



Nutrition ACHIEVEMENTS 2019

REPORTING ON DANONE
COMMITMENTS





WE OFFER BETTER PRODUCTS

1. IMPROVING OUR PORTFOLIO PROFILE



In a 5-year period, the total volumes of water sold by the Waters business⁽¹⁾ increased from 85% to 89%, volume from beverages with 0% sugar doubled whereas volume from low sugar beverages decreased from 13% to 9%. And among low sugar beverages, 98% of volume are now at or below 5g of sugar/100 mL compared to 85% in 2015.



Spain: Launch of a new fermented milk range *Activia Zero Azucares Y Doble De Fruta* with no added sugars, no sweeteners but with double fruit content. All the sweetness of this recipe comes from fruit and milk.



Mexico: Danone Mexico continues its effort to reduce the sugar content and now offers its greek yogurt *Vitalinea estilo Griego* with no added sugars or sweeteners.



Spain: The *Alminatur* cereals have improved their focus on a key benefit: no added sugars. The Multicereal variety has more than 95% of wholegrain which, thanks to its nutritional richness, provides a high content of fiber, proteins and vitamin B1 – helping a healthy diet.



Argentina: First eating experiences determine an infant's future relationship with food. It is important that first meals do not contain sugar to avoid accustoming the palate to sweet flavors. Therefore Nutricia launched a unique zero-sugar proposal in the market at end 2018: *Nutrilon Profutura Cereal Infantil Con 5 Cereales Sin Azucares*. It is made without added sugars, but contains five cereals, vitamins and minerals.



WE EXPAND OUR OFFER OF PRODUCTS WITHOUT ADDED SUGARS

82%

of sales volumes are without added sugars

2. INCREASING INNOVATION WITH LESS SUGAR, LESS ADDITIVES...



Morocco: *Moufid* has been relaunched in 2019, fortified in vitamins A and D and iron (covering 15% of daily recommendations) and reducing added sugars content by 30%. This improvement is part of a more global overhaul of all products for children (*Moufid*, *Dan up*, *JIBI* chocolate in 2019) to be in line with public health priorities and the key deficiencies in Morocco among children.



Turkey: The sugar content of the whole subsidiary's portfolio is under 5g/L, but efforts continue to reduce sugar further in the *Akmina* range. For example, already 70% of volumes from *Akmina* Brand has a sugar content at 2,7g/100mL.



9%
of volumes have been nutritionally improved in 2019⁽¹⁾

Among product categories for which sugar, saturated fat and salt targets have been defined:

85%
of volumes are in line with the sugar target⁽²⁾

98%
are in line with the saturated fat target⁽²⁾

97%
are in line with the salt target⁽²⁾



Spain: Danone launched for children a fermented yogurt drink with 50% less sugars versus the average yogurt drink in Spain (May 2019). It is made with milk, natural flavor, a teaspoon of cane sugar, natural live bacteria and nothing else.



Brazil: Danone improved its children's range to offer healthier lunch box options. In 2019, *Danoninho* was launched – the first children's organic yogurt in the Brazilian market made with 100% natural origin ingredients, without colorings and preservatives. New also is *Danoninho* Almond Drink, a 100% natural plant-based, containing 40% of the daily calcium and vitamins D, B2 and B12 needed in one single portion. And finally, Danone relaunched *Petits*, with natural flavors, 7% less sugar, no artificial colorings, and fewer ingredients.



Turkey: Danone improved the recipe of its whole *Activia* range, reducing sugar content by 30%.



Poland: *Sparkles* is a combination of just three ingredients: carbonated water, natural flavors of fruit or mint and a drop of juice. It contains only a very small amount of naturally occurring sugars (0,03g/100mL), has no sweeteners, preservatives, colorants and no unnecessary calories.

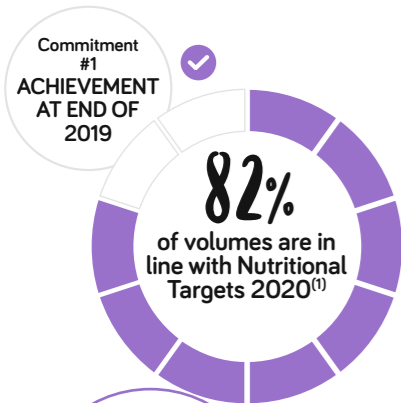


Argentina: *Danonino* spoonable yogurt recipe for children contains 16% less sugar and 27% less fat but still the same amount of vitamins A and D, calcium, iron and zinc.



