



TAX TRANSPARENCY

REPORT 2024



DANONE
ONE PLANET. ONE HEALTH

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CONTEXT & CHALLENGES

At Danone, we see corporate responsibility not just as a principle, but as part of how we operate every day.

Our mission—bringing health through food to as many people as possible—guides our efforts to make a positive impact through our brands and actions.

Transparency in fiscal matters plays an important role in our sustainability journey.

With the publication of our **fourth Tax Transparency Report**, we continue to share **clear and comprehensive** insights into our global tax contributions.

In 2024, we remained engaged with other multinational companies through the B Team alliance, promoting responsible tax principles.

We believe that collective action is essential to building a more ethical and ambitious standard for tax behaviour, and **we are committed to play our part**.

This report reflects our commitment to accountability, transparency, and responsible business practices, as we work towards a fairer and more sustainable future.



Jürgen ESSER
Chief Financial Officer,
Technology & DataDanone





RENEW DANONE STRATEGY

**“Strong full-year 2024 results
Entering the next chapter of Renew with confidence”**

We close the first chapter of Renew Danone with a strong set of results, fully delivering on our 2022 mid-term guidance.

In 2024, the quality of our growth has further improved, reaching +4.3% like-for-like sales growth driven by +3.0% volume/mix.

This allowed us to drive operating leverage, enabling us to further reinvest in our brands and capabilities, and support the growth of our categories while maintaining a strong financial discipline. Our focus on value creation and return-oriented capital allocation led to a significant improvement of our ROIC, now back into double-digit territory.

We believe that the food industry is at a tipping point. Our unique, health driven portfolio, our renewed focus on science to the service of consumers, our strong brand portfolio and a continuous improvement mindset give us the confidence that we can seize this long-term market opportunity. We enter the next chapter as a stronger company, ready for more.



Antoine de Saint-Affrique
Danone Chief Executive Officer

DANONE'S "ONE PLANET. ONE HEALTH" FRAME OF ACTION

Danone's commitment to sustainability is foundational and long-standing. In 1972, then-Chairman Antoine Riboud, in his landmark Marseille speech, affirmed that a company's responsibility extends beyond its factory gates. This conviction shaped Danone's dual economic and social project: **financial performance and sustainability are mutually reinforcing—neither can succeed without the other.**

Guided by our purpose—"bringing health through food to as many people as possible"—Danone has consistently led the food revolution, long before it became an industry trend. We promote healthier, more sustainable diets through improved nutrition, innovative and more circular packaging solutions, and modern distribution models adapted to local cultural and dietary needs—**anticipating, rather than following, evolving expectations.**

In 2017, we introduced our "One Planet. One Health." signature to reflect the inseparable link between human and planetary health. In 2020, under France's PACTE law, Danone became the first listed company to adopt Société à Mission status, reaffirming our mission beyond financial performance.

This is the path we chose decades ago—and the one we continue to lead today.





STRATEGIC PLAN “RENEW DANONE”

“Renew Danone”, launched in 2022, began showing results in 2023 with a clear goal: to restore sustainable and profitable growth by aligning purpose with performance. The strategy is built around four pillars:

- “Win where we are” strengthen core categories and key markets
- “Expand where we should be” grow selectively in new segments, channels, and geographies
- “Seed the future” invest in emerging opportunities
- “Manage our portfolio” actively optimize and rotate assets

Execution, scalable innovation, and increased investment in product quality, brand visibility, operations, and scientific expertise are central to the plan.

Between 2022 and 2024, Danone underwent a major transformation, consistently delivering on its strategic goals. In 2024, the company unveiled its 2025–2028 roadmap, focused on the future of health and nutrition, with three priorities:

- Gradually pivoting the way it addresses its categories, notably protein and gut health
- Broadening its business models, accelerating medical nutrition and ‘away-from-home’ channels
- Expanding its geographic footprint

KEY FINANCIAL FIGURES 2024



KEY FINANCIAL FIGURES 2024

90 000

Danoners around the world

+93%

Of people in France have at least one Danone product in their fridge

120+

Countries consume our products

€27.4 bn

Group sales in 2024

+4.3%

Like-for-like sales growth in 2024



KEY FINANCIAL FIGURES 2024

The headquarters of the Group are hosted within Danone SA, located in France.

SHAREHOLDING AS OF DECEMBER 31, 2024

It should be noted that double voting rights are granted to all fully paid-up shares held in registered form in the name of the same shareholder for at least two years (see section 7.6 *Shareholders’ Meeting, voting rights*).

Main shareholders

Shareholders	Number of shares held	% of share capital	Number of gross voting rights	% of gross voting rights ^(a)	Number of net voting rights	% of net voting rights ^(b)
Artisan Partners	44,922,367	6.6%	44,922,367	6.4%	44,922,367	6.8%
BlackRock	44,841,205	6.6%	44,841,205	6.4%	44,841,205	6.8%
The Capital Group Companies ^(c)	35,102,488	5.2%	35,102,488	5.0%	35,102,488	5.3%
Employee shareholding: “Fonds Danone” -Company investment fund	11,372,255	1.7%	21,347,189	3.1%	21,347,189	3.2%
Treasury shares held by the Company	29,616,663	4.4%	29,616,663	4.2%	–	–
Treasury shares held by Danone Spain subsidiary	5,780,005	0.9%	5,780,005	0.8%	–	–
Others	507,919,008	74.7%	517,220,106	74.0%	517,220,106	78.0%
TOTAL	679,553,991	100.0%	698,830,023	100.0%	663,433,355	100.0%

(a) The percentage of gross voting rights is calculated taking into account the treasury shares held by the Company and its subsidiaries, which are deprived of voting rights, as well as the double voting rights attached to shares held in registered form for more than two years.

(b) The number of net voting rights (or voting rights “exercisable in a Shareholders’ Meeting”) is calculated excluding shares deprived of voting rights.

(c) On June 27, 2022, according to the declaration of crossing of thresholds made to the French Financial Markets Authority (AMF).

KEY FINANCIAL FIGURES 2024

Recent business restructuring transactions, acquisitions, and divestitures.

(%)	Ownership interest as of December 31				
	Zone (Country)	Category	Transaction date ^(a)	2023	2024
MAIN COMPANIES CONSOLIDATED FOR THE FIRST TIME DURING THE YEAR					
Nutritional Medicinals, LLC ^(b)	North America (United States)	Specialized Nutrition	May	–	100.0%
MAIN CONSOLIDATED COMPANIES IN WHICH THE GROUP'S OWNERSHIP INTEREST HAS CHANGED					
—	–	–	–	–	–
MAIN COMPANIES NO LONGER FULLY CONSOLIDATED AS OF DECEMBER 31					
Michel et Augustin ^(c)	Europe and North America (France and United States)	EDP	February	100.0%	–
Horizon Organic Dairy, LLC ^(d)	North America (United States)	EDP	April	100.0%	30.0%
JSC Danone Russia ^(e)	Rest of the World (Russia)	EDP	May	100.0%	–

- (a) Month in the 2024 fiscal year.
- (b) On May 1, 2024, Danone announced the acquisition of Functional Formularies, a leading whole foods tube feeding business in the US, from Swander Pace Capital. Danone finalized the acquisition of Functional Formularies, which is fully consolidated. The definitive amount of goodwill was €122 million as of December 31, 2024.
- (c) On December 6, 2023, Danone announced its intention to sell the French company Michel et Augustin. The sale of the associated assets and liabilities was completed on February 29, 2024. As of December 31, 2024, the gain on disposal amounted to €36 million and was recognized in "Other operating income (expense)" for the period (see Note 8.2. to the consolidated financial statements).
- (d) See Note 4 to the consolidated financial statements.
- (e) See Note 3 to the consolidated financial statements.

