** Massimo Palmisciano <[REDACTED - PII]@coles.com.au>  
**Sent:** Tuesday, August 23, 2022 5:00 PM  
**To:** Ioanna Yiappos <[REDACTED]@coles.com.au>; NAQSHBANDI Azaan <[REDACTED - PII]@danone.com>



**Cc:** Lottie Stanbury <[REDACTED]@coles.com.au>; OWER Andrew <[REDACTED]@danone.com>; TRAKILOVIC Natasa <[REDACTED]@danone.com>  
**Subject:** RE: DMG CPI - Yoghurts

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Hi Azaan,

Hope you are well. Did you have a chance to review the below?

Considering we are approaching the requested implementation date of the CPI of 14/9 and we are still not aligned on the increase nor the promo plan, I struggle to believe we will be able to land this on time.

Feel free to come to us on the below at your earliest convenience so we can move forward.

Thanks

**From:** Ioanna Yiappos <[REDACTED]@coles.com.au>  
**Sent:** Wednesday, 17 August 2022 11:03 AM  
**To:** NAQSHBANDI Azaan <[REDACTED]@danone.com>  
**Cc:** Lottie Stanbury <[REDACTED]@coles.com.au>; OWER Andrew <[REDACTED]@danone.com>; TRAKILOVIC Natasa <[REDACTED]@danone.com>; Massimo Palmisciano <[REDACTED]@coles.com.au>  
**Subject:** RE: DMG CPI - Yoghurts

Hi Azaan,

Hope you're well and apologies about the delay.

Please see note below in regards to the methodology used by the cost price team, if you need any further clarifications please let me know.

*The supplier has not submitted cost breakdown for the commodities used in the product. Hence, we have carried should cost modelling based on the product's information available online & thorough research to calculate cost compositions and have utilised same to assess this CPI request.*

We have now also reviewed the trade plan submitted and I've added notes below. The key concerns are that profit is declining across the majority of the bundles and value is being removed with the removal of deep promotions. Could you please review the below and come back to us?

- Total forecasted sales post the CPI implementation is expected to decline by 1.0% and volume by 11.4%. The majority of the sales decline is driven by Ultimate 4pk (-5.6%), Yopro 700g (-23.9%) and Perform 700g (-3.6%). Could you please review the promotional plans on these bundles to mitigate the sales and volume impact
- There is a concern that value is being removed from the plan with promotional save percentages reducing. Value is a key focus given the inflationary environment we are currently in and in particular in yoghurts as we know the importance of a deep promotion to customers. Could you please revisit this so we can add some of these back into the plan?
  - o Yopro pouches – half prices removed,
  - o Activa 4pk – all promos above 30% changed to below 30%
  - o Could you please also provide an update on when the half price promotions on Yopro Core 160g can be added back into the plan?
- 5th margin \$ is decreasing (RE %) vs current plan and 5th margin % is also decreasing (RE bps) on a total level and this is driven by the majority of bundles. Could you please review the plan to ensure we are maintaining our current 5<sup>th</sup>?

| Group Name                                | 5th Margin % |                           |
|---|--------------|---------------------------|
|   | New          | Change (BPS)              |
| - MULTI - Danone Activia Yoghurt 4x125g   | RE %         | [REDACTED] - CONFIDENTIAL |
| - MULTI - Danone Ultimate Yoghurt 4x115g  | DA %         |                           |
| - SML - Danone YoPro Yoghurt 160g         | CT %         |                           |
| - TUB - Danone YoPro Yoghurt 700g         | ED %         |                           |
| - MULTI - Liddells Yoghurt 4x140g         | %            |                           |
| - TUB - Liddells Yoghurt 700g             | %            |                           |
| - POUCH - Danone Yopro Pouch 150g         | CO %         |                           |
| - SML - Danone YoPro Perform Yoghurt 175g | NFI %        |                           |
| - TUB - Danone YoPro Perform Yoghurt 700g | DE %         |                           |
| <b>Grand Total</b>                        | NT %         |                           |

- Supplier funding \$ has decreased by (RE %) and total supplier funding as a % of Sales has also decreased (RED bps). There are two groups where there is a double impact - an increase in COGS/unit and decrease in supplier funding per unit YoPro Core 160g and Perform 700g, please could you review these?

