



# Danone Water Policy

**WATER FOR A HEALTHY PLANET & PEOPLE**

Act to preserve and restore water resources,  
today and for future generations

# Danone Water Policy

PRESERVE WATER RESOURCES AND THE NATURAL ENVIRONMENT



DRIVE WATER CIRCULARITY IN AND AROUND PRODUCTION SITES



PROVIDE SAFE DRINKING WATER TO VULNERABLE PEOPLE AND COMMUNITIES





**WHY**  
water matters



## WHY water matters

■ **WATER IS ESSENTIAL** for all life on this planet. For humankind, fresh water is especially precious, because it sustains both agriculture and communities. Fresh water makes up only 2.5% of the planet's water, and it is unevenly distributed. This is a reality with far-reaching consequences, both today and tomorrow, for the allocation of water resources, and for access to safe drinking water.

■ **ACCESS TO SAFE DRINKING WATER** is a related and equally pressing topic. In many parts of the world, the human right to water and sanitation is not being achieved. According to the WHO and UNICEF<sup>1</sup>, 2.1 billion people lacked safely managed drinking water services in 2015, and water-related diseases remain endemic in too many countries.

■ **THIS IS WHY AT DANONE, UNDER THE SIGNATURE OF 'ONE PLANET. ONE HEALTH'**, we embrace our role – as a company and as a force for good – in relieving water-stressed areas by: helping to preserve and restore natural ecosystems, wetlands, managing water cycles efficiently; and continuing our work to bring safe drinking water, wherever possible, to as many people as possible.

■ **AS THE HUMAN POPULATION HAS EXPANDED**, water scarcity has become a serious societal problem - for people in cities and megacities as well as for farming communities. Global warming and climate change are compounding the issue. By 2025, 50 countries - containing a third of the world's population - will face regular water shortages and increasingly so in cities as 60% of human live in cities, which account for only 2% of the planet's surface.

■ **AT DANONE, WE BELIEVE IN OUR RESPONSIBILITY AND ABILITY TO CONFRONT THESE CHALLENGES**, because providing safe drinking water is part of Danone's mission to bring health through food to as many people as possible, and because as a food company we rely on the outputs of agriculture, which accounts for 89% of all the water used in our value chain. The resilience of our business model and our success in our mission therefore depend on the availability and sustainability of the water used by ourselves and our suppliers.



**WHAT**  
*we aim for*

**THROUGH THE FRAMEWORK LAID OUT**

**IN THIS POLICY**, we will work to be 'water impact positive.' By this, we mean to have a positive impact on nature and local communities, through our fully circular management of water in and around operations; our water stewardship; and our water access programs for vulnerable communities. Danone's 2030 integrated company goals, published in 2018, are already aligned with the Sustainable Development Goals (SDGs) of the United Nations. Our annual business strategy and decision process fully integrate the goals most relevant to this Policy – including SDG 6 Sanitation and Water, SDG 8 Decent Work and Economic Growth, and SDG 15 Life on Land – as essential elements in all projects, investments and innovations.

**THROUGH THE ACTIVISM OF OUR ICONIC BRANDS WORLDWIDE** and strong

relationships with agricultural partners, our local businesses work to foster water conservation and help the transition to a more climate-resilient future. As an example, the #WeActforWater initiative by Danone's Water brands, announced in early 2020, is intended to bring this activism to a new and higher level.



# GUIDING PRINCIPLES

*our water policy rests on three  
fundamental principles*

# GUIDING PRINCIPLES

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on three fundamental principles*



## VALUING WATER AS PART OF NATURE

Water is essential to human life and to our modern economy – both as a basic requirement for drinking and sanitation, and as a necessary input for almost every human activity, from agricultural production to manufacturing and power generation.