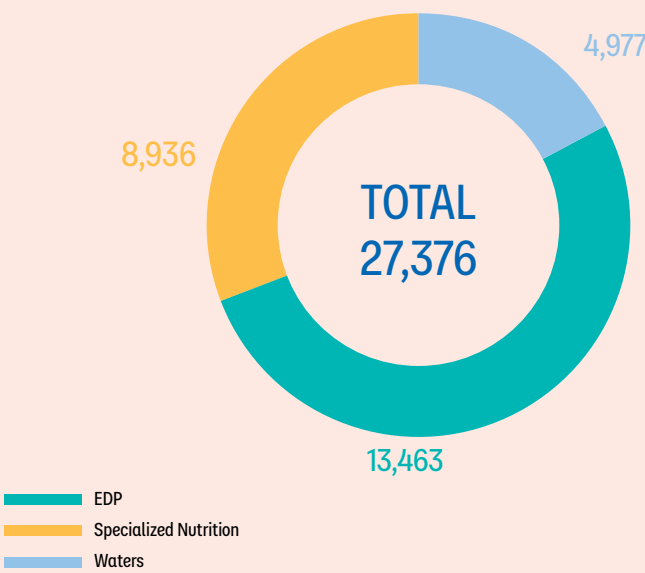
KEY FINANCIAL FIGURES 2024

Activities

Danone operates in healthy and on-trend Categories growing faster than the average food and beverages sector:

- **Essential Dairy & Plant-Based (EDP)** products (49% of the Group's Sales in 2024) – Essential Dairy mainly includes yogurts (classic and drinkable), including value-added and functional segments such as immunity, gut health or high protein, coffee creations (coffee creamers and ready-to-drink coffee beverages) and desserts. Plant-based products mainly include plant-based beverages and, plant-based alternatives to yogurts, but also new categories (plant-based ice creams, frozen desserts, coffee drinks and cheese).
- **Specialized Nutrition** (33% of the Group's Sales in 2024) – which covers formulas and complementary feeding for babies and young children, as well as food for medical purposes for children and adults. The medical nutrition for children includes nutrition products designed to meet specific needs of children diagnosed with certain medical conditions (in particular certain allergies). The portfolio of adult medical nutrition includes oral nutritional supplements for patients suffering from malnutrition caused by illness as well as tube feeding for patients who can no longer feed themselves normally.
- **Waters** (18% of the Group's Sales in 2024), which includes plain water, flavored water and functional beverages.

CONSOLIDATED SALES BY CATEGORY (IN € MILLIONS)



In terms of value, Danone holds the following leadership positions (in the relevant categories and markets):

- **No. 1** worldwide for fresh dairy products;
- **No. 1** worldwide for plant-based foods and beverages;
- **No. 2** worldwide for packaged waters;
- **No. 2** worldwide for early life nutrition;
- **No. 4** in Europe for adult medical nutrition.

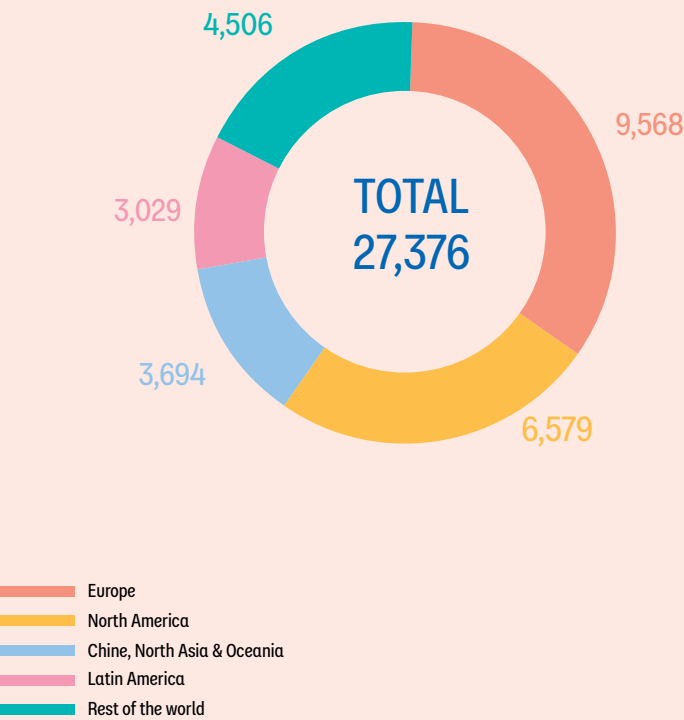
KEY FINANCIAL FIGURES 2024

Main markets

Danone operates in five geographical zones :

- **Europe** (35% of the Group's Sales in 2024), with France, Spain, Germany and the United Kingdom being the largest markets. Europe covers all Categories, from EDP to Waters and Specialized Nutrition.
- **North America** (24% of the Group's Sales in 2024), which includes the United States and Canada. The largest businesses are Essential Dairy, including yogurts, coffee creations, and plant-based products. Danone is also present in Specialized Nutrition and Waters.
- **China, North Asia & Oceania** (13% of the Group's Sales in 2024). China is the largest country in the zone, where Danone holds strong leadership positions in infant formula, medical nutrition and waters. The zone also includes Japan, where Danone sells Essential Dairy products, as well as Australia and New Zealand for Specialized Nutrition.
- **Latin America** (11% of the Group's Sales in 2024), with the largest contributors being Mexico, Brazil and Argentina.
- **The Rest of the World** (16% of the Group's Sales in 2024). The zone notably includes Asia Pacific, where the leading country is Indonesia, and Africa and the Middle East, where the largest markets are Turkey and Morocco.

CONSOLIDATED SALES BY GEOGRAPHICAL ZONE (IN € MILLIONS)



KEY FINANCIAL FIGURES 2024

Top ten countries in terms of sales

(%)	Year ended December 31	
	2023	2024
United States	22%	21%
China	11%	11%
France	8%	8%
Indonesia	6%	6%
United Kingdom	5%	6%
Mexico	5%	5%
Spain	4%	4%
Germany	4%	4%
Poland	3%	3%
Brazil	3%	3%

Changes in the ranking from one year to the next also reflect currency fluctuations, especially high volatility in emerging markets.

Top ten customers

In 2024, Danone’s top ten customers worldwide (three of which are French) accounted for approximately 20% of its consolidated Sales; the top five customers represented approximately 14% of its consolidated Sales.

DETAILED TAX CONTRIBUTION



EFFECTIVE TAX RATE

For a given tax year, the Effective Tax Rate corresponds to the sum of taxes (current and deferred) of a company and its consolidated subsidiaries, divided by the company’s consolidated profit before tax as determined based on applicable accounting rules. The Effective Tax Rate (“ETR”) of Danone is higher than the statutory corporate income tax rate in France, where Danone is headquartered. The difference between the consolidated ETR of Danone and the French corporate income tax rate (25.83% for fiscal year 2024, including corporate income tax surcharges) is reconciled in the Danone’s Universal Registration Document (Note 10.1 of the Annexes to the Consolidated Accounts). In this respect, Danone’s ETR reflects the statutory corporate income tax rates of the countries in which we operate.

For 2024, Danone’s worldwide consolidated amount of corporate income taxes amounted to 929 million euros. This represents an ETR of 31.0% in 2024 (as compared to 45.6% in 2023). The decrease in Danone’s effective tax rate (ETR) from 45.6% in 2023 to 31.0% in 2024 is primarily driven by exceptional items related to the disposal of the EDP business in Russia.