Thanks,

Ioanna

**From:** NAQSHBANDI Azaan <[REDACTED]@danone.com>  
**Sent:** Friday, 5 August 2022 1:56 PM  
**To:** Ioanna Yiappos <[REDACTED]@coles.com.au>  
**Cc:** Lottie Stanbury <[REDACTED]@coles.com.au>; OWER Andrew <[REDACTED]@danone.com>; Ben Appleby <[REDACTED]@coles.com.au>; TRAKILOVIC Natasa <[REDACTED]@danone.com>; Cost Price Increase Requests <CostPriceIncreaseRequests@coles.com.au>  
**Subject:** RE: DMG CPI - Yoghurts

Hi Ioanna,

Thanks for sending through your cost price teams analysis. We have spent some time working through what you refer to as a "partial justification" and we are quite confused as to how you reached this outcome. Can you please let us know the methodology your CPI team has used, as the charts they have referenced in the attached excel spreadsheet all support the 11.8% increase we have submitted, not to mention the well documented Farm gate prices which alone more than justify an 11.8% price increase.

We also note that a number of your shelf prices in store have moved (Retail price is solely at your discretion), and these observed price movements are in line with the size of the increase we have tabled.

Looking forward to clarification of the above, and a timely approval of the price increase.

Kind regards,

**Azaan Naqshbandi**  
 Key Account Manager - Coles

Level 6, 636 St Kilda Road Melbourne VIC 3004, Australia

**M:** [REDACTED]  
 [REDACTED]@danone.com  
[www.danone.com](http://www.danone.com)



**From:** Ioanna Yiappos <[REDACTED]@coles.com.au>  
**Sent:** Tuesday, 2 August 2022 4:48 PM  
**To:** NAQSHBANDI Azaan <[REDACTED]@danone.com>  
**Cc:** Lottie Stanbury <[REDACTED]@coles.com.au>  
**Subject:** RE: DMG CPI - Yoghurts

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Thanks for confirming Azaan,

We will come back to you once the plan is reviewed in full.

Thanks,  
 Ioanna

**From:** NAQSHBANDI Azaan <[REDACTED]@danone.com>  
**Sent:** Tuesday, 2 August 2022 12:32 PM  
**To:** Ioanna Yiappos <[REDACTED]@coles.com.au>; OWER Andrew <[REDACTED]@danone.com>; Ben Appleby <[REDACTED]@coles.com.au>; TRAKILOVIC Natasa <[REDACTED]@danone.com>  
**Cc:** Lottie Stanbury <[REDACTED]@coles.com.au>; Cost Price Increase Requests <CostPriceIncreaseRequests@coles.com.au>  
**Subject:** RE: DMG CPI - Yoghurts

Hi Ioanna,

Thanks for your email. Please see my responses below:

- YoPro Perform 700g – the total weeks do not equal 52, could you please adjust this on the spreadsheet? **This has been amended in the attached updated trade plan.**
- There is quite a bit of missing information by SKU, is the data you have inputted in the first line for the total bundle or just for the flavour variant? **Data is for the total bundle – apologies should have made it clearer.**

Please reach out if any further questions.

Kind regards,



**Azaan Naqshbandi**  
Key Account Manager - Coles

Level 6, 636 St Kilda Road Melbourne VIC 3004, Australia

M: REDACTED -

REDACTED - @danone.com  
www.danone.com



**From:** Ioanna Yiappos <REDACTED@coles.com.au>

**Sent:** Monday, 1 August 2022 5:31 PM

**To:** OWER Andrew <REDACTED@danone.com>; Ben Appleby <REDACTED@coles.com.au>; TRAKILOVIC Natasa <REDACTED@danone.com>

**Cc:** Lottie Stanbury <REDACTED@coles.com.au>; NAQSHBANDI Azaan <REDACTED@danone.com>; Cost Price Increase Requests <CostPriceIncreaseRequests@coles.com.au>

**Subject:** RE: DMG CPI - Yoghurts

**\*\* Caution - this is an external email \*\***

Hi Andrew,

The cost price team have finished their analysis of the CPI, please see details below and attached. Based on this analysis, the CPI is partially justified.

We also require some clarification on the trade plan, please could you confirm the below.

- YoPro Perform 700g – the total weeks do not equal 52, could you please adjust this on the spreadsheet?
- There is quite a bit of missing information by SKU, is the data you have inputted in the first line for the total bundle or just for the flavour variant?

The suppliers has not submitted cost breakdown for the commodities used in the product. Hence, we have carried should cost modelling based on the product's information available online & thorough research to calculate cost compositions and have utilised same to assess this CPI request.

