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FOREST ANNUAL UPDATE 2025



CONTENT

03

**Introduction to
Danone
Commitments**

05

**Danone Forest
Policy
Commitments**

09

**Soy (direct
sourcing)**

13

Palm Oil

21

Paper & Board

27

Cocoa

30

Animal Feed

35

**Cattle (Milk &
Beef)**

39

**Appendix A:
Terminology**

42

**Appendix B:
Methodology**

INTRODUCTION TO DANONE COMMITMENTS

“Forests and land-based ecosystems are crucial for sustaining life on Earth”

Welcome to Danone's 2025 Forest Update Annual Report, highlighting the progress made in fighting deforestation and land conversion, and advancing our commitment to preserve and restore forests and natural ecosystems.

Forests and land-based ecosystems are crucial for sustaining life on Earth, supporting livelihoods, preserving biodiversity, and mitigating climate change. However, the alarming trend of deforestation and land degradation over the past decades poses a significant threat. In 2024 alone, the tropics lost a record-breaking 6.7 million hectares of primary rainforest. This loss is nearly the size of Panama and represents the highest annual loss in at least two decades (WRI, 2025). Recognizing the urgent need to continue and amplify our efforts to protect and restore forests, Danone has made it a central element of our sustainability strategy – [the Danone Impact Journey](#).

[Danone's 2022 Forest Policy](#) outlines our commitment to combat deforestation and land conversion across our supply chain and beyond for the entire sector, reflecting both the environmental and business imperative to safeguard the ecosystems on which we depend. In 2025, we updated the [Policy](#) to strengthen our commitments and provide a clearer roadmap for the years ahead.

Collaboration lies at the core of our approach. Addressing deforestation requires collective action across the value chain, from suppliers to manufacturers. Through strong partnership, we drive progress, scale impact and advance our forest-positive, protecting and restoring land while supporting the livelihoods of smallholders and local communities.

To help raise ambition across the sector, Danone collaborated with the Science Based Targets initiative (SBTi) to develop the FLAG guidance for the forest, land, and agriculture sector. In 2022, we became one of the first two companies globally to set an SBTi-approved near-term 1.5°C FLAG target against our 2020 baseline. Our SBTi target also includes a commitment to achieve no deforestation and no conversion by 2025, using the same cut-off dates as Danone's Forest Policy.

Addressing nature and climate together, in line with the Kunming-Montreal Global Biodiversity Framework, is also central to our approach. Through ongoing engagement with stakeholders, experts and external organizations, we assess biodiversity related-impacts, risks, dependencies, and opportunities across our value chain. In 2024, we our [Biodiversity Strategy](#) and completed a biodiversity double materiality assessment covering all our production sites and the

procurement of key materials and agricultural ingredients.

Danone's responsible sourcing approach is grounded on its [Sustainability Principles](#) that cover labor rights, environmental protection (including preservation of resources, and environmental management, hence covering forest-related commodities), and business ethics topics. In 2022, Danone updated its current Sustainability Principles.

Since 2024, we have started to deploy the [Sustainable Sourcing Policy](#), which will gradually replace the Sustainability Principles. The principles are systematically embedded into a clause in our contracts with direct suppliers, requiring them to align with our sustainability principles. Embedded into the Sustainable Sourcing Policy, Danone published its [Human Rights Policy](#) in 2022, which sets out our commitments to respect human rights across the value chain.

As we continue this journey, we invite you to follow our progress as turn our forest-positive vision into action. Together, we can make a significant difference in combating deforestation and conversion and contributing to a more sustainable future.

DANONE FOREST POLICY: COMMITMENTS & MONITORING APPROACH



Priority
Commodities
& Scope



Soy



Palm Oil



Paper & Board



Cocoa



Animal Feed



Cattle

GENERAL COMMITMENTS & PRINCIPLES

The [Renewed Forest Policy](#) contains specific targets and timelines for five priority commodities: **soy, palm oil, paper and board, cocoa, and animal feed**. We will address all forms of deforestation and land conversion, regardless of it occurring legally or illegally in production regions, in accordance with the definitions agreed within the Accountability Framework initiative.

The Renewed Forest Policy also sets out the following three core pillars:

Clean Supply Chain by 2025	Our direct supply chains will be verified deforestation- and conversion-free as defined by the Accountability Framework initiative (AFi) with a cut-off date of December 31 st , 2020, at the latest, unless a more specific agreement is specified that is in line with our Policy.
Responsible Suppliers by 2025	We will have cascaded DCF commitments in line with our cut-off dates through our direct supply chain.
Towards Regeneration by 2030	We will be supporting landscape projects that protect and help restore vital ecosystems.

These concepts are defined in the annex of this report, see Appendix A: Terminology.

Danone pledges to go further to establish a monitoring, reporting, and verification system, with publicly available indicators of progress, grievances, and steps taken to correct non-conformities. Timelines reflected in our Renewed Forest Policy are aligned with our wider commitments made within the Consumer Goods Forum Forest Positive Coalition, but also with the latest legislation including EU Deforestation free products Regulation that was passed in April 2023.

Our strategy targets five key materials linked to deforestation and land conversion, based on stakeholder consultation and evidence from the WWF Risky Business report and EU deforestation-free products legislation.

All raw materials, not just those in our Renewed Forest Policy, fall under our Sustainable Sourcing Policy. Our commitment applies to Danone Group, including operations, third-party manufacturers, and relevant supply chains.

VERIFIED DEFORESTATION AND CONVERSION FREE METHODOLOGY

In 2025, Danone continued to strengthen its bi-annual traceability process for forest-risk commodities in collaboration with sustainability consultancy 3Keel. Building on 2024 successes, this enhanced twice-yearly approach delivers robust third-party verification and is supported by stricter requirements to track, monitor, and validate the volume, origin, certification status, and deforestation and conversion risks associated with the commodities supplied to Danone.

Furthermore, to meet the required standards outlined in the Renewed Forest Policy, Danone requests direct suppliers to disclose comprehensive data and information, including the volume of commodities supplied, associated certification status, origin of the commodity with **traceability to the most granular point of origin** (from country, sub-national region to mill, plantation and farm).

Based on the data collection, we are able to assess our environmental performance (vDCF) status aligning with the following methodology:

PATHWAY 1

Segregated certification
that provides full DCF
assurance, supported by
evidence

PATHWAY 2

Satellite monitoring with farm-
level geolocation data

PATHWAY 3

Origin from Low-Risk area
with full traceability,
supported by evidence

Furthermore, since 2024, Danone collaborates with two **Satellite monitoring experts**. Our partnerships with Starling, an Airbus and Earthworm foundation co-developed solution, as well as Satelligence, aim at implementing satellite monitoring across our supply chains for priority commodities. This technology enables us to **determine the Deforestation-and Conversion-Free (DCF) status with high accuracy**, to monitor production units more effectively and ensure that volumes are not associated with land conversion. This applies especially for volumes that could not be verified through another pathway. All along the supply chain, we **actively engage with suppliers** to ensure the successful implantation and scale up of this technology.

KEY PROGRESS

Verified Deforestation and Conversion Free (vDCF)

97.9%

on key commodities
in 2025*

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

**palm oil, soybeans, cocoa, paper packaging*

Key commodities and main figures



Traceability and Partnerships

Bi-annual Traceability campaign on volumes, certification and traceability information



Satellite Monitoring on sourcing origin (down to plantations, farms plot)



Building on traceability to develop supply-chain-specific Land Use Change (LUC) emission factors



Landscape Approach

We support landscape projects, in which Danone operates, to protect and help restore vital ecosystems and have a positive impact on the communities' livelihood.



- ★ Siak Pelalawan Landscape program
- ★ L3F BIPOSC Project

SOY (DIRECT SOURCING)

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. Our Direct Soy sourcing is for our plant-based business and one of Danone's brands using soy is Alpro. Since 2020, 100% of the soybeans used in Alpro's products are traceable to farm, with all soybeans sourced for our Alpro brand being ProTerra Segregated certified.

Our commitments regarding soy are:

- 1 100% of direct soybeans traceable to trader and sub-national region by 2023
- 2 Farm-level traceability for all direct soybeans by 2025 in high-risk regions for deforestation and conversion
- 3 Top five direct soybeans suppliers will match our commitments





CLEAN SUPPLY CHAIN

2025 data collection indicates that Danone sourced 52,889 tonnes of soybeans directly :

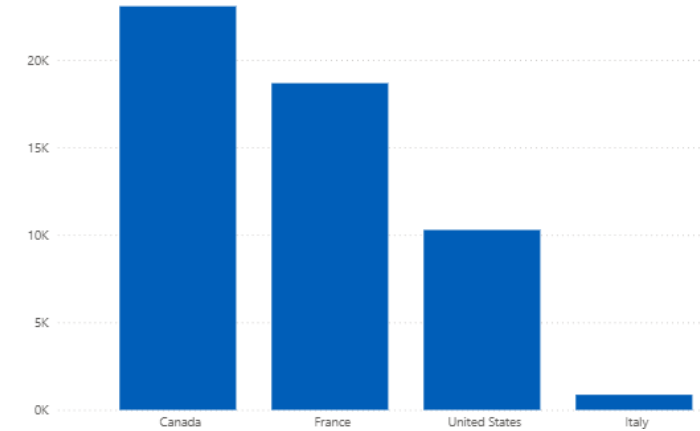
- 47% of soybeans used by Alpro are grown in Europe (France or Italy), and the remaining 53% comes from Canada.
- 100% of Alpro soybeans are ProTerra segregated certified, covering environmental, social and non-GMO criteria.
- Soybeans used by Danone North America are grown in the United States with a small % from Canada; 34% is certified organic and 66% is certified non-GMO.

100% is verified DCF, as all soybeans come from areas with no or negligible risk of deforestation and conversion.

