Danone animal welfare commitments & Full year 2022 progress report
Management Commitment and Policy (Q1 – Q15) *

Danone acknowledges farm animal welfare as a business issue.
Danone is committed to working with farmers and other partners to co-build agricultural models that respect natural resources and foster animal welfare, as Danone acknowledges that animals are sentient beings. Our aim is to achieve better conditions for all animals species either directly in or indirectly implicated in our supply chain. This is the reason why animal welfare is one of the 3 key pillars in the Danone Regenerative Agriculture strategy. ¹

Danone has a clear scope on animal welfare.
Our animal welfare approach, developed in cooperation with Compassion in World Farming (CIWF) and other animal welfare specialists, is based on the internationally recognized Five Freedoms established by the Farm Animal Welfare Council. We are working to ensure these freedoms are upheld globally, in all countries applicable, for all species relevant to Danone: dairy cows for fresh milk, poultry (laying hens, broiler, turkey), lamb, beef cows, ducks, veal, pigs, rabbits and fish (incl. finfish), across our supply chain.

The Five Freedoms call for management and housing of animals to respect the following needs:
- Freedom from hunger and thirst by ready access to fresh quality water and a diet that maintains full health and vigor.
- Freedom from discomfort by an appropriate environment, including shelter and comfortable resting areas.
- Freedom from pain, injury and disease by prevention or rapid diagnosis and treatment.
- Freedom to express normal behavior, by providing sufficient space, proper facilities and company of the animals’ own kind.
- Freedom from fear and distress by ensuring conditions and care that avoid mental suffering.

Upholding the Five Freedoms means working to ensure that farming practices in our supply chain:
- Provide appropriate housing environments and avoid closed confinement (e.g. cages for hens and rabbits);
- Provide regular access to food and water, in both quantity and quality;
- Promote responsible use of antibiotics (avoidance for prophylaxis); and
- Monitor and improve key health and behavioral welfare outcomes.

Danone is committed to publicly reporting on our progress and performance, on an annual basis.

Reliance on animal-sourced foods as a business issue (Q12*)
Danone is a leader among food companies in promoting sustainable and healthier diets to consumers. A diverse and balanced diet helps meet more than just nutritional needs. Dietary patterns that help both the planet and people to thrive are becoming more and more popular in some countries: they are plant-rich, diverse, and flexible enough to suit people’s needs, preferences and cultures, reflecting their health and environmental priorities. Flexitarianism is one sustainable diet option. It involves plenty of plant-based foods – such as fruits & vegetables, legumes, whole grains and nuts – and a moderate intake of animal products, with a recognized place for high-quality nutritious dairy. Danone’s mission is to bring health through

¹ Our Regenerative Agriculture framework is structured around three pillars: 1) the preservation of soil health, water resources and of biodiversity; 2) animal Welfare; and 3) supporting farmers in the transition towards regenerative agriculture practices.

This * refers to 2022 BBFAW question number.
food to as many people as possible, and we are working to deliver on this mission by offering consumers products suitable for flexitarian and plant-rich diets.

Expansion of plant-based business (especially beyond Europe and US) was identified as a key component of Danone’s Renew strategy, designed to reconnect our business with a sustainable, profitable growth model.

Danone is supporting flexitarian diets, offering consumers the best of both animal- and plant-based foods. (Q13*) (Q14*)

Danone supports the diversification of diets, including flexitarian diets with plant-based foods (fruits, vegetables, legumes, grains, nuts and seeds) and animal-based products in a balanced approach. Danone is the leader worldwide for plant-based foods, with brands such Alpro, Provamel and Silk, as well as the leader worldwide in fresh dairy products. Our portfolio of products includes numerous plant-based offers including drinkable soy and oat products, or yogurt alternatives, all of which are key sources of proteins and vitamins. We are also innovating to bring plant-based offers to consumers across a wide variety of products including baby formula and high-protein yogurt alternatives (e.g. YoPRO plant-based). We aim to provide consumers with a range of offers suited to their needs, culture and preferences, and to support the adoption of healthier eating habits in line with planetary boundaries.

Danone has assigned day-to-day and board and senior management responsible for animal welfare (Q15*) (Q16*)

Overall responsibility for animal welfare sits within the Global Cycles & Procurement team led by the Global Chief Cycles & Procurement Officer (Jean Yves Krummenacher), reporting to the Global Chief Operations Officer (Vikram Agarwal), with a dotted line to the Chief Sustainability & Strategic Business Development Officer (Henri Bruxelles), both of whom report directly to the Global CEO of Danone (Antoine de Saint-Affrique).

Danone has both global and local teams working together to ensure delivery of animal welfare standards and commitments. Cycles & Procurement (C&P) at Danone has a global team that is fully dedicated to responsible sourcing, including animal welfare. At the local level, we have appointed dedicated teams in every country where we source fresh milk, who are responsible for overseeing audits, technical support, and animal welfare. These teams work closely with our milk sourcing directors, who support farmers on a daily basis to improve all aspects of farming, including animal welfare.

All Danone employees and external assessors working on animal welfare receive dedicated training. The on-farm animal welfare assessors are trained by Phylum, which is also responsible for the animal welfare assessment tool. For farmer training, we leverage the knowledge and expertise of local experts such as VetVice or CowSignals.

In the event that the assessment tool detects farmer non-compliance with our animal welfare policy for dairy, the farmer is asked to put a corrective action plan into place. The farm is then re-assessed as soon as practically possible. If it is still not compliant after 2 re-assessments, collection from the farm in question is suspended.