Income before tax and tax expense

(in € millions, except tax rate in percentage)	31/12/2023	31/12/2024
Income before tax	1.686	2.999
Current tax (expense) income	(814)	(868)
Deferred tax (expense) income	(46)	(61)
Current and deferred tax (expense) income	(768)	(929)
Effective tax rate	45.6%	31.0%
Amount (paid) received during the year	(730)	(766)

TAX PROOF

Difference between the effective tax rate and the 25.83% country tax rate in France

(in percentage)	31/12/2023	31/12/2024
Country tax rate in France	25.8 %	25.8 %
Differences between French and foreign tax rates (a)(b)	(1.8) %	(3.0) %
Tax on dividends and royalties	4.4 %	2.7 %
Permanent differences	1.7 %	1.2 %
Tax loss carryforwards (c)	4.9 %	5.6 %
Tax rate adjustments and unallocated taxes	0.6 %	2.1 %
Impact of capital gains and losses on disposal and asset impairment (d) (e)	11.3%	(6.5)%
Other differences	(1.3) %	3.0 %
Effective tax rate	45.6 %	31.0 %

(a) Foreign tax rates corresponds to various countries, none of which generates a significant difference with the country tax rate in France.

(b) Includes the impact of difference between French and foreign tax rates on capital gains and losses on disposal and asset impairment.

(c) Includes mainly the impacts of the non-recognition and impairment of deferred tax assets in France in 2024, as well in 2023. between French and foreign tax rates on capital gains and losses on disposal and asset impairment.

(d) In 2024, this mainly relates to the disposal of EDP Russia (see note 3 to the consolidated financial statements).

(e) In 2023, this mainly related to the non-deductibility of goodwill impairments and the recycling of the cumulative translation adjustments related to EDP Russia following the deconsolidation.

TOTAL TAX CONTRIBUTION

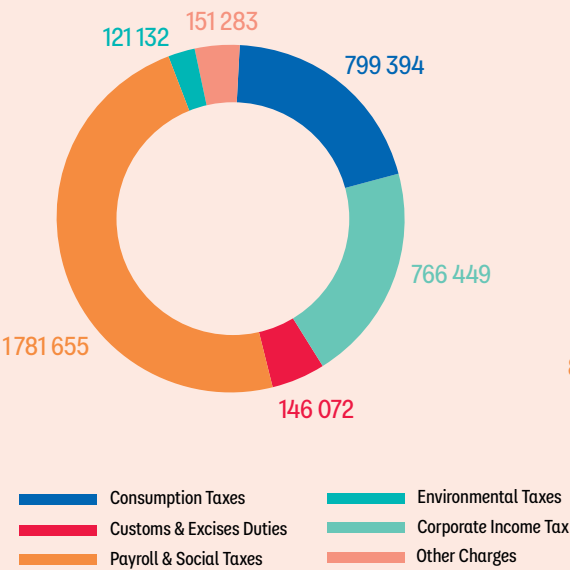
As a multinational company operating across numerous jurisdictions, Danone is committed to fulfilling its responsibility to pay its fair share of taxes in the countries where it conducts business.

The total tax contribution reflects all taxes paid by the company, whether borne directly or collected on behalf of tax authorities. Danone’s tax payments represent a significant part of its overall economic contribution to the countries in which it operates. In addition to corporate income tax, Danone also collects and remits a wide range of other mandatory tax contributions. These include employee-related taxes and social security contributions, value added taxes, environmental levies, customs duties, and various local transactional taxes.

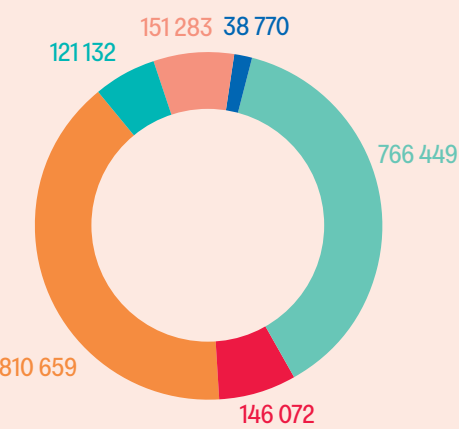
In 2024, Danone paid €3.8 billion in total contributions, including amounts collected on behalf of local tax authorities. Of this, €2 billion represented the net amount borne directly by Danone.

The difference between the total and net contributions corresponds to taxes collected by Danone on behalf of governments—such as payroll tax, social security contributions and VAT.

TOTAL TAX CONTRIBUTION FY 2024
(€3.8 BN)



DANONE NET TAX PAYMENTS FY 2024
(€2 BN)



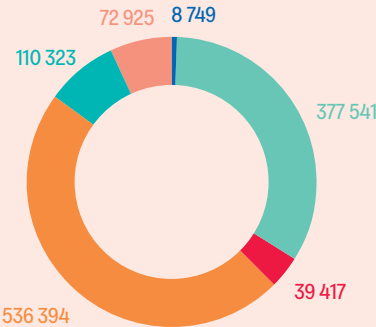
Different categories of taxes in the Total Tax Contribution:

- **Payroll Taxes** refer to all taxes and social contributions in relation to employment.
- **Corporate Income Taxes (CIT)** are paid in all countries where Danone’s operations generate business profits. This may include withholding taxes on dividends, royalties or interests.
- **Customs & Excises Duties** correspond to taxes paid on importations and/or the distribution of specific goods due to their ingredients or classification.
- **Environmental Taxes** mainly relate to taxes and contributions in relation to waste or climate.
- **Consumption Taxes** are mainly consisting of taxes on sales of goods and services.
- **Other charges** consist of all taxes and levies not corresponding to the above-mentioned categories. It includes for example Real Estate Taxes, Stamp Duties, and Financial Transactions Taxes.

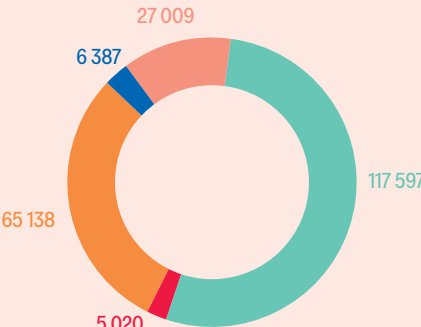
TOTAL TAX CONTRIBUTION

The Net Tax Payments for the 5 zones

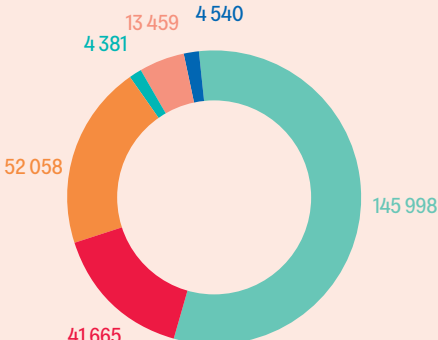
TOTAL NET TAX PAYMENTS 2024
EUROPE (1145 M€)



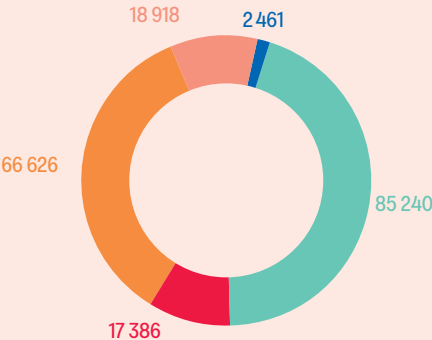
TOTAL NET TAX PAYMENTS 2024
NORTH AMERICA (221 M€)



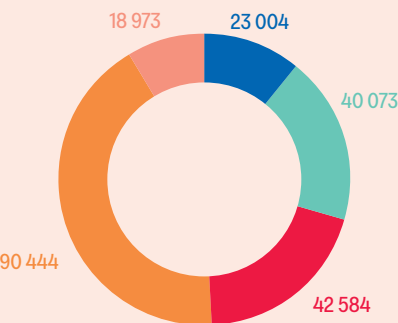
TOTAL NET TAX PAYMENTS 2024
REST OF THE WORLD (262 M€)



TOTAL NET TAX PAYMENTS 2024
CHINA, NORTH ASIA & OCEANIA (190 M€)



TOTAL NET TAX PAYMENTS 2024
LATIN AMERICA (215 M€)



- Consumption Taxes
- Customs & Excises Duties
- Payroll & Social Taxes
- Environmental Taxes
- Corporate Income Tax
- Other Charges