In March 2018, the United Nations High-Level Panel on Water defined the following five principles to value water better that we aim to embrace and integrate in our business practices. 1. Recognize and embrace water's multiple values to different groups and interests in all decisions affecting water; 2. Reconcile values and build trust – conduct all processes to reconcile values in ways that are equitable, transparent and inclusive; 3. Protect the sources, including watersheds, rivers, aquifers, associated ecosystems, and used water flows for current and future generations; 4. Educate to empower – promote education and awareness among all stakeholders about the intrinsic value of water and its essential role in all aspects of life; 5. Invest and innovate – ensure adequate investment in institutions, infrastructure, information and innovation to realize the many benefits derived from water and reduce risks. We are a contributor to the Valuing Water Initiative, which will showcase the implementation of these UN principles in order to bring systemic change in the way water is valued in policy, practice, finance and behavior.

By valuing water, we acknowledge the multiple benefits of water preservation and conservation projects, such as biodiversity enhancement, soil health improvements and carbon sequestration.



# GUIDING PRINCIPLES

*our water policy rests  
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## BUILDING SCIENCE AND SHARING OUR EXPERTISE

Impactful action plans to preserve and restore water resources in complex natural ecosystems depend on matching the best science with extensive local knowledge.

Since the 1990s, Danone has developed a knowledge network comprising of a highly specialized team of 25 field-professionals dedicated to hydrogeology and water resource management, working with 8 universities and research institutions in ten countries across the world. At our manufacturing sites, and particularly at the facilities where our brands bottle natural spring water, we exercise a special duty of care and stewardship, with the support of these scientific experts.

Data and data analysis are critical elements of all water preservation and restoration programs. Through a newly created open-source platform we stand ready to co-build data and knowledge, share all that we have learnt, and equip our teams and the water users on good water stewardship practices. We believe this is crucial to support water users, authorities and community of stakeholders to better collaborate - wherever we operate, and beyond.

# GUIDING PRINCIPLES

*our water policy rests  
on three fundamental principles*



## THINKING AND ACTING LOCALLY & COLLABORATIVELY

Water management is always a local issue, and the allocation and protection of water resources cannot be assured by the efforts of any single company, NGO, or local authority. To optimize water resources management, we consider that the best outcomes are achieved collectively, through a stakeholder-inclusive, integrated landscape approach that involves actions taken locally, at the watershed or site level. Collaborative actions (conducted with universities, local authorities, governments and regulators, other companies and community associations) are the best way to introduce beneficial practices and solutions for stabilizing water ecosystems, and to mitigate risks such as destructive floods, unsustainable use, and biodiversity loss.

We are therefore focusing our efforts on local priorities and local actions – where our engagement, our science and our expertise can be game changers; and where inclusivity, equity and the needs of the vulnerable communities are answered through collaborative projects.

# THE PILLARS

of our Water Policy



1

**PRESERVE WATER  
RESOURCES AND THE  
NATURAL ENVIRONMENT**



2

**DRIVE WATER  
CIRCULARITY IN AND  
AROUND PRODUCTION SITES**



3

**PROVIDE SAFE DRINKING  
WATER TO VULNERABLE  
PEOPLE AND COMMUNITIES**



1

**PRESERVE**

*water resources and  
the natural environment*

## **PROMOTING A REGENERATIVE AGRICULTURE THAT RESPECTS NATURAL ECOSYSTEMS AND WATER CYCLES**

Well-managed ecosystems above and below ground are essential to ensure the long-term future of water. 89% of all the water usage in our value chain is linked to the agricultural activities which supply us with food raw materials. The health and sustainability of our agricultural supply chain is therefore a major focus of both our Water Stewardship and our Regenerative Agriculture programs. Collaborative approaches are essential to achieving the goal of secure, adequate and reliable access to water for agricultural production, now and in the future.

We have two scopes of action – the 58,000 farmers who supply us directly, and the third-party suppliers through whom we source raw materials indirectly, and who have their own value chains to manage. With respect to the first, our policy is to co-build locally relevant water-smart solutions with farmer partners, set conservation targets and provide various incentives to adopt best-practices, helping them to develop sustainable farming models that are competitive, inclusive and resilient. With the second, we will openly share our methods and our learnings, and require suppliers and their growers to lead a water-positive transition in their own value chains. We believe this is for the benefit of all, as regenerative practices improve soil health, decrease run off, sequester carbon and increase water infiltration rates.

