
DANONE POLICY ON ADVOCACY



DANONE

Version	2.0
History	June 2017 – version 2 2011 – version 1
Approval procedure	Approved by Danone’s Corporate Compliance & Ethics Board
Target Group	Danone employees company-wide and employees of all agencies engaged in advocacy activities working on the behalf of Danone
Document Owner	Corporate Affairs Department
Level of Confidentiality	External Use
Number of Pages	9
Languages	English

Danone S.A. is the exclusive holder of all copyrights related to this document. All rights reserved.

TABLE OF CONTENTS

01. INTRODUCTION	4
02. POLICY	4
2.1 Targeted stakeholders	
2.2 General principles	
2.3 Specific guidelines related to trade associations	
03. AUTHORIZATION	6
04. STANDARDS	6
05. POLICY FUTURE UPDATES	6
06. APPENDIX	7
6.1 Appendix 1: Danone’s most relevant memberships of trade associations, organizations and business platforms	
6.2 Appendix 2: The United States’ Lobbying Disclosure Act	
6.3 Appendix 3: The EU Transparency Register	

01

INTRODUCTION

This policy applies equally to Danone employees of all companies controlled by Danone's affiliates and subsidiaries and employees of all agencies working on behalf of Danone and its affiliates who are engaged in contact with authorities, organizations and policy makers worldwide – an activity often referred to as lobbying or advocacy.

Nothing in this policy shall be construed as limiting the ability of Danone employees to exercise their rights to express their personal opinions, or support, financially or otherwise, the political candidates of their choice in accordance with the Danone Code of Ethics.

Although there is no universally agreed definition of lobbying, the UK House of Commons Public Administration Select Committee has concluded that “the practice of lobbying in order to influence political decisions is a legitimate and necessary part of the democratic process. Individuals and organizations reasonably want to influence decisions that may affect them, those around them, and their environment. Government in turns needs access to the knowledge and views that lobbying can bring.”

02

POLICY

Targeted stakeholders

The company engages with various stakeholders. When referring to lobbying or advocacy activities, Danone interacts with authorities, scientific societies, trade associations, experts and Non-Governmental Organizations (NGOs).

However, Danone does not use any corporate funds or assets to make political contributions or independent expenditures on behalf of candidates or parties.

General principles

Danone participates in regulation and legislation development as a company or industry member in order to fulfill its mission of “bringing health through food to as many people as possible”. Where the company does engage in advocacy activities, this will be conducted transparently and ethically, with the interests of the consumer in mind and with the will to meet public health goals (of which tackling obesity, mal- or under-nutrition). Stakeholder engagement is embedded in the company's business model: Danone indeed stands firmly by its belief that it is better to walk together than apart, working with local authorities and engaging with other stakeholders in our common quest to find better solutions for health through food. Such partnerships will also allow us to ensure greater relevancy of our actions and a stronger collective impact on the public health and environmental challenges the world is currently facing.

As is true for everything we do, any action undertaken in the context of advocacy activities must comply with Danone's Code of Business Conduct (published externally), Danone's Integrity Policy, Danone's Competition Policy and other relevant internal rules.

Furthermore, any lobbying or advocacy activity conducted by Danone employees or agencies working on behalf of Danone must fully comply with all applicable national and international laws and regulations at all times, and in particular with any and all laws relating to competition and anti-

trust behavior. Danone has signed the so-called “EU Transparency Register” (TR ID number: 65744846168-89) created through an Agreement between the European Parliament and the European Commission on the establishment of a publicly available transparency register for organizations and self-employed individuals engaged in EU policy-making and policy implementation. Registrants commit themselves to abide by a Code of Conduct covering all relations and contacts with the EU institutions. In France, the 2016 Sapin II Law on transparency, the fight against corruption, the modernization of the economy sets new standards of transparency and reporting, including the creation of a national electronic register of representatives of interests with which Danone will comply. Lobbying in the United States is governed by the Lobbying Disclosure Act (LDA). The key elements of the LDA are included in the Appendix.