TOTAL TAX CONTRIBUTION PER COUNTRY

COUNTRY	Total Tax Contribution FY24	Total Net Tax Payments 2024
FRANCE	658 079	424 099
NETHERLANDS	422 894	313 530
UNITED STATES	328 139	188 689
CHINA	429 735	178 834
MEXICO	101 663	89 119
INDONESIA	223 016	88 464
SPAIN	121 852	69 222
UNITED KINGDOM	106 296	65 655
ARGENTINA	98 476	63 035
BELGIUM	103 229	59 879
POLAND	122 410	59 477
GERMANY	194 533	53 657
BRAZIL	55 094	42 658
CANADA	50 493	32 478
SINGAPORE	30 530	29 379
TURKEY	84 979	27 789

COUNTRY	Total Tax Contribution FY24	Total Net Tax Payments 2024
ITALY	72 989	23 516
JAPAN	35 765	20 769
URUGUAY	36 694	18 903
RUSSIA, FEDERATION	31 129	18 701
ALGERIA	30 054	12 895
THAILAND	26 754	12 669
HUNGARY	24 428	11 846
SWISS	12 982	11 231
INDIA	30 437	10 857
DENMARK	24 555	9 511
IRELAND	28 600	9 446
HONG KONG	8 572	8 434
MOROCCO	44 776	7 736
KAZAKHSTAN	11 936	5 823
OTHERS	214 898	66 063
Total General	3 765 985	2 034 365

FOCUS ON MAIN COUNTRIES



FOCUS ON MAIN COUNTRIES

EUROPE



FRANCE

Danone has the highest tax contribution in France, the country where Danone is headquartered and listed. Combining all the business categories together, France is the largest European market in terms of net sales. Danone’s global headquarters generate a high contribution of payroll related taxes and contribution. Also, France hosts the main Research and Innovation Center for the Waters and EDP categories, and there are manufacturing sites and distribution activities in France.

Consumption Taxes FY24	CIT FY24	Customs & Excises duties FY24	Payroll & Social Taxes (on behalf of employees) FY24	Payroll & Social Taxes (paid on behalf of company) FY24	Enviromen- tal Taxes FY24	Other Charges FY24	Total Tax Contribution FY24	Total Net Tax Payments 2024
15 974	(26 704)	20 540	218 007	338 516	35 628	56 118	658 079	424 099

NETHERLANDS

Ever since Danone acquired Dutch headquartered multinational “Royal Numico” in 2008, Danone hold a significant presence in the Netherlands. From this location, Danone’s SN category known for brands such as Nutrilon and Aptamil is led. The Netherlands also hosts the global research and innovation center for Specialized Nutrition, as well as several SN manufacturing and distribution sites. Besides these, the Netherlands is home to a procurement organization and there are also distribution activities for EDP for Danone and Alpro brands.

Consumption Taxes FY24	CIT FY24	Customs & Excises duties FY24	Payroll & Social Taxes (on behalf of employees) FY24	Payroll & Social Taxes (paid on behalf of company) FY24	Enviromen- tal Taxes FY24	Other Charges FY24	Total Tax Contribution FY24	Total Net Tax Payments 2024
25 316	266 006	3 741	84 626	29 824	10 485	2 897	422 894	313 530

FOCUS ON MAIN COUNTRIES

EUROPE



UNITED KINGDOM

Danone has a presence in the UK market across SN, EDP and Waters categories. In the UK, Danone is the market leader in Plant Based (Alpro) and in the SN business through Aptamil, Cow & Gate. The Danone UK Dairy business is known for global brands such as Activia, Actimel, GetPRO and recently, Danone Skyr. In the Waters category in the UK, there are the iconic French brands Evian and Volvic and UK brand Harrogate. Danone also has three manufacturing sites in the UK for medical nutrition, Plant Based and Waters.

Consumption Taxes FY24	CIT FY24	Customs & Excises duties FY24	Payroll & Social Taxes (on behalf of employees) FY24	Payroll & Social Taxes (paid on behalf of company) FY24	Enviromental Taxes FY24	Other Charges FY24	Total Tax Contribution FY24	Total Net Tax Payments 2024
3 996	36 778	2 126	37 071	16 096	7 586	2 643	106 296	65 655

SPAIN

Spain holds a special place in Danone’s history, as the first Danone yogurt was created in 1919 by Isaac Carasso in Barcelona – marking the true origin of the company. Over the past century, Danone has become the market leader in the Spanish fresh dairy segment, driven by its iconic brands such as Danone, Activia, and Actimel. The company also operates in the Waters category through its Font Vella brand, and in Specialized Nutrition with brands like Almirón and Nutricia. Danone’s presence in Spain includes production facilities and distribution networks, with all business categories represented locally.

Consumption Taxes FY24	CIT FY24	Customs & Excises duties FY24	Payroll & Social Taxes (on behalf of employees) FY24	Payroll & Social Taxes (paid on behalf of company) FY24	Enviromental Taxes FY24	Other Charges FY24	Total Tax Contribution FY24	Total Net Tax Payments 2024
10 960	6 847	-	43 536	32 935	23 989	3 585	121 852	69 222

FOCUS ON MAIN COUNTRIES

EUROPE





GERMANY

In Germany, Danone has strong brand presence and is a strategic market within Danone’s Europe zone, across all product categories. The EDP business is supported by the global brands such as Actimel, Activia, and FruchtZwerg (Danonino). In the Waters category, French brands like Evian and Volvic are actively marketed, while the SN business is anchored under brand name Milupa. Danone owns production sites for EDP and SN business and a logistics platform.



POLAND

Danone has operated in Poland since 1990 and the local companies are leaders in the respective product categories they operate in: in the EDP business through the global brands Danone, Activia, Alpro, Danio, Fantasia and Actimel, in Waters business with local brand Zywiec Zdroj and in the SN business with brands Nutricia, Bebilor, Bobovita, Nutrimea and Stomil. Danone has several manufacturing sites in Poland, locally producing some of the abovementioned brands since 1992.

Consumption Taxes FY24	CIT FY24	Customs & Excises duties FY24	Payroll & Social Taxes (on behalf of employees) FY24	Payroll & Social Taxes (paid on behalf of company) FY24	Environmental Taxes FY24	Other Charges FY24	Total Tax Contribution FY24	Total Net Tax Payments 2024
83 638	18 839	-	57 249	24 302	10 079	426	194 533	53 657

Consumption Taxes FY24	CIT FY24	Customs & Excises duties FY24	Payroll & Social Taxes (on behalf of employees) FY24	Payroll & Social Taxes (paid on behalf of company) FY24	Environmental Taxes FY24	Other Charges FY24	Total Tax Contribution FY24	Total Net Tax Payments 2024
18 355	27 691	1 207	45 095	21 920	5 723	2 418	122 410	59 477

FOCUS ON MAIN COUNTRIES

EUROPE



BELGIUM

Danone distributes EDP, Waters and SN products in the Belgium territory. The combination of the three businesses has made Belgium one of the major European countries for Danone. Through the WhiteWave acquisition, Danone owns the iconic plant-based brand Alpro that has a strong position in Belgium and other European plant-based markets.

Consumption Taxes FY24	CIT FY24	Customs & Excises duties FY24	Payroll & Social Taxes (on behalf of employees) FY24	Payroll & Social Taxes (paid on behalf of company) FY24	Enviromental Taxes FY24	Other Charges FY24	Total Tax Contribution FY24	Total Net Tax Payments 2024
40	15 069	3 115	43 899	36 693	3 422	991	103 229	59 879

FOCUS ON MAIN COUNTRIES

NORTH AMERICA



UNITED STATES

Over the years, Danone has significantly expanded its fresh dairy business in the United States through well-established brands such as Activia, Danimals, Light & Fit, and Oikos. The 2017 acquisition of WhiteWave Foods further advanced Danone’s strategic ambitions in the North American market, particularly by strengthening its plant-based product portfolio with brands like Silk and So Delicious. In addition to its dairy and plant-based offerings, Danone maintains a strong presence in the Waters and Specialized Nutrition categories. The United States now represents Danone’s largest market in terms of net sales.