(1) Scope Scorecard explained on page 21

(1) % of sales volumes 2019 of Essential Dairy Products + Early Life Nutrition + Low sugar beverages.
(2) % of sales volumes 2019 meeting respectively the sugar, saturated fat and salt threshold for their category in the Danone Nutritional Targets 2020. The compliance is weighted by volumes of products sold.



To maintain continuous nutritional improvement across its products, Danone has deployed comprehensive nutritional targets since 2005. The Nutritional Targets published in 2016 and revised in 2019 serve as reference for our Commitment #1.

These targets cover product categories that Danone manufactures and sells today. They are operational objectives for product renovation and innovation. They are based on nutrition science, and take into account technical feasibility, and the consumer acceptance journey.



(1) Danone Nutritional Targets 2020

Nutritional criteria for plant-based products have been included in the version updated at end 2019. So plant-based products were this year still not assessed on the commitment #1.

(2) % of sales volumes having a fortified nutrient. Scope: Essential Dairy products.

3. EXPANDING THE ORGANIC AND LOCALLY-MADE PORTFOLIO

Today's consumers are increasingly demanding healthier, more natural and organic products: 25% of Europeans declare that they consume more organic food and drinks.

(source: Mintel 2017 & Euromonitor Passport 2018).



France: Since 2019, *Les 2 Vaches* (L2V) yogurt pack clearly displays *Les Prés Rient* Bio commitments with organic, local and fair trade milk. Made in the Normandy region of France, they will be the first yogurts in French supermarkets to carry the label Fair For Life, guaranteeing dairy farmer partners a fair remuneration. The pack is also made with a raw material of plant origin from renewable sources instead of fossil fuels, reducing the packaging's carbon footprint.



Brazil: To follow Danone's commitment to offer at least one organic alternative in its children's brands, the Brazilian subsidiary launched its first organic product *Danoninho Orgânico*, made with organic milk and dairy products, organic sugar and organic fruit pulp.



Spain: Yogurt made with fresh milk from cows that graze freely and few ingredients: milk, fruit juice, 4% cane sugar, natural flavors, a few drops of lemon juice and live bacteria.



USA: Launch of a fruit and vegetable puree for babies over 6 months containing few ingredients and no added sugars or sweeteners. All of the fruit, vegetables and grains are organic and have been grown using regenerative farming practices that can help reverse the climate crisis.



France: *Volvic Kids*, an organic alternative for children, with only 3,6g sugar/100mL. This product is 50% less sweet than the other product of its category and is still on the market, showing a sustained interest from consumers.



WE ENCOURAGE BETTER CHOICES

1. THROUGH TRANSPARENT LABELLING...

Nutrition labelling is an important tool to support consumers in making informed dietary choices, in a transparent manner. To date, even though nutritional information is mandatory on back of the pack, there is no E.U. requirement for interpretative front of pack labelling, which consumers demand to make better choices. Several studies⁽¹⁾ have demonstrated that consumers understand an interpretative color-coded scheme best. It has also

demonstrated Nutri-Score's effectiveness in improving the nutritional quality of consumers' shopping baskets. This is an important insight as 1 in 2 adults and 1 in 3 children in Europe grapple with overweight or obesity. Nutri-Score is already supported by many European countries. Since France officially endorsed the system in 2017, Belgium, Spain, Germany, the Netherlands, Luxemburg and Switzerland have recognized its effectiveness and recommended

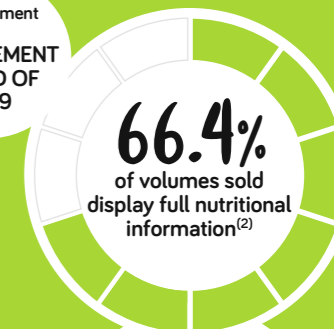
it on their territories. Danone has been an early adopter of Nutri-Score. In addition to France, we decided to roll-out the system on our fresh dairy and plant-based products in several countries and we commit to implement it in all European countries where Danone is present.

(1) Egnell, M. et al., *Nutrients*, 2018, 10(10): 1542; Crosetto et al. *European Review of Agricultural Economics*, 2020, 47(2): 785-818; Talati et al., *American Journal of Public Health*, 2019, 109: 1770-1775.

(2) Scope: all countries, all businesses, all products except packaged water and other (limited) exceptions. 100% of volumes sold will provide all information: on-pack, off-pack, portion size guidance and front-of-pack where legally possible.

(3) Scope: Essential Dairy products + Low sugar beverages and beverages with 0% sugar.

