



GRIEVANCE PROCESS – PALM OIL

Danone is committed to eliminating deforestation from its supply chain by the end of 2020, and to implementing the principles of no deforestation, no development on peat, and no exploitation of rights of workers, indigenous peoples and local communities (NDPE).

Danone has taken specific steps to address deforestation and human rights issues linked to palm oil. It signed the New York Declaration on Forests on 2014 and is a member of the Roundtable on Sustainable Palm Oil (RSPO), the Palm Oil Innovation Group (POIG), the North America Sustainable Palm Oil Network (NASPON) and the Southeast Asia Alliance for Sustainable for Palm Oil (SASPO). Danone also supports the Consumer Goods Forum (CGF) resolution which aims to achieve zero net deforestation in key commodity sectors, including palm oil, by 2020.

As part of its 2015 Palm Oil Policy, Danone worked with the Earthworm Foundation (formerly The Forest Trust) to implement a traceability system, allowing it to map its supply chain each year. Because Danone recognizes that transparency is key to making tangible progress on responsible palm oil, it publishes the annual results of this mapping exercise.

Danone is aware of the various issues, including human rights concerns, that might affect the palm oil supply chain. As such, it has put in place a grievance process, designed with the support of the Earthworm Foundation, to enhance transparency and its capacity to act. When allegations of noncompliance against the Danone Palm Oil Policy arise, Danone carries out an investigation into the implicated palm oil producers with support from internal and external experts. If a low risk non-conformity has been detected and confirmed, the producers must develop an action plan to resolve the non-conformity. In the case of a high risk non-conformity, Danone works with its Tier 1 suppliers to suspend the non-compliant producers until they demonstrate concrete progress vis-à-vis our Palm Oil Policy.

The grievance process Danone uses in order to respond to and manage allegations is illustrated below. This document has been co-built with external partners and shared with suppliers.