Consumption Taxes FY24	CIT FY24	Customs & Excises duties FY24	Payroll & Social Taxes (on behalf of employees) FY24	Payroll & Social Taxes (paid on behalf of company) FY24	Enviromental Taxes FY24	Other Charges FY24	Total Tax Contribution FY24	Total Net Tax Payments 2024
8 772	99 893	4 646	130 695	61 272	1 968	20 894	328 139	188 689

FOCUS ON MAIN COUNTRIES

LATIN AMERICA



MEXICO Mexico is Danone’s largest market in Latin America in terms of net sales and taxes paid. This strong position is driven by the performance of the EDP business, as well as significant sales in the Waters category through the well-known local brand Bonafont. Danone’s operations in Mexico include production facilities and distribution networks.

Consumption Taxes FY24	CIT FY24	Customs & Excises duties FY24	Payroll & Social Taxes (on behalf of employees) FY24	Payroll & Social Taxes (paid on behalf of company) FY24	Enviromental Taxes FY24	Other Charges FY24	Total Tax Contribution FY24	Total Net Tax Payments 2024
-	21 196	12 892	12 544	45 871	40	9 119	101 663	89 119



ARGENTINA Danone has been present in Argentina for several decades through strategic partnerships with local companies, supporting the development of its three business categories: EDP, SN, and Waters. Danone is a market leader in the EDP segment, with a strong portfolio of local and global brands including Yogurísimo, Ser, Casancrem, Danette, and Danonino. In the SN category, Danone operates a production facility that serves both the domestic market and exports to other Latin American countries.

Consumption Taxes FY24	CIT FY24	Customs & Excises duties FY24	Payroll & Social Taxes (on behalf of employees) FY24	Payroll & Social Taxes (paid on behalf of company) FY24	Enviromental Taxes FY24	Other Charges FY24	Total Tax Contribution FY24	Total Net Tax Payments 2024
39 160	12 844	3 818	14 679	21 051	-	6 924	98 476	63 035

FOCUS ON MAIN COUNTRIES

ASIA



CHINA

China is Danone’s second largest country in terms of net sales. Danone’s business in China mainly focuses on two categories: its Waters category operating under the brand Mizone, and its SN category where predominantly Danone’s international labels are being sold through local sales and distribution organizations. Danone also maintains a number of local manufacturing sites across several provinces. Danone has also a research center in Shanghai where academic and clinical empirical research is being performed.

Consumption Taxes FY24	CIT FY24	Customs & Excises duties FY24	Payroll & Social Taxes (on behalf of employees) FY24	Payroll & Social Taxes (paid on behalf of company) FY24	Enviromen- tal Taxes FY24	Other Charges FY24	Total Tax Contribution FY24	Total Net Tax Payments 2024
184 880	77 392	16 308	68 481	63 755	1	18 918	429 735	178 834

INDONESIA

Indonesia represents one of the main Water businesses of Danone in terms of net sales through the number one bottled water brand Aqua. Danone has many water sources, manufacturing, and bottling sites across Indonesia as well as depots from which Danone creates proximity to its customers across the Indonesian archipelago. Danone also has SN operations in Indonesia where it locally manufactures and sells under the brand SGM, a brand with long, strong history and heritage going back to 1954.

Consumption Taxes FY24	CIT FY24	Customs & Excises duties FY24	Payroll & Social Taxes (on behalf of employees) FY24	Payroll & Social Taxes (paid on behalf of company) FY24	Enviromen- tal Taxes FY24	Other Charges FY24	Total Tax Contribution FY24	Total Net Tax Payments 2024
119 548	52 524	6 996	15 003	21 958	13	6 973	223 016	88 464

STRATEGIC TAX TOPICS

FOCUS ON SPECIFIC LOCATIONS

Transparency on tax positions in selected jurisdictions

ORGCHART SIMPLIFICATION

Overview of this internal initiative and its tax implications

TAX INCENTIVES

Disclosure and rationale behind the use of tax incentives



OVERVIEW OF GROUP PRESENCE IN LOW-TAX OR SENSITIVE JURISDICTIONS

While there is no universally accepted definition of a “tax haven,” Danone voluntarily discloses its presence in jurisdictions that may raise questions due to certain tax characteristics, such as low or zero corporate tax rates. This reflects Danone’s commitment to transparency and responsible tax practices.

Danone cross-references its global footprint with the latest lists of non-cooperative jurisdictions published by recognised authorities, including the OECD, the European Union, and the French government. In 2024, part of Danone’s tax footprint was linked to Russia, which was listed by the EU as a non-cooperative jurisdiction during the year. The disposal of Danone’s Russian operations was finalised in May 2024, and all related transactions were conducted in full compliance with applicable tax regulations.

Danone also monitors “grey-listed” jurisdictions—those committed to reforms but not yet fully compliant—and regularly reviews operations in countries offering preferential tax regimes to ensure they meet principles of economic substance and transparency.

Reminder: With the implementation of Pillar 2, all jurisdictions will be subject to a minimum effective tax rate of 15%, further reducing the relevance of low-tax regimes.



FOCUS ON SPECIFIC LOCATIONS

Danone's presence in low-tax jurisdictions is not necessarily driven by tax motives. In line with Principle 3 of the B Team's Responsible Tax Principles, Danone does not use so-called "tax havens" to shift profits from where economic activity actually takes place. Operations in such jurisdictions are subject to enhanced monitoring and transparency measures. Danone ensures that all entities meet substance requirements and operate in accordance with local and international tax laws. Each year, Danone publishes a full list of its subsidiaries on its corporate website, reinforcing its commitment to openness and accountability.



HONG KONG, CHINA

In 2024, Danone de-registered a holding entity which was previously holding Danone Water business in Mainland China. Danone furthermore performs distribution activities in Hong Kong for the SN category for Hong Kong domestic trading and cross-border e-commerce for mainland China.



SINGAPORE

Singapore maintains certain regional activities for the Asia Pacific region and performs various procurement activities. Singapore also performs R&D activities through its R&I site named D-Lab.



HUNGARY

Hungary is an operational place of business in Central Europe since 1996 for the EDP, as well as for the SN business.



SWITZERLAND

Switzerland is an operational place of business in Europe for Danone's EDP, Waters and SN businesses.



IRELAND

Danone has a presence in the Irish market across all categories. Ireland is also an important hub for the production and packaging of early life nutrition.



UNITED ARAB EMIRATES

The legal entities established in the United Arab Emirates are mainly entities with distribution activities for the SN business, seeking proximity to customers in the United Arab Emirates as well as in other surrounding countries in the Middle East.



LUXEMBOURG

Most of Danone's legal entities in Luxembourg are legacy structures from the acquisition of WhiteWave Foods in 2017. Over the past few years, Danone has undertaken several projects that have resulted in the liquidation of most of these entities. Additionally, Danone owns a reinsurance company in Luxembourg that covers operational risks.



RUSSIA

In 2024, Danone completed the disposal of its Russian EDP business. Russia is listed by the EU as a non-cooperative jurisdiction, adding complexity to the fiscal treatment of related transactions.

SIMPLIFYING DANONE'S LEGAL AND OPERATIONAL STRUCTURE

Since 2023, Danone has been working to simplify its legal and operational structure. The initiative focuses on reducing the number of legal entities, aligning ownership structures with business operations, and improving fiscal efficiency.

As part of this effort, Danone has carried out mergers and absorptions to eliminate redundancies, transferred shareholdings internally to reflect operational realities, and reviewed non-essential holdings.