Danone publishes an overarching farm animal policy

Danone is committed to transparency for animal welfare commitments and performance. Danone published an Animal Welfare Position Paper in 2016 and publishes updated commitments and progress on an annual basis. Based on these disclosures, Danone is proud to have been awarded Tier 2 status in the Business Benchmark on Farm Animal Welfare.

This * refers to 2022 BBFAW question number.
(BBFAW), an independent report, in 2018, 2019, 2020 and 2021. In 2022, the BBFAW benchmark was substantially modified. As a consequence, we are working to strengthen our animal welfare practices and to report on our progress.

Please check the “Summary of Commitments on Animal Welfare” below for commitments and progress on all relevant species (dairy cows, beef cows, duck, veal, lamb, poultry, laying hens, pigs, rabbits and (fin)fish) based on the total volumes in Danone’s global supply chain.

Danone implements its animal welfare policy throughout the supply chain and ensures that these are effectively implemented and regularly audited (Q17*). Animal Welfare is integrated in all supplier contracts for relevant species, products, and in all geographies. Farm animal welfare forms an integral part of the requirements we place on our Dairy and Specialized Nutrition suppliers of fresh milk, meat, poultry, fish, egg and dairy products, and is systematically integrated into contractual obligations for suppliers (i.e. cage-free requirements for egg and rabbit suppliers, no castration for our pig suppliers, pre-slaughter stunning, etc.).

All meat and dairy suppliers are audited on average every 2 years on quality and animal welfare criteria by our Supplier Quality Manager. Any new animal welfare standards adopted by Danone is added to product specifications (in addition to previously adopted standards and commitments). These are contractual documents, where breach of compliancy means breach of contract.

Animal welfare standards are also communicated to consumers through our brands (see Les 2 Vaches, Bledina and Danone Spain milk websites for examples), and farmers are trained on animal welfare.

Since 2014, Danone SN Europe has been implementing a welfare improvement plan, focused on indoor reared species. The key criteria developed and implemented with suppliers are the following:

- Provide good housing conditions.
- Provide enrichments that meet behavioral needs.

By tackling the above issues Danone SN aims to reduce the use of antibiotics and prevent mutilations (see detail by species below).

Since 2020, 100% of the meat and farmed fish we source must meet standards which are recognized by third parties specialized in farm animal welfare.

Communication on animal welfare practices.

Danone is a leader in dairy and plant-based products and brands and aims to be one of the leading companies for animal welfare. All information in our animal welfare reporting is collected through the buyers and stakeholders involved in the animal welfare cycle. The reporting process is essential to achieving our animal welfare ambitions and commitments, through a process of continuous improvement. Outcomes are shared internally, with all relevant teams and leadership.

Danone’s organic brand Horizon is actively communicating with its consumers about the importance of animal welfare as well as the actions taken by Danone to promote it. Additionally, Olvarit and Bledina brands are doing active communication on their animal welfare practices. Our plant-based brands are communicating to customers on the reduction of reliance of animal sourced foods via the websites of Alpro and Silk. (Q22*).

This * refers to 2022 BBFAW question number.
**SUMMARY OF COMMITMENTS ON ANIMAL WELFARE**

<table>
<thead>
<tr>
<th>SPECIES</th>
<th>COMMITMENTS/ PRIORITIES</th>
<th>PROGRESS ACHIEVED BY 2022</th>
</tr>
</thead>
</table>
| Universal across all relevant species, products, and geography (unless mentioned otherwise). | End use of closed confinement (Q4*) | Danone is committed to ending the use of closed confinement and will be phasing out close confinement and permanent tethering systems for all farm animals, including cages, stalls or crates. Danone excludes confinement practices such as:  
  - Cages for laying hens, broilers, turkeys and rabbits;  
  - Crates for veal calves;  
  - Sows max 28 days per gestation in the farrowing crates.  
We promote free stall barns, group housing, yards or pens for all species and avoid excessively high stocking densities for all relevant species mentioned, in all geographies and products applicable.  
2022: FFD closed confinement and permanent tethering are not allowed for our suppliers and farmers.  
By 2030: End close confinement and permanent tethering for all farm animals, including cages, crates or stalls. |
| Provision on effective species-specific environmental enrichment (Q5*) | | Danone is committed to ensuring the best housing conditions for all animals. As we respect the freedom to show natural behavior (one of the five freedoms of animal welfare), we ensure that we provide high quality, appropriate housing environments, both indoors and outdoors. As an example, we invested 50k Euro in EU and in the US on cow brushes in 2022.  
Danone requires from its suppliers the following conditions:  
  - Straw bedding and toys for pigs;  
  - Perches and pecking objects, manipulable materials (wood and lucerne) and free range for broilers;  
  - Hiding tubes for rabbits;  
  - Pasture access for lambs.  
See species specific enrichments in the table “Commitments and progress per species” below. |
| End use of routine mutilations (Q6*/Q10*) | | Danone is committed to eradicating the following on-farm mutilation practices:  
  - Fish fin clipping: in place.  
  - Beak trimming and tipping in our egg and chicken supply chain - since 2020:  
  - Pigs castration since 2020:  
  - Dairy and beef cows dehorning and tail docking - 99% of cows in 2021/2022, objective of 100% by 2025.  
  - No lamb castration: in place  
  - No branding with hot irons: in place  
  - Pig tail docking and teeth grinding by 2030:  
Danone does not produce foie gras or associated products. |

*This * refers to 2022 BBFAW question number.*
Today, where certain practices are unavoidable within the industry (e.g., disbudding of calves), suppliers must utilize early intervention. Any procedures must be carried out by a trained and competent individual using the most humane techniques and recognized best practices with appropriate anesthesia and analgesia administered to minimize pain.