#### Analysis:

- We have found that only **2.3% (\$ 118.4 K in COGS p.a.)** can be justified against the supplier's ask of **11.8% (\$ 597.2 K in COGS p.a.) with a gap of 478.7 K in COGS p.a.**  
(Please refer to the attached summary file – 'Summary – Danone.xlsx')

| Last cost price change | SKU No  | SKU Name  | Last 12 months COGS \$ | Increase request from supplier |                | CCT Recommendation |                 |
|------------------------|---------|---|------------------------|--------------------------------|----------------|--------------------|-----------------|
|                        |         |   |                        | % Increase Request             | Value Request  | % Increase Accept  | Value Accept \$ |
| Sep-19                 | 2991948 | DANONE YOPRO VANILLA YOGURT 160G:160 GRAM                             | \$ 384,123             | 12.7%                          | \$ 48,623      | 1.6%               | \$ 5,968        |
| Sep-19                 | 2991880 | DANONE YOPRO STRAWBERRY YOGURT 160G:160 GRAM                          | \$ 293,507             | 12.7%                          | \$ 37,153      | 3.0%               | \$ 8,723        |
| Sep-19                 | 3532298 | DANONE YOPRO YOGHURT:SALTED CARAMEL::160 GRAM                         | \$ 234,968             | 12.7%                          | \$ 29,743      | 1.6%               | \$ 3,651        |
| Sep-19                 | 3246856 | DANONE YOPRO YOGHURT:MANGO::160 GRAM                                  | \$ 239,926             | 12.7%                          | \$ 30,370      | 1.4%               | \$ 3,317        |
| Sep-19                 | 3025041 | DANONE YOPRO PASSIONFRUIT YOGURT 160G:160 GRAM                        | \$ 217,504             | 12.7%                          | \$ 27,532      | 1.4%               | \$ 2,992        |
| Sep-19                 | 3246889 | DANONE YOPRO YOGHURT:BANANA::160 GRAM                                 | \$ 154,555             | 12.7%                          | \$ 19,564      | 2.6%               | \$ 4,064        |
| Sep-19                 | 2991937 | DANONE YOPRO BLUEBERRY 160G:160 GRAM                                  | \$ 181,785             | 12.7%                          | \$ 23,011      | 7.8%               | \$ 14,092       |
| Jun-21                 | 4346222 | YOPRO YOGHURT POUCH VANILLA:150 GRAM                                  | \$ 80,082              | 12.7%                          | \$ 10,137      | 4.1%               | \$ 3,301        |
| Jun-21                 | 4346255 | YOPRO YOGHURT POUCH BANANA:150 GRAM                                   | \$ 66,074              | 12.7%                          | \$ 8,364       | 4.3%               | \$ 2,843        |
| Jun-21                 | 4346244 | YOPRO YOGHURT POUCH STRAWBERRY:150 GRAM                               | \$ 75,844              | 12.7%                          | \$ 9,601       | 4.0%               | \$ 3,071        |
| Jun-22                 | 5312328 | YoPRO Mango Pouch 150g  | \$ -                   | 12.7%                          | \$ -           | 1.9%               | \$ -            |
| Jun-22                 | 5312306 | YoPRO Passionfruit Pouch 150g   | \$ -                   | 12.7%                          | \$ -           | 2.1%               | \$ -            |
| Jun-22                 | 5312339 | YoPRO Mixberry Pouch  | \$ -                   | 12.7%                          | \$ -           | 2.3%               | \$ -            |
| Nov-18                 | 3246914 | DANONE YOPRO YOGHURT:VANILLA::700 GRAM                                | \$ 386,185             | 11.5%                          | \$ 44,259      | 5.2%               | \$ 19,940       |
| Jul-19                 | 3538818 | DANONE YOPRO YOGHURT:STRAWBERRY::700 GRAM                             | \$ 137,102             | 11.5%                          | \$ 15,713      | 1.9%               | \$ 2,664        |
| Jan-22                 | 4935052 | DANONE YOPRO YOGHURT SALTED CARAMEL 700G:700 GRAM                     | \$ 1,563               | 11.5%                          | \$ 179         | 0.8%               | \$ 13           |
| Jan-22                 | 4935020 | DANONE YOPRO PERFORM YOGHURT MIXED BERRIES 700G:700 GRAM              | \$ 4,062               | 10.7%                          | \$ 436         | 1.1%               | \$ 43           |
| Jan-22                 | 4935041 | DANONE YOPRO PERFORM PLAIN YOGHURT 700G:700 GRAM                      | \$ 3,606               | 10.7%                          | \$ 387         | 1.1%               | \$ 38           |
| Jun-21                 | 4346277 | YOPRO PERFORM YOGHURT MIXED BERRY:175 GRAM                            | \$ 70,751              | 10.1%                          | \$ 7,147       | 3.3%               | \$ 2,324        |