Commitment #6
ACHIEVEMENT AT END OF 2019



... AND RESPONSIBLE MARKETING PRACTICES

Danone co-chairs the International Food and Beverage Alliance (IFBA) and supports IFBA's Global Policy on Marketing Communications to Children. This policy, aligned with the aims of WHO's 2010 Set of Recommendations on Marketing to Children, is designed to reduce the impact on children of marketing of foods high in fats, sugar and salt, while increasing access to foods and beverages compatible with a balanced diet and a healthy, active lifestyle.

Danone is also part of the E.U. Pledge, an initiative to limit advertising to children under twelve. Our company compliance with the commitment is audited every year by independent reviewers:

- Television advertising: in 2019, 99.8% of Danone ads were compliant with the company's commitments to the E.U. pledge. All non-compliant campaigns have been addressed with corrective action plans.
- Online communications: 100% of the websites, social media and influencer profiles audited were compliant in all eight audited countries.

Danone supports the WHO's global public health recommendation calling for exclusive breastfeeding for the first six months and continued breastfeeding up to two years and beyond, combined with the safe introduction of appropriate complementary foods. Danone is the first company to apply a voluntary global policy that prohibits the advertising and promotion of infant formula for infants aged 0-6 months, even if permitted by local laws. In countries classified as "higher-risk countries", we have voluntarily extended our advertising and promotion prohibition to products for babies up to twelve months of age, which often goes beyond local legislation. To ensure that our policy is effectively implemented, an independent third party auditor conducts several country assessments yearly. Danone ranked #1 in the subcategory Marketing of Breast Milk Substitutes of the ATNI Global Index 2018.

- (1) 24 pledges signed out of 27 existing in the countries where we have Essential Dairy products and/or Waters businesses.
 (2) Scope: Danone Way.
 (3) Scope Scorecard: only for the Early Life Nutrition business.

Commitment #5
ACHIEVEMENT AT END OF 2019



85%
of subsidiaries have a formal policy to support employees who are breastfeeding and concrete actions are in place⁽²⁾

4,786
employees were trained in the last 2 years on the Danone Policy for the Marketing of Breast Milk Substitutes⁽³⁾



Danone is also supporting breastfeeding by implementing projects such as in Argentina and Brazil. The lack of stimulation and care by the family at an early age has devastating and irreversible effects on development. In Argentina, with the support of the Ministry of Social Development of the Province of Buenos Aires, Danone installed a breastfeeding room in the social organization "Identidad Vecinal", La Matanza District, a community kindergarten for children from 1 to 5 years. Thanks to this, mothers are encouraged to go back to work

2. DESIGNING HEALTHIER ALTERNATIVES

A Healthier choice study consists in analyzing local dietary habits, and in particular identifying food and drink alternatives in real-life practices. Modeling allows assessment of the impact of changes in consumption on the quality of diets (by nutrients or using quality scores).



Argentina: In complementary feeding the children frequently reject solid or semi-solid foods, leading to mothers trying this progressive change with foods of very low nutritional value. A local study conducted in 2018 by Dr. D. Kabbache and supported by Danone showed that incorporating a complete product into a nutrient-poor base not only covers required nutritional needs, but makes it possible to vary the consistencies and flavors so a child better recognizes, differentiates and accepts food little by little. Complementary food enrichment with cereal may help to fulfil nutrient requirements and a wider acceptance of different tastes.

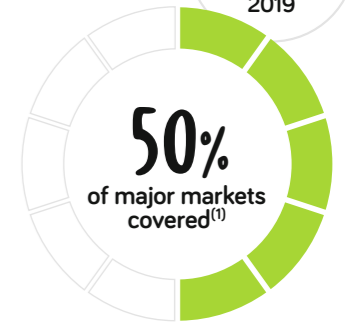
IUNS 2017



Mexico: A study of 4-9 year-old children found that the most consumed liquids are sweetened drinks, followed by water, with milk drinks in third place. Therefore Danone decided to relaunch its *Danonino lechita saborizada* with no added sugars and no sweeteners. It contains less than 95Kcal per portion, 30% of the daily recommendation for a children for calcium, 28% for vitamin D and 17% for vitamin A. This drink has the lowest sugar content in the milk beverages offer in Mexico, and is the only one without sweeteners on the market. Gandy, J. et al. Eur J Nutr (2018) 57 (Suppl 3): 53

(1) Scope: selection of subsidiaries in 20 countries representing 71% of Danone sales. 50 % of this scope is covered with sufficient data to allow a Healthier Choice study.