Reduction or avoidance of antibiotics for prophylactic and routine metaphylactic use. (Q7*)
Prohibited use of genetically modified cloned stock and of all growth promoting substances across all our livestock supply chains transformed in Danone’s factories

We encourage the reduction of prophylactic use of antibiotics globally and encourage focusing on the prevention of disease, using antibiotics only when required. Danone restricts the use of antibiotics to medically critical situations and does not routinely use antibiotics for farm animals in Europe.

Danone is working with suppliers to reduce the use of antibiotics and is testing alternative methods to strengthen immune systems. For instance, we worked with a chicken supplier to eliminate antibiotic use through lower density, vaccination, and the use of herbal treatments.

2019: No use of routine antibiotics for 46% of chickens.
2020/2022: No use of routine antibiotics for 100% of chickens.

No livestock transformed in Danone’s factories is allowed to originate from genetically modified or cloned stock. Our audits have shown that our suppliers, including dairy suppliers, are 100% compliant with this contract clause.

The use of growth promoters is strictly prohibited across all our livestock supply chains transformed in Danone’s factories.

2020: Danone 100% compliant in the EU.
2021/2022: Global Danone 100% compliant. For milk via the AW assessment and via contracts with suppliers.
2026: Target to reach global commitment for all species in all geographies and in all Danone’s factories.

Ending long-distance live transportation (Q8*)

Danone is committed to ending long distance live transport for all relevant species, limiting poultry and rabbits transport to maximum 4 hours and all other species to maximum 8 hours, and to securing the welfare of all species during live transport. Danone requires suppliers to adhere to these specifications and keep all live animal transport to a minimum and avoid transport longer than 8 hours.

Animals should not be loaded, transported, or unloaded in a way likely to cause injury or undue suffering. Transport of live animals and all related operations must comply with relevant legislation.

2021/2022: 100% of all live animal transportation is below limits with transport not longer than 4 hours for poultry and rabbits and less than 8 hours for all other species. (Q47*)

Using humane methods of Pre-slaughter stunning (Q9*)

Danone is committed to pre-slaughter stunning for all species* to ensure insensitivity to pain before being processed in North America, South America, Europe and Africa.

In 2022, 100% of all species* (chicken, turkey, veal, farmed fish, dairy cows, beef cows, pigs and rabbits) were pre-stunned. This is audited.
* Except for wild fish, where there are currently no viable pre-stunning alternatives.

For poultry, we use controlled atmospheric stunning using inert gas or multi-phase systems, or effective electrical stunning without live inversion.

This * refers to 2022 BBFAW question number.
For pigs, electric/CO2 pre-stunning is used. For cows, captive bolt/stick pre-stunning is used. For lambs, electric pre-stunning is used. Electrical pre-stunning is also used for all farmed salmon, seabass, seabream and trout.

Ending the use of other inhumane practices (Q11)

Since 2022, culling of day-old male chicks has been prohibited in Danone’s French shell egg supply chain. Danone is banning live plucking or harvesting for geese and other inhumane practices. For wild fish, there are currently no alternatives to the current method.

### DETAILED COMMITMENTS AND PROGRESS PER SPECIES

<table>
<thead>
<tr>
<th>SPECIES</th>
<th>COMMITMENTS/ PRIORITIES</th>
<th>PROGRESS ACHIEVED for all relevant species, practices, products and geographies. Scope is global and all percentages mentioned are Danone global supply chain.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laying hens and eggs</td>
<td>100% cage free eggs, eggshells and egg ingredients across all relevant brands and products in all business units and in all geographies by the end of 2020 (Q23*)</td>
<td>Our commitment is implemented in 100% of the contracts relating to eggs and egg ingredients and complies 100% with Danone’s cage free pledge.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Table with animal welfare measurements in Danone global supply chain.</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>2017</strong></td>
</tr>
<tr>
<td>Cage free laying hens</td>
<td></td>
<td>43%</td>
</tr>
<tr>
<td>(Q23*)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Laying hens free from</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>beak trimming or tipping</td>
<td>(Q30*)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Since 2022, culling of day-old male chicks has been prohibited in Danone French shell egg supply chain.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AWARDS:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017: CIWF Good Egg award for SN Food</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018: CIWF Good Egg award for Danone company</td>
<td></td>
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</tr>
</tbody>
</table>

Broiler chickens

Achieving the requirements of the Better Chicken commitment/European Chicken Commitment for broiler chickens as a minimum by 2026.

Danone is committed to the ECC in Europe. Danone only sources chicken in Europe, hence this commitment covers 100% of the global chicken supply across all brands.

**In Europe (including France):**

European Chicken Commitment includes the following criteria:

- 100% chicken from farms with lower stocking density (30kg/m2), natural light and enrichments (at least two meters of usable perch space and two pecking substrates per 1000 birds) by end of 2023;
- Gas stunning in slaughterhouses.
- 100% chicken from breeds that demonstrate higher welfare outcomes and that meet the criteria of the RSPCA Broiler Breed Welfare Assessment Protocol by end of 2026;
- Danone is committed to ending the use of high-performance breeds in 2026.