| Jun-21                 | 4346299 | YOPRO PERFORM YOGHURT BANANA:175 GRAM                                 | \$ 52,815              | 10.1%                          | \$ 5,335       | 3.3%               | \$ 1,735        |
| Jan-22                 | 4934912 | DANONE YOPRO PERFORM YOGHURT KEY LIME 175G:175 GRAM                   | \$ 6,728               | 10.1%                          | \$ 680         | 1.2%               | \$ 82           |
| Jan-22                 | 4934901 | DANONE YOPRO PERFORM PROTEIN YOGHURT MANGO PASSIONFRUIT 175G:175 GRAM | \$ 6,788               | 10.1%                          | \$ 686         | 0.9%               | \$ 61           |
| Jan-22                 | 4935008 | DANONE YOPRO PERFORM YOGHURT STRAWBERRY 175G:175 GRAM                 | \$ 7,815               | 10.1%                          | \$ 789         | 2.1%               | \$ 162          |
| Jan-22                 | 4935019 | DANONE YOPRO PERFORM YOGHURT PEACH 175G:175 GRAM                      | \$ 4,991               | 10.1%                          | \$ 504         | 1.2%               | \$ 61           |
| Sep-19                 | 8169355 | ACTIVIA LOW FAT 4X125G YOGHURT:VANILLA::500 GRAM                      | \$ 278,810             | 11.2%                          | \$ 31,196      | 0.2%               | \$ 503          |
| Sep-19                 | 8169435 | ACTIVIA LOW FAT 4PK YOGHURT:FIELD BERRIES::500 GRAM                   | \$ 278,021             | 11.2%                          | \$ 31,107      | 6.8%               | \$ 18,984       |
| Sep-19                 | 8169424 | ACTIVIA LOW FAT 4PK YOGHURT:STRAWBERRY::500 GRAM                      | \$ 60,799              | 11.2%                          | \$ 6,803       | 1.4%               | \$ 862          |
| Sep-19                 | 8872089 | ACTIVIA LOW FAT 4PK YOGHURT:MANGO::500 GRAM                           | \$ 192,489             | 11.2%                          | \$ 21,537      | 0.0%               | \$ 18           |
| Jan-22                 | 4935529 | DANONE ACTIVIA YOGHURT BLUEBERRY 4PK X 125G:500 GRAM                  | \$ 685                 | 11.2%                          | \$ 77          | 10.5%              | \$ 72           |
| Sep-19                 | 3310183 | DANONE ULTIMATE GREEK YOGHURT 4PACK:BLACK CHERRY::460 GRAM            | \$ 221,307             | 11.2%                          | \$ 24,756      | 0.1%               | \$ 159          |
| Sep-19                 | 3310139 | DANONE ULTIMATE GREEK YOGHURT 4PACK:HONEY::460 GRAM                   | \$ 209,211             | 11.2%                          | \$ 23,403      | 0.1%               | \$ 150          |
| Sep-19                 | 3310140 | DANONE ULTIMATE GREEK YOGHURT 4PACK:STRAWBERRY::460 GRAM              | \$ 209,533             | 11.2%                          | \$ 23,439      | 1.3%               | \$ 2,744        |
| Sep-19                 | 3310150 | DANONE ULTIMATE GREEK YOGHURT 4PACK:BLUEBERRY::460 GRAM               | \$ 178,792             | 11.2%                          | \$ 20,000      | 5.5%               | \$ 9,800        |
| Sep-19                 | 3310161 | DANONE ULTIMATE GREEK YOGHURT 4PACK:LIMITED EDITION::460 GRAM         | \$ 157,403             | 11.2%                          | \$ 17,608      | 0.1%               | \$ 113          |
| Sep-19                 | 3310194 | DANONE ULTIMATE GREEK YOGHURT 4PACK:MANGO::460 GRAM                   | \$ 184,086             | 11.2%                          | \$ 20,593      | 0.0%               | \$ 23           |
| Dec-18                 | 1200107 | LIDDELLS YOGHURT PLAIN 4X140G:140 GRAM                                | \$ 184,384             | 12.0%                          | \$ 22,169      | 1.0%               | \$ 1,781        |
| Dec-18                 | 1200118 | LIDDELLS YOGHURT STRAWBERRY 4x140Gx6:4 PACK                           | \$ 175,385             | 12.0%                          | \$ 21,087      | 1.5%               | \$ 2,687        |
| Jun-21                 | 4339511 | LIDDELLS YOGHURT MANGO:700 GRAM                                       | \$ 36,158              | 12.3%                          | \$ 4,465       | 1.9%               | \$ 705          |
| Jun-21                 | 4339533 | LIDDELLS YOGHURT VANILLA BEAN 700G:700 GRAM                           | \$ 71,441              | 12.3%                          | \$ 8,822       | 1.1%               | \$ 753          |
|                        |         |   | <b>5,049,280</b>       | <b>11.8%</b>                   | <b>597,275</b> | <b>2.3%</b>        | <b>118,497</b>  |
| GAP                    |         |   | (478,778)              |                                |                |                    |                 |