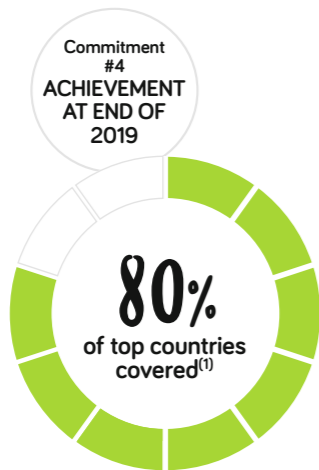
Commitment #2
ACHIEVEMENT AT END OF 2019



3. IMPLEMENTING EDUCATION PROGRAMS AND SERVICES FOR CONSUMERS, PARENTS, PATIENTS...



China: “Healthy Champion” is a program co-sponsored and co-designed by Danone China and the Champion Foundation, supported by the Chinese college students’ social practice “Zhi-Xing” promotion plan. The aim is to build a health mindset, both physically and mentally, to encourage a healthy and positive living attitude among young people. 7 teams of volunteer teachers were organized and trained in healthy lifestyle. Teams then shared this knowledge with some 20,000 students in rural areas in 11 provinces via volunteering teaching during the 2019 summer vacation.



(1) Scope: top 15 Danone countries in sales value. At least one subsidiary per country will publicly declare a cause and put in place relevant actions.



Germany: Children don't drink enough water. Instead they drink too much sugar sweetened beverages which is one reason why the childhood obesity rates are rising in Germany. The objective of Prof. Koletzko and the SchwangerundKind platform at Hauersches Kinderspital in Munich is to educate parents through videos about how important it is for children to drink enough water. This initiative was supported by Danone. Through this platform parents can also ask questions and be informed about all topics related to nutrition at different children's ages. In parallel *Volvic for Kids* aims to inspire healthier hydration and encourage children to drink 6 glasses of liquids (5 plain water). “*Volvic Wassereise*” is a game with cards and stickers to collect exploring healthy drinking habits with popular Pixar characters.



Argentina: For some families, the kindergarten is a place where children can get a meal. A new program – Estrellita de la Luz – named after a kindergarten in a poor neighborhood with scarce access to healthcare has been launched. In collaboration with the Argentinian Nutritionist Association and “Maria Montessori” Foundation, the aim is to complement and reinforce the existing early childhood care space across education, health and nutrition, in order to promote the proper growth, care and learning of attending children.



Mexico: 70% of Mexican adults and 30% of children are obese or overweight. “Mexico Ponte Bien activation” is an initiative developed with 13 other industry players and Walmart and endorsed by the Consumer Goods Forum to promote better consumption through healthy products. Dietitians and chefs were at 10 Walmart stores cooking healthy recipes with flagship products, sharing advice and leaflets on healthy diets. Consumers can also find additional information online and via social media.



USA: « Happy Mama Mentors » program provides through a real-time live chat, free infant and toddler feeding support from registered dietitians and lactation specialists (and all moms!). Pregnant women and new parents can chat as often as they like to get all of their feeding and nutrition questions answered.



Russia: In order to make parents aware of the First 1,000 Days program and help them with their purchases, Danone, in partnership with some retailers, designed supermarket shelves following the key stages of the First 1,000 Days program with a clearly identified product area for each age, a play area for children and a communication area for parents with educational posters on nutrition.



A RELEVANT EDUCATION PROGRAM MUST:

- address a local public health issue;
- define a clear objective linked to this issue;
- be co-constructed with academia and/or the government;
- target an identified population group;
- define measurable impact indicators.





Italy: Nutripedia.it – ‘InformaTi per crescere’ is a digital hub aggregating scientific information led by experts on infants’ nutrition in the First 1,000 Days (from conception to the baby’s 2nd birthday). It aims to raise awareness on First 1,000 Days nutrition and its link to health, rectify incorrect ideas or information and share credible evidence-based information. The project, supported by the Danone Institute, brings together RIMMI and Fattore Mamma. RIMMI is a network of experts on women’s and children’s health and nutrition that connects healthcare insitutions (hospitals, family pediatricians, ..) and local realities. Fattore Mamma is the largest blog platform specifically focused on motherhood. This blogger mum community collaborates in identifying fake news online and communicating more widely about Nutripedia on social networks. A Nutripedia chatbot was launched for discussions and questions about nutrition between experts and parents. The project has received an important recognition from the Italian Minister of Health and gained several communication awards.

... AND FOR EMPLOYEES



→ Some examples among many others



China: Nutricia offered a Health Risk Appraisal (HRA) to its employees, on a voluntary basis. This assessment system appraises an individual’s current health status and lifestyle, as well as emotional health and metabolic risk factors. Each employee can receive his or her own health

analysis assessment report and health improvement recommendations. Several points of concern were raised, and in response, Danone designed some relevant activities in areas such as mindfulness meditation; energy management; break exercise and positive discipline.