Table with animal welfare measurements in Danone global supply chain.

**2016**  | **2018**  | **2019**  | **2020**  | **2021**  | **2022**  |
<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-slaughter stunning</td>
<td>-</td>
<td>-</td>
<td>53%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Gas stunning</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>60%</td>
<td>68%</td>
</tr>
</tbody>
</table>

This * refers to 2022 BBFAW question number.
No beak trimming | 100% | 100% | 100% | 100% | 100% | 100%  
Enriched environment | 9% | - | - | 33% | 80% | 87%  
Natural daylight | - | - | - | 26% | 99% | 100%  
ECC approved breeds | - | - | - | 20% | 7% | 18%  
Lower stock density (30kg/m²) | 9% | 33% | 70% | 26% | 60% | 60%  

AWARDS:
2018: CIWF Good Chicken award

Turkeys
100% turkey from farms with natural light and enrichments (pecking objects and platforms) by end of 2020.
Move to 100% higher welfare systems (cage-free and enriched environment).

100% turkey from farms with lower stocking density and slower growing breeds by 2026.

Table with animal welfare measurements in Danone global supply chain.

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-slaughter stunning</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Free from confinement</td>
<td>-</td>
<td>-</td>
<td>8%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Daylight</td>
<td>-</td>
<td>-</td>
<td>100%</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Enriched environment</td>
<td>-</td>
<td>-</td>
<td>13%</td>
<td>25%</td>
<td>100%</td>
</tr>
<tr>
<td>Lower stocking density</td>
<td>EU 34%</td>
<td>EU 35%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In 2021, 100% of the Turkeys from France were Label Rouge. This represented 18% of the global SN volumes.

Pigs
All suppliers with action plan in place to phase out tail docking & teeth grinding by 2025.

100% of the farms with enrichments- chewable and friable by 2025.

Phasing out and the gestation crates or sow stalls by 2030 for all relevant brands and products in all geographies (Q25*) (Q26*).

Beter Leven 1 system includes:
- Commitment to eliminate gestation crates/sow stalls; (allowing max 4 days after insemination) by 2025;
- More space;
- Enrichment material – e.g., straw bedding and toys;
- Restrictions on tail docking;
- No surgical castration - maximum transport duration for piglets is 6 hours and for pigs 8 hours.

Table with animal welfare measurements pigs in percentage of Danone global supply chain.

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pigs castration</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Beter leven NL</td>
<td>62%</td>
<td>38%</td>
<td>39%</td>
<td>65%</td>
<td>63%</td>
</tr>
<tr>
<td>No routine antibiotics</td>
<td>-</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>No teeth grinding</td>
<td>-</td>
<td>77%</td>
<td>39%</td>
<td>94%</td>
<td>96%</td>
</tr>
<tr>
<td>No tail docking</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>29%</td>
<td>33%</td>
</tr>
<tr>
<td>Enriched environment</td>
<td>-</td>
<td>-</td>
<td>39%</td>
<td>94%</td>
<td>96%</td>
</tr>
<tr>
<td>Free from sow stalls</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>65%</td>
<td>79%</td>
</tr>
<tr>
<td>Free from farrowing crates</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0%</td>
<td>16%</td>
</tr>
<tr>
<td>Pre-slaughter stunned</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

This * refers to 2022 BBFAW question number.
Rabbits

Moving to 100% higher welfare systems (cage-free and enriched environment).

2018 / 2019 / 2020 / 2021 / 2022: 100% cage-free rabbits coming from environments with:
- Pens (min 800cm²/rabbit, min length 1.8m, no height restriction);
- Comfortable flooring like plastic min 80%;
- Platforms, gnawing objects, hiding spaces, hay or straw;
- No routine use of antibiotics.

2022: 100% pre-slaughter stunned.

Lambs

100% with access to pasture and free from confinement.

2016 – 2022: 100% of the lambs had pasture access.
2020 / 2021: 100% of the lambs were castration free and were stunned before slaughter (electric stunning).

Beef & calves

100% suppliers with group housing, pasture and comfortable fiber bedding. Colostrum provided within 6 hours.

Table with animal welfare measurements in Danone global supply chain.

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Free from confinement/feedlots</td>
<td>-</td>
<td>-</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Group housed throughout rearing for all calves. Including beef and veal</td>
<td>53%</td>
<td>88%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Free from tail docking</td>
<td>-</td>
<td>-</td>
<td>94%</td>
<td>100%</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Free from dehorning (Q43*)</td>
<td>-</td>
<td>-</td>
<td>98%</td>
<td>99%</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Free from hot iron branding</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>100%</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Pre-slaughter stunned</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>100%</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

The calves have 100% group housing, with comfortable fiber bedding, and get colostrum within 6 hours.

Wildfish

Certification compliance (MSC Fisheries Standard for wild fish)

Under Socrates program, the Specialized Nutrition Business implemented a project to guarantee that the catching methods of fishes bought by Danone do not impact the renewal of wild fish stock.

The Marine Stewardship Council (MSC) Fisheries Standard for wild fish sets out requirements to claim well-managed and sustainable sources. Danone committed to having 100% of its fish sourced from sustainable fishing /aquaculture through MSC certification and Pole and Line certification.

2018: 100% of our wild fish were certified (89% MSC certified and the remaining 11% Pole & Line certified). 100% of our wild tuna volumes were Pole & Line certified.