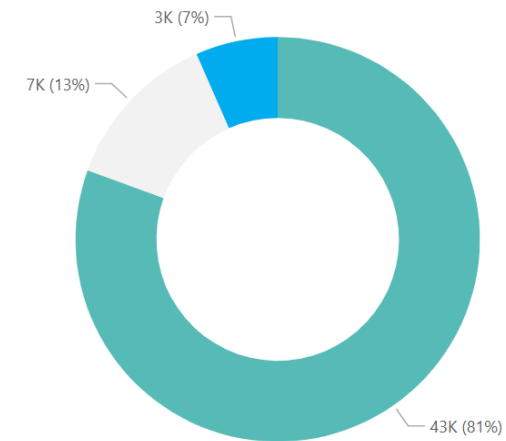
Maintaining our DCF status for soy is crucial for Danone. Therefore, we are continuously working to strengthen engagement with suppliers on deforestation and conversion-free topics, as well as traceability. With our partnerships on Satellite monitoring and enhanced traceability, Danone continue to assess and monitor the risks of deforestation or conversion associated with our sourcing areas and suppliers.

Danone also estimated its soy production footprint at 25.713 hectares using the CGF-FPC methodology (*see Appendix B*) for all direct consumption volumes of soy.

COUNTRIES OF ORIGIN



CERTIFICATIONS



Certification Status ● ProTerra-SG ● Other ● Organic



RESPONSIBLE SUPPLIERS

Danone is strongly committed to responsible sourcing and traceability. We rely on physical certifications, notably Proterra certification, to ensure the sustainability of our supply chain. To assess our commitments, a third-party verification system was implemented in 2022 and reinforced every year since.

In 2024, we improved our traceability campaign from annual to bi-annual, engaging with our suppliers and requesting participation from all our Tier 1 suppliers. The engagement continued in 2025, and the campaigns ran throughout the year aimed to gather information on the volumes sourced in 2025, the policies and commitments in place of our suppliers.

We engage **100% of our direct tier 1** suppliers in this exercise.

Our cut-off date for deforestation and land conversion is set at December 31, 2020, unless national laws or sector agreements establish an earlier date. For Proterra-certified soybeans, the cut-off date aligns with Proterra's standard, set in 2008.





REGENERATION & COALITIONS

Danone is committed to supporting landscape projects by 2030 that help restore vital ecosystems previously impacted by deforestation or land conversion. Our focus is on strengthening farmer livelihoods where relevant. Additionally, Danone uses the [SAI Regenerative agriculture Framework](#), to support developing and support **on-farm programs that help farmers improve their agricultural practices. We ensure these programs support our Forest Policy commitment.**

Two notable projects were underway in 2025:

In April of 2022, during the soybean growing season, Danone North America launched a project to support its local dairy farm network in cultivating food-grade soybeans. By 2023, the initiative had expanded to include over 300 acres across 3 growers. In 2024, it expanded to include over 400 acres. As a result, **10% of NORAM Non-GMO** soybean volumes in 2025 from the 2024 growing season were sourced through this program—vs 4% in 2023—with plans to continue expanding in 2026.

In 2025, Danone launched ‘[Soil4Good](#)’ landscape program, aiming to transition more than 200 farmers in Alsace on soy and corn applying regenerative agriculture practices. Alpro, a Danone brand, and Danone Ecosystem Fund, is partnering with Ingredion, 2 Tier 1 soybean + corn suppliers, local service provider Biospheres and two French public funds. The objective is to equip the farmers to anticipate future risks linked to climate change by improving their farm resilience. By 2027, we expect the program to demonstrate positive impact on Soil health and Water quality, using SAI Regenerating Together Framework.





PALM OIL

Palm oil is the most efficient oil crop per hectare, widely used due to its neutral flavour and ability to extend product shelf life, reducing food waste. Indonesia and Malaysia produce over 80% of palm oil, with significant growth since the 2000s. 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.

Our commitments regarding palm oil are:

- 1 100% RSPO Segregated or Independent Smallholder Credits for all our palm oil use by 2025.
- 2 100% traceability of palm oil to plantation by 2023.
- 3 Top five direct suppliers will match our commitments by 2025.



CLEAN SUPPLY CHAIN

Certification

In 2025, Danone purchased 63,969 tons of palm oil and palm oil fractions worldwide. On full-year basis Danone sourced **94% RSPO Segregated and 2% RSPO Mass Balance**, totalling **96% RSPO certified volumes**. The remaining 4% was conventional palm oil mainly sourced in and used in West-Africa.

We have been working closely with our local teams to progressively close remaining gaps related to conventional palm oil sourcing in markets where access to certified palm oil is more limited. Throughout 2025, and in the context of evolving supply-chain dynamics, Danone continued its efforts to address these identified gaps, while ensuring the continuity of its upstream supply chains. Our focus remains on achieving 100% RSPO certified volumes, needing to establish complex supply chains to achieve this objective.

With nearly all our Palm volumes verified as deforestation and conversion free, Danone has met its ambition. The engagement led at the following levels have been essential to achieve these results:

- 1. Working with our suppliers and teams especially in Africa to ensure Danone facilities are certified and able to claim MB and increase traceability when certification is not available.
- 2. Prioritizing non-compliant suppliers in our supplier engagement roadmap to ensure accelerated compliance with Danone Forest Policy requirements especially in collecting traceability up to plantation;
- 3. Deploying satellite monitoring technology to verify and monitor land conversion risk in sourcing areas.

Through our enhanced traceability program and continued activation of satellite monitoring, Danone especially mitigates the risk of deforestation. Danone achieved 99.7% vDCF palm oil in 2025.

In 2025, **Danone reached 99.7% verified DCF volumes**

	TOTAL VOL (t)	%	CONV (t)	%	RSPO MB (t)	%	RSPO SG (t)	%
PO	49.793	78%	2.340	3.6%	1.351	2.9%	46.102	72.9%
PKO	566	1%	201	0.3%	3	0%	362	1%
Fractions products	13.610	21%					13.610	21%
Total	63.969	100%	2.541	4%	1.354	2%	60.074	94%

PKO: Palm Kernel Oil
PO: Palm Oil



Traceability

Since 2014, Earthworm Foundation supports Danone on palm traceability through a supplier questionnaire (see *Appendix B*). Twice a year, Danone connects with Tier 1 suppliers (11 in 2025) to confirm previous semester volumes. 2025 results show we have **100% Traceability To Mill, 98% Traceability To Plantation**. Recognising that transparency is important to making tangible progress on responsible palm oil, we publish our [Mill & Plantation List](#) each semester on Danone website

Palm Footprint

Danone also estimated its **palm production footprint** at 13.266 hectares using the CGF-FPC methodology (see *Appendix B*) for all direct consumption volumes of palm.

ENGAGING SUPPLIERS BEYOND DCF

Danone's VDCF traceability campaigns provide verified upstream sourcing data at plantation level for palm oil. This data was leveraged by AdAstra to develop supply-chain-specific Land Use Change (LUC) emission factors, replacing generic industry averages with factors grounded in Danone's actual sourcing footprint.

By combining traceability data with Danone's satellite-based deforestation monitoring, AdAstra was able to:

- Link palm volumes to precise geographies and land-use histories
- Differentiate between deforestation-free (vDCF) supply and higher-risk sourcing areas
- Reflect real land conversion dynamics globally across commodities

This approach significantly improves the accuracy of Scope 3 emissions reporting, ensuring that palm-related emissions are based on observed supply chain impacts rather than global assumptions. It also strengthens decision-making by translating traceability, RSPO certification, and vDCF performance into quantifiable climate metrics, enabling more targeted supplier engagement and decarbonization actions.

For palm oil, where emissions from deforestation are highly location-specific, this methodology is critical to ensure credible and actionable carbon accounting.



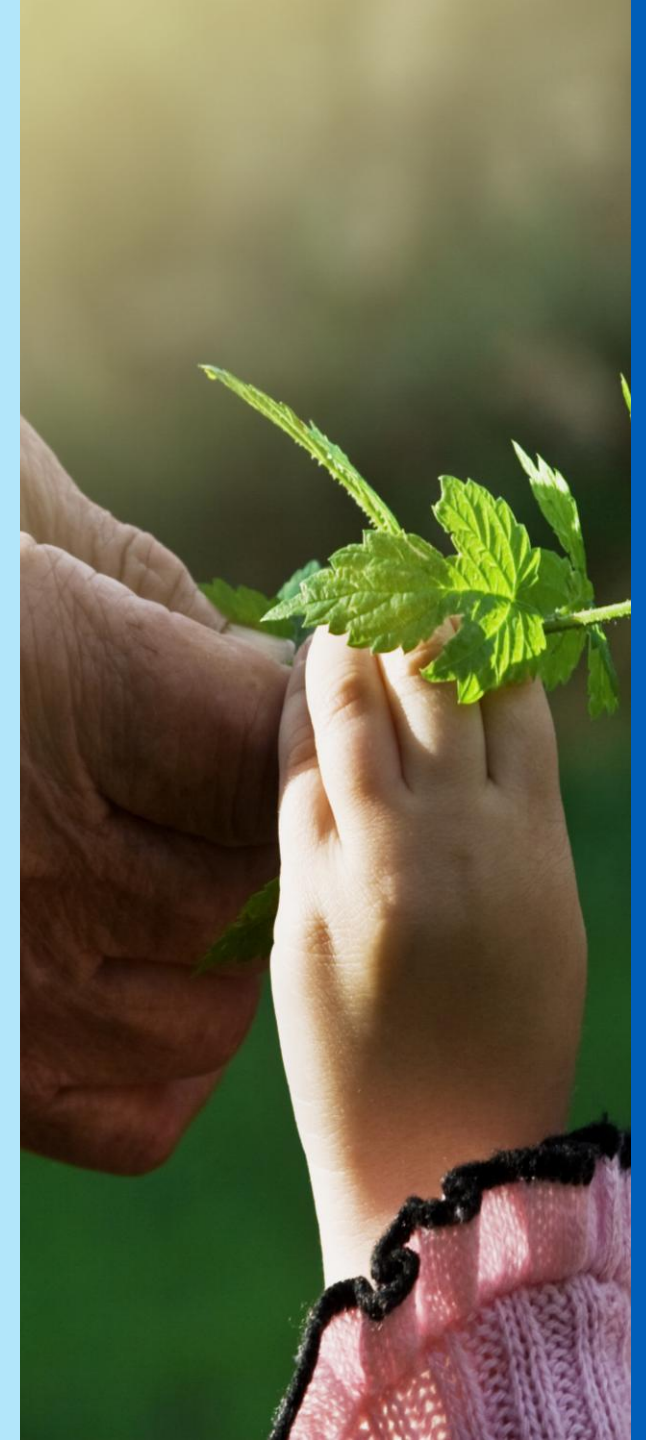
Grievance Process

Since 2019, Danone has implemented a specific [grievance mechanism](#) for palm oil, with the support of the Earthworm Foundation. This mechanism is also being used for other commodities.