Thoughtful consumption starts with educating people in order to empower them to make informed choices and drive change. UNITAR and Danone co-created in 2019 an innovative and freely accessible e-learning course on Sustainable Diets to shift mindsets and foster better choices. The e-learning program aims at raising awareness on sustainable diets and encourages all Danone employees, Unitar learners and the general public to become agents of change and have a positive impact on the health of people and that of the planet. The course delivers a certificate as soon as one has correctly answered the questions at the end of the training. Already 10,000 people across the world, including 4,449 Danone employees are certified. And 2,899 employees are in the process of being certified.



Link to the e-learning



AS A RESULT, WE IMPACT ON BETTER CONSUMPTION

BY INCREASING THE QUALITY OF DIETS

FOR CONSUMERS, PARENTS, PATIENTS...



France: School canteens have been identified by the Danone Institute as a priority area for action because of the essential role they play in the education and balanced diet of children. “Clémantine” aims to raise awareness and train catering staff who work with children during meals, in order to improve their working practices and increase their and children’s well-being. Food aversions, noise, table composition, adult behavior are

all factors that we can act on to improve children’s food intake. The kit has been developed with experts in school catering, child medicine, nutrition, sociology, psychology and communication and tested in four project partner cities. It is now available free of charge for cities that request it from the Danone Institute. A positive impact noticed during the 1st phase of the project is that it increased the value of the supervising staff who understood

the role they had to play, reducing tensions between canteen staff and supervisors. The project is such a success that French authorities will now lead the project and implement it at scale.



Indonesia: To evaluate the impact of its brands on improving consumer health, Danone started measuring switch behaviors using household purchase data. In 2019, Aqua-600ml has been a growing out-of-home water brand. Compared to 2018, 60% of volume gains was a switch from other products. When looking closely, 68% of these volumes comes from sugar sweetened beverages (mainly ready-to-drink tea and flavored water) and 32% comes from other water brands. Thus, Aqua-600mL is mainly driving healthy switch for out of home consumption, leading sugary beverage drinkers towards water.



... AND FOR EMPLOYEES



Malaysia: Several activities focused on anemia were initiated to increase employee awareness about iron deficiency: “lunch + learn” with a nutritionist, posters, “masimo” testing of employees’ hemoglobin levels and a food contest. This awareness raising helped put learnings into practice. 53% of employees stated that they consume less tea and coffee before and after meals and 64% that they consume more iron and vitamin C rich foods to increase iron absorption.



#COUNTRY FOCUS: UNITED KINGDOM



Certified Danone UK (dairy products) is certified B Corp Corporation

LOCAL CONTEXT KNOWLEDGE

64.3% of adults are either overweight or obese⁽¹⁾.

Danone launched several studies to address this issue:

- 1) research on full diet coverage on the whole population;
- 2) an assessment of liquid intake;
- 3) research assessing available scientific data on key topics together with interviews with key opinion leaders.
- 4) a healthier choice study to identify food and drink alternatives in real life practices

(1) Health survey for England 2017

OUR HEALTH STRATEGY IN ACTION

BETTER PRODUCTS

90% of volumes sold in 2019 are in **healthy categories**⁽²⁾, 81% of volumes are without added sugars, 75% of volumes are plain products (meaning without added sugars or sweeteners). 100% of the low sugar beverages are under the sugar tax threshold.

Danone Dairy has out performed the category in terms of sugar reduction (-12% vs 2018) and has been recognised by Public Health England as best in class. Danone launched a new *Actimel* range without added sugars or sweeteners and with more fruits and vegetables. Nutricia launched *First spoons* jars with single vegetable tastes, which may help positively

influence taste preferences in later life. It contains only vegetables and water.



+ BETTER CHOICES

99,7% of our products have a **transparent nutritional labelling** (on pack, online, front of pack icon and portion size guidance). Danone has a formal policy to support breastfeeding employees and promotes breastfeeding as part of its **First 1,000 Days pledge**. And since many years, Danone has put in place a lot of programs to help all population groups to make healthier choices. Nutricia is an active member of the **Malnutrition Task Force**, the aim of which is to ensure that elderly people eat well, and can recognize early signs of malnutrition in order to

take action sooner. A nutrition checklist has been developed and has been welcomed as an extremely helpful tool to improve nutrition and quality of life. Nutricia also initiated in 2016 the **Early Years Nutrition Partnership** (EYNP) program through which a team of self-employed nutritionists educate caregivers in nurseries about healthy eating habits in order to improve the diet of children in early years settings. **Eat Like A Champ** (ELAC) program is another healthy eating education program aimed at 9-10 year old schoolchildren.