TAX INCENTIVES

As outlined in Danone's Tax Policy and the Tax Code of Conduct, Danone aims to foster collaborative relationships with tax authorities, emphasizing mutual respect, transparency, and trust. In terms of tax incentives, Danone adheres to B Team's Responsible Tax Principles, specifically number 5 which states that:

Where Danone accepts tax incentives offered by a government authority to support investment, employment and economic development, Danone seeks to implement these in the manner intended by the relevant statutory, regulatory, or administrative framework;

Danone uses only tax incentives where they are aligned with its business and operational objectives and where they require economic substance;

Ideally, tax exemptions and reliefs should be specified by law and generally available to all market participants. Where there are exceptions, Danone works with relevant authorities to encourage publication of those incentives and contracts;

Danone makes data available for governments to assess the revenue and economic impacts of specific tax concessions where appropriate.



GLOBAL RESEARCH & INNOVATION CENTERS

Research Tax Credit in France

■ Danone continues to reinforce its long-standing commitment to research and development in France, particularly for its EDP and Waters divisions. In early 2023, the company opened a new Research & Innovation Center on the Paris-Saclay campus—a strategic location for scientific excellence. This facility houses advanced laboratories and pilot production units dedicated to innovation and the creation of specialized prototypes.

■ Today, more than 550 professionals work at the site, including leading experts in life sciences, fermentation, gut microbiota, nutrition, consumer behaviour, and product design. Their work supports Danone's mission to deliver health-focused solutions through science and innovation.

■ Under French tax legislation, companies investing in R&D activities within France or the EU may benefit from a research tax credit. Danone qualifies for this incentive and has applied it in accordance with the law. For the current fiscal year, the benefit amounted to €18 million.

Innovation Box in the Netherlands

■ Danone's Global Research & Innovation Center for Specialized Nutrition is based in Utrecht, at the heart of the Utrecht Science Park. This cutting-edge Life Science hub is dedicated to developing new product concepts and continuously improving our existing Specialized Nutrition portfolio.

■ With a team of over 600 experts, the center delivers scientifically backed nutritional solutions for infants, pregnant women, patients, the elderly, and other vulnerable populations—continuing a legacy of science-driven care that dates back to 1896.

■ To foster innovation and the development of intangible assets, the Dutch government offers the Innovation Box regime, which provides a reduced tax rate of 9% on qualifying income. Danone meets the eligibility criteria and has applied this regime accordingly.

■ Based on the last tax filling, the benefit was €51 million.



GLOBAL MINIMUM TAX - PILLAR 2

Danone's Commitment to Global Tax Reform

Danone supports a fair and consistent international tax framework that promotes transparency and long-term cooperation between businesses and tax authorities. In line with the global reform endorsed by the G20 in December 2021—introducing a 15% minimum effective tax rate for multinational groups—the European Union adopted Directive (EU) 2022/2523, which was transposed into French law via the 2023 Finance Act.

As of 1 January 2024, Danone is subject to these new rules and has taken proactive steps to ensure full compliance.

Implementation Strategy:

To meet the requirements of the Global Anti-Base Erosion (GloBE) rules, Danone has developed a structured methodology comprising three key phases:

Entity Identification: All group entities have been reviewed and classified according to GloBE criteria to determine the scope of application.

Jurisdictional Assessment: Each jurisdiction has been evaluated against transitional safeguard provisions. Where eligible, Danone applies simplified calculations. This process includes validating the quality of the Country-by-Country Report (CbCR), which is essential for accessing transitional relief.

Top-Up Tax Calculation: For jurisdictions not qualifying for simplified treatment, Danone performs full calculations of any additional tax due.

This methodology has been reviewed by external auditors to ensure compliance with international standards.

Governance and Simplification Advocacy

Danone has established internal controls to monitor reporting obligations and ensure ongoing compliance. The company also supports initiatives aimed at simplifying the implementation of these complex rules and reducing the administrative burden on businesses.



GOVERNANCE AND ETHICAL FOUNDATIONS

TAX POLICY

Danone's approach to tax is guided by principles of compliance, transparency, and predictability, in line with OECD BEPS recommendations and the B Team Responsible Tax Principles

CODE OF CONDUCT

A guarantee of Danone's responsible tax reputation, ensuring ethical behaviour across all jurisdictions.

TAX GOVERNANCE & CORPORATE SOCIAL RESPONSIBILITY STANDARDS' ALIGNMENT –

Integration of tax governance within Danone's broader corporate social responsibility framework



TAX POLICY

In line with its “dual social and economic project”, committed to managing its tax policy in a responsible and transparent way. This commitment is in line with Danone’s ambition to achieve “B Corp” certification worldwide, and to meet the highest standards in social and environmental performance, transparency, and accountability.

As part of this approach, it is stated in Danone’s Tax Code of Conduct that Danone Tax Team is expected to strictly adhere to the Group’s Tax Policy and to the transparency principles defined by the Bteam members, ensuring full alignment with Danone’s strategic vision.

Guided by this commitment, the tax policy of Danone relies on three key principles: Prepare, Propose and Protect



PREPARE

ENSURING TRANSPARENT AND COMPLETE TAX COMPLIANCE



The primary objective of Danone's tax policy is to ensure that the company and its subsidiaries comply with all local tax regulations and laws in every country where Danone operates. This means that all legally required tax returns are filed on time and all taxes are paid accordingly.

Regarding cross-border transactions, Danone adheres to OECD standards and ensures that its transfer pricing policies comply with the arm's length principle. It is the responsibility of the Danone Tax Department to define transfer pricing policies for each business unit and to monitor their correct application across the Group. Additionally, Danone prepares a Country-by-Country Report in line with BEPS Action 13, which is submitted annually to the French tax authorities.

Danone's cross-border transactions mainly consist of royalty payments for the use of centrally owned intangibles. They also include services provided by central teams to local entities, as well as intercompany purchases and sales. These transactions represent approximately 10% of total sales and are fully disclosed to local authorities in accordance with applicable regulations.

On a consolidated basis, Danone monitors the total amount of corporate income tax paid globally. The company is fully committed to transparency with local tax administrations.

Finally, at Danone, we are committed to transparent and responsible tax practices that reflect our broader social and environmental commitments. We regularly engage with a wide range of stakeholders to understand and address tax-related concerns, including notably through our participation to the B Team Responsible Tax Working Group—a multi-stakeholder platform that brings together businesses, civil society, and experts to promote responsible tax conduct.

In addition, Danone provides a confidential and accessible to all platform—the Danone Ethics Line (www.danoneethicsline.com)—for both internal and external stakeholders to raise concerns, including those related to tax matters, in accordance with our whistleblowing policy.

PROPOSE

PROPOSING TAX SOLUTIONS THAT ARE THE MOST RELEVANT TO THE REALITY OF OUR BUSINESS

The Danone Tax Department monitors the tax situation of the group according to the reality of Danone's activities and ensures that the most relevant options are implemented when available according to local laws and regulations.

The mission of the Danone Tax Department also encompasses the monitoring of the payment deadlines for all taxes to ensure an optimized management of the cash.

Due to the complexity of the various tax systems all over the world, multinational groups very often face situations of "double taxation" when the same economic profit is taxed in two different jurisdictions. As part of its mission, the Danone Tax Department seeks to mitigate such situations of "double taxation" by relying on the good application of the tax treaties signed by the countries where Danone operates. When it is necessary, Danone is willing to open mutual agreement procedures that allow competent authorities to interact with the intent to resolve international tax disputes.

The Danone Tax Department is organized through a corporate team and local professionals working closely with the operations.

The Tax Department is in charge of assisting the business in the development of the operations and contributes to the implementation of the most efficient organization. When proposing tax solutions, the Danone Tax Department is committed not to implementing aggressive tax planning schemes that would be disconnected from the conduct of the business or to enter into artificial tax planning arrangements.

In accordance with its social responsibility, Danone also contributes to the public debate. In the field of taxation, Danone regularly participates in consultations initiated by governments, tax authorities and international organizations to help progress towards more effective tax policies (e.g., OECD / IF's Pillar One & Two initiatives). In that sense, Danone notably provides input to governments and international organizations about potential impacts of tax changes to the economic environment.