A dedicated team meets regularly to address any incoming alerts. When allegations of non-compliance against producers arise, the Group carries out an investigation with support from internal and external experts, and in particular with Tier 1 suppliers involved in the chain when the allegations took place further down the chain (e.g. Tier 3 or 4). If a low-risk non-conformity has been confirmed, Danone asks the producers to develop an action plan to remediate the nonconformity. In the case of a high-risk non-conformity, the Group works with its Tier 1 suppliers and can choose to suspend the non-compliant producers until they demonstrate concrete progress toward their commitments. Danone informs all its active suppliers about the suspension decisions, and the suspended producer is only allowed to re-enter the Group's supply chain after demonstrating progress and, ultimately, with Danone's consent.

In 2025, Danone registered 20 new concerns raised linked to deforestation, human rights violations, or both, 14 of which were related to palm oil and six to other commodities. Out of these, 14 were closed as they were not linked to Danone's supply chain, and six are being investigated. In total, the Group is monitoring nine concerns that have been brought to its attention by organizations such as the Earthworm Foundation, Chain Reaction Research, Global Witness and Friends of the Earth. In line with Danone's grievance mechanism, the concerns raised are being investigated and monitored in dialogue with the parties involved and the supporting NGOs and experts.

In 2025, Danone also reinforced and extended the current grievance risk prevention for paper and board.





REGENERATION & COALITION

By 2030, we commit to supporting landscape projects that protect and help to restore vital ecosystems in areas that have been previously impacted by deforestation or land conversion, with a focus on strengthening farmer livelihoods. (See Appendix A for further definition of restoration)

Furthermore, Danone is working with other palm oil users to promote strengthening their groupwide commitments and actions to become 'responsible suppliers'. Accordingly, we are a member of the CGF Forest Positive Coalition (as a steering member and palm working group).

Danone has chosen to prioritize its direct support to smallholders, for example by investing in landscape projects in high-risk deforestation regions. In 2025, over 9,000 farmers were engaged through two notable landscape projects:

- Siak Pelalawan Landscape Programme (SPLP)
- Livelihoods Fund for Family Farming (L3F) Indonesian Landscape Program



Danone has been a Supporter of the Landscape project called the Siak Pelalawan Landscape Programme (SPLP) since it was launched in 2019 in Indonesia. In 2025, Danone advanced from supporter to Member along Cargill, PepsiCo, Musim Mas, Unilever, Nestlé and L'Oréal. Danone's commitment is on Goal 2: by 2025, for at least 50 high-priority villages in Siak and Pelalawan, the livelihoods of palm oil farmers and their communities have improved. Progress is monitored at least annually.

In 2025, SPLP strengthened smallholder livelihoods across 45 villages in Siak and Pelalawan through training, land-mapping and improved access to legal documentation. A total of 542 smallholders received Good Agricultural Practices (GAP) training, 1,068 smallholders applied for STDB registration, and 802 STDB certificates were issued. SPLP also supported land mapping for 927 farmers, contributing to stronger traceability and enabling access to formal land-use rights and district-level support mechanisms.



Since 2021, Danone has worked with **Livelihoods Fund (L3F)**, Mars Inc, L'Oréal, Musim Mas, SNV and ICRAF to design a Landscape project in **North Sumatra/Indonesia** that demonstrates that a transparent and biodiverse palm oil model is doable for independent smallholders. The Project aims to develop sustainable, deforestation-free and traceable palm supply chains for Mars and Danone, while contributing to the adoption of regenerative agriculture in palm production, to the conservation of forest areas and the rehabilitation of degraded land, the promotion of landscape planning at the level of local authorities and the empowerment of independent smallholders and local communities, which will help to ensure the sustainability of this ambitious transformation project.

Notable achievements in 2025 include a 15–30% productivity increase on regenerative agriculture demonstration plots, a reduction of chemical fertilizer use by up to 30%, and improved soil fertility indicators across intervention areas. Agroforestry models generated significant additional income, reaching up to IDR 31.2 million per hectare annually. Social inclusion outcomes were strong, with 355 women trained in financial literacy, 90 women accessing microcredit, and 25 youth trained as village facilitators acting as local change agents. Overall, the program demonstrated that a holistic, regenerative, and inclusive approach can deliver tangible environmental, economic, and social benefits, providing a scalable model for sustainable palm oil development in Indonesia.

Q LANDSCAPE DEFINITION

ALIGNING ON A COMMON APPROACH

Landscape approaches involve the long-term collaboration of stakeholders within a defined natural or social geography, such as a watershed, biome, jurisdiction, or company sourcing area. These approaches seek to reconcile competing social, economic, and environmental goals via integrated landscape management and multi-stakeholder discussions through which consensus is built across different stakeholders.

from TFA, WWF, Proforest 2020, and CDP 2022



from Proforest

OUR GOLDEN RULES OF A LANDSCAPE APPROACH

A Landscape:

- Is **Anchored** in a geography
- **Assess** to **prioritize** areas for engagement (EG. Threatened natural ecosystems)
- Identifies **systemic risks** in the landscape
- Is with **multistakeholder governance**, with presence of **credible partners in the landscape** (Ngo or service provider ; local government possibly)
- Sets **common goals**, vision and monitor actions & progress
 - Projects need to have a **permanent outcome** (anchored in local communities' lives)
 - Should have **Environmental, Social and Economical objectives**
- Is part of the supply chain of our material commodity (ie. Linked to sourcing areas)

Q LANDSCAPE METHODOLOGY

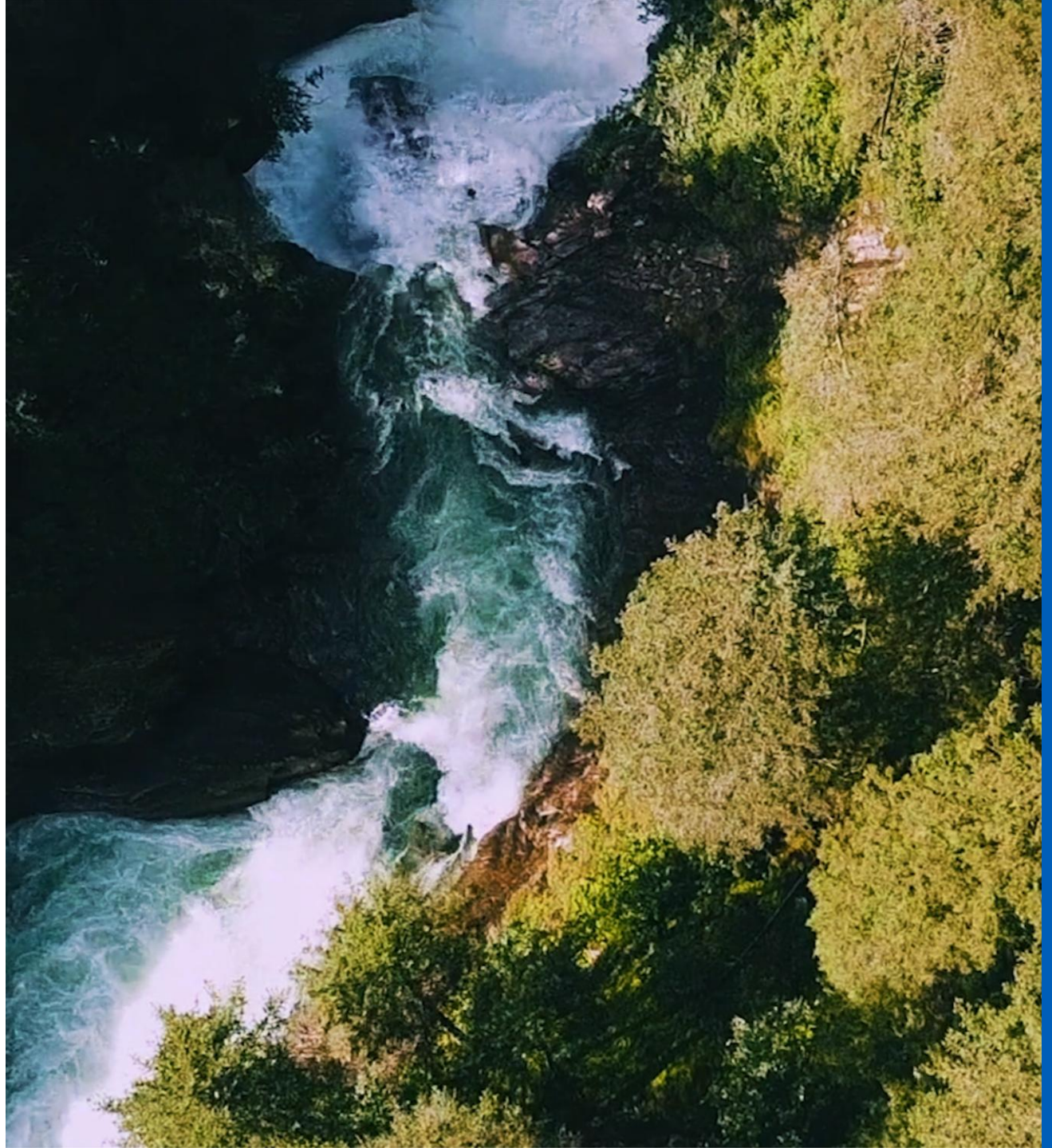
OUR METHODOLOGY FOR PRIORISATION

For Danone, the Landscape approach must involve long-term collaboration of stakeholders within a defined geography that must be linked to our company's sourcing areas. These approaches seek to reconcile social, economic, and environmental goals via integrated landscape management and multi-stakeholder discussions through which consensus is built across different stakeholders (including credible local partners).