Danone offers a lot of well-being, nutrition and sport activities to its employees such as 'One Health workshops' which includes a variety of mental health, nutritional and physical workshops, or a **step challenge** – an annual virtual race which encourages participants to walk 10,000 steps every day during 100 days. This challenge aims to create an engaging way to incorporate wellness into the workplace. 64% of employees taking part felt more productive, 73% felt less stressed and 85% exceeded the target 10,000 steps per day, compared to 27% before the challenge.

(2) Plain water, dairy products for daily consumption, beverages with 0% sugar, baby milks and foods, and Medical Nutrition products

= BETTER CONSUMPTION

All these actions had a positive impact on the targeted population. For EYNP, a survey reveals various **behavior changes related to nutrition** (staff knowledge about and behavior towards healthy food and drink, engaging parents in discussions about healthy eating and feeling confident about providing healthy food), on children's behavior towards food (they were more likely to try new food and eat a variety of food). An independent evaluation of ELAC demonstrated a positive short-term impact on children's eating habits: **reductions in 'less healthy' foods**, increased consumption of 'healthier' foods and teachers said they valued the feedback on class eating habits.

DANONE SUPPORTS RESEARCH AND INNOVATION

Given the unique portfolio and mission of Danone, the activities of Danone Nutricia Research are devoted to Nutrition and Health. In the news in 2019...

Citizen science for gut health

Understanding gut health could transform the lives of millions of people. To discover the best diets and foods to nourish our gut, scientists from Danone Nutricia Research and the University of California San Diego teamed up with citizen scientists worldwide to create The Human Diets and Microbiome Initiative. Using cutting-edge techniques, we will conduct global research, making our findings open to all, as we continue to move at the forefront of the gut microbiome revolution.

Danone Nutricia Research has since 2019 been a **Core Partner of EIT Food**, a consortium of over 90 partners from leading industries, research centers, universities and agri-food startups across Europe, with the ambition to create a future proof and effective food sector. EIT Food is working to make the food system more sustainable, healthy and trusted through innovation, entrepreneurship, education and public engagement activities.

<https://www.eitfood.eu/partners/partner/danone-research>

Danone Research Packaging Center received in 2019 the **World Beverage Innovation Award in the "Best Beverage Concept" category, for the Evian (re)new innovation**, an in-home appliance with breakthrough sustainable design. The collapsible 5L 'bubble' surrounding the water incorporates new generation design thinking leveraging the physics of materials: the thin and light 'bubble' is 100% recyclable and made of a 100% recycled plastic (rPET) skin that contracts when the water is consumed, taking on a new shape after each use. It uses -66% less plastic than 1.5L Evian® bottles.



106

ongoing clinical trials at the end of 2019

191

publications in peer reviewed scientific journals in 2019

504

patent families at the end of 2019

1,303

new products launched in 2019

Approximately 1,800 employees

2 international research centers: Daniel Carasso (Paris Saclay, France), and Nutricia Research (Utrecht, The Netherlands)

6 specialized centers

55 branches around the world

More than 200 partnerships with international scientific teams most recognized in their fields.

A THOROUGH GOVERNANCE

At top level, the One Planet.One Health (OPOH) Integration and Investment Board's mission is among others to:

- Align the OPOH Pillars (social, environmental and health) and strengthen Danone's integrated approach to its 2030 Goals; review OPOH policies and commitments, assess related risks and opportunities for Danone Brands before COMEX decisions; and monitor the B Corp journey.
- Validate proposals of investments to the decision-making bodies of the Funds: Danone Communities, the Danone Ecosystem Fund and the Livelihoods Funds.

The Product Compliance Board (PCB) is accountable for ensuring that all Danone products comply with applicable regulations and Danone rules in six domains related to consumer-focused commitments including Health and Nutrition. The PCB establishes and regularly revises the Danone Product Compliance Policy.

- A quantified measurement of the company's performance in nutrition and alimentation-related topics
- A stakeholders' engagement plan

Decision-making bodies at business level translate the commitments and targets into specific and concrete procedures and rules.