**Callout:**

- Last dates of cost change have been considered based on Cost tool

**Next Steps:**

If the prices seen in our market indices do not correlate to the price trends experienced by the supplier, they can provide us with some sort of documentary evidence to support price movements they have quoted (either in the form of contracts or invoices)

Coles is committed to protecting the confidentiality of any data provided by any supplier as part of the cost price adjustment process. However, to address any concerns they may have about the provision of confidential information the supplier may:

- Enter into a confidentiality agreement in relation to the information provided (with Coles CCT) i.e. to share invoices to confirm the cost increases
- Engage an independent third party to conduct a confidential review of the information and provide a recommendation to Coles. The identity of the independent third party is to be agreed between the supplier and Coles and the cost of such review will be shared equally by both parties

Thanks,  
Ioanna

**From:** Ioanna Yiappos  
**Sent:** Sunday, 31 July 2022 8:32 PM  
**To:** 'OWER Andrew' <[REDACTED]@danone.com>; Ben Appleby <[REDACTED]@coles.com.au>; TRAKILOVIC Natasa <[REDACTED]@danone.com>  
**Cc:** Lottie Stanbury <[REDACTED]@coles.com.au>; NAQSHBANDI Azaan <[REDACTED]@danone.com>  
**Subject:** RE: DMG CPI - Yoghurts

Thanks for sending Andrew,

We will share feedback once the new plan has been reviewed, should take about 1 week.

Thanks,  
 Ioanna

**From:** OWER Andrew <[REDACTED]@danone.com>  
**Sent:** Friday, 29 July 2022 8:35 AM  
**To:** Ben Appleby <[REDACTED]@coles.com.au>; TRAKILOVIC Natasa <[REDACTED]@danone.com>; Ioanna Yiappos <[REDACTED]@coles.com.au>  
**Cc:** Lottie Stanbury <[REDACTED]@coles.com.au>; NAQSHBANDI Azaan <[REDACTED]@danone.com>  
**Subject:** RE: DMG CPI - Yoghurts

Good morning Ben, Lottie & Ioanna,

Please find attached the Commercial Trade Plan updated to reflect new pricing and promotional plan effective as of 12<sup>th</sup> September 2022. Tash is currently on leave, returning WC 15/8. During that time, please send any questions to myself and Azaan and we will be happy to respond in Tash's absence.

Regards,  
 Andrew

**Andrew Ower**  
 Head of Sales– Australia

PO Box 1007, North Ryde BC, NSW 1670, AUSTRALIA  
 Level 4, Building D, 12-24 Talavera Road, Macquarie Park NSW 2113, AUSTRALIA  
**M:** [REDACTED]  
 [REDACTED]@danone.com

<https://mydanone.webex.com/meet/andrew.ower>

[www.nutricia.com.au](http://www.nutricia.com.au)



Please consider the environment before printing this email

**From:** Ben Appleby <[REDACTED]@coles.com.au>  
**Sent:** Thursday, 21 July 2022 5:08 PM  
**To:** TRAKILOVIC Natasa <[REDACTED]@danone.com>; OWER Andrew <[REDACTED]@danone.com>; Ioanna Yiappos <[REDACTED]@coles.com.au>  
**Cc:** Lottie Stanbury <[REDACTED]@coles.com.au>  
**Subject:** RE: DMG CPI - Yoghurts

\*\* Caution - this is an external email \*\*

Hi Ioanna

Can you please advise a preferred format for Tash to update the promotional plan on?