# AGRICULTURE

## WHAT WE HAVE BEEN DOING:

In 2018, we conducted a detailed risk assessment on fresh milk, focusing on a supply chain that spans 19 countries and over 8,000 farmers and collection centers. We produced a detailed map of suppliers and dairy farms in water-stressed areas, taking into account the existing risk profile, coupled with a future 2030 scenario. This exercise identified 34% of our milk farms being in areas of high water-stress.

In addition, we have set water targets in our milk supply chain and developed various regenerative agriculture projects targeting other parts of our supply chain - such as fruit (strawberries, almonds) and vegetables for our Specialized Nutrition products - to help farmers reduce water usage while improving yields, with the help of scientific research.

### Regenerative Strawberry Farming in Mexico and Morocco

In Mexico and Morocco, two of the most important production areas for strawberries, Danone is promoting regenerative agriculture practices with farmers. They receive training, technical support and financial incentives to improve water management at farm level, reducing water quantity and securing the right quality through a lower use of pesticides. These practices boost the farmers' competitiveness, improve their working conditions, and strengthen their relationship with their ecosystems, resulting in more sustainable farming activity.

In Mexico, we have helped farmers improve water quality by reducing fertilizer run-off in ground and surface water, with a 15% increase in the biofertilizer ratio and 15% reduction in pesticide use. Livelihoods have improved as a result, with an average 30% net income increase for the farmers.



### Leading Research on Almonds in Spain

Danone's Alpro, leading plant-based brand in Europe, has developed a pilot project called "We only have one planet - Lead the change", with WWF and other partners such as the International Union for Conservation of Nature. In Spain, the project engages growers covering 10% of the entire brand's almond sourcing. Rather than setting simple water efficiency targets, this project aims to establish production targets based on planetary boundary definitions<sup>2</sup>. Extensive studies have been conducted to help Alpro and its suppliers better understand the watersheds where almonds are sourced, and create concrete action plans for other farms in the supply chain.



# AGRICULTURE

## WHAT WE WILL DO NEXT: OUR COMMITMENTS TO REGENERATIVE AGRICULTURE

Our goal is to protect water resources by raising awareness of the importance of managing water more responsibly in food production, and by valuing the role of water in a more bio-diverse, regenerative agriculture.

In 2020, Danone will extend the water risk assessment to its entire value chain, using the Aqueduct Water Risk Atlas developed by the World Resource Institute.

By 2030 and based on results of this assessment, our commitments will focus on ingredients for which production occurs in highly or extremely highly water-stressed areas. For those, we aim, through implementation of regenerative agriculture practices, to achieve the following four targets:

Reduce total water use by **25%** through better irrigation management (drip irrigation, waste water re-use, etc.). Danone will support farmers on their overall water usage reduction, not specifically on Danone ingredients plots.

Increase Buffer zones <sup>(3)</sup> of at least **15%**, to decrease run offs.

Optimize fertilizer usage at the farm level for **75%** of volumes of milk, fruit, almond & soy, through appropriate planning and good practices (nitrogen balance, parcel level fertilization management plan, use of monitoring tools)

As part of this effort, we will co-build in 2020 **remediation plans** and support their implementation for our direct milk supply chain across five priority zones: USA, Mexico, Russia, France and Southern Europe, and North Africa.

By 2025, we will have specific pilots using an integrated landscape approach for five key other ingredients: milk powder, soy, almonds, strawberries, and sugar cane.

As of 2020, we will require our suppliers to set up water management plans to support their own growers, with commitments on water quality improvement and water quantity reduction. Our overarching objective with our regenerative agriculture framework is to support the resilience of agricultural communities facing climate change. Hence, a set of practices within this framework will support them in improving soil health with impacts on water infiltration and carbon sequestration.

## MANAGING WATERSHEDS WHERE WE OPERATE, THROUGH NATURE-BASED SOLUTIONS, TO PRESERVE WATER RESOURCES

All water users benefit when the integrity of fresh water-related ecosystems, including groundwater and wetlands, is preserved. In a context of potential water scarcity, an efficient and forward-looking approach to water stewardship is more critical than ever. This means understanding local water usage and all its impacts, while working collaboratively and transparently for sustainable water management of watersheds. It can be best achieved through proper governance at the watershed level, based on strong relationships and successful communication between local communities, water users and water providers; wastewater treatment plants; local authorities; or, and national regulators.