67%[✓]

of subsidiaries have at least 1 expert advisory panel in place. In total, 100 panels were active at local level in 2019

98%

of subsidiaries have applied the claim validation procedure to 100% of their products sold in the past year⁽¹⁾

(1) Scope Danone Way (explained in page 21)

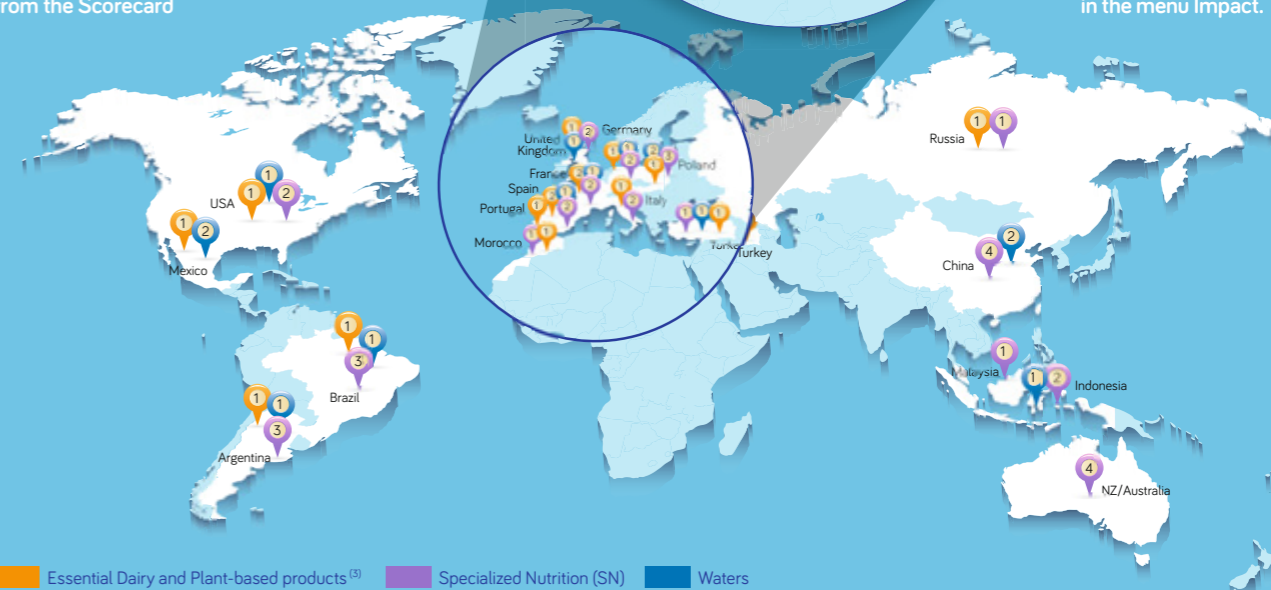
2 SYSTEMATIC REPORTING PROCESSES

The Danone Way 2019 on the goal "Impact people's health locally" and the section "Health and Safety"

- Respectively 80 and 107 subsidiaries in all businesses
- 2 figures in this leaflet come from Danone Way.

The One Health Scorecard 2019

- 19 countries
- 66 subsidiaries⁽¹⁾ in all businesses
- Representing 74% of Danone's annual turnover and 86% of volumes sold⁽²⁾
- All figures (except 2) in this leaflet come from the Scorecard



Both processes are verified by an independent third party Price Waterhouse Coopers (PwC)

✓ Performance indicators accompanied with this symbol have been verified by PwC. See the full assurance report in the last pages of this leaflet. All details on the Scorecard process (how indicators are measured, their definitions, scope, ...) are described in a specific methodological note available on Danone.com, in the menu Impact.

Essential Dairy and Plant-based products⁽³⁾ Specialized Nutrition (SN) Waters


(1)Change since last year: Specialized Nutrition Malaysia and New Zealand/Australia entered the Scorecard scope. By subsidiaries we mean financial entities.

(2)Our sales are expressed in volumes. The Waters business represents 80% of the volume of products sold in the Scorecard perimeter, whereas Essential Dairy products business represents 12.4% (Plant based products are not yet included in the scorecard scope in 2019), Specialized Nutrition 7.7% (including Early Life Nutrition 12.3% and Medical Nutrition 0.4%).

(3) Plant-based products from the Essential Dairy and Plant-based business are not yet included.

LIMITED ASSURANCE REPORT BY ONE OF THE STATUTORY AUDITORS ON A SELECTION OF NUTRITION AND HEALTH INDICATORS PUBLISHED IN THE DOCUMENT “NUTRITION ACHIEVEMENTS 2019”

FOR THE YEAR
ENDED 31 DECEMBER 2019

In our capacity as statutory auditor of Danone, and pursuant to a request from Danone, we hereby present our report on a selection of Nutrition and Health indicators selected by Danone and identified by the symbol  in the document “Nutrition Achievements 2019” of Danone (hereinafter “the indicators”).