To prioritize production landscapes, we:

- Calculated Danone's production-based footprint for key forest-risk commodities, with support from 3Keel through the Forest Positive Coalition (FPC), translating sourced volumes into hectares requiring restoration and conservation.
- Used production footprint data to prioritize the most material supply chains and sourcing regions for engagement.
- Identified priority sourcing landscapes by combining quantitative footprint analysis with supply chain traceability data.

For those priority locations, we aim at understanding the priority areas for engagement across the different pillars: social, economical and environmental with the support of credible and local partners.





COP28 ACTION AGENDA ON REGENERATIVE LANDSCAPES: accelerating the transition

Danone is part of the COP28 Action Agenda on Regenerative Landscapes, a flagship initiative led by the COP28 Presidency, the World Business Council for Sustainable Development (WBCSD) and the Boston Consulting Group (BCG) with the support of the UN High Level Climate Champions (HLCC). This initiative aims to consolidate, accelerate and amplify existing efforts and new commitments to transform large agricultural landscapes into regenerative landscapes by 2030.

A young child with brown hair, wearing a bright yellow quilted jacket, is shown from the chest up, hugging a large, textured tree trunk. The child's eyes are closed and they have a peaceful expression. The background is a soft-focus green forest. The image is positioned on the left side of the slide, partially overlapping the white background and the blue content area.

PAPER & BOARD

Understanding the significant role the pulp and paper industry has played in tropical deforestation, it is crucial to ensure that timber plantation management does not come at the expense of forests, peatlands, and local populations. Danone's overarching strategy is to increase the utilization of recycled fibres to minimise the reliance on virgin fibres and also to progress towards vDCF paper.

Our commitments regarding paper and board are:

- 1 100% of supply FSC, PEFC or SFI (North America) certified or recycled by 2025.
- 2 Top five direct suppliers, by weight, will match our commitments by 2025.
- 3 80% of secondary and tertiary paper packaging by weight contains recycled material by 2025.



CLEAN SUPPLY CHAIN

Certification

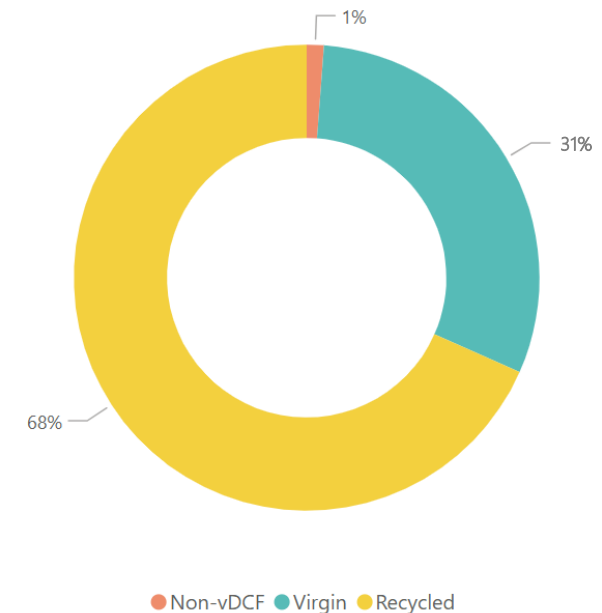
In 2024, Danone renewed its traceability campaign for paper (see Appendix B). In 2025, all Tier 1 suppliers (145 in total) were asked to participate in our renewed Traceability campaign, requiring them to rely on their suppliers to provide traceability information on fibre origin. We also asked them to provide details on their policies and commitments, to make the baseline of what is necessary to cascade DCF principles to the rest of the paper supply chain.

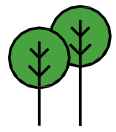
In 2025, Danone purchased **524 ktons of paper (68% recycled and 32% virgin content of which 31% is vDCF)**. With increased traceability, Danone is able to conduct more in-depth risk assessment and verification of DCF. Danone aligns with the DCF methodology of CDP: the total volume of physically (CoC) certified paper, plus the remaining volume of paper assessed from the monitoring of the sourcing area that has no or negligible risk of deforestation or conversion (not from a Forest Risk country).

In 2025, **Danone reached 99% verified DCF volumes** for full scope (recycled and virgin content)

In 2025, as part of our commitment to achieving fully verified DCF sourcing by year-end, we have worked closely with suppliers to expand FSC certification wherever feasible. For remaining virgin paper volumes, we have strengthened traceability, particularly for certain U.S.-based suppliers, where market-specific constraints limit the availability of FSC-certified materials.

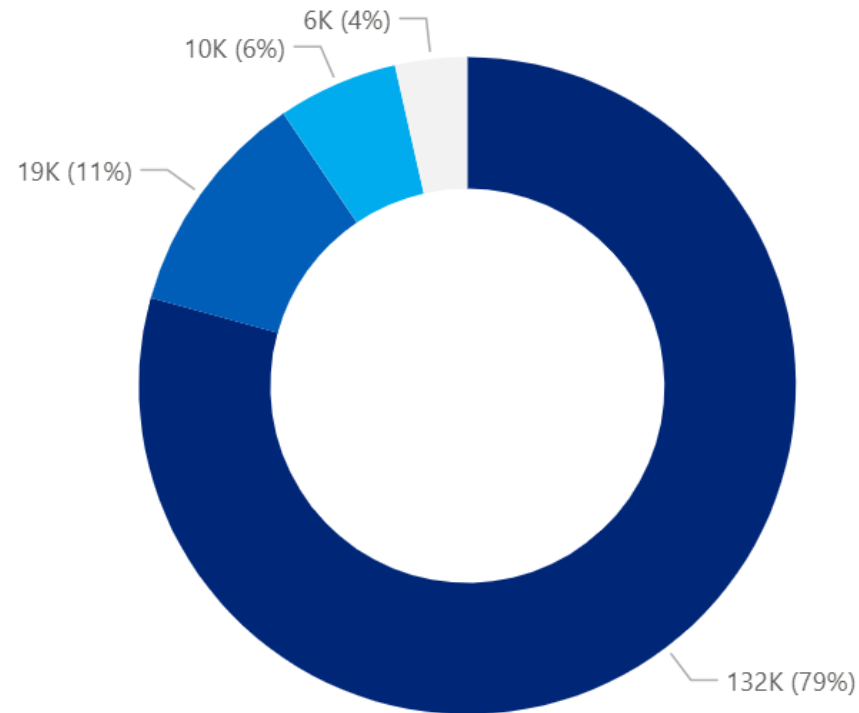
Regarding the certification pathway, Danone's preference is set on FSC as it is the most robust certification and reflects a negligible risk of deforestation. The PEFC and SFI (only for NORAM) certifications give a first guarantee in terms of Forest Management good practices and verification. If Suppliers are providing volumes certified as PEFC or SFI, we are asking additional information to our suppliers on their traceability system and disclosure on their sourcing area to consider them as Low-risk volumes.





CLEAN SUPPLY CHAIN

BREAKDOWN OF VIRGIN CONTENT 2025

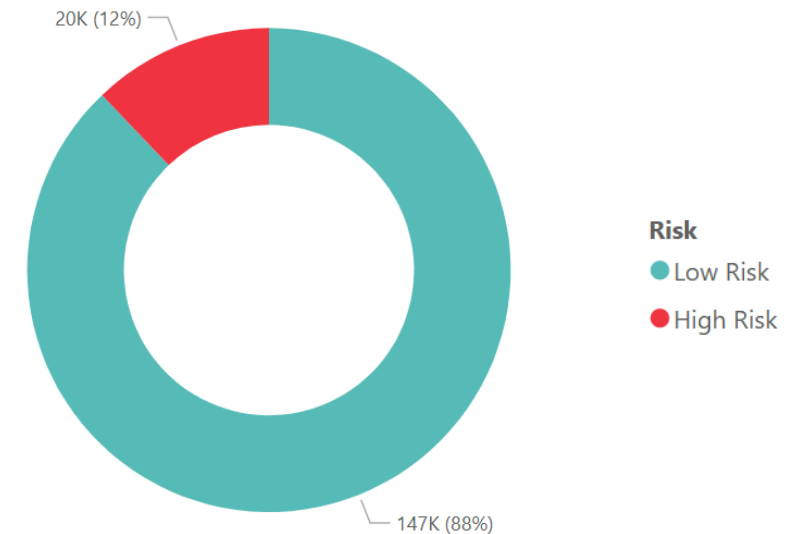


Traceability

Danone conducts a biannual Traceability Campaign, asking suppliers to provide information on volumes, % recycled content, mill location, and certificate number (see Appendix B).

2025 data collection indicates that a total of 20k tons (12%) of our virgin content (166.7k tons) can be traced back to origin in ‘Forest Risk Countries’. We rely on CDP’s High-Risk countries to assess our breakdown (see Appendix A).

BREAKDOWN RISK COUNTRIES OF ORIGIN (VIRGIN CONTENT)



Paper And Board Footprint

Danone also estimated its **paper production footprint** at 26.160 hectares using the CGF-FPC methodology (see Appendix B) for all direct consumption volumes of paper.