Various specific position papers given by Danone to government authorities or policy makers are already publicly available on Danone’s website.

Below are some general principles for appropriate behavior:

- **Openness, fairness and transparency**

Whenever Danone employees are in direct contact with government officials and policy makers, they must clearly describe their role within Danone.

In their relationships with government officials and policy makers, Danone employees will act in an honest and honorable way at all times, using good judgement and common sense. They will ensure that the information they impart is correct and accurate, and is presented in a way that does not mislead. Whenever they share information that is an opinion rather than hard facts, they make this perfectly clear to the recipient of the information. Employees will never use dishonest means to obtain information or a decision, nor will they induce government authorities or any other officials to violate applicable rules and standards of behavior.

- **Integrity**

Employees must never, directly or indirectly or through intermediaries, offer or promise any personal or improper financial or other advantage to an official of a government, a government-controlled entity or any other relevant key opinion leader for the purpose of obtaining information or influencing decision-making. Moreover, the Danone employees must refrain from any activity or behavior that could give rise to the appearance or suspicion of such conduct or the attempt thereof. On the contrary, employees should foster an open dialogue and convince by using factual accurate information, compelling evidence and robust arguments. Further information can be found in Danone’s Business Code of Conduct, Danone’s Integrity policy and Danone’s Health Care System (HCS) policy.

Specific guidelines related to trade associations

Danone employees playing an active role as members of trade associations – sector-based, national or international – must have sufficient seniority and authority to participate actively in discussions within the association. When representing the trade association in meetings with government officials or policy makers, Danone employees must also make it clear that they are Danone employees and not employees of the association whose views they are representing.

Information concerning Danone’s most relevant memberships of trade associations can be found in the appendix.

Danone will not tolerate any governance conflict of interest within its different trade associations’ activities and is fully compliant with the competition law rules its trade associations are subject to.

03 AUTHORIZATION

Danone employees and agencies acting on their behalf will not share views, information and facts concerning Danone with government officials and policy makers unless they are authorized to do so by the appropriate Danone entity.

04 STANDARDS

Danone follows the principles of the AA1000 Stakeholder Engagement Standard to structure its stakeholder engagement. This methodology is known and shared with all Danone's regional and local PA offices.

Practical controls are carried out by the Compliance function and by Danone's internal control independently as per DICE (the Danone Internal Control Evaluation methodology) and reported in DanGo (the Danone Governance & Operating Tool).

05 POLICY FUTURE UPDATES

The contents of this document will be assessed every three years to determine whether an update is necessary.

06 APPENDIX

Appendix 1: Danone's most relevant memberships of trade associations, organizations and business platforms

International

- CGF – Consumer Goods Forum
- Ellen McArthur Foundation
- ICBWA – International Council Of Bottled Water Associations
- IDFA – International Dairy Foods Association
- IFM – International Association of Infant Food Manufacturers
- ILSI – International Life Sciences Institute
- IPA – International Probiotics Association
- ISDI – International Special Dietary Foods Industries
- MNI – Medical Nutrition International Industry
- Ramsar
- SAI – Sustainable Agriculture Initiative Platform
- Sustainable Brands
- The Forest Trust
- The Nature Conservancy
- UN Global Compact
- WBCSD – World Business Council for Sustainable Development
- WFA – World Federation of Advertisers

Regional / Local

- AIM – European Brands Association
- ALAIAB – Alianza Latinoamericana de Asociaciones de la Industria de Alimentos y Bebidas
- APIYCNA – Asia Pacific Infant and Young Child Nutrition Association
- Association française des entreprises privées (France)
- Boissons rafraîchissantes de France (France)
- Chambre syndicale des eaux minérales (France)
- Comité France-Chine (France)
- CSR Europe – Corporate Social Responsibility Europe
- EFBW – European Federation of Bottled Water
- EU Platform on Diet, Physical Activity and Health
- EU Pledge
- EDA – European Dairy Association
- EUROOPEN – European Organization for Packaging and the Environment
- Fédération nationale de l'Industrie laitière (France)
- FIA – Food Industry Asia
- FDE – FoodDrinkEurope
- IBWA – International Bottled Water Association (US)
- IFIC – International Food Information Council (US)
- NWA – National WIC Association Business Partner Council (US)
- NYA – National Yogurt Association (US)
- Organic Trade Association (US)
- SNE – Specialised Nutrition Europe
- SyndiFrais (France)
- UNESDA – Union of European Beverages Association