PROTECT ENSURING PREDICTABILITY FOR THE COMPANY



Finally, the tax policy of Danone aims to provide financial visibility and mid-term projections for the company.

The mission of the Danone Tax Department also encompasses to support this, the Danone Tax Department continuously monitors proposed draft legislation around the world to anticipate the financial impact of changes in tax laws.

In addition, Danone regularly reviews areas of tax risk that may arise from potential challenges to the company's tax positions by local tax authorities. To minimize the risk of the potential tax disputes, the Danone Tax Department is encouraged to proactively engage with local tax authorities whenever possible. Danone tax professionals are committed to sharing information in a cooperative and transparent manner.

However, situations may still occur where the Company's positions are challenged by local tax authorities. Disagreements may result from differing interpretations of local or international tax rules. Jurisdictional conflicts may also lead to disputes over which country should tax a specific item of profit.

As a result, Danone manages tax audits that may be initiated in any country where the company operates. An important mission of the Danone Tax Department is to ensure that all technical questions of the local administration are answered in due time. To monitor tax audits and potential Tax risks, Danone Tax Department puts in place an internal process called Tax Risk Mapping (TRM). When necessary, Danone puts in place specific processes to ensure good application of Tax regulations (e.g., DAC 6 on European Union). In certain cases, this protection of the Company's interests may lead to litigation. The function of the department is then involved in following up on litigation processes initiated locally.

Danone's tax governance and control framework is overseen by the Global Head of Tax, who reports ultimately to the Chief Financial Officer, and is responsible for implementing the Company's tax policy across all geographies.

The framework is embedded within Danone's broader internal control system and includes standardized procedures for tax compliance, risk identification, mitigation plan and reporting. Compliance is evaluated through internal audits and periodic monitoring of key tax controls.

PROTECT

ENSURING PREDICTABILITY FOR THE COMPANY

On March 14, 2019, Danone signed a partnership agreement with the French tax authorities under the “Confiance Plus” program, which promotes transparency, trust, and collaboration between taxpayers and the French tax administration.

As part of this program, Danone maintains an ongoing and transparent dialogue with the French tax authorities regarding both domestic and international tax matters. This partnership aligns naturally with Danone’s tax policy, which prioritizes compliance with applicable tax regulations and the integrity of its technical positions.

In the Netherlands, Danone has maintained a relationship of mutual trust and transparency with the Dutch Tax Authorities since 2011, initially under a voluntary “Horizontal Monitoring” framework. Since 2020, Danone has been subject to an “Individual Monitoring Plan” (IMP), now mandatory for top 100 taxpayers in the Netherlands. The IMP is an evolution of Horizontal Monitoring and is based on joint risk assessments, where Danone and the Dutch Tax Authorities regularly discuss the quality of risk control measures and review tax, business, and other relevant developments.

Transparency remains central to this relationship. The taxes covered under the IMP include VAT, Corporate Income Tax (CIT), and Wage Tax.

These partnerships are fully aligned with Danone’s tax policy, which aims to ensure compliance with applicable tax laws and the accuracy of its technical positions.



TAX CODE OF CONDUCT



CODE OF CONDUCT

GUARANTEE ON DANONE'S TAX REPUTATION



Danone's Tax Code of Conduct aims at setting out the principles which guide our actions and decisions as members of the B Team. This Code details the guiding principles that Danone's Tax teams may know and apply. Obviously, the principles set out below are general and may not be directly applicable to a given specific situation, considering especially the diversity and complexity of circumstances that may arise. But every given situation must be examined in the light of those directing principles, which shall constantly guide our decision-making process in relation with tax matters.

OUR TAX CODE OF CONDUCT TOWARDS THIRD PARTIES

In our dealings with third parties, our attitude shall be open and transparent. Towards the public, we strive to explain our tax policy, while protecting the confidentiality of strategic business information. Towards the tax authorities, we take a cooperative approach within the framework of our regulatory obligations.

COMMUNICATION TOWARDS THE PUBLIC

Tax is a key challenge for the budget of States and a topic of interest to all citizens. Despite its complexity, the taxation of corporations must therefore be subject to explanations. While preserving the confidentiality of business information which may affect their competitiveness, corporations shall communicate on tax matters.

As a listed company, Danone reports its consolidated corporate income tax charge on an annual basis. Reported corporate income tax figures are audited by Danone's external auditors and therefore constitute a reliable and publicly available piece of information. In addition, we are striving to initiate new processes aiming at increasing reported data linked to the distribution of our consolidated corporate income tax charge, with due regard to confidentiality of strategic data.

In addition, we are committed to publish the Danone Tax Policy each year, and to describe our guiding principles in relation with tax matters.



CODE OF CONDUCT

GUARANTEE ON DANONE'S TAX REPUTATION



TRANSPARENCY AND COOPERATION IN OUR DEALINGS WITH TAX AUTHORITIES

We are committed to communicate with the local tax authorities in a transparent and cooperative manner. We comply with all documentation requirements that are imposed in the various countries where we operate. When possible, from a practical and legal standpoint, we strive to answer the tax authorities' requests. In our dealings with the tax authorities, we try to set up a frank and courteous dialogue, with a cooperative mindset. During tax audits taking place at our premises, we make available to the tax administrations the materials resources required for the conduct of their mission.

Furthermore, we are committed to contribute to the open debate relating to corporate taxation. We participate, directly or through professional associations, to public consultations initiated by governments, tax authorities and international organizations, with the objective to support the development of effective tax policies.

CONFORMITY IN OUR DEALINGS WITH PUBLIC AGENTS

In our dealings with public agents, we strictly comply with the Danone's Code of Business Conduct and the Danone's Integrity Policy. Amiable settlements that may be concluded with tax administrations to extinguish tax disputes shall be entered in compliance with local rules and regulations. Discussions initiated with tax administrations with the objective to settle tax disputes shall be conducted with qualified public officials and fully disclosed to their hierarchy. Those discussions shall never give rise to any monetary compensation or other benefits in kind.

CODE OF CONDUCT

GUARANTEE ON DANONE'S TAX REPUTATION

OUR TAX CODE OF CONDUCT TOWARDS THE DANONE COMPANY

When conducting our missions, we constantly keep in mind that we work for Danone's global success. In that sense, our tax decisions are made with due regard to Danone's strategic and operational objectives. We treat our Danone colleagues like internal clients and provide them with our technical support.

ALIGNMENT WITH DANONE'S STRATEGY

The management of Danone's tax affairs shall not be disconnected from the Company's strategy. When making tax decisions, we consider the global impact for Danone, not only financial efficiency. We may opt for solutions that are advantageous from a tax standpoint, but only to the extent that they do not contradict Danone's mission and strategy.

In addition, we make our expertise available to support projects connected to the pursuit of the Danone Dual Project. We contribute to those projects whenever required and engage actively in their implementation.

SUSTAINABILITY OF TAX SOLUTIONS

We make sure that the most relevant tax options are elected for in accordance Danone's business and with applicable laws and regulations. Within that framework, we favor sustainable solutions and do not retain short-term options to the detriment of long-term perspectives. Our tax recommendations shall be aligned with the reality of Danone's operations and the objectives pursued by Danone's activities. We are committed not to implementing aggressive tax strategies that would be disconnected from Danone's operations or to setting up artificial tax schemes.

OPENNESS AND TRANSVERSALITY

We contribute to establishing a collaborative approach within the various departments of Danone. We encourage that collaborative spirit by describing our missions and projects in a clear manner, and we do not confine ourselves to an expert position. We take every opportunity to spread a culture of tax compliance within Danone, especially by explaining our missions to the other departments and operational people.

We show conviction and are able to communicate effectively with non-tax people. We treat our Danone colleagues as internal clients and provide them with our technical support.

