

DANONE

FOREST POLICY

Our commitment to tackling deforestation, conversion
and land degradation



DECEMBER 2025

DANONE FOREST POLICY

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DANONE FOREST POLICY

Forests are a fundamental pillar of how nature sustains a resilient food system. They support stable weather and climate by acting as a sink for global emissions and influencing rainfall patterns, biodiversity, and flood defenses. At the same time, forests are key to supporting communities and individuals achieve a high quality of life. Over the past few years, we have once again seen how fragile that foundation has become, and how crucial it is to preserve these global assets and embed resilience into everything we do.

At Danone, we recognize the urgency for accelerating protection and restoration of forests worldwide. As a global food company, our operations are dependent on healthy ecosystems. When forests are degraded or collapsed, our raw-material supply chains - and the communities supporting them - become increasingly vulnerable. By strengthening ecosystems and scaling up our actions to prevent deforestation and land conversion, we build resilience across our supply base and lay the foundations for sustainable growth that benefits both people and planet.

Danone's commitment to protect forests globally is reflected in our Forest Policy, first introduced in 2012, and updated in 2022. This Policy has been the catalyst for positive change across Danone and its supply chain, and we are proud of the significant progress made since its last update. After several years of continuous improvements, we achieved close to 100% verified deforestation and conversion free supply chains for our key commodities.

Despite the progress made, we know there is still much more to do, therefore we are reinforcing action and closing gaps on forests throughout our value chain. This updated policy expands the scope of our deforestation and conversion commitments and outlines an approach to building a more resilient business in the face of an increasingly fragile sourcing landscape by 2030. Building on this 2030 ambition, we will detail our planned regeneration projects. These projects will sit at the intersection of our Climate, Nature and People priorities.

Collaboration and transparency remain central to Danone's strategy to achieve our ambition. We will work closely with suppliers as well as local NGOs, indigenous groups and other stakeholders in our sourcing landscapes to ensure the effective and thoughtful delivery of these projects. We will continue to report transparently on our progress year after year.

The growing pressures on today's global food systems call for large-scale, industry-wide change. **We encourage others to join us in strengthening supply chain resilience by eradicating deforestation, conversion and land degradation risks as well as investing in robust, impactful regeneration projects.** Together, we can collectively shift the dial on forest loss while securing supply for our customers for years to come.

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DANONE'S FOREST AND LAND COMMITMENTS

Danone's Forest Policy pillars

Our Forest Policy rests on three key pillars that guide our actions. Our Forest Policy must comply with all applicable laws. If applicable laws set stricter requirements than our policy, they will take precedence.

1. Aiming at maintaining and extending deforestation and conversion free supply chain

We are continuously working towards ensuring our directly sourced forest-risk commodities are verified as deforestation and conversion free¹. We aim to achieve and maintain that all key forest-risk materials are deforestation and conversion-free while upholding Human Rights.

2. Collaboration with responsible suppliers

We will deploy our Human Rights and Environmental Due Diligence (HREDD) process for suppliers in the scope of our Sustainable Sourcing Policy. This ensures that our suppliers have the policies, processes, and management systems needed to deliver deforestation and conversion free supply chains consistent with Danone's commitment. This also allows us to ensure these suppliers meet minimum expectations related to relevant Human Rights principles.

3. Regeneration towards a resilient supply base

We will be supporting production landscape projects that help to conserve and restore vital ecosystems, thereby strengthening their resilience, with a focus (where relevant) on improving farmer livelihoods. Partnerships and coalitions will be central to our impact.

Our 2030 commitments

- We aim at deforestation & conversion free on key commodities by 2030 . A commodity and/or regionally specific cut-off date is present for each commodity, with 31 December 2020 being used, at the latest, when a more specific agreement is not in place.
- We will utilize financial and commercial mechanisms to ensure the necessary actions are in place to support the protection of key landscapes and ecosystems.
- The suppliers in the scope of our Sustainable Sourcing Policy will be engaged in our Human Rights and Environmental Due Diligence process.
- We will work to drive community resilience and respect the Human Rights of all workers directly and indirectly present in our supply chain.
- We will enhance our monitoring, reporting, and verification system, with annual public indicators of progress, grievance management, and the steps taken to correct non-conformances.