Consequently, we embed our actions within existing governance structures, or work collectively to establish new governance platforms where they are absent.

Plans and actions for watersheds should: respect environmental, economic and social needs; consider current and future conditions; support public sector objectives; and be rooted in the goal of achieving long-term water security. In addition, we believe it is essential to align interests and ground activities on the best available science.

Danone has a dedicated expert network to support these efforts, from hydrogeologists to water stewards, deployed worldwide, with more than 20 years' experience in understanding and managing local water cycles in collaboration with local communities. We will build on this team to develop and strengthen local projects.



## WHAT WE HAVE BEEN DOING

The inclusive stakeholder model that we promote uses a landscape approach and nature-based solutions (agroforestry, wetlands preservation, agriculture optimization, etc.), and it has proven successful in triggering community actions for multiple positive outcomes. These include biodiversity enhancement, soil health and carbon sequestration, sustainability of water resources, and improvement of livelihoods.

In 2019, eight projects in watersheds where Danone operates (Aguascalientes, Badoit, Evian, Klaten, La Salvetat, Pasuruan, Villavicencio, Volvic) benefited from an integrated watershed management and a water stewardship action plan.

These plans were based on the sustainable preservation and resource management method (or SPRING method), co-developed in 2013 with The Ramsar Convention of Wetlands<sup>(4)</sup> and IUCN, and are early examples of specialized tools/methods developed for more sustainable management of groundwater resources. 100% of our water sourcing and bottling sites have run SPRING audits and implemented a continuous improvement plan.

As a mark of effectiveness of our collective efforts, two sites where we implement stewardship programs have been designated by the Ramsar Convention as sites of international importance – the Evian impluvium<sup>(5)</sup> in France and the Villavicencio reserve in Argentina.

# WATERSHEDS

## Landscape and collective actions in Indonesia

Danone, its Ecosystem Fund and the World Agroforestry Center (ICRAF) have joined forces in Indonesia to protect the threatened Rejoso watershed. Various nature-based solutions have been employed to improve water conditions, mitigate flood risks and minimize erosion. Based on several scientific studies conducted with universities, the focus now lies on climate-smart rice production practices downstream, and drill management for more efficient water use. Depending on project scale, water consumption has been proven to be effectively decreased by 10 to 40%. This method additionally reduces carbon emissions and chemical pesticides, and has improved livelihoods of farmers, through a net income increase of 20%.



## Evian Watershed Actions in France

Since 1992, evian has been involved in guaranteeing the long-term quality of its watersheds, in partnership with APIEME (the Association for the Protection of the Impluvium of Evian Mineral Water). In 1997, it was designated as a Site of International Importance by the Ramsar Convention. With Terragr'eau, APIEME has constructed a biodigester that turns livestock effluents and organic waste from the farmers into biogas for 1200 Evian city inhabitants, and organic compost for fertilizing local land. 63% of the agricultural surface in the watershed now uses bio fertilizers, equivalent to 35 square km. A dedicated cooperative of farmers manages the compost spreading operation, which reduces fertilizer costs and supports sustainable agricultural development. .



## Natural Reserve Protection in Argentina

Fundación Villavicencio was created to collectively manage the Villavicencio Natural Reserve in Argentina through eco-responsible citizenship. Its pillars for action are: education for sustainability, conservation of historical archaeological and biological heritage, protection of water resources and ecosystems, and support of scientific research. The watershed preservation plan covers 72.000 ha, is designated as a Site of International Importance by the Ramsar Convention, and has safeguarded 250 fauna and 327 flora species. In 2019, nearly 5000 children participated in its educational program, and the site welcomed a total of 240,000 visitors.



## WHAT WE WILL DO NEXT: OUR COMMITMENTS ON WATERSHEDS

Our ambition is to preserve more watersheds connected to our business, to accelerate water security for nature and for communities. We are therefore developing preservation and / or restoration plans for implementation, with a special focus on highly water-stressed areas.