CLEAN SUPPLY CHAIN

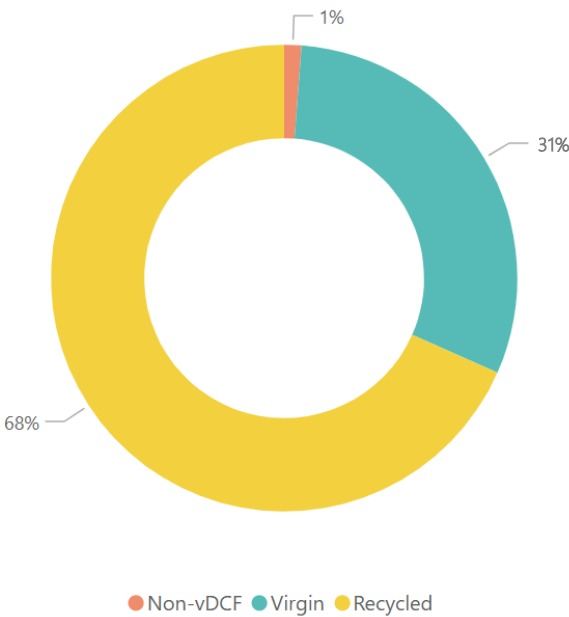
Commitments

100% of supply FSC, PEFC or SFI (North America) certified or recycled by 2025;

In 2025, of the 524 ktons Danone purchased, 68% was recycled. Additionally, we sourced 31% of certified virgin paper (representing 96.5% of our virgin sourcing). The split in certifications in 2025 for **virgin paper** is 79% FSC, 6% PEFC, 11% SFI and 4% is not certified

Achieved in 2024 - 80% of secondary and tertiary paper packaging by weight contains recycled material by 2025;

Our teams have been working on two objectives related to our secondary and tertiary packaging. Firstly, we recognize the importance of reducing paper usage in our packaging whenever feasible. Danone’s teams have initiated projects to make our packaging lighter and minimize paper consumption. Secondly, we are transitioning as much volume as possible to recycled content.





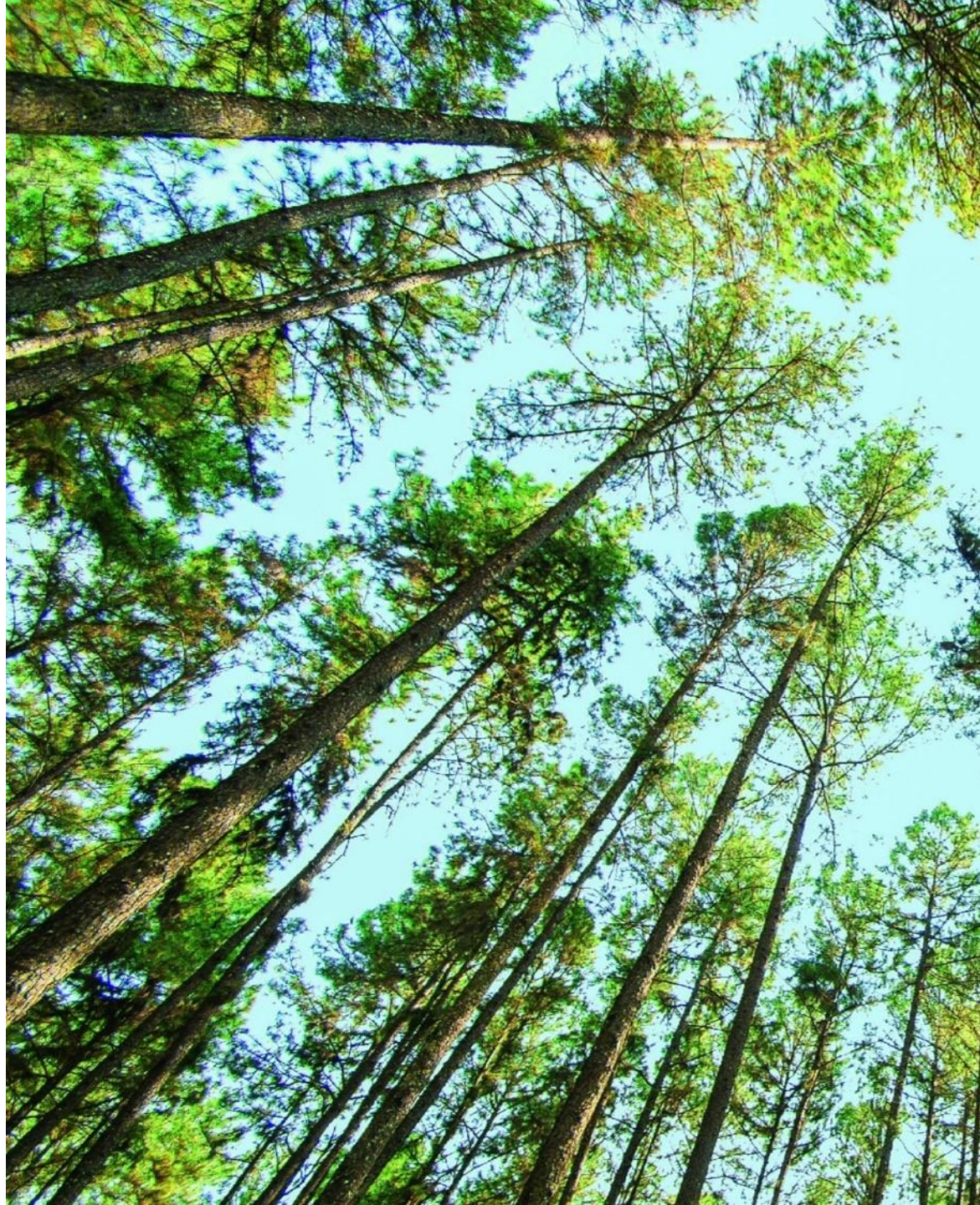
RESPONSIBLE SUPPLIERS

Danone met its 2025 ambition thanks to our ongoing efforts on Supplier engagement, the improvement of technology as well as regulations coming into effect regarding traceability.

Danone engages with our top suppliers with whom we have discussed our Sustainable Sourcing commitments and expectations. These interactions focused on reinforcing the engagement towards our Forest Policy and our new Sustainable Sourcing Policy. Within our Forest Policy, Danone requests suppliers to set their own DCF and Decarbonization commitments across their entire operations. By design, our policies require our suppliers to engage with their upstream supply chain, and we support them to develop public time-bound action plans so that they can effectively cascade the requirements to their suppliers.

On our top 5 suppliers, **100% set their own forest policy** with deforestation free target.

Additionally, we ensure that 100% of our suppliers are engaged on the Forest topic and our traceability campaign. According to our updated traceability campaign (*see Appendix B*), in 2025, a total of 145 suppliers have been engaged.





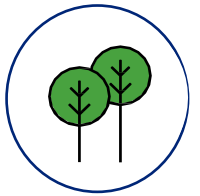
REGENERATION & COALITIONS

Danone collaborates with the supply chain on innovations to reduce forest-related impacts in products and services. We collaborate with indirect suppliers by visiting production locations and developing innovation projects. These initiatives include transitioning to green energy, enhancing paper properties to enable down-gauging, and finding alternatives to plastic.

Furthermore, as a member of the Forest Positive Coalition (FPC), Danone endorsed the Consumer Goods Forum (CGF) and participates actively in achieving zero net deforestation in key commodity sectors by 2025 and in transitioning to forest positive (deforestation- and conversion-free) while taking a more integrated land use approach. In 2023, the CGF Forest Positive Coalition CEOs endorsed the Coalition's revised charter with a clear ambition to strengthen supplier deforestation and conversion free (DCF) performance with 3 main pillars: Clean Supply chain, Clean Suppliers, Regeneration.

Danone leverages the coalition's commodity roadmaps and supplier assessments, focusing on supply chain engagement, transparency & accountability. Danone is member of the steering group and 3 commodity (palm, soy, paper) working groups, where priority actions per commodity are being defined to maximize the impact of the coalitions. In 2025, each working group worked on the priority areas to develop actionable plans and strategies aimed at enhancing sustainability practices. These efforts included certification scheme engagement, country risk and prioritization, identification shared priority suppliers for collective engagement on DCF and collaboration on Landscapes including tools.

Danone collaborates with the World Business Council for Sustainable Development (WBCSD) to advance regenerative landscape approaches by helping shape enabling policy frameworks, finance mechanisms and public-private partnerships that can accelerate the transition to more resilient and sustainable food systems at scale.



COCOA

Deforestation resulting from cocoa sourcing is a significant issue. Between 2002 and 2019, Côte d'Ivoire and Ghana experienced significant forest loss, with 25% and 8% of their primary forests being lost, respectively, largely due to cocoa farming (World Cocoa Foundation, 2023). Therefore, since 2022, Danone has prioritized cocoa as a new key commodity in its Forest Policy.

Our commitments regarding cocoa are:

- 1 100% of cocoa verified deforestation- and conversion-free cocoa by 2025.
- 2 Third-party farm-level traceability for all forms of cocoa.
- 3 Top three direct suppliers will match our commitments by 2025.





CLEAN SUPPLY CHAIN

In 2025, Danone sourced a total of 7,419 tons of cocoa. Of the total amount of cocoa sourced, **83,6% is certified**.