2019: 100% of our wild fish were certified (90% MSC certified and the remaining 10% Pole and Line certified). 100% of our wild tuna volumes were Pole and Line certified.

2020: 100% of our wild fish were certified (91% MSC certified and the remaining 9% Pole & Line certified). 100% of our wild tuna volumes were Pole & Line and Dolphin friendly certified.

2021: 90% of our wild fish were certified MSC. Tuna is 100% Pole & line and Dolphin friendly.

2022: 98% of our wild fish were MSC certified. 100% of the Tuna volumes were Pole & Line and Dolphin friendly certified.

Farmed fish (Salmon, seabass)

Pre-slaughter stunning, fasting and stocking.

Fish fin clipping has been forbidden.

2021: 84% of the farmed salmon has a stocking density of 10kg/m³ or less.

This * refers to 2022 BBFAW question number.
2022: 100% of farmed fishes were pre-stunned electrically. 100% were free from fasting lasting longer than 72 hours. 83% of the farmed fish had a stocking density of 10 kg/m³ or less.

Table with animal welfare measurements in Danone global supply chain.

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-slaughter stunning farmed fish</td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Farmed fish fasting &gt; 72 hours</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>Farmed fish stocking density 10 kg/m³</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>84%</td>
<td>83%</td>
</tr>
</tbody>
</table>

**SPECIES COMMITMENTS/PRIORITIES PROGRESS ACHIEVED BY 2022 for global Danone supply chain.**

<table>
<thead>
<tr>
<th>SPECIES</th>
<th>OVERALL DATA</th>
<th>PROGRESS ACHIEVED BY 2022 for global Danone supply chain.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dairy Cows for Fresh Milk</td>
<td>Tonnage of milk sourced by Danone worldwide</td>
<td>2019 2020 2021 2022</td>
</tr>
<tr>
<td></td>
<td>Ktons</td>
<td>5.196 5.144 5.567 5.100</td>
</tr>
<tr>
<td>Main sourcing regions</td>
<td>Europe</td>
<td>%</td>
</tr>
<tr>
<td></td>
<td>CIS</td>
<td>%</td>
</tr>
<tr>
<td></td>
<td>North America</td>
<td>%</td>
</tr>
<tr>
<td></td>
<td>Latin America</td>
<td>%</td>
</tr>
<tr>
<td></td>
<td>Other regions</td>
<td>%</td>
</tr>
</tbody>
</table>

**Summary of progress in 2020:** 87% of the worldwide volumes of fresh milk collected was covered by Danone’s animal welfare assessment tool or by Validus Animal Welfare certification, with more than 2,500 audits carried out on farms in 14 countries. We achieved our target one year ahead of schedule.

**Details on Danone’s animal welfare assessment tool:**
Danone developed an animal welfare assessment tool and has been progressively rolling it out in 14 countries where we source milk. Including: Belgium, France, Spain, Germany, Poland, Romania, South Africa, Egypt, Algeria, Russia, Mexico, Brazil, Argentina and the USA.

**NOTE:** In the USA the deployment of the assessment tool has been introduced, on top of the Validus certification.

2018: 43% (938 assessments in 13 countries).
2019: 81% (2607 cumulative assessments in 14 countries).
2020: 87% (3091 cumulative assessments in 14 countries).
2021: 87% (2767 cumulative assessments in 14 countries).
2022: 80% (2628 cumulative assessments in 14 countries).

This assessment tool is allowing for greater monitoring and compliance. Farmers found noncompliant are asked to put corrective action plans into place. At the end of 2020, 8% of active farms were not compliant; in most
cases this was due to dehorning. All these farms have an action plan to become compliant and will be re-assessed accordingly. If there has been no improvement and they are still non-compliant after 2 re-assessments, farm collection will be stopped.

The average score from all farms assessed was 67 points (between 0 – 100). In total, there are over 400,000 cows involved in the assessments.

In Belgium, France and Spain, the assessment score has become part of the milk premium system integrated in the milk delivery contract. Compliance entails 4 critical criteria; no dehorning, no tail docking, feed safety and no use of GMO/clone animals or animal products. Non-compliance can result in the termination of milk delivery contracts. Premiums also depend on the AW assessment score.

- In Spain for example, if farmers are unable to reach compliance, contracts are not renewed. In 2019 Danone Spain was certified for both the assessment protocol and the European Welfare Quality Animal Welfare scheme by AENOR.
- Danone’s animal welfare assessment tool was presented as best practice by CIWF, at the International Dairy Federation (IDF) congress in Dublin in November 2017, as well as additional CIWF events in 2018. In 2019 the tool was digitalized for use on tablets.

**Details on Validus certification:**
- **2018:** In the United States, 90% of conventional fresh milk came from Validus certified farms.
- **2019:** For the full milk supply in the USA – both conventional and organic milk – 76% came from Validus-certified and/or assessed farms.
- **2020:** For the full milk supply in the USA, 85% of the milk volume came from Validus certified and/or assessed farms.
- **2021:** Validus is only used in the US but since the US team has introduced their own program called “Quality and Care” (QnC) some farms only used this system and no longer used Validus. In 2021 51% of the total US milk volume was from farms that were Validus certified. It is no longer required to have the Validus certification on AW but they do have to be assessed in the QnC program.

Validus certification is awarded to farms that demonstrate compliance with specific standards and criteria including:

- Proper animal handling and management;
- Herd health procedures and care;
- Food and water quality standards;
- Housing that promotes animal comfort and cleanliness;
- On-farm security procedures;
- Proper care of special needs animals;
- No tail docking.