By 2030, 100% of the 55 watersheds in highly water-stressed areas where we operate will have a preservation or restoration plan with local and collective actions, leveraging a landscape approach and nature-based solutions. Translating facts and figures from hydrogeological and socio-economic studies into business cases, we aim to drive collective actions and projects of larger scale. As part of every watershed management plan, we will work locally to create an effective system of governance with stakeholders or integrate our actions into existing governance structures. We will also work with others to develop methodologies for measuring and monitoring water quality and quantity, carbon sequestration and biodiversity benefits.

Water stewardship plans are complex. To support local transformation, our goal is to share our expertise in the collaborative preservation and restoration of healthy watersheds, through a new Danone water platform. It will share open-source data, studies, knowledge and water stewardship approaches. The platform will leverage systematic data creation and /or collection, with local and international academic partnerships, to establish or strengthen scientifically-based solutions to shared water challenges. We aim to train an certify on-site field teams, Danone employees, scientists and water users, in best practices for water stewardship. To this end, we are working with Ramsar and WWF to develop a water stewardship training. The platform will also publish more specialized tools and methods to improve integrated watershed management.

A photograph of an industrial water treatment facility. The scene is dominated by large, cylindrical stainless steel tanks and a dense network of pipes and metal walkways. The lighting is bright, highlighting the metallic surfaces. The overall atmosphere is one of a complex, modern industrial environment.

2

# DRIVE WATER CIRCULARITY

*in an around production sites*

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*in and around  
production sites*

Since 2000, Danone has been working to increase water use efficiency and waste water quality at our production sites.

High water risk sites require the most urgent measures. So far, we have focused on performing specific risk assessments, and on deploying mitigation programs adapted to each local context. Those programs have been focusing on two parameters - the reduction of water used in the operational process, and the quality and cleanliness of the water we discharge or pass on, through the internal Danone Clean Water Standards (17 KPIs).

In 2020, we want to go one step further, and apply water circularity in and around our factories. Our ambition is to ensure that every drop of water is used efficiently, reused or recycled (3R). Given that the water effluents we release are from good to very good quality (thanks to the Danone Clean Water Standards), we aim to make clean water available for another purpose beyond our own use (so called reclaim or “second life” projects) - whether for other industries, for agricultural irrigation, or for the natural ecosystem where we operate in order to preserve water cycles.

Circularity in and around our production sites will decrease pressure on local aquifers and contribute to the preservation of water resources.

# DRIVE WATER CIRCULARITY

*in an around  
production sites*

## WHAT WE HAVE BEEN DOING

- 💧 In 2017, we conducted a Water Risk Assessment for 100% of our operations sites using the Aqueduct tool.
- 💧 In 2019, we deployed the new Water Risk Filter tool developed by WWF, auditing 64% of Danone's production sites, with a target to complete a full assessment by end 2020.
- 💧 We achieved a 50% reduction on average in water consumption intensity across our sites, from a baseline set in 2000.
- 💧 We are currently returning 74% of the water used in our factories to nature, following treatment aligned with our Clean Water Standards.

# DRIVE WATER CIRCULARITY

*in an around production sites*

## Zero Impact Operations in Belgium

At Danone's Belgian Rotselaar dairy factory, the Waterless Project is part of the Zero Impact Operations program. Through 2-step filtration technologies, waste water is treated and directly reclaimed as clean water, then re-used in factory processes. This helps close the factory's water loop, allowing it to reintegrate and reuse 75% of its water in operations. As a result, overall water consumption and pressure on groundwater supplies is reduced.



## Zero Water Factory in India

Considering the potential risk of future water scarcity, Danone's Specialized Nutrition production sites in Lalru, India, is implementing a 4R methodology – Reduce, Reuse, Recycle, Reclaim. Over the last three years, water usage related to factory operations has been lowered by 52% through reducing and reusing water. The site has also implemented rainwater harvesting techniques, with the objective of giving back to nature (ground water) twice the amount of water used by the factory. The plant is now installing an innovative water recycling solution for its fresh milk process.