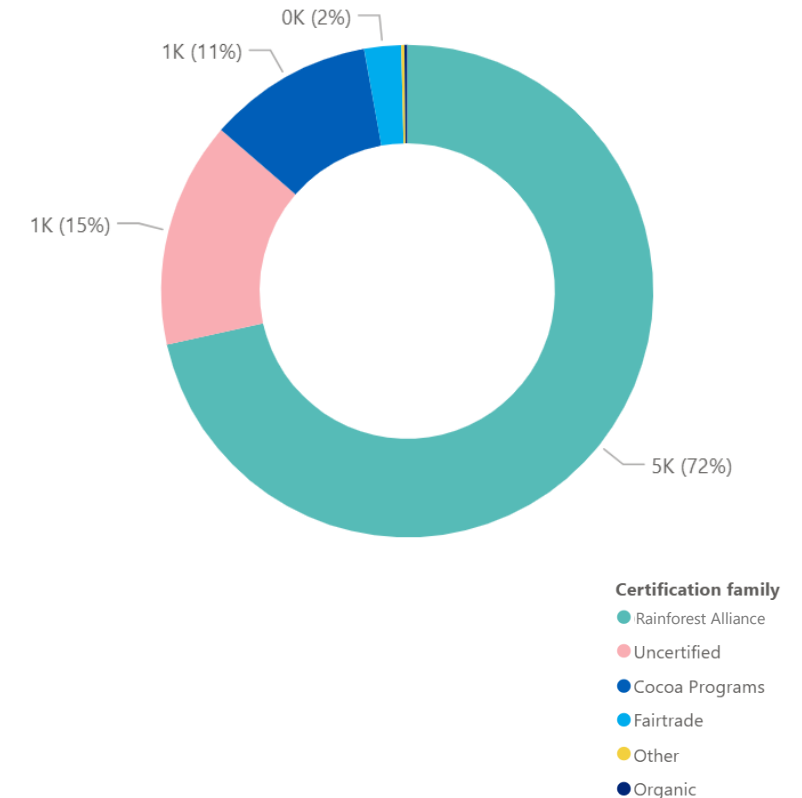
In 2025, we collaborated with our partner 3keel to enhance traceability efforts. A questionnaire was sent to cocoa suppliers to determine the extent of traceability to cocoa farms, suppliers' implementation of deforestation-free supply chain policies, and their transition plans.

Additionally, Danone reinforced, with the help of external partners, the implementation of satellite monitoring within Danone's supply chains. Satellite monitoring for cocoa supply chain is the essential pathway to deliver vDCF cocoa sourcing thanks to improved traceability in Danone's supply chains. In 2025, Danone continued to engage with its cocoa suppliers to enhance the traceability to farm level and implement the satellite monitoring technology.

Our teams furthermore actively worked in transitioning our noncertified cocoa and target to closing the gap towards 100% certified in 2026.

Regarding the origins of the cocoa sourced in 2025, our volumes are sourced from origin 'that includes Indonesia, Cameroon, Ghana, Ivory Coast, Nigeria, Uganda, Congo, Dominican Republic, Colombia, Ecuador, Mexico and Peru.

COCOA CERTIFICATION





RESPONSIBLE SUPPLIERS

Specific requirements apply for cocoa: this includes a strict cut-off date, whereby no deforestation or land conversion should have occurred in Côte d'Ivoire or Ghana since 2018. Globally, in the absence of any other agreements or laws, no deforestation or land conversion should have taken place after December 31, 2020.

In 2025, we continued engaging across our cocoa supply base, with a specific focus on our top suppliers, to share the Danone Forest Policy and Danone's commitment on forest. We worked on co-building a time-bound action plan with clear milestones and have identified several options being explored to reach verified DCF cocoa. Based on 2025 data, we conclude our top cocoa suppliers have published their own commitments or protocols to achieve deforestation free supply chains.

Moving forward, we will continue to collaborate closely with our Suppliers over the coming years to implement these action points.

REGENERATION & COALITIONS

Since 2022, we made to explore cross-sector initiatives aimed at preserving and expanding native vegetation and forests. Collaborating closely with our suppliers, we are actively assessing various initiatives and coalitions that Danone can support to make a significant contribution in protecting ecosystems and combatting deforestation and land conversion in cocoa-producing regions.

In 2025, Danone invested with a supplier in one of our cocoa upstream supply sheds to scale agroforestry practices. These interventions resulted in practices building climate resilience in the supply shed. Impact included 668 hectares restored, 50,000 trees replanted and as a result, 2,500 tCO₂e of carbon sequestered.



ANIMAL FEED

The utilization of soy and palm in animal feed, whether in the form of meals or oils, constitutes a relatively small portion, generally around 10%, of the overall animal feed mix. It is important to recognize that approximately 75% of the world's soy production is traded and utilized specifically within animal feed. Therefore, the significance of these commodities in the context of animal feed should not be underestimated or disregarded.

Our commitments regarding animal feed are:

- 1 100% mapping and risk assessment of animal feed by 2025.
- 2 Working with farmers on local feed or alternative protein transition.
- 3 Preferred commodity trader list for feed suppliers by 2023 and encourage milk producers to only buy feed from traders that meet commitments and/or with credible certification by 2025.
- 4 Top 5 dairy ingredients suppliers engaged within Sustainable Dairy Partnership (SDP) and meeting DCF goals by 2025.





CLEAN SUPPLY CHAIN

Certification

Danone estimates that soy accounts for approximately 10% of the feed consumed by the dairy cows in its supply chain. To identify deforestation risks accurately, Danone has been conducting country by country assessment of soy feed volume mapped through the **Cool Farm Tool**.

At the end of 2025, Danone has analyzed its soy sourcing for 94% of its milk volume through the cool farm tool (Country coverage increased with the inclusion of Kazakhstan, Indonesia & Iran in covered volumes). Further analysis has been done on the remaining 6% to finalize the mapping and risk assessment of all our embedded soy consumption.

Out of the analyzed soy footprint, 45% has been identified as originating from areas at high risk of deforestation. Of these at-risk volumes, 16% are purchased locally in Brazil and Argentina, and these volumes have been verified as deforestation- and conversion-free, either through origin verification confirming sourcing from non-deforested areas or through certification. Out of the 29% remaining, we compensated 100% with RTRS book & claim credits.

VIEW OF MEASURED SOY VOLUMES THROUGH COOL FARM TOOL	2024	2025
Total indirect soy purchased (ktons)	270	271
Non high risk origin (%) on Market Mass Balance	55%	55%
Certified (Mass balance) (%) (including Proterra, RTRS)	9%	16%
High risk volume (100% compensated through RTRS book and claim credits (%))	35%	29%



TRACEABILITY

To identify deforestation risks in its fresh milk collection accurately, since 2017 Danone has been conducting country assessments of soy feed volume using the **Cool Farm Tool (CFT)** worldwide and **CAP2ER tool*** for France and whether there is a risk of deforestation linked to certain origins.

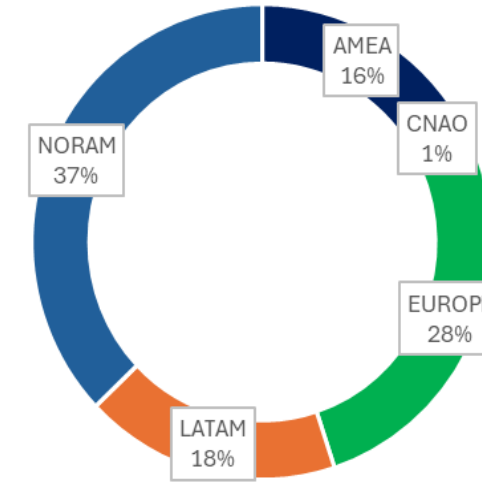
In priority countries, Danone has already made significant progress towards enhanced traceability up to the soybean farm level.

In 2025, Danone launched a pilot project in Argentina, implementing a step-by-step approach to achieving 100% supply chain mapping with supplier engagement. This initiative enabled full traceability to origin and verified the DCF sourcing of domestically grown soybeans used in feed. Building on these results, Danone aims to progressively scale up this approach across relevant geographies in the near term, subject to feasibility and supply chain readiness.

The total soy-based feed (soybean meal, soy hull, soy concentrates) accounts for around 10% of the feed consumed by the dairy cows in its supply chain which are mostly forage-fed (grass and silage) complemented by cereals (in total 85% of diet). Danone aims to continue the expansion of **soy feed mapping** through CFT assessments.

**see page 37 for more information*

REGIONS WHERE THE SOY IS BEING FED



Embedded palm quantification and risk assessment

In 2025, Danone conducted a quantification and risk assessment for its embedded Palm consumption. Due to the complexity of the feed supply chain, and the fact that Danone does not purchase feed directly, our ability to influence this area is limited. We aim to drive progress by actively participating in cross-industry, pre-competitive partnerships aimed at building more transparent and sustainable sector-wide systems.

Our next focus for embedded palm will be on:

- Upskilling our partners on this growing topic
- Improve data accuracy via farm assessments in priority regions
- Collaborate with peers and supply chain actors through multi stakeholder initiatives to develop risk management approaches, transparency systems and collaboration projects.