**Improvements in 2021-2022:**
- Assessed all new farms from which Danone directly sources fresh milk.
- Deployed an update of the assessment grid with renewed priorities. This included increasing thresholds and some additional new criteria for youngstock.
- Adjusted the digital tool and re-trained all assessors. The digital animal welfare tool being fully deployed, we are using a digital application to review results and benchmark the farms.

| Raise Danone employee and farmer awareness on animal welfare | In 2018, Danone organized a series of animal welfare training sessions with partners such as CowSignals in the Netherlands, IRTA University in Spain and in Germany (with employees from Poland, Romania and Belgium attending), and Phylum in France. Employees in South Africa, Brazil, Argentina, and Mexico were trained by local certified CowSignals trainers. |

This * refers to 2022 BBFAW question number.
Ad hoc technical workshops were organized in Russia (including a demonstration on Danone’s training farm on how to convert a tie-stall barn to a free stall barn). In the US, it is part of on farms employee integration.

<table>
<thead>
<tr>
<th>Year</th>
<th>Training Sessions</th>
<th>Countries</th>
<th>Staff Members</th>
<th>Farmers Trained</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>10</td>
<td>10</td>
<td>97</td>
<td>78</td>
</tr>
<tr>
<td>2018</td>
<td>9</td>
<td>7</td>
<td>180</td>
<td>1,020</td>
</tr>
<tr>
<td>2019</td>
<td>9</td>
<td>11</td>
<td>120</td>
<td>880</td>
</tr>
<tr>
<td>2020</td>
<td>(online)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Animal welfare is a key pillar of Regenerative Agriculture. Best practices, thematic factsheets and tools can be found on Danone Knowledge Center website: Regenerative Agriculture Knowledge Center | (danone.com) (For the Login part please send a request by using the contact form). There have been internal “Lunch and learn” sessions to showcase the website and the information.

In addition, we highlighted the importance of animal welfare as part of sustainable diets, in an open-access training course co-developed with UNITAR for all Danone employees (published in 2019).

Several Danone brands are informing their customers about animal welfare and the promotion of plant-based foods, including: Happy Family, Bledina, Alpro, Silk (Q20/22*).

On social media there were several posts from Danoners for information: Jean Yves Krommenacher, Chris Taylor, Floris Wesseling.

Achieve higher welfare standards while improving performance for farmers

In 2017, we started a pilot on three farms in Belgium to reduce antibiotics prophylaxis usage while improving youngstock rearing, udder health management and farm profitability (via reduced treatment costs).

In 2018, young stock rearing improved drastically with incidence of disease reduced to zero on all three farms. On the farm affected by udder-related health issues, milk quality improved by 30% and mastitis incidence was reduced by over 40%. The cost associated with addressing these conditions was consequently reduced by 30,000 euros.

Following these positive results, the pilot will be expanded to Russia, Brazil, USA, Spain and Argentina.

In 2019:
- We developed a disbudding toolkit, including a poster about the procedure, movie, and list of materials and advice on the best tool. We activated the toolkit in Mexico with large farm managers and staff involved in the training of small holders.
- The Danone-owned farm in Russia, with 1,300 cows, reduced the incidence of calf disease to 0.
- In France, we began a 3-year program with CIWF, with the aim of improving dairy cattle welfare through monitoring and training, as well as piloting and disseminating best practices.

In 2020 due to COVID restrictions fewer activities were deployed on farms:

This * refers to 2022 BBFAW question number.
A group of dairy nutritionist from the Canadian Coop Nutrinon were trained on the use of the assessment grid to both improve animal welfare and farm results.

We established a strong relationship with the milk procurement team of PepsiCo in Russia. We held a training on the current assessment grid, feedback session on the potential improvements in Russia and tailored joint approach on eliminating tail docking in Russia. The PepsiCo team is piloting the assessment and farmer approach in their supply chain in Russia.

In 2021, still with many COVID restrictions in place we deployed the following:

- The Farming for Generations program started pilots in Europe and USA focused specifically on animal welfare, including on earlier grouping of calves, heat stress reduction in France and reduction of mastitis cases in Russia, and Germany.
- In total 6 Dedicated WebTalks about improving welfare on farms were broadcast.
- 2 Virtual farm tours in which farmers in the US showed progress on farms via a livestream to the global audience.

In 2022:

- A European farm tour was organized to facilitate peer-to-peer learning between a large US dairy farmer and smaller farms in Germany, Poland and Romania. Farmers learned about the latest animal welfare pilots and shared best practices on housing, heat stress reduction and improving animal health.
- 35 Young farmers in Belgium were trained on the selective use of antibiotics at dry off.
- Article in Danone France Milk magazine on heat stress reduction, shared with all 1600 farmers.

In 2019, Danone Spain rewarded best animal welfare practices among the 300 farms with which they worked.

In 2020, Danone opened a dedicated fund to support farmers in improving their Regenerative Agriculture practices. In the US a total of 175,000 USD was spent on installing over 200 cow comfort brushes in barns as well as pastures. Another 125,000 USD was spent to purchase close to a 1000 calf jackets to comfort small calves during cold periods, particularly on smaller farms. In 2021 Danone was awarded with the CIWF Special Recognition in Innovation reward.

In 2021 21% of global milk cows had pasture access.
In 2022 22% of global milk cows had pasture access.