## Second Life of Water in Mexico

In Mexico, Danone's Bonafont brand is giving water a second life, by donating cleaned water to third-party users. The team verified the chemical and physical conditions of the discharged water, analyzed external water demand, and determined efficient water treatment and transportation processes. The initiative has strengthened alliances among users of the aquifer, and reduced pressure on water resources. In 2019, nearly 300,000 m<sup>3</sup> of water were provided to a nearby business operation.



# DRIVE WATER CIRCULARITY

*in an around  
production sites*

## WHAT WE WILL DO NEXT: OUR COMMITMENTS ON WATER IN OPERATIONS

We rely on renewable water resources in all our operations and therefore aim to never use more water than nature can renew. The most recent risk assessment, conducted in 2019, found that 43% of Danone's 188 industrial sites are facing a high risk of water scarcity. This ratio will likely increase over the next decade. In response, we are implementing a 4R strategy (reduce, reuse, recycle, reclaim), setting the following targets:

By 2030, in 100% of our production sites, we will implement a holistic 3R approach, to reduce, reuse and recycle the water on which our manufacturing processes depend, through programs of continuous improvement. We will focus further efficiency efforts and investments on production sites facing higher level of water risk.

By 2030, second life will be assured for 100% of clean, discharged water directly from our factories, facing high water risks <sup>(6)</sup>, to complement this 3R approach. When discharged water finds a second life – for irrigation, another factory or other usages (water is reclaimed) – it reduces the demand for fresh water withdrawn from rivers or underground aquifers and preserves the water resources. In this way, all the water in our operations which is not recycled or reused will be given back to nature, in the watersheds where we operate facing high water stress, through a reclaim approach.

By 2030, we will reduce by 50% the water consumption intensity of all high-risk production sites (baseline 2015), to reach the best-in-class water usage ratio set per category of products <sup>(7)</sup>.





3

# PROVIDE SAFE DRINKING WATER

*to vulnerable people  
and communities*



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*to vulnerable people  
and communities*

Many communities in low-income countries face daily challenges to get safe drinking water, as well as sufficient water for cooking and washing, in urban and rural settings alike. The WHO and UNICEF<sup>1</sup> estimate that 2.1 billion people lacked safely managed drinking water services in 2015, and an estimated 144 million people were dependent on the collection of surface water. Contaminated drinking water transmits many diseases and remains a leading cause of mortality in less developed communities.

For Danone, access to water – whether for farmers, for our operation or for families – should be socially equitable (meeting everyone’s needs), environmentally sustainable, and economically beneficial.

We work to bring safe water to vulnerable communities through the many social businesses supported by Danone Communities.

# PROVIDE SAFE DRINKING WATER

*to vulnerable people  
and communities*

## WHAT WE HAVE BEEN DOING

### Danone Communities

Since 2007, Danone Communities has supported innovative social enterprises to achieve sustainable and scalable social impact. To date, the Social Business Fund has focused on the social problems of malnutrition, and access to safe drinking water. It identifies best in class social entrepreneurs with a potential to scale their activities, and it works with partners to bring the necessary resources to grow a sustainable business – especially capital, technical expertise and networking. Technical expertise is provided in part through a network of pro bono Danone employees.

Danone Communities has been a pioneer in safe water access business models, investing and learning at a time when the sector was neglected due to the challenges of finding sustainable business models for the development of water and sanitation infrastructure. Throughout the years Danone Communities has been a catalyst to foster the safe water enterprise model; and with its partners, it now supports a portfolio of eight social enterprises addressing more than six million people daily.

Through some of our iconic water brands, we also have supported water access, sanitation and hygiene facilities and practices, through several partnerships developed with International Organizations and with NGOs or International Organizations such as water.org or UNICEF, reaching today close to one million beneficiaries.

# PROVIDE SAFE DRINKING WATER

*to vulnerable people and communities*

## Water Kiosks in India

In 2005, Naandi Foundation opened its first kiosk in rural India. Several years later, Naandi Community Water Services was created as a joint venture with Danone.communities to collectively build sustainable water solutions. Today, local communities provide land while Naandi Community Water Services provides expertise to set up and successfully run a water kiosk. The kiosks are managed by a local operator appointed by the community and are equipped to treat bacterial and chemical contamination which is often present in the groundwater. Additionally, yearly activities are conducted in villages and schools to raise awareness on best practices in WASH (Water, Sanitation and Hygiene). Naandi Community Water Services launched its 647th water kiosk in 2019. The kiosks now supply safe water to over 700.000 people daily.