RESPONSIBLE SUPPLIERS

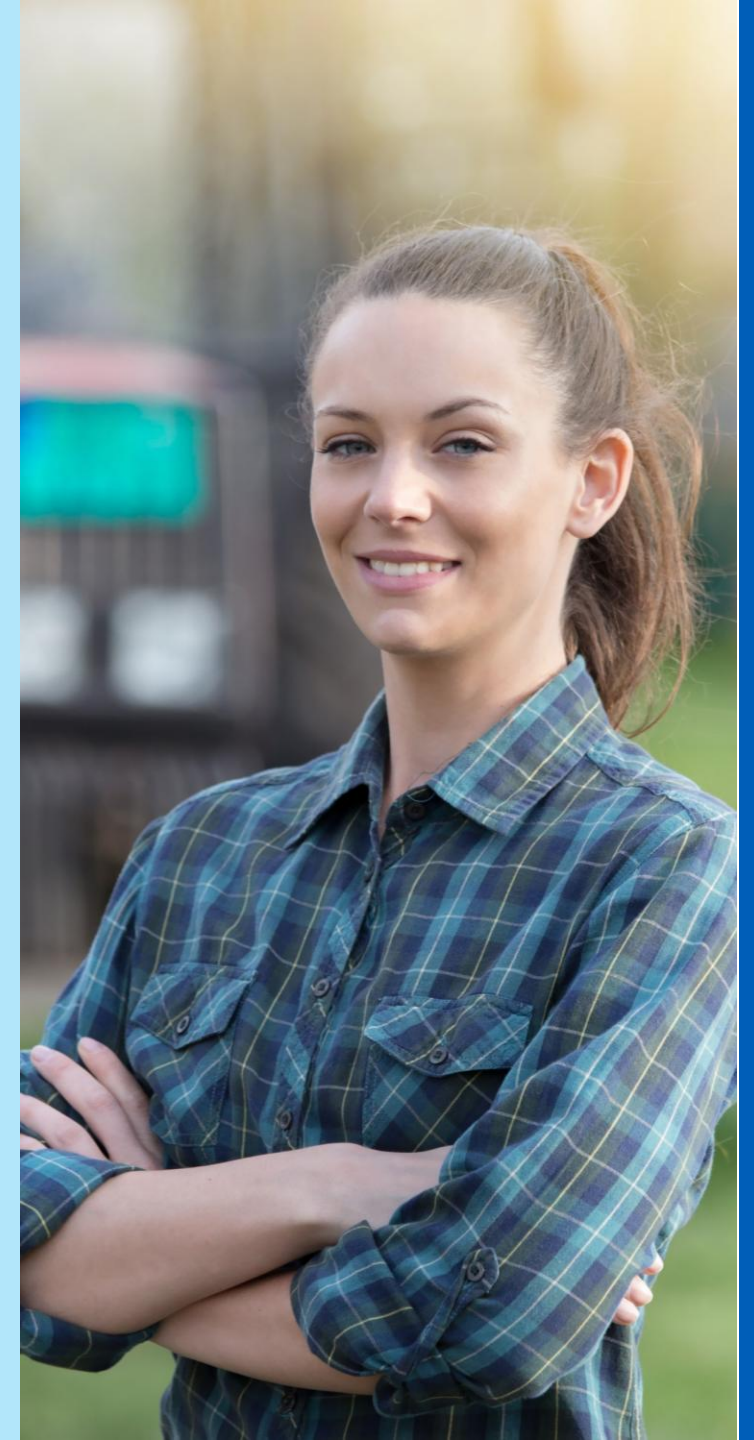
Danone is actively engaged in the **SAI Platform**. In 2022, Danone chaired the Sustainable Dairy Partnership (SDP) and was on the governance committee of the Dairy Working Group (DWG). The DWG started initiated its work in 2021 with an in-depth assessment of the soy supply chain to better understand the roles, constraints and independencies of key actors. Building on this foundation, the group advanced in 2022 towards a more action-oriented approach focusing on identifying root causes and developing a phased pathway towards deforestation-free (DCF) soy in animal feed. This pathway is structured around four pillars: Verification, Engagement, Transparency and Transformation.

Since then, the DWG has shifted its focus from assessment to implementation and scaling. This includes engaging key supply chain actors, from traders to European feed manufacturers, to design and pilot large-scale solutions enabling the sourcing of DCF soy from Brazil to Europe. This work builds on earlier proof-of-concept pilots between European feed manufacturers and dairy companies, demonstrating the feasibility of scaling such approaches across the EU dairy sector.

A key priority has also been to avoid siloed action within the dairy industry. To this end, the DWG has strengthened collaboration with the Consumer Goods Forum Forest Positive Coalition (CGF FPC) on soy. This has included joint discussions on scaling pilots, sharing insights on barriers to DCF soy supply chains, and aligning approaches. In 2024, this collaboration further progressed through alignment on methodologies between SAI and CGF, including knowledge-sharing activities such as a CGF-hosted webinar within the SAI working group.

Danone participates in the working groups of the Forest Positive Coalition (Consumer Goods Forum initiative), which has identified dairy as a priority product. The coalition has also involved other sector initiatives, including the Sustainable Dairy Partnership (SDP) and the UK Soy Manifesto, to explore ways to collaborate. These efforts aim to improve understanding of supply chains, better identify potential DCF pathways, and enhance supplier engagement efficiency.

To meet our DCF goals regarding animal feed, we have been working with our top 5 Dairy ingredients suppliers to engage within Sustainable Dairy Partnership. **Since 2024, our top 5 dairy ingredients suppliers completed foundational elements of SDP**, including on deforestation.





REGENERATION & COALITIONS

Danone is committed to reducing its dependence on imported soy while proactively mitigating the risks associated with sourcing soy from deforestation- and conversion-free supply chains, without compromising performance or causing any loss in milk production. To achieve this, we have undertaken initiatives that focus on **promoting local soy alternatives for cow feeding**, aiming to support farmers in adopting regional sources of protein and improving their feeding practices. When local alternatives are not yet possible, Danone is dedicated to support initiatives having positive impacts in high producing and high-risk areas.

One notable on-farm project, in **Romania**: Danone has implemented comprehensive measures to achieve **autonomy from imported soy across the entire country scope**. We have collaborated with local nutritionists to develop and incorporate alternative feed options such as sunflower and rapeseed cakes into the diet of cows. Simultaneously, we have facilitated the **development of local soy production and processing facilities**, ensuring a sustainable supply chain.

In 2025, we started to engage with a major trader to co-design a landscape program in Brazil and Argentina to support directly farmers to de-risk and accelerate the transition toward regenerative agriculture. Protecting forest in the Cerrado biome. More to come in 2026 !

Other projects to move our volumes to local and enhanced traceable soy projects are running in Algeria and Brazil. Finally, we have soy reduction programs running in Poland, France and Germany.





CATTLE (MILK & BEEF)

Danone recognizes the importance of addressing deforestation within its supply chain and extends this commitment to cattle, which encompasses both milk and beef production. With a firm goal of achieving deforestation and conversion free supply chains, Danone acknowledges the environmental impact of activities such as dairy products and aims to ensure that these practices do not compromise forests, peatlands, and the well-being of local communities.

By reporting on cattle-related deforestation, Danone aims to promote transparency, accountability, and responsible sourcing throughout its entire supply chain, demonstrating its dedication to sustainable practices across all aspects of its operations.



MILK

Clean Supply Chain

About 95% of the partner producers own small family farms with less than 25 cows and are located primarily in emerging countries in Africa and Latin America. These small farms supply about 11% of Danone's total milk volume. Danone also works with farms of all sizes (with herds ranging from a 100 to thousands of cows), which represent about 5% of the Group's fresh milk suppliers and nearly 89% of milk volumes, the latter being generally collected directly by the Group.





REGENERATION & COALITIONS

Danone supports dairy farmers by providing them with training and technical support to transform their practices while ensuring farm profitability and resilience.

In Brazil, the Flora Project (launched in 2020) supports the transition to regenerative dairy farming by promoting sustainability across the value chain while strengthening farm performance, resilience and animal welfare. The project combines technical support, farmer training, access to financing and on-farm implementation of practices such as rotational grazing with tree integration, no-tillage, cover crops and improved manure management. Starting from 22 hectares, it has scaled to around 1,400 hectares by 2025, delivering improvements in soil health, biodiversity, feed autonomy and forage quality. The project has increased no-tillage adoption to 20% and improved participating farmers' income by 14%.

In 2022, Danone Egypt, Danone Ecosystem and Solidaridad launched the Kheir Ardena Project, aiming to enhance local soybean production for smallholder farmers in the Beni Suef and Minya regions of Egypt to improve productivity and resilience, through innovative agricultural practices, climate-resilient strategies, and sustainable resource management. The project supported 3000 farmers to improve their agricultural practices, increasing soy crop productivity by 20-25% and water efficiency by 25%.

Cool Farm Tool & CAP2ER: Since 2017, Danone has been conducting country-by-country assessments on its direct collect milk volumes using the Cool Farm Tool worldwide and the CAP2ER tool in France, to measure GHG at farm level. The CFT was developed and is overseen by a multistakeholder coalition that includes food manufacturers, retailers, input suppliers, NGOs and universities. The tool's strength lies in its global application and it is designed for continuous improvement. In 2025, Danone used CFT (in 20 countries) and CAP2ER in France to monitor the milk collection volumes from farms. Further rollout of CFT is planned to include new geographies in Southeast Asia and India.

In 2025, Danone measured **a decrease of over 1.1 MtCO₂e of its milk emissions**, notably in AMEA region, as a result of its action plans on milk, divesture of Horizon Organic and favorable weather conditions positively impacting yields of feedstocks and overall farm productivity.

Through the **Sustainable Dairy Partnership**, the Group has continued to work for a more sustainable dairy industry by supporting the prevention of deforestation, the protection of human rights and animal welfare and compliance with local legislation. In addition to these collaborative actions, specific tools and methodologies have been deployed and monitored by Danone, including the ones described on the left.

In 2025, **85% of Danone's Dairy Ingredients suppliers** (in volumes) were Sustainable Dairy Partnership members.



BEEF

In 2025, Danone continued to improve traceability by sending a reinforced traceability questionnaire to its beef suppliers. This initiative aimed not only to enhance traceability in the beef supply chain but also to gather information about the suppliers' commitments, policies, and certifications on forest. As a result, this undertaking provided Danone with valuable insights into the practices employed by its beef suppliers to ensure sustainability and responsible sourcing.

In 2025, Danone sourced 891 tons of beef, coming from Ireland, France and Spain.

Moreover, In 2025, 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 EUDR and Danone Forest policy requirements.

On the total amount of beef sourced, **100% is certified** using different schemes such as BRC, IFS or organic certified.

Beef Footprint

Danone also estimated its **beef production footprint** at 4.020 hectares using the CGF-FPC methodology (see Appendix B) for all direct consumption volumes of beef.

COUNTRY OF ORIGIN	VOLUMES 2024 (T)	VOLUMES 2025 (T)
Ireland	263	241
France	241	208
Spain	436	350
Total	940	891

APPENDIX A: TERMINOLOGY

Throughout the report, we made use of several abbreviations and terminology. Let's make sure everyone is on the same page!