Key metrics

- Percentage of verified deforestation and conversion free volumes of all key direct commodities
- Traceability mapping for each commodity
- Suppliers in scope of the Sustainable Sourcing Policy engaged in our Human Rights and Environmental Due Diligence process (in percentage)
- Disclosure on grievances and actions taken within supply chain
- Progress and impacts of our landscape approach to resilience

¹ Danone's journey to achieve and maintain deforestation and conversion free on these key commodities means at least 97% verified deforestation- and conversion free rate, due to the verification process and supply chain constraints

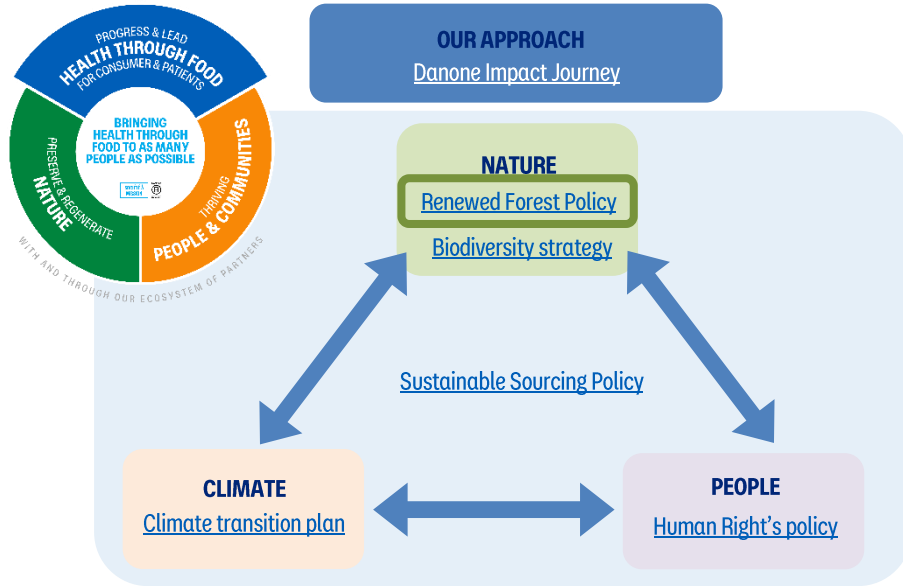
DANONE’S JOURNEY TO ACHIEVE AND MAINTAIN DEFORESTATION AND CONVERSION FREE

2010	Signatory to the Consumer Goods Forum Declaration on Forests Zero net deforestation by 2020
2012	Launch of ‘Danone Forest Policy’ and ‘Paper and Board Policy’²
2014	Signatory to the New York Declaration on Forests
2019	Committed to Science-based Carbon Targets
2020	Commitment milestone 2020 ambition delivered through certification or low risk sourcing of cocoa (80%), paper and board for packaging (98%), palm oil (98%), and soy (100%).
2021	Member of the Consumer Goods Forum Forest Positive Coalition Collaboration with peers begins to focus efforts on landscape scale programmed to drive sector change.
2022	Launch of ‘Danone Renewed Forest Policy’ with 2030 ambition <ul style="list-style-type: none"> - Consolidation of individual commodity policies into a single policy. - Material-level roadmaps for achieving deforestation and conversion free supply chains by 2025. - Introduction of 2030 Forest ambition
2024	Launch of ‘Danone Sustainable Sourcing Policy’ <ul style="list-style-type: none"> - The Sustainable Sourcing Policy represents our enhanced standards for tier 1 suppliers and complements the Danone Sustainability Principles for our business partners, across 3 pillars: Fundamental Social Principles, Fundamental Environmental Principles and Fundamental Business Ethics Principles. Forest expectations are integrated within the Fundamental Environmental Principles and apply to suppliers for whom this risk is material. Other principles based on business relevance and on materiality, such as Human Rights, will apply to these suppliers.
2025	Double materiality assessment of all raw materials was completed. Commitment milestone and launch of updated “Danone Forest Policy” <ul style="list-style-type: none"> - 97.9% of Danone’s key forest risk commodities are verified as deforestation and conversion free - Palm oil and soy used in feed are mapped and risk assessed. - Update of our Forest Policy to strengthen our due diligence, add new commodities in scope of the policy to build greater supply chain resilience.
2030	Regeneration projects delivering the third pillar of Danone Forest Policy

² Danone Renewed Forest Policy has replaced former standalone policies (including Paper and Board Policy)

FOCUSING ON OUR FOREST RISK COMMODITIES

Commercial agriculture is the largest driver for deforestation and land conversion around the world³. Our Forest Policy is embedded in our [Danone Impact Journey](#) and is connected with other policies, forming a comprehensive framework for sustainable sourcing:



Our forest strategy focuses on eight materials identified for their high deforestation and land conversion risks, as well as their relevance to our products. This selection was decided by consultations with our stakeholder network and expert groups. It is consistent with the latest evidence in the WWF Risky Business Report and the EU proposal for deforestation free products. The selection of these commodities was further validated through Danone’s 2024 Double Materiality Assessment⁴, which confirmed their criticality to our business. Our commitment applies across the entire Danone Group, including our own operations, third-party manufacturers, and our broader supply chain.