In 2017, Danone launched CowAct with Wageningen University, a global program aimed at implementing sustainable agricultural practices, including animal welfare.

In June 2019, Danone and 7 other agricultural sector leaders announced the launch of Farming for Generations, a unique, global collaboration to support dairy farmers in adopting regenerative agricultural practices that preserve and renew our planet’s resources, respect animal welfare and ensure the long-term economic viability of farms for the next generation. Farming for Generations will initially work together with 25 dairy farms in the USA, the EU and Russia to identify best practice solutions and innovations – including for animal welfare – across different farming models, farm sizes and geographies, to be shared and scaled up.

In 2020 the Farming for generations project deployed/completed 7 projects focused on improving animal welfare on dairy farms, from improving udder health, grouping young calves at an earlier age, to a holistic approach of improvements.

- Danone joined 2 research initiatives in the EU on animal welfare: Best practices for the welfare of dairy calves and cows (SANTE/2021/OP/0001 - SANTE/2020/05/050).
- Develop animal welfare program in Europe (HORIZON-CL6-2021-FARM2FORK-01-05: Animal welfare 2.0).
In 2021 and 2022, Danone France contributed financially to research on the reduction of heat stress in lactating cows in France. The project was led by Phylum together with Idele.

Danone was a silver sponsor of the 2021 annual Dairy Cattle Welfare Symposium.

Eliminate tail docking from our supply chain

In 2017, we included a new KPI on tail docking in our milk quality assessment tool MilQsat (ex-FaRM). Thanks to the assessment run in 2017 and to the Validus certification for 90% of our volumes in the US, we were able to verify that tail-docking is not in practice more than 50% of our milk supply worldwide. We discovered 2 cases of tail docking in Germany and 2 cases in Spain and were able to work with farmers to eliminate the practice.

In 2018, we strengthened our approach via the roll-out of our new assessment tool and took concrete actions to prevent the practice (ex. technical workshop in Russia). The new assessment tool identifies farmers who carry out the tail-docking practice and attributes a 0 in the assessment score. An action plan is immediately put in place to resolve the issue and then followed by another assessment to monitor its implementation. We identified only 2 farms (total 1200 cows) in South Africa where tail docking was performed and successfully committed the farmers to ending the practice.

In 2019, with the completion of the global assessment on 80% of our milk volume, we identified another 56 farms that practiced tail docking. 30 in Russia, 21 in Brazil, 4 in France and 1 in South Africa. In total this impacted 49,000 (7% of global) cows. For these farms the assessment result was 0 and a clear action plan was established to stop this practice within a specified timeframe, with a follow-up verification to occur.

In 2020, tail docking practices were reduced but still affected around 40,500 cows (6% of global cows).

In 2022, 96% of the cows were free from tail docking.

By 2025: No dairy cows with dehorning and tail docking.

See Table 1 in the Annexes for further details on fresh milk supply chain welfare practices.

This * refers to 2022 BBFAW question number.
ANNEXES

Table 1:
Table with the percentage of the total global Danone fresh milk supply chain.

<table>
<thead>
<tr>
<th>Milk cows</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Free from confinement (Q38*)</td>
<td>-</td>
<td>-</td>
<td>91%</td>
<td>91%</td>
<td>96%</td>
<td>96%</td>
</tr>
<tr>
<td>Pasture access (Q39*)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>21%</td>
<td>22%</td>
<td></td>
</tr>
<tr>
<td>Free from tail docking</td>
<td>-</td>
<td>-</td>
<td>93%</td>
<td>94%</td>
<td>96%</td>
<td>96%</td>
</tr>
<tr>
<td>Free from dehorning (Q40*)</td>
<td>-</td>
<td>-</td>
<td>98%</td>
<td>99%</td>
<td>99%</td>
<td>99%</td>
</tr>
<tr>
<td>Free from hot iron branding</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Pre-slaughter stunned (for cows captive bolt/stick stunning)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Free from tethering (Q38*)</td>
<td>--</td>
<td>91%</td>
<td>91%</td>
<td>96%</td>
<td>96%</td>
<td>96%</td>
</tr>
</tbody>
</table>

Table 2:
Welfare outcome and key performance indicators Dairy (Q18*)

The on-farm dairy assessment tool is a combination of gathering KPI’s, interviewing the farm manager and animal observations. In the process of the assessment, depending on criteria and performance, points, are gathered. After completion the total sum of points defines the score and that lies between 0 and 100, with a higher score meaning a better one.