## AQUA's partnership in Indonesia

In Indonesia, Danone's AQUA water brand is expanding water access through a partnership with water.org. For each 1-liter AQUA bottle purchased, AQUA provides 10-liters clean water access to communities in need. This is achieved through a Water Credit Scheme and cooperation with local financial institutions. As funding is one of the main barriers to water access in Indonesia, the partnership works to enable rural communities to obtain more affordable loans. With the necessary assistance, these can be used to buy pumps, build bore wells or expand house water connections. So far, clean water is being distributed to over 54,000 Indonesians at home. Similar models are being developed and deployed by other Danone water brands, such as Villa del Sur in Argentina



## WHAT WE WILL DO NEXT: OUR COMMITMENTS ON SAFE DRINKING WATER

As a company committed to acting as a force for good, our goal is to help reduce the burden of disease in vulnerable communities. We plan to accelerate and scale our programs providing access to safe drinking water, reaching as many people as we can - starting with our employees and the communities where we operate, and extending beyond to the people who need it most and that we can reach.

In 2020, Danone will sign the WASH Pledge for Access to safe Water, Sanitation and Hygiene at the Workplace, developed by the World Business Council for Sustainable Development.

Also, in 2020, building on the experience of Danone Communities, Danone will be a catalyst for a new fund, called W2AF Water Access Acceleration Fund, to accelerate the development of water access enterprises. Matching every liter of Danone water sold with a liter for people in need, we will work with partners to develop innovative ways to deliver safe drinking water to low-income communities beyond the operating scope of our core Waters businesses - in Africa, in Latin America, and in South and East Asia. The ambition of the Fund is to finance social enterprises supplying safe drinking water, and to raise awareness for initiatives that fill the gap in an under-invested sector by 2030. Together, Danone Communities and W2AF will reach an estimated 50 million people daily, providing sustainable safe drinking water to communities who need it most.

## IN CONCLUSION

Danone's Water Policy sets standards and commitments which will lead our 100,000 people worldwide to drive change for the preservation and restoration of this uniquely vital resource.

We will measure our performance and report on our progress in Danone's Integrated Annual Report, available in the Investor Relations Section of the danone.com website. We will also rely on external evaluations by organizations such as the ECPI, FTSE4GOOD, and CDP.

In 2019, Danone was one of only six companies among 8,000+ assessed that was rated AAA by CDP, an international NGO that runs a global disclosure system allowing investors, companies, cities, states and regions to manage their environmental impacts. This rating recognizes Danone as a leader in environmental preservation and restoration – including water management, based on our awareness of water issues, effective management methods and progress towards water stewardship. The AAA rating acknowledges the relevance of our 'One Planet. One Health' business model, and encourages us to take further steps towards more resilience for a future which will be undoubtedly challenged both from a climate and demographic standpoint, with water availability and access as a fundamental factor of social and climate justice.

## REFERENCES

1. UNICEF/WHO "Progress on drinking water, sanitation and hygiene: 2017 update and Sustainable Development Goal baselines".
2. Stockholm Resilience Centre "The planetary boundaries concept presents a set of nine planetary boundaries within which humanity can continue to develop and thrive for generations to come".
3. Buffer Zones are vegetable filter strips at the margins of farms and rivers. They are effective in decreasing pollutants entering waterways, acting as filters for sediment and their attached pollutants. They also increase biodiversity by attracting pollinators and act as filed roads for farming vehicles to avoid soil compaction and more.
4. The Ramsar Convention on Wetlands is an international treaty that provides the framework for national action and international cooperation for the conservation and wise use of wetlands and their resources.
5. An impluvium is the specific recharge area within a watershed.
6. In accordance with the internal guidance developed to support operation and field teams in the implementation of the 4R approach.
7. In accordance with the internal guidance developed to support operation and field teams in the implementation of this 50% reduction plan.