Accountability Framework initiative (Afi)	Afi is the framework we draw on for operational guidance, expert knowledge, technology, supplier commitments and credible certification to ensure raw materials we buy do not originate from that landscapes and communities affected by: - Plantings on high carbon stock (HCS) forests or those with high conservation value (HCV); - Planting on peatland, grassland or wetland - Land clearing by burning or cutting; - Exploitation or other human/indigenous rights violations.
Area mass balance	Traders can purchase certified production credits directly from growers, while buying conventionally grown material on the spot market. These credits must originate from growers that operate in the same area from which the materials are sourced. The certificates from the purchase area are administratively connected to the delivery of materials from that area via a mass balance model.
CDP	CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.
CGF	Consumer Goods Forum
Chain of custody	Documented sequence of production, transfer, and sale of commodities from origin to final point of sale.
Cut-off date	The date after which deforestation or conversion renders a given area or production unit non-compliant with no-deforestation or no-conversion commitments, respectively.
DCF	Deforestation- and conversion-free.
Conservation	In the Forest Positive Coalition (FPC) Landscape Ambition, refers to the protection of existing natural ecosystems through an appropriate and effective enforcement mechanism or management plan and/or incentives.

Conversion	“Change of a natural ecosystem to another land use or profound change in the natural ecosystem’s species composition, structure, or function” (Afi , 2023).
Deforestation	“The loss of natural forest as a result of: conversion to agriculture or other non-forest land use; conversion to a plantation; or severe or sustained degradation” (Afi , 2023).
Derivatives	Materials that are derived from core commodities following a manufacturing process to create a co-product that we use.
Forest Risk Countries	Throughout the report, we make a distinction between low and high-risk countries. This regards the risk of deforestation and land conversion in the country. To make this distinction, we maintain the list of forest-risk countries provided by CDP, where a forest-risk country is one of the following tropical and subtropical countries selected based on current and/or future deforestation risk (based on GCP, 2018; WWF, 2015 & TFA, 2019): Angola, Argentina, Australia, Bolivia (Plurinational State of), Brazil, Cambodia, Cameroon, Central African Republic, Colombia, Congo, Côte d'Ivoire, Democratic Republic of the Congo, Ecuador, Gabon, Ghana, Guatemala, Guinea, Guinea-Bissau, Honduras, India, Indonesia, Kenya, Lao People's Democratic Republic, Liberia, Madagascar, Malaysia, Mexico, Mozambique, Myanmar, Nepal, Nicaragua, Nigeria, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Sierra Leone, Thailand, United Republic of Tanzania, Venezuela (Bolivarian Republic of), Viet Nam, Zambia, and Zimbabwe.
FPC	Consumer Goods Forum Forest Positive Coalition, a coalition of 20 CGF member companies.
FSC	Forest Stewardship Council.
L3F	Livelihoods Fund for Family Farming.
Mass balance	Certified and non-certified materials are mixed in the supply chain. An administrative system ensures the output of certified product supplied to customers does not exceed the input of certified materials received at the location.

NDPE	No-deforestation, No-peat and No-exploitation.
NORAM	Zone that includes the United States and Canada.
PEFC	Programme for the Endorsement of Forest Certification.
Physically certified	Materials are certified deforestation- and conversion-free using either an Identity Preserved, Segregated, or Mass Balance system.
ProTerra	Not-for-profit sustainable supply chain organization and provider of the ProTerra certification standard.
Responsible Suppliers	We refer to the definition provided in page 12 of Danone Renewed Forest Policy .
Restoration	In the FPC Landscape Ambition, involves actively rehabilitating degraded or converted lands to bring back ecological functionality and biodiversity.
RSPO	Roundtable on Sustainable Palm Oil, a not-for-profit sustainable palm oil organization and provider of the RSPO certification standard for palm oil.
RTRS	Roundtable on Responsible Soy, a not-for-profit sustainable soy organization and provider of the RTRS certification standard for soy.
Segregated (SG)	Certified materials are separated from non-certified materials throughout the supply chain, such that it can be assured that the product originates from certified sources, though it may not be possible to identify exact source at farm-level.
SFI	Sustainable Forestry Initiative, a certification program in NORAM that is recognized by PEFC.
SPLP	Siak Pelalawan Landscape Program, palm oil project in Riau, Indonesia.
TTM	Traceable To Mill.
TTP	Traceable to Plantation.



APPENDIX B: METHODOLOGY

METHODOLOGIES TO MONITOR OUR PROCESS

Traceability Process

To trace the products sourced by Danone back to their origins, we collaborate with **third-party organizations**.

1) With the support of an external commodities consultancy (3Keel), in 2022 Danone renewed its traceability process for 3 key forest commodities: soy, paper & cocoa.

In 2024 Danone upgraded its traceability process from an annual to bi-annual process. The purpose of this traceability process is to track, monitor and verify the volumes, origin, certification status, and deforestation and conversion risk of these commodities provided to Danone by its suppliers. To meet the required standards outlined in the Renewed Forest Policy, Danone requests all direct suppliers to provide data disclosure in two parts. Firstly, the volume of commodities supplied in FY 2025, associated certification status of these commodities and origin of the commodity including traceability data to country and sub-national region. Secondly, details of the policies, targets, action plans and procedures of suppliers within their own supply chains and for their entire group (not only Danone supply chains). Suppliers were requested to submit datasets via a secure reporting portal, and then 3Keel checked the policy-set data provided by suppliers, including validation checks against reported FY 2025 volumes. Danone buying teams were engaged to provide validation checks for volume disclosure and certification claims made by suppliers for FY 2025 volumes.

We actively engage our Tier 1 suppliers in the traceability process on an annual basis, starting in February by identifying relevant contacts and sharing with them in March, the timeline and requirements for the data collections of the year. We are finalizing the

engagement in Q2 when we publish our Forest Update. Any uncertainties or non-compliance issues are addressed with the respective suppliers. We work collaboratively with suppliers to define time-bound targets and ensure compliance with our Forest Policy. For suppliers that require a transitional approach to meet our commitments, we involve their broader Sustainable Sourcing team in our supplier engagement program.

2) **Concerning palm oil:** since 2014, we have had a traceability system in place to map our supply chain at least annually. 2025 full-year results showed that 100% of volumes can be traced to Mill level and 98% to Plantation level. Earthworm Foundation supports Danone on this twice a year, in Q1 and Q3. Danone connects with the suppliers, onboards them in the traceability process and confirms purchased volumes. Earthworm Foundation supports Danone to verify the (certified) volumes, using self-declared data provided by Danone's suppliers, who collect info from Tier 2 onward. Earthworm Foundation compiles the list of mills and plantations from our suppliers and calculates % traceability to mill (TTM) and plantation (TTP). The information is used to monitor compliance with our vDCF commitments set out in Danone's Renewed Forest Policy. Finally, Earthworm Foundation supports us in Grievance monitoring, following our [grievance mechanism](#). Recognizing that transparency is important to making tangible progress on responsible palm oil, Danone publishes the results of our mapping exercise every semester. Please find here the most recent [Palm Oil Mill + Plantation List H1 2025](#).

CGF-FPC methodology used for calculating Forest Commodity Footprints

PALM OIL Footprint

- First, direct palm oil and derivative consumption is converted into land area by first assessing the total volume of material purchased by Danone in the reporting period. This is then converted into 'fresh fruit bunch equivalent' as we buy some processed materials and derivatives that require greater inputs to produce the specific co-products we use in our products. We use industry estimates for the conversion of palm oil and palm kernel oil to fresh fruit bunches using the economic allocation method for co-products.
- Using the fresh fruit bunch equivalent, we determine the land use impact by dividing our demand by the yield efficiency of palm oil in the producing nation. This country-level view allows us to estimate the total hectareage of land connected to our demand using the co-product that drives our overall company material requirements.
- Finally, risk is determined by assessing national level deforestation rates for palm oil to allow us to have an estimated level of deforestation risk.

SOY Footprint

- Direct soy oil and derivative consumption is converted into land area by first assessing the total volume of material purchased by Danone in the reporting period. This is then converted into 'soybean equivalent', as we buy processed materials that require greater inputs to produce the specific co-products we use in our products. We use the RTRS calculator conversion factors to estimate the whole soybean requirements of our demand using the economic allocation method for co-products.
- Using the soybean equivalent we determine the land use impact by dividing our demand by the yield efficiency of soybean production in the producing nation. This country-level view allows us to estimate the total hectareage of land connected to our demand using the co-product that drives our overall company material requirements.
- Finally, risk is then determined by assessing national level deforestation rates for soybeans to allow us to have an estimated level of deforestation risk.

BEEF Footprint

- First, direct beef consumption is converted into land area by first assessing the total volume of material purchased by Danone in the reporting period. This is then converted to beef product land requirement per country (if provided, otherwise average applied) using the WWF Riskier Business report methodology developed by 3Keel with updated FAO data and economic allocation. This method allocates total country pastureland to different grazing animals based on relative feed conversion efficiencies and overall sector production. The national pasture area is apportioned between the three main livestock types: beef cattle, milk cattle and sheep. Economic allocation factors were applied to the area assigned to beef cattle to determine a pasture allocation per product per country, to avoid double counting where multiple products were produced from a country. Average weighted factors were used from a review of allocation methods (Kyttä et al). The area assigned to each product is divided by the national production of that beef product to give a hectare per ton estimate per product per country.
- Finally, risk is then determined by assessing national level deforestation rates to allow us to have an estimated level of deforestation risk.

PAPER and BOARD Footprint

- Paper and board material consumption are converted into land area by first assessing the total volume of mass purchased by Danone in the reporting period. Recycled content mass is deducted from the total tonnage figure. This is then converted into cubic meters as we buy pulp and board which are not directly connected to trees using conversion factors from [Forest Research](#).
- Hectare requirements are determined by using the species-level mean annual increment (MAI) cubic meters per hectare multiplied by the volumetric demand by production region using [FAO conversion factors](#).
- Finally, risk is determined by assessing country-level risk using the designated CDP list.



DANONE
ONE PLANET. ONE HEALTH