DANONE POLICY ON MARKETING TO CHILDREN



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01 INTRODUCTION

OUR APPROACH TO RESPONSIBLE COMMUNICATION TO CHILDREN

In accordance with our mission to "bring health through food to as many people as possible" and our sustainability strategy, the Danone Impact Journey, we are committed to promoting healthier lifestyles and diets. We strongly believe in harnessing the power of brand and product communications to make healthy products desirable and to drive healthy choices.

We are convinced that it is crucial to encourage healthy diets and active lifestyles from an early age in order for habits to be sustained into adulthood. Parents play a crucial role in children's food choices and eating habits – we want our marketing communications to support parents in guiding healthy diet and lifestyle choices.

We are further committed to complying with the International Chamber of Commerce (ICC) <u>Code of</u> <u>Advertising and Marketing Communication Practice</u> and the <u>Framework for Responsible Food and</u> <u>Beverage Marketing Communications</u> in all of our communications regardless of the age of the audience or the nutritional profile of the product. These codes forbid, among other things, marketing communications which encourage or condone excess consumption, undermine the promotion of balanced diets, healthy lifestyles and parental authority, mislead consumers on a product's characteristics (such as taste, size, content, nutritional or health benefits), create a sense of urgency, encourage pester power or using fantasy in a way that is likely to mislead children about the attributes of a product.

In addition, we participate in voluntary pledges at a regional and local levels, wherever such programs are compatible with this Danone Policy on Marketing to Children.

Our marketing communications must comply with all applicable laws governing marketing communications to children. If applicable laws set stricter requirements than the policy, they will take precedence.

This policy applies to all controlled affiliates of Danone. We are also working with our noncontrolled joint-ventures to ensure they follow similar principles for products sold under Danone brands.

02 OUR POLICY

ENHANCED 2024 MARKETING TO CHILDREN PRACTICES

In 2024, Danone enhanced its responsible marketing practices to children on three key areas:

- 1. We introduced Health Star Rating (HSR)¹ as the Nutrient Profile Model to identify what products can be advertised to children.
- 2. Our policy now includes restrictions applying to children below the age of 16.
- 3. The audience threshold used to restrict marketing to children has been tightened to 25% below the age of 16 rather than 30% below the age of 13.

The policy is effective as of publication date and will be deployed progressively. A transition period until January 1st, 2025 will be given for implementation and full scope compliance.

CORE PRINCIPLES

The following general principles will apply globally to all Danone marketing communications to children and take precedence over any voluntary local standards and regulations that are less stringent.

- 1. Only products rated 3.5 stars or more with the Health Star Rating system (HSR) can be depicted in advertising to audiences composed of more than 25% of children below the age of 16, through all channels and formats for which the audience is measurable.
- 2. For marketing communications for which the audience is not measurable, only products rated 3.5 stars or more with the HSR can be promoted in a way which is primarily appealing to children below the age of 13.
- 3. Danone will not engage in product marketing communications in and near Primary schools nor in Secondary schools, nor in places where children gather except where specifically requested by, or agreed with, the school administration or the management of these settings, and only for educational purposes. Danone will only participate in such activities with products rated 3.5 stars or more with the HSR.

¹ The Health Star Rating system is a government-endorsed nutrient profiling system used on front-of-pack nutrition labels in some countries and applied by the Access to Nutrition Initiative (ATNI) to monitor and assess the healthiness of products. See <u>www.healthstarrating.gov.au</u> for more information.

SPECIFIC PROVISIONS

USE OF LICENSED CHARACTERS, CELEBRITIES, INFLUENCERS AND PREMIUMS

The use of licensed characters, movie tie-ins, celebrities, influencers, and premiums primarily appealing to children below the age of 13 in marketing communications is reserved to products rated 3.5 stars or more with the HSR.

We will strive to use owned brand-equity, licensed characters or premiums primarily appealing to children below the age of 13 to support the promotion of healthy, balanced diets and lifestyles, to promote positive values and/or to help children to develop specific skills or positive attitudes.

PACKAGING AND POINT OF SALES

Licensed characters, movie tie-ins, celebrities and premiums primarily appealing to children below 13 years of age can only be used for marketing communications on packaging and at the point of sales for products rated 3.5 stars or more with the HSR, and for Aquadrinks² rated 2.5 stars or more with the HSR and a maximum 9g of sugars per serving.

This does not include ordinary display of products in store/at point of sales, i.e., the display of products on shelves, at checkouts or in the aisles of the store, as well as materials that are not within the control of Danone in retail premises where Danone products may be sold by third parties.

² Danone Waters' water-based beverages low in energy.

03 MONITORING & REPORTING

Danone will develop detailed implementation guidance to ensure the application of this policy. All Danone marketing staff will receive training to facilitate compliance.

This policy will be referenced in all Danone contracts with relevant external partners, such as marketing, communication, and media agencies.

Danone will monitor compliance with this policy on an annual basis to ensure its application globally, through a mix of internal auditing and external auditing by qualified independent third parties.

We will publicly report on the results of the monitoring through our Universal Registration Document.



04 DEFINITIONS

MARKETING COMMUNICATIONS

Paid and unpaid marketing communications developed by or on behalf of Danone in the following media: TV, radio, print, cinema, outdoor (billboards, posters, vehicles, etc.), online on all digital platforms and websites (including company-owned websites and social media profiles, streaming platforms and video-sharing platforms), native advertising, computer games including in-game promotion, product placements across all media, mobile and SMS marketing.

CHANNELS AND FORMATS FOR WHICH THE AUDIENCE IS MEASURABLE

Refers to all channels and formats for which the audience is measurable, in particular TV, online display and videos and social media platforms, as well as direct marketing such as newsletters, mobile and SMS marketing. Danone will not advertise products not meeting its nutritional criteria where 25% or more of the targeted audience is children below the age of 16.

SCHOOLS & PLACES WHERE CHILDREN GATHER

Includes primary and Secondary schools, as well as Primary schools' surroundings including, but not limited to childcare centers, family, and child service centers.

LICENSED CHARACTERS

Characters acquired externally, linked to movies/entertainment, primarily appealing to children.

PREMIUMS

Items such as toys, books, collectables, used as premiums to promote a product.

INFLUENCERS

An influencer is an independent third-party endorser who shapes audience attitudes through blogs, posts, tweets, and the use of other social media (as per the European Advertising Standards Alliance – EASA - definition).

In order to determine whether the influencer's communication is a commercial communication (influencer marketing), as opposed to user-generated content, we will follow the <u>EASA Best Practice</u> <u>Recommendation on Influencer Marketing Guidance</u> with regard in particular to the two defining conditions of editorial control and compensation, in absence of local specific legislation or guidance.

Clear disclosure (visual and audio) about the promotional nature of the content will be inserted.