The indicators were prepared under the responsibility of the Danone Alimentation Science Department in accordance with guidelines presented in the reporting tools of each Reporting Entity (hereinafter the “Guidelines”), available on request from the department.

It is our responsibility, on the basis of our work, to express a limited assurance conclusion on the indicators selected by Danone. The conclusions expressed below are solely on the selected indicators and not on all the Nutrition and Health indicators published in the “Nutrition Achievements 2019”.

Nature and scope of our work

We performed our work in accordance with the professional guidance issued by the French Institute of statutory auditors (Compagnie nationale des commissaires aux comptes) relating to this engagement and with ISAE 3000 (Assurance engagements other than audits or reviews of historical financial information).

We conducted the following work resulting in a limited assurance conclusion that the Nutrition and Health indicators, taken as a whole are, in all material respects, fairly presented in accordance with the Guidelines.

We have assessed the suitability of the Guidelines in terms of their relevance, completeness, reliability, neutrality and understandability at parent entity level;

We have verified the implementation of data collection, compilation, processing and control process to reach completeness and consistency of the indicators, and obtain an understanding of the internal control and risk management procedures used to prepare the indicators.

At parent entity level, we have performed analytical procedures on the indicators and verified, using sampling techniques, the calculations and the consolidation of the indicators. Conducted work was based on interviews with the Danone Alimentation Science Department, in charge of the establishment and application of guidelines and of the consolidation of the indicators.


At the level of a representative sample of entities selected by us (Nutricia Bago Argentina Baby (Argentina), Danone North America (United States), SA des Eaux Minérales Evian (France), ELN Indonesia Baby (Indonesia), Danone Poland (Poland), Danone Dairy Turkey (Turkey), Danone Hayat (Turkey)) on the basis of their activity, their contribution to the consolidated indicators, their location and a risk analysis:

- we conducted interviews to verify that procedures and Guidelines are properly understood and applied;
- we performed tests of details, using sampling techniques, in order to verify the calculations and reconcile the data with the supporting documents.

The selected sample represents on average 20% of the consolidated turnover of the entities contributing to the selected Nutrition and Health indicators (which represents 74% of the Group total turnover).

We believe that the sampling methods and sample sizes we have used, based on our professional judgement, are sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures. Due to the use of sampling techniques and other limitations inherent to information and internal control systems, the risk of not detecting a material misstatement in the indicators cannot be fully eliminated.

Conclusion

Based on the work performed, no material misstatement has come to our attention that causes us to believe that the selection of Danone Nutrition and Health indicators selected by Danone and identified by the symbol  in the Group’s 2019 Nutrition Achievements leaflet, are not presented fairly in accordance with the Guidelines.

Observation

Without calling into question the above conclusion, we draw your attention to the following point: the reporting tools and internal controls on the Nutrition and Health indicators were reinforced during the 2019 financial year. Nevertheless, improvements are still possible and awareness-raising on the correct application of the procedures presented in the Guidelines should be continued and controls should be strengthened.

Neuilly-sur-Seine, June 15th 2020,
One of the Statutory Auditors
PricewaterhouseCoopers Audit

François Jaumain
Partner

Sylvain Lambert
Partner in charge of the
Sustainability Department

This is a free translation into English of the statutory auditors’ report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

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About Danone (www.danone.com)

Dedicated to bringing health through food to as many people as possible, Danone is a leading multi-local food, beverage and nutrition company building on health-focused and fast-growing categories in three businesses: Essential Dairy & Plant-Based Products, Waters and Specialized Nutrition. Danone aims to inspire healthier and more sustainable eating and drinking practices, in line with its 'One Planet. One Health' vision which reflects a strong belief that the health of people and that of the planet are interconnected. To accelerate the food revolution and create superior, sustainable, profitable value for all its stakeholders, Danone has defined nine 2030 Goals aligned with the Sustainable Development Goals (SDGs) of the United Nations. Danone commits to operating in an efficient, responsible and inclusive manner, as reflected by its ambition to become one of the first multinationals certified as B Corp™. With more than 100,000 employees, and products sold in over 120 markets, Danone generated €25.3 billion in sales in 2019. Danone's portfolio includes leading international brands (*Actimel, Activia, Alpro, Aptamil, Danette, Danio, Danonino, evian, Nutricia, Nutrilon, Volvic*, among others) as well as strong local and regional brands (including *AQUA, Blédina, Bonafont, Cow & Gate, Horizon, Mizone, Oikos, Prostokvashino, Silk, Vega*).