Thanks

Ben

**From:** TRAKILOVIC Natasa <[REDACTED]@danone.com>  
**Sent:** Wednesday, 20 July 2022 6:19 PM  
**To:** Ben Appleby <[REDACTED]@coles.com.au>; OWER Andrew <[REDACTED]@danone.com>; Cost Price Increase Requests <CostPriceIncreaseRequests@coles.com.au>



**Subject:** RE: DMG CPI - Yoghurts

Hi Ben,

I'm conscious that a new team is starting, is there a Coles template that needs to be followed? How'd you like me to capture the promotional changes?

Let me know and I'll update in the format that is required.

Kindest,  
Tash

---

**From:** Ben Appleby <[REDACTED]@coles.com.au>

**Sent:** Friday, July 15, 2022 3:52 PM

**To:** TRAKILOVIC Natasa <[REDACTED]@danone.com>; OWER Andrew <[REDACTED]@danone.com>; Cost Price Increase Requests <CostPriceIncreaseRequests@coles.com.au>

**Subject:** RE: DMG CPI - Yoghurts

\*\* Caution - this is an external email \*\*

Hi Tash

Thanks for sending through – the CPIR team will review and we will revert in due course.

Can you also please submit your trade plan changes that will support this increase request – confirming promo RRP's and deal funding.

Regards

Ben

---

**From:** TRAKILOVIC Natasa <[REDACTED]@danone.com>

**Sent:** Friday, 15 July 2022 11:32 AM

**To:** Ben Appleby <[REDACTED]@coles.com.au>; OWER Andrew <[REDACTED]@danone.com>; Caroline Wallace <[REDACTED]@coles.com.au>; Cost Price Increase Requests <CostPriceIncreaseRequests@coles.com.au>

**Subject:** RE: DMG CPI - Yoghurts

Hi Ben,

See attached Cost Price Increase Template.

Kindest,  
Tash

---

**From:** Ben Appleby <[REDACTED]@coles.com.au>

**Sent:** Friday, July 8, 2022 4:21 PM

**To:** OWER Andrew <[REDACTED]@danone.com>; Caroline Wallace <[REDACTED]@coles.com.au>; Cost Price Increase Requests <CostPriceIncreaseRequests@coles.com.au>

**Cc:** TRAKILOVIC Natasa <[REDACTED]@danone.com>

**Subject:** RE: DMG CPI - Yoghurts

\*\* Caution - this is an external email \*\*

Hi Andrew

Thanks for your note.

Per normal process – please fill out the Cost Increase Template that can be found at the below link and send it to our Cost Price Increase Requests team (cc'd)

<https://www.supplierportal.coles.com.au/csp/wps/portal/web/Administration/CostAlterations>

Please feel free to contact me should you have any concerns with the process.

Regards

Ben

**Ben Appleby**



Business Category Manager - Dairy

**Merchandise**

L2 M7 800 Toorak Road  
Hawthorn East Victoria 3123 Australia

M REDACTED  
E REDACTED@coles.com.au

**coles**

Value the Australian way

We promote flexible working at Coles. I'm sending this message now because it suits me, but I don't expect that you will read, respond or action it outside of your working hours.

**From:** OWER Andrew <REDACTED@danone.com>  
**Sent:** Friday, 8 July 2022 4:11 PM  
**To:** Ben Appleby <REDACTED@coles.com.au>; Caroline Wallace <REDACTED@coles.com.au>  
**Cc:** TRAKILOVIC Natasa <REDACTED@danone.com>  
**Subject:** DMG CPI - Yoghurts

Hi Ben & Caroline,

Please find attached a letter from our Sales Director – Dean Calder in regard a necessary price increase coming into effect on the 12<sup>th</sup> September 2022.

I am sure you aware of the significant price movements in the market on just about every commodity, in particular freight, resins, milk and packaging.

We have sought to absorb as much of this increase as possible but are now left with no option but to pass a portion of these increases on through a CPI.

In the attachment you will also see a line by line update of all List and RRP price changes

Please feel free to reach out to me or Tash if you have any questions.

Thanks,

**Andrew Ower**  
**Head of Sales– Australia**

PO Box 1007, North Ryde BC, NSW 1670, AUSTRALIA  
Level 4, Building D, 12-24 Talavera Road, Macquarie Park NSW 2113, AUSTRALIA

M: REDACTED  
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