<table>
<thead>
<tr>
<th>Criterium</th>
<th>KPI</th>
<th>Score</th>
<th>KPI</th>
<th>Score</th>
<th>KPI</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flight distance (% of cows flight &gt; 2m)</td>
<td>&lt; 5%</td>
<td>7</td>
<td>&gt;=5% and &lt;25%</td>
<td>3</td>
<td>&gt;25%</td>
<td>0</td>
</tr>
<tr>
<td>BCS (% of cows BCS &lt;=2)</td>
<td>&lt;5%</td>
<td>7</td>
<td>&gt;=5% and &lt;15%</td>
<td>3</td>
<td>&gt;15%</td>
<td>0</td>
</tr>
<tr>
<td>Hock lesions (% of cows with swelling or lesions)</td>
<td>0%</td>
<td>7</td>
<td>&gt;0% and &lt;5%</td>
<td>3</td>
<td>&gt;5%</td>
<td>0</td>
</tr>
<tr>
<td>Lameness (% of cows with severe or moderate lameness)</td>
<td>&lt;5% severe and &lt;15% moderate</td>
<td>7</td>
<td>&gt;=5% and &lt;10% severe OR &gt;=15% and &lt;25% moderate</td>
<td>3</td>
<td>&gt;10% severe OR &gt;25% moderate</td>
<td>0</td>
</tr>
<tr>
<td>Mortality (average % over last 12 months)</td>
<td>&lt;5%</td>
<td>7</td>
<td>&gt;=5% and &lt;20%</td>
<td>3</td>
<td>&gt;20% or no record</td>
<td>0</td>
</tr>
<tr>
<td>Culling rate (average % of culled cows over last 12 months)</td>
<td>&lt;20%</td>
<td>0</td>
<td>&gt;= 20% and &lt;30%</td>
<td>0</td>
<td>&gt;30%</td>
<td>0</td>
</tr>
<tr>
<td>SCC (last 3 months geometric average)</td>
<td>&lt;200.000</td>
<td>3</td>
<td>&gt;=200.000 and &lt;300.000</td>
<td>1</td>
<td>&gt;300.000</td>
<td>0</td>
</tr>
</tbody>
</table>

Table 3
Results from the dairy farm assessments in the year. Scope is total global Danone fresh milk supply chain.

This * refers to 2022 BBFAW question number.
<table>
<thead>
<tr>
<th>Criterium</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flights distance</td>
<td>Average points</td>
<td>6.0</td>
<td>6.0</td>
<td>6.3</td>
<td>6.5</td>
</tr>
<tr>
<td>Body Condition Score</td>
<td>Average points</td>
<td>5.1</td>
<td>6.2</td>
<td>6.4</td>
<td>6.3</td>
</tr>
<tr>
<td>Hock lesions</td>
<td>Average points</td>
<td>4.7</td>
<td>5.5</td>
<td>5.6</td>
<td>5.6</td>
</tr>
<tr>
<td>Lameness</td>
<td>Average points</td>
<td>6.3</td>
<td>5.9</td>
<td>6.4</td>
<td>6.7</td>
</tr>
<tr>
<td>Mortality</td>
<td>Average points</td>
<td>5.9</td>
<td>5.7</td>
<td>5.8</td>
<td>5.6</td>
</tr>
<tr>
<td></td>
<td>Rate%</td>
<td>3.7%</td>
<td>4.0%</td>
<td>4.2%</td>
<td>4.5%</td>
</tr>
<tr>
<td>Culling</td>
<td>Rate%</td>
<td>20.9%</td>
<td>21.1%</td>
<td>23.7%</td>
<td>23.9%</td>
</tr>
<tr>
<td>SCC</td>
<td>Average points</td>
<td>2.1</td>
<td>1.8</td>
<td>1.6</td>
<td>1.9</td>
</tr>
<tr>
<td></td>
<td>(*1000)</td>
<td>220</td>
<td>228</td>
<td>233</td>
<td>205</td>
</tr>
</tbody>
</table>

This * refers to 2022 BBFAW question number.
**External information**

Organic milk from Normandy ‘Les Prés Rient Bio’ labeled Fair for Life:  

Danone's care for animals, recognized by AENOR:  

Caring for our Cows:  

Partnerships for sustainable dairy (Wageningen):  

Danone and Bureau Veritas for animal welfare:  

Danone and Phylum: 10 years of collaboration, Danone at the top of the list of companies in BBFAW [French version]:  

Increasing grazing surface for dairy cows to lower farm carbon footprint:  
[https://www.danone.com/fr/stories/articles-list/farmers-projects-support.html](https://www.danone.com/fr/stories/articles-list/farmers-projects-support.html)

Danone first French company for animal welfare:  

Support farmers in their transition to Regenerative Agriculture:  

Josep Maria of Can Ribas and animal welfare:  
[https://www.danone.com/stories/articles-list/josep-maria-can-ribas.html](https://www.danone.com/stories/articles-list/josep-maria-can-ribas.html)

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**Social media:**

**LinkedIn:**

Phylum guide for animal welfare, in partnership with Danone:

This * refers to 2022 BBFAW question number.
Danone and the best farms in terms of sustainable practices:
https://www.linkedin.com/feed/update/urn:li:activity:6771014761434910720/?updateEnti-
tyUrn=urn%3Ali%3Afs_feedUpdate%3A%28V2%2Curn%3Ali%3Aactivity%3A6771014761434910720%29
& https://www.linkedin.com/feed/update/urn:li:activity:6770734318718377984/?updateEnti-
tyUrn=urn%3Ali%3Afs_feedUpdate%3A%28V2%2Curn%3Ali%3Aactivity%3A6770734318718377984%29
tyUrn=urn%3Ali%3Afs_feedUpdate%3A%28V2%2Curn%3Ali%3Aactivity%3A6781269836606537728%29

Promote regenerative agriculture:
https://www.linkedin.com/feed/update/urn:li:activity:67905417344414815232/?updateEnti-
tyUrn=urn%3Ali%3Afs_feedUpdate%3A%28V2%2Curn%3Ali%3Aactivity%3A67905417344414815232%29

Advising farmers on farm animal welfare:
https://www.linkedin.com/feed/update/urn:li:activity:6690938835917918208/?updateEnti-
tyUrn=urn%3Ali%3Afs_feedUpdate%3A%28V2%2Curn%3Ali%3Aactivity%3A6690938835917918208%29