Appendix 2: The United States' Lobbying Disclosure Act

DEFINITIONS:

- Lobbyist – The LDA specifies that a “lobbyist” is anyone who is employed for services that include, over a three-month period. Anyone who:
 - (1) More than one lobbying contact for a client (or, an in-house employee, for the employer) and
 - (2) for whom lobbying activities account for at least 20 percent of the time he or she spends providing services to the employer/client.
- Lobbying Activities – lobbying contacts and efforts in support of such contacts, including preparation and planning activities, research and other background work if it is intended, at the time it is performed, for use in lobbying contacts (including by others).
- Lobbying Contact – a communication (oral, written or electronic) with a covered legislative or executive branch official with regard to:
 - (1) the formulation of Federal legislation, rules, regulations, an Executive Order or policy;
 - (2) the administration of a Federal program or policy, including the negotiation or award of a Federal contract, grant, loan, permit, program or license; or
 - (3) the nomination of anyone subject to Senate confirmation.
- Covered Legislative Branch Official – essentially anyone working in Congress, including all Members of Congress, and any staff person working for a Member of Congress or a Congressional Committee.
- Covered Executive Branch Official – includes:
 - (1) any employees in the Executive Office of the President, including the President and Vice-President;
 - (2) any “schedule C” political appointee;
 - (3) any member of the uniformed services serving at pay grade 0-7 or above (Brigadier General or Rear Admiral and above), and
 - (4) other high-level officials (those paid at levels I-IV of the Executive Schedule). In general, officials of this rank include cabinet-level officials (agency Secretaries), Deputy Secretaries, and in some cases lower-level political appointees, such as Under or Assistant Secretaries.

AS PART OF DANONE’S POLITICAL CONTRIBUTIONS POLICY:

No funds or other assets of Danone may be used to make a contribution to:

- any federal, state, or local political party or candidate for elected office;
- any 527 group, political action committee, or an independent-expenditure-only committee;
- any 501(c)(4) organization to be used for political contributions or independent expenditures; or
- any trade association or 501(c)(6) organization to be used for political contributions or independent expenditures.

Danone's policy prohibits corporate political contributions of all forms including in-kind contributions. No funds or other assets of Danone may be used to make any independent expenditure in support of, or in opposition to, any political party or candidate.

While Danone employees may participate as individual citizens in the political process, decisions to do so are entirely personal and voluntary. Employees engaging in political campaign activities are expected to do so as private citizens, and must at all times make clear that their views and actions are their own, and not those of Danone.

Appendix 3: The EU Transparency Register

The EU Transparency Register is a database that lists organizations that try to influence the law-making and policy implementation process of the EU institutions. The register makes visible what interests are being pursued, by whom and with what budgets. In this way, the register allows for public scrutiny, giving citizens and other interest groups the possibility to track the activities of lobbyists.

SEARCH THE REGISTER:

<http://ec.europa.eu/transparencyregister/public/consultation/search.do?locale=en&reset=>

MEETINGS WITH INTEREST REPRESENTATIVES:

As part of the Commission's commitment to transparency, Commissioners, their cabinet members and Directors-General publish information on meetings held with organizations or self-employed individuals.

Meetings relating to policy-making and implementation in the EU can only take place if the interest representatives are registered in the EU transparency register.

For details, please see the Commission decisions of November 2014: https://ec.europa.eu/info/about-european-union/principles-and-values/transparency/transparency-register_en