IMPLEMENTATION OF THE DANONE TAX POLICY

In all countries, we embrace the guiding principles set out by Danone in relation to tax matters and we apply the Danone Tax Policy. Any decision having a material impact on the local tax position is systematically discussed with the Corporate Tax Team. The members of the Danone Tax Team proactively report any option, decision or scheme which may potentially deviate from the Danone Tax Policy.

In 2022, Danone implemented a new online training regarding Danone Tax Policy that will be proposed to all newcomers. The Corporate Tax Team also organizes regular internal training and webcast to ensure correct application of the group Tax Policy. All newcomers in the Tax department can have access to the Tax Policy, the Tax Code of Conduct, the Tax Transparency report as well as individual onboarding sessions at any time.

CORPORATE SOCIAL RESPONSIBILITY STANDARDS' ALIGNMENT



TAX GOVERNANCE AND APPLICATION OF CORPORATE SOCIAL RESPONSIBILITY STANDARDS

Tax governance is embedded into Danone's engagement for a sustainable business model and to Danone's dual project of economic success and social progress. Danone is applying some external tax responsible standards into its tax strategy and tax communication. Tax responsibility is also part of CSR rating agencies concerns. Danone regularly answer to their request on tax matters in a transparent approach.

 BENEFIT CORPORATION (B CORP)

B Corp is a movement of companies established to meet the highest standards of social and environmental criteria using their business as a force for good. Since 2015, Danone has partnered with B Lab to help define a meaningful and manageable path to certification for multinationals and publicly traded companies, as well as accelerate growth of the B Corp movement into the mainstream. This goal is supported by Danone's decision to become a *Société à Mission* (2020). It is also an expression of Danone's long-time commitment to sustainable business and to Danone's dual project of economic success and social progress.

In order to obtain the B Corp certification, Danone has to comply with certain tax requirements including the publication of its Tax Policy and the Effective Tax Rate.



GLOBAL REPORTING INITIATIVE (GRI) – STANDARD 207 TAX

The Standard GRI-207 is part of the set of GRI Sustainability Reporting Standards (GRI Standards). The Standards are designed to be used by organizations to report about their impacts on the economy, the environment, and society. The standard GRI 207 focuses on the importance of tax as source of government revenue and is central to the fiscal policy and macroeconomic stability of countries.

GRI 207 requires companies to disclose information about their approach to tax, their tax governance including control and risk management as well as the approach of stakeholder engagement. The standard also requires disclosure of financial and tax information on a country-by-country basis where the group operates through the standards GRI 207-4. Danone is increasing compliance with GRI standards on its sustainable reports and Danone will also prioritize these standards for its tax publications in the next few years.

THE B TEAM ►

THE B TEAM - RESPONSIBLE TAX PRINCIPLES

On March 25, 2021, Danone joined a group of companies endorsing the B TEAM responsible tax principles as a blueprint to evolve its own tax policies and practices while advocating for a

fairer and more sustainable global tax system. The B Team has developed a set of responsible tax principles that offer a clear framework for responsible tax practices. B Team's responsible Tax Principles require Danone to include tax as a core part of corporate responsibility and governance, to fully comply with tax legislation of the countries in which Danone operates and to pay the right amount of tax, in the right time, in the right place. The principles are requesting to develop cooperative relationship with tax authorities based on mutual respect, transparency and trust, and therefore to contribute to the development of an effective tax system and legislation around the world. B Team proposes also to provide regular information to our stakeholders, including investors, policy makers, employees, civil society and the general public, about Danone's approach to tax and taxes paid which is of one of the objectives of this tax report.

Danone's Tax Policy and Tax Code of Conduct are deeply inspired by the seven B Team's Responsible Tax Principles.

During the past years, Danone has volunteered before being a pilot for accountability mechanism through a peer review with other B Team members. This initiative shows the willingness of Danone to encourage tax transparency practices.

TAX GOVERNANCE AND APPLICATION OF CORPORATE SOCIAL RESPONSIBILITY STANDARDS

EXTERNAL EVALUATIONS

Danone's commitments and achievements regarding its sustainability priorities are externally assessed. The Environmental, Social and Governance (ESG) ratings, which assess us on our overall sustainability strategy (MSCI, Vigeo-Eiris, Sustainalytics...), address mainly financial audience. These assessments include questions regarding Danone Tax Policy. Others non-financial rating agencies assess us on specific topics such as nutrition and health issues (ATNI), climate change (CDP) or gender equality (Bloomberg Gender Equality Index), address a broader scope of stakeholders.

MOODY'S | ESG Solutions

Danone was last evaluated by **Moody's ESG Solutions** (formerly Vigeo Eiris) in August 2022, as part of the Food sector. With this evaluation, Danone was awarded an overall ESG score of 75/100, considered as "advanced". Danone achieved rank 1/37 in the sector, 4/1616 in the region and 4/4826 in the world.



As of November 2021, Danone obtained a Sector-leader Low Risk Profile for the Food Products industry in the **Sustainalytics** environmental, social and governance (ESG) rating.



Danone maintains a stable rating of AAA (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment in 2022.

MSCI ESG Ratings aims to measure a company's management of financially relevant ESG risks and opportunities. MSCI uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. The ESG Ratings range from leader (AAA, AA), average (A, BBB, BB) to laggard (B, CCC).



For the fourth year in a row, Danone has been highlighted as a world environmental leader with triple 'A' score given by the international non-profit organization **CDP**, whose disclosure and scoring system is recognized as the leading standard of corporate environmental transparency.

Out of the nearly 15,000 companies scored in 2022, Danone is one of the only 13 companies that achieved a place on the A List for the three environmental areas covered by CDP: climate change, forest preservation and water security.

Danone's inclusion once again this year in this A list for each of the three areas is a strong recognition of its environmental actions, and progress towards its ambition of reaching net-zero emissions across its full value chain by 2050.

Danone also continues to record high performance with other external evaluation agencies.

APPENDIX

METHODOLOGY

GLOSSARY



APPENDIX

METHODOLOGY



1) DATA USED FOR THE REPORT

The data included in the section Key Financial Figures and Effective Tax Rate are sourced from the system use for the consolidation of Danone's financial statements. Danone entities report their financial performance IFRS standards. The same source of data is used in the Universal Registration Documentation (URD).

The consolidation system is also used to collect the data reported in the section Total Tax Contribution, without a direct link in the system with the packages used for annual consolidated financial statements. Danone's Tax Department sets an internal process to ensure the collection of the total contribution.

2) SCOPE OF THE ENTITIES IN THE REPORT

The data used in the Report include all fully consolidated companies under the IFRS standards. The report excludes companies consolidated under equity method. Permanent establishments (PE) and branches are reported in the country of activity of the PE or branch.

3) TAX DATA IN THE REPORT

This report is not audited by external auditors. However, the data included in the section Key Financial Figures and Effective Tax Rate are sourced from the system use for the consolidation of Danone's financial statements, that are audited in light of the publication of annual financial statements. Furthermore, Danone puts in place internal process to ensure the accuracy of the Total Tax Contribution figures.

GLOSSARY

Glossary of Key Terms and Acronyms

This section provides definitions of key fiscal and corporate terms used throughout the Tax Transparency Report.

TAX-RELATED TERMS

CORPORATE INCOME TAX

All taxes based on the taxable profits of the Company, as defined by IAS 12, including current and deferred income tax expenses. Corporate Income Tax is paid in all countries where Danone's operations generate business profits. It includes:

- **Current Income Tax**

Tax due on taxable profits for a given accounting period, including taxes for the current and previous fiscal years.

- **Deferred Income Tax**

Tax due on temporary differences between accounting values and tax bases, including deferred taxes related to tax losses carried forward.

PAYROLL TAXES: All taxes and social contributions related to employment.

CUSTOMS & EXCISE DUTIES: Taxes paid on imports and/or the distribution of specific goods, depending on their ingredients or classification.

ENVIRONMENTAL TAXES: Taxes and contributions related to waste management or climate impact.

CONSUMPTION TAXES: Taxes on the sale of goods and services.





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