While we have made significant efforts to ensure that the products we sell are responsibly produced, it is clear that more must be done to tackle deforestation and land conversion, as well as upholding Human Rights and supporting resilient communities that respect indigenous landowners and address climate impact and water scarcity. We will therefore work to address the underlying drivers of these challenges, through our core commitments described on page 5.

Principles we adopt and respect

- No Deforestation, No Peat, No Exploitation (NDPE), as defined by the Accountability Framework initiative
- Free, Prior, Informed Consent (FPIC) and land rights of indigenous population and local communities
- Remediate adverse Human Rights impacts
- Engagement and consultation with Human Rights Defenders, rightsholders and their representatives

³ State of the World’s Forests 2020

⁴ Conducted in line with CSRD requirements

Any case of deforestation or conversion will lead to effective remediation measures implemented through an appropriate remediation plan.

BUILDING ON OUR SUCCESS

For over a decade we have led the transformation of our supply chain to ensure that our products have been produced free of deforestation and land conversion. Throughout this journey, we have pursued a multi-pronged approach to progress towards our goal:

- We have used and promoted **certification** where relevant. This has been transformational for supporting more responsible production practices across a range of impacts alongside verifying deforestation and conversion free production, including human, labor, and indigenous rights.
- Moving to **low-risk areas** where established production systems can reduce pressure on expanding into new areas.
- Working with suppliers that are **aligned with our ambition** for eliminating all forms of deforestation and land conversion from their supply chains.

The lessons we have learned over this period have shown that this combined approach is most successful when we are sourcing raw materials. We face greater challenges in complex supply chains where we are further away from primary producers. Our success in achieving our 2025 commitments for deforestation and conversion free supply chains⁵ has shown that expanding our scope to include materials where we have a more limited scale and influence will require a balanced approach that supports producers.

WE WILL CONTINUE BEING AN ADVOCATE FOR NATURE

While voluntary commitments from companies such as ours are critical, they are not sufficient on their own for delivering the resilient production system we depend on. We believe policy has a fundamental role to play in driving systemic change and creating a level playing field for nations and companies. We will use our voice to call on policymakers to put in place regulatory frameworks that halt and reverse global deforestation and conversion, building off our key policy principles:

- Robust **cooperation** between importing and producing countries (bilateral agreements; capacity support through technical assistance; exchange of information; trade and other incentives; and best-practice sharing in the preservation, conservation, and sustainable use of forests and other high-value ecosystems).
- Supporting suppliers that **share our ambition** for making deforestation- and conversion-free natural commodities the norm
- Supply-side measures including enhanced **traceability requirements** for at-risk natural commodities as a condition for entry to importing countries, including satellite monitoring and points of verification at the first point of aggregation from farms and plantations.
- Demand-side measures including **due diligence** (government mandating of due diligence obligation for companies involved in commodity supply chains, monitoring and collection of industry data)

⁵ Danone's journey to achieve and maintain deforestation and conversion free on these key commodities means at least 97% verified deforestation- and conversion free rate, due to the verification process and supply chain constraints

- Sustainable **finance** measures to encourage investment in sustainable activities and supply chains and support the verification of smallholder farmers and their delivery of human and labor rights.
- Support for **robust verification** systems (via domestic border and trade mechanisms)

FOUNDATIONS OF OUR STRATEGY AND PRINCIPLES FOR DRIVING CHANGE

Delivering deforestation and conversion free

We will address all forms of deforestation and land conversion, regardless of whether it occurs legally or illegally in production regions, in accordance with the definitions agreed within the Accountability Framework initiative (AFi). A commodity and/or regionally specific cut-off date is present for each commodity, with 31 December 2020 being used, at the latest, when a more specific agreement is not in place. We have met our 2025 ambition, with nearly all volumes of our key direct commodities verified as deforestation- and conversion-free across all direct supply chains.⁶ This achievement will be maintained and expanded to include beef, coffee, and soy oil.

Building a forest positive supply chain

We recognize that forests are critical for maintaining a stable climate and agricultural production system. They support communities and offer opportunities to enhance their value through economic initiatives that promote preservation and expansion. Our efforts to build the resilience of these ecosystems will focus on areas and programs that realize the value of forests and native vegetation.

Driving change through collaboration

We will continue to work with our peers and producers to find effective and scalable solutions. These efforts will extend across our sector through the Consumer Goods Forum's Forest Positive Coalition, as well as through commodity-specific channels, such as the Palm Oil Collaboration Group. These channels unlock relationships that can spur innovation through collaboration with the producing regions and smallholders that will join us on this journey.

We have spent years working with our suppliers to transform the specific material flows entering our products to ensure they have been responsibly produced. These supply chain actions demonstrate that it is possible to deliver products that do not adversely impact landscapes and communities. Our efforts will go beyond the specific materials we buy to promote forest positive suppliers and practices throughout production landscapes. It is not just about having deforestation- and conversion-free products.

Build on certification, where it is effective

Traceability and transparency are critical parts of being able to verify that our direct and indirect suppliers are delivering our shared commitments. For some commodities, such as palm oil, certification can play a critical role in rapidly providing an independently verified deforestation and conversion free value chain. Where there are credible paths to transforming production practices

⁶ Danone's journey to achieve and maintain deforestation and conversion free on these key commodities means at least 97% verified deforestation- and conversion free rate, due to the verification process and supply chain constraints

through certification, we will continue to build on our successes and encourage wider adoption as part of the solution.

Regenerating ecosystems, building resilience in our supply base

To build a Forest Positive footprint, we recognize that achieving deforestation-free supply chains must leverage various activities related to protection and restoration management, ensuring forests remain intact and ecosystems functional. As part of our strategy to strengthen long-term supply chain resilience, we are engaging with credible stakeholders, including those within our supply chains, to focus efforts on the commodities and regions most at risk. Our goal is to scale this model by the end of the decade, prioritizing areas where forest ecosystems face the greatest threats and where our actions can deliver the most meaningful impact.

WHAT DOES DANONE MEAN BY A RESPONSIBLE SUPPLIER?

Effective management systems

Policies and processes related to monitoring, reporting and verification, supply chain transparency, and low risk or mitigated sourcing practices are in place and implemented. This may include certification and information that verifies the chain of custody certification and satellite verification of origin production sites.

Proactive implementation

All relevant workers are provided with training to understand root causes and to participate in the review of the effectiveness of existing mitigations.

Reporting and transparency are provided on progress

Suppliers must have a clear roadmap for implementation with key performance indicators that they are measuring and sharing with Danone. This must, at the minimum, include:

- Risk assessment in terms of compliance with their deforestation- and conversion-free policy
- Grievances received and logged concerning their supply chain, and their actions taken to address them
- Material origin to the farm/plantation level
- Percentage of products across their business verified deforestation- and conversion-free

TOWARDS RESILIENCE: A LANDSCAPE APPROACH

Danone recognizes that achieving deforestation- and conversion-free supply chains require more than commodity-level action. Risks originate in complex landscapes where traditional certification or segregation models are not available. To address these challenges, we adopt a landscape approach that focuses on collaboration, regeneration, and resilience.

Alignment and Collective Action

We work with stakeholders through platforms such as the Consumer Goods Forum's Forest Positive Coalition to align definitions, methodologies, and shared goals. This collective approach ensures consistency and amplifies impact across sourcing regions.

Our Ambition

By 2030, we will invest in landscape-level projects that help conserve and restore ecosystems, strengthen farmer livelihoods, and reduce deforestation risks in vulnerable supply chains.

Our efforts are focused on two areas:

- **Complex Supply Chains** – addressing transparency and traceability to identify the areas that present indirect risks to our supply chain
- **High-Risk Areas** – production systems and locations where there is high-risk of deforestation or land conversion

Through partnerships with local communities, NGOs, and industry peers, we will deliver interventions that combine environmental with social and economic benefits, creating resilient sourcing landscapes for the long term.

ACCOUNTABILITY, MONITORING AND VERIFICATION

Danone's Executive Committee is accountable for ensuring the delivery of our Forest Policy. We will monitor progress across all forest-risk commodities and report annually on actions taken, performance against commitments, and corrective measures where needed.

Delivery plans

Each year, we will publish an update to our commodity-specific delivery plans and progress, sharing our updated milestones, reflecting the current performance of our supply chain, and any adjustments made in response to real world developments. For the latest plan, see [Forest Annual update 2024](#).

Methodology

Our methodology will be transparent and public. It will include details on:

- KPI calculations
- Scope descriptions and boundaries
- Evidence and verification expectations
- Sources of information and datasets relied upon for risk assessment

These will be updated, as appropriate, annually in line with our regular reporting.

Core processes

The following are the primary activities of our monitoring approach across all material forest-risk commodities:

- Semi-Annual supplier assessments to verify compliance with vDCF criteria
- Third-party verification of traceability and deforestation-free claims
- Satellite monitoring technology with our external partner to verify and monitor land conversion risk in sourcing areas
- New suppliers onboarded to Human Rights and Environmental Due Diligence process expectations and activities.
- Chain of custody certification validation, where appropriate.
- Regular review of supplier policies and purchasing controls.

- Due diligence and remediation actions taken including receipt of due diligence statements prior to the delivery of materials in regulated markets.

For remaining commodities and supply chains that have not been highlighted in our double materiality assessment as presenting a significant risk of deforestation and conversion, we will monitor the adoption and deployment of our Sustainable Sourcing Policy across relevant Human Rights and Environmental Due Diligence activities.

COMMODITY SPECIFIC APPROACHES

We have developed a holistic approach that is applied across our priority commodity supply chains, with our most significant exposure now being mitigated through active supply chain controls and verification. Danone's journey to achieve and maintain deforestation and conversion free on these key commodities means at least 97% verified deforestation- and conversion free rate, due to the verification process and supply chain constraints.

Each commodity presents specific challenges and opportunities, based on how and where they are produced, the nature of the supply chain, and the existing efforts that have been made to ensure sustainability in particular sectors.

We have therefore created more specific maintenance or delivery roadmaps for each priority commodity and identified collaborative initiatives we will support to help drive progress beyond our own value chain. These roadmaps are set out over the following pages.

PAPER AND BOARD

Timber production is one of the primary drivers of deforestation around the world alongside commercial agriculture. For many organizations, the land use associated with using pulp and paper, such as packaging, can be the biggest contributor to a company's overall land footprint.⁷

What we have achieved: For over a decade, we've been working closely with our suppliers to ensure that our use of pulp and paper does not contribute to deforestation. Thanks to these ongoing efforts, nearly all our volumes are recycled or verified deforestation and conversion free. This achievement has been made possible using credible certification schemes such as the Forest Stewardship Council (FSC), as well as continued engagement with our suppliers to enhance traceability.

How we will go further: Danone will be focusing on expanding our work to work with the most responsible suppliers and systems in addressing the use of timber. In short, we will:

- Expand the use of certified recycled fibers – there are food safety and legal requirements that limit the degree to which recycled material is permitted in packaging that is contact with food products. These are not insurmountable, but innovation is needed to ensure that there are not unintended consequences with alternative material uses.
- Support FSC- paper and packaging supply chains will need to ensure that their facilities can deliver the chain of custody requirements we need to have visibility back to forest for all our pulp and paper needs.
- Support suppliers where credible certifications are not available to prove and claim vDCF supply chains
- Continue working with our suppliers to increase traceability to area of origin, paper and pulp mills.

Reference cut-off date No deforestation or land conversion may have occurred since 1994 (FSC). Global, if no other agreement or law is in place: 31 December 2020

Commitment

1. Maintain vDCF supply chains for paper packaging
2. Maintain country of origin traceability for virgin fibers volumes
3. Work with suppliers to achieve traceability to paper and pulp mill

Additional monitoring and reporting

- Mill and subnational level traceability
- Certification and recycled content levels.

Collaboration

- Improving supply chain capacity to transition to FSC, including encouraging mill certification.
- Joining innovation platforms to enable the use of recycled fibers in relevant applications

⁷ [deforestation fronts_drivers_and_responses_in_a_changing_world_full_report_1.pdf](#) PPP GlobalStudy_Final.pdf

COCOA

More than 90% of cocoa is produced by an estimated 5–6 million smallholder farmers.⁸ While cocoa is less frequently highlighted than palm oil or soy as a deforestation driver, recent research shows that cocoa expansion has caused significant forest loss: in Ghana, approximately 848,000 hectares of forest were cleared for cocoa between 2000 and 2019⁹, and studies confirm cocoa-driven deforestation persists in Côte d'Ivoire and Ghana despite industry commitments. Danone has been engaging as a positive partner in addressing responsible cocoa production through effective certification schemes, such as Rainforest Alliance, for our direct cocoa purchases for over a decade.

What we have achieved: For years, Danone has been supporting certification for our cocoa volumes using a mass-balance system. This type of approach is used to reflect the challenges of operating in a commodity market where cocoa beans from different producers are often mixed at various stages of the supply chain. Recognizing that there's still work to do to ensure all our cocoa is verified DCF, we launched, with the help of external partners, the implementation of satellite monitoring within our supply chains to strengthen traceability and drive further progress.

How we will go further: Danone will continue to work with the major cocoa traders and processors in our direct and indirect supply chains to improve traceability to sourcing areas (e.g. cooperatives, sub-national areas) whilst encouraging them to adopt credible targets that align with our own. In parallel, we will also accelerate the work we have been doing to increase the demand for responsible production. We will also collaborate with branded suppliers and industry stakeholders to support and participate in impactful initiatives that drive tangible transformation on the ground.

Reference cut-off date No deforestation or land conversion may have occurred in Côte d'Ivoire or Ghana since 2018. Global, if no other agreement or law is in place: 31 December 2020

Commitment

1. Achieve and maintain certified cocoa with at least a mass balance scheme, promoting sustainable practices
2. Ensure our strategic suppliers have traceability to farm level
3. When possible, achieve and maintain vDCF supply chains by working with responsible suppliers
4. Support landscape-level initiatives in our sourcing regions to strengthen long-term supply chain resilience.

Collaboration

- Understanding risks in sourcing regions, and the routes for certified material sourcing.
- Unlocking supply chain transparency and traceability from direct and indirect supply chains.
- Satellite monitoring technology with our external partner to verify and monitor land conversion risk in sourcing areas

⁸ [Building a resilient cocoa future through supply chains | World Economic Forum](#)

⁹ [Study reveals the complex causes of deforestation behind cocoa production in Ghana - Insights - Trase](#)

COFFEE

Coffee production has been attributed to significant environmental impacts, particularly when it is produced in tropical regions. Globally, around 60% of coffee is produced by smallholder farmers, often on plots smaller than 0.5 hectares.¹⁰

While many farmers cultivate coffee under shade trees, the expansion of coffee farming into forests continues to drive deforestation. Beyond direct land conversion, indirect pressures such as the rising demand for agricultural land can displace deforestation to other areas, further exacerbating forest loss.

What we have achieved: Since the launch of our Renewed Forest Policy, Danone has been working with our suppliers to map our coffee supply chains and promote Rainforest Alliance segregated certification. All coffee suppliers have been engaged in our semi-annual traceability campaign, allowing Danone to conduct risk assessment on its Supply Chain.

How we will go further: Danone will continue to work with its coffee suppliers to improve traceability to farms whilst. In parallel, we will also accelerate the work we have been doing to increase the demand for responsible production.

Reference cut-off date: No deforestation or land conversion may have occurred since December 2020.

Commitment:

1. Reach vDCF supply chains for coffee
2. Increase traceability to farm level for coffee in our supply chains

Collaboration:

- Contributing to cross-sector initiatives to protect and expand native vegetation and forests.
- Unlocking supply chain transparency and traceability from direct and indirect supply chains.
- Exploration of field-level initiatives in our sourcing regions to strengthen long-term supply chain resilience.

¹⁰ EUDR coffee: A comprehensive guide – Meridia

BEEF

Globally, beef production is responsible for 36% of all agriculture land conversion. The contribution of the beef industry is due to the conversion of forests into cattle pasture, primarily in South America, which amounted to 45.1 million hectares of deforested lands between 2001 and 2015¹¹, nearly twice the size of the UK. Whilst deforestation hotspots vary across agricultural sectors, the footprint of the beef industry is particularly concentrated in the Amazon region. In Brazil, which hosts the largest part of the Amazon rainforest, over half of all deforestation over the past two decades has been directly linked to the expansion of pastureland for cattle grazing.

What we have achieved: In 2024, Danone procurement teams enhanced our supplier engagement on key deforestation requirements, through leveraging our traceability questionnaires and interviews, highlighting our due diligence requirements to align with European Union Deforestation-Free Regulation (EUDR) and Danone Forest policy requirements. Currently our sourcing is located in low-risk deforestation countries. We will maintain a strong engagement with suppliers and leverage our satellite monitoring partners and systems to ringfence our supply chain as deforestation and conversion free, mitigating any potential risk.

How we will go further: We will work with our suppliers to ensure our sourcing remains deforestation and conversion free. This includes working on traceability, especially in areas where risks occur.

Reference cut-off date: No deforestation or land conversion may have occurred since December 2020.

Commitment:

1. Reach and maintain vDCF supply chains for direct cattle
2. Reach and maintain traceability to farm for all volumes, especially geolocation coordinates for all establishments where a cattle has been held.

Collaboration:

- Engage with industry platforms and multi-stakeholder initiatives to harmonize standards and share best practices.
- Collaborate with suppliers and local partners to support capacity building and improve traceability systems.

¹¹ [Deforestation Linked to Agriculture | Global Forest Review](#)

PALM OIL

Palm is the most efficient oil crop per hectare of land use. It has a wide range of uses due to its neutral flavor and can extend the shelf life of products so that they last longer and avoid food waste.

Over 80% of palm oil is grown in Indonesia and Malaysia where production has increased significantly since the turn of the century.¹² Production is concentrated in tropical regions near the equator. The Roundtable for Sustainable Palm Oil (RSPO) promotes responsible production, bringing together stakeholders across the supply chain to implement practices for sustainable and certified palm oil.

What we have achieved: We achieved traceable and verified DCF palm oil. Whilst this does provide us with assurance that nearly all of the palm oil we are using is deforestation- and conversion-free, we know that continuous efforts are necessary to maintain the vDCF palm oil and ensure there is no deviation.

How we will go further: We will maintain traceability from plantation level and engage our suppliers to match our commitments. Transparency is key to ensuring that every upstream company in our value chain has the information needed to demonstrate that deforestation- and conversion-free production is occurring.

Reference cut-off date: No deforestation or land conversion may have occurred since December 2015, or November 2018 (if RSPO certified)

Commitment

1. Maintain RSPO certified palm oil
2. Maintain traceability to Mill and to plantation
3. Maintain vDCF supply chains for palm oil

Additional monitoring and reporting

- Continue to publish the complete list of companies and mills supplying our business
- Publication of the list of plantations involved in our supply chain

Collaboration

- Understanding risks in emerging regions (e.g. Africa), and the routes for certified material sourcing.
- Supporting effective smallholder support programs
- Support adoption of due diligence policies in importing countries
- Satellite monitoring technology with our external partner to verify and monitor land conversion risk in sourcing areas

¹² Palm Oil | USDA Foreign Agricultural Service

SOYBEANS

Soybeans are the most efficient source of protein per hectare in the world. From soy milk to tofu, soybean production is a key part of our global food system, which many depend on.

There are many different agricultural regions that produce soybeans, with the majority coming from North America and South America. However, Europe and Asia are also significant producers, with most soybeans used for our food products coming from these regions.¹³

What we have achieved: As of 2020, 100% of the soybeans used in Alpro's dairy alternative products are traceable to farm, with all soybeans sourced for our Alpro brand being ProTerra certified.

How we will go further: We will continuously work to strengthen engagement with suppliers on deforestation and conversion-free topics, as well as traceability.

Reference cut-off date No deforestation or land conversion may have occurred in the Amazon since 2008. Global, if no other agreement or law is in place: 31 December 2020

Commitment

1. Reach and maintain vDCF supply chains for all soybeans
2. Reach and maintain traceability to subnational level for all soybeans
3. Farm-level traceability for all direct soybeans in high-risk regions* for deforestation and conversion

Collaboration

- Satellite monitoring technology with our external partner to verify and monitor land conversion risk in sourcing areas
- Support adoption of due diligence policies in importing countries

*A register of areas identified as being at high risk of deforestation and conversion will be maintained and updated regularly and will be shared in our Forest annual report.

¹³ Soybeans | USDA Foreign Agricultural Service

SOY AND PALM DERIVATIVES

Palm oil and soy are two of the top seven commodities identified by the EU as being most associated with deforestation. Their production is often associated with the large-scale clearing of tropical forests, particularly in countries such as Indonesia, Malaysia, Brazil, and Argentina. In addition to being used as basic raw materials for our products, both commodities are used to make derivatives that are also embedded in complex supply chains, where bulk processing makes traceability particularly challenging. We have a separate ambition for addressing derivatives associated with these commodities considering the difficulty of getting direct traceability and monitoring.

What we have achieved: Soy and palm derivatives suppliers have been engaged through active mapping and monitoring by Danone. All Soy and Palm derivatives have been involved in our semi-annual traceability campaign.

Danone and other companies recognize that transparency in soy and palm supply chains is essential and are actively collaborating to achieve it. Derivatives supply chains pose complex challenges for the entire industry, making a jointly developed roadmap both necessary and time-intensive.

How we will go further:

For complex supply chains, we will pursue both of the following measures:

- Improvement measures that take steps in each sourcing context to progress towards full (or at least greater levels of) traceability and control.
- Investment measures that address risks and support improvement at the supply chain level.

We will work with the broader industry to push for greater transparency in derivatives supply chains. This builds on work we have already been doing as members of the Consumer Goods Forum (CGF) Forest Positive Coalition, where we are actively engaged with the Soy and Palm working groups.

Reference cut-off date No deforestation or land conversion may have occurred in the Amazon since 2008. Global, if no other agreement or law is in place: 31 December 2020

Commitment

1. Work with suppliers on achieving traceability to country of origin and primary refineries
2. Support certification for derivatives volumes (Mass-balance scheme)
3. Support landscape-level initiatives in our sourcing regions to strengthen long-term supply chain resilience.

Collaboration

- Collaborate with others (eg. peer companies and suppliers in the industry) to help address systemic challenges to traceability and control that require collective solutions.
- Working with suppliers to increase traceability and control over our common supply chains.

ANIMAL FEED

Soy and palm contained within dairy feed (either as meal or oils) often account for around 10% of animal feed. With about 80% of soy produced in the world traded and used within animal feed, the use of these commodities for this purpose should not be overlooked.¹⁴

What we have achieved: In 2025 Danone finalized its mapping and risk assessment for both embedded soy and palm. We've been actively engaged in the Sustainable Agriculture Initiative (SAI) Platform, working directly with farmers to support the transition toward locally sourced feed ingredients, including soy. To advance our DCF goals for animal feed, we've also collaborated closely with our top five dairy ingredient suppliers through the Sustainable Dairy Partnership (SDP). In 2024, these five suppliers completed the foundational elements of the SDP framework, including key actions related to deforestation.

Many companies, including Danone, recognize the need for transparency in soy supply chains and are actively engaged in collaborative initiatives. Embedded soy supply chains present unique challenges for the whole industry, and the roadmap will necessarily need to be built collaboratively and will require time.

How we will go further:

We will pursue both of the following measures:

- Improvement measures that take steps in each sourcing context to progress towards full (or at least greater levels of) traceability and control.
- Investment measures that address risks and support improvement at the supply base level.

We will also continue our efforts to localize feed solutions where relevant. Finally, we will work with the broader industry to push for greater transparency in feed supply chains. This builds on work we have already been doing as members of the Consumer Goods Forum (CGF) Forest Positive Coalition, where we are actively engaged with the Soy and Palm working groups.

Reference cut-off date: No deforestation or land conversion may have occurred since:

- Soy: 31 December 2020 (2008 in the Amazon)
- Palm Oil: December 2015 (November 2018 if RSPO certified)

Commitment

1. Maintenance of mapping and risk assessment
2. Support landscape-level initiatives in our sourcing regions to strengthen long-term supply chain resilience.
3. Reduce feed-related deforestation risk through innovation and reformulation
4. Upskill our partners on feed impacts

Additional Monitoring and Reporting

- Work with our partners to increase traceability of the embedded soy to the country of origin
- Improve data accuracy via farm assessments in priority regions
- Increase traceability of the embedded soy to subnational level/feed maker for strategic dairy farmers

¹⁴ Soy | WWF

Collaboration

- Working with civil society organizations, peers and supply chain actors through multi-stakeholder initiatives to develop risk management approaches, transparency systems and collaboration projects.
- Working with farm upstream suppliers to promote locally sustainably produced protein feed alternatives.
- Maintaining engagement and engaging additional dairy suppliers to promote the SDP through the Sustainable Agriculture Initiative (SAI) platform

CONCLUSION

This Forest Policy sets Danone's long-term ambition to protect and regenerate forests as a cornerstone of resilient food systems. It builds on more than a decade of progress and defines clear pathways to maintain and expand verified deforestation and conversion-free supply chains. Looking ahead, our focus will be on scaling impact through collaboration with suppliers, local communities, and industry partners, while investing in landscape-level initiatives that deliver benefits for nature, climate, and people.

Achieving these goals requires continuous improvement and transparency. We will monitor and report annually on our performance, share lessons learned, and adapt our approach to evolving science and stakeholder expectations. By embedding forest protection into our sourcing practices and governance systems, we aim to strengthen supply chain resilience and contribute to global efforts to halt deforestation and land conversion.

Danone believes that systemic change is only possible through collective action. We call on peers, policymakers, and partners to join us in accelerating solutions that safeguard forests and ecosystems for future generations. Together, we can create a food system that respects planetary boundaries and supports